

Avivagen Secures First Order of OxC-beta™ Livestock in Malaysia

OTTAWA, Ontario--(BUSINESS WIRE)--December 12, 2019--Avivagen Inc. (TSXV:VIV) (“Avivagen”) is pleased to announce that it has secured its first order for the use of OxC-beta™ Livestock in Malaysia. The 100-kilogram order quickly follows the recent approval of OxC-beta™ Livestock for use in feed for broilers and swine in the country.

“We are very pleased to announce our first order for OxC-beta™ Livestock with TLC Veterinary Services, our distribution partner in Malaysia,” says Kym Anthony, Chief Executive Officer. “As is evident by our experience in the Philippines, we are confident that this initial order will lead to greater demand in Malaysia and expanded use of OxC-beta™ Livestock over time.”

The Malaysian government has stated its intention to move to antibiotic-free chicken production in 2020, representing a new opportunity for growth for Avivagen. In conjunction with this first order in Malaysia, Avivagen has separately secured an additional follow-up order for OxC-beta™ Livestock from its distribution partner in Thailand.

With an estimated total annual feed production of 4.8 million metric tonnes in 2019, the Malaysian market is dominated by feed for poultry broilers and layersⁱ. This demand has been driven by the growing popularity of chicken-based fast food restaurants in the region, including Kentucky Fried Chicken (KFC), Nando's, The Chicken Rice Shop, Kenny Rogers Roasters, and Ayamias.ⁱⁱ TLC Veterinary Services is the principal supplier to farms that supply KFC, the leading fast food chain in Malaysia with over 600 restaurants.ⁱⁱⁱ

About Avivagen

Avivagen is a life sciences corporation focused on developing and commercializing products for livestock, companion animal and human applications that, by safely supporting immune function, promote general health and performance. It is a public corporation traded on the TSX Venture Exchange under the symbol VIV and is headquartered in Ottawa, Canada, based in partnership facilities of the National Research Council of Canada and Charlottetown, Prince Edward Island. For more information, visit www.avivagen.com. The contents of the website are expressly not incorporated by reference in this press release.

About OxC-beta™ Technology and OxC-beta™ Livestock

Avivagen's OxC-beta™ technology is derived from Avivagen discoveries about carotenoids, compounds that give certain fruits and vegetables their bright colours, and is a non-antibiotic means of maintaining optimal health and growth. OxC-beta™ Livestock is a proprietary product shown to be effective and economic as an alternative to the antibiotics commonly added to livestock feeds. OxC-beta™ Livestock is currently available for sale in the Philippines, Taiwan, Thailand, New Zealand, Mexico, Australia, Malaysia and the U.S.

Avivagen's OxC-beta™ Livestock product is safe, effective and could fulfill the global mandate to remove all in-feed antibiotics as growth promoters. Numerous international livestock trials

with poultry and swine using OxC-beta™ Livestock have proven that the product performs as well as, and, sometimes, in some aspects, better than in-feed antibiotics

Forward Looking Statements

This news release includes certain forward-looking statements that are based upon the current expectations of management. Forward-looking statements involve risks and uncertainties associated with the business of Avivagen Inc. and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions “aim”, “anticipate”, “appear”, “believe”, “consider”, “could”, “estimate”, “expect”, “if”, “intend”, “goal”, “hope”, “likely”, “may”, “plan”, “possibly”, “potentially”, “pursue”, “seem”, “should”, “whether”, “will”, “would” and similar expressions. Statements set out in this news release relating to the distribution agreement in Malaysia, the potential for this order to lead to greater demand in Malaysia and expanded use of OxC-beta™ Livestock over time, the possibility for OxC-beta™ Livestock to replace antibiotics in livestock feeds as well as fill a critical need for health support in certain livestock applications where antibiotics are precluded and the size of market opportunities are all forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. For instance, Avivagen’s distribution partner in Malaysia is under no obligation to purchase the product from Avivagen, Avivagen’s products may not gain acceptance in Malaysia or allow Avivagen to take advantage of the Malaysian government’s policy initiatives, Avivagen’s products may not be widely accepted as a replacement for antibiotics in livestock feeds, and the market opportunities may not be as large as Avivagen anticipates due to many factors, many of which are outside of Avivagen’s control. Except as required by law, Avivagen assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

Information as to market size if various jurisdictions is sourced by Avivagen from third parties. While Avivagen believes such third-party sources to be reliable, it has not independently verified such information and readers should not place undue weight on such information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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ⁱ 2019 Alltech Global Feed Survey

ⁱⁱ US-Gain report: Malaysia Grain and Animal Feed-2018 GAIN Report # MY8002

ⁱⁱⁱ <https://kfc.com.my>

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