

Avivagen Inc. Announces Upsize to Previously Announced Bought Deal Unit Offering

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OTTAWA, Ontario--(BUSINESS WIRE)--January 27, 2021--Avivagen Inc. (TSXV:VIV) (“**Avivagen**” or the “**Company**”), a life sciences corporation focused on developing and commercializing products for livestock, companion animal and human applications that safely enhance and support immune function, thereby supporting general health and performance, has announced it has agreed with Bloom Burton Securities Inc. (the “**Underwriter**”) to increase the amount of its previously announced “bought deal” offering of units. The Underwriter has now agreed to purchase, on a “bought deal” basis, 15,000,000 units of the Company (the “**Units**”) at a price of \$0.50 per Unit (the “**Offering Price**”) for aggregate gross proceeds of C\$7,500,000 (the “**Offering**”).

Each Unit shall consist of one common share in the capital of the Company (each a “**Common Share**”) and one half of one Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will be exercisable to acquire one Common Share for a period of 36 months following the closing of the Offering at an exercise price of \$0.75 per share.

The net proceeds of the Offering will be used to fund research and development expenses, sales and marketing costs, product registration, interest expense, working capital and general corporate purposes. The Offering is expected to close on or about February 16, 2021 or such other date as the Company and the Underwriters may agree, and is subject to certain closing conditions, including but not limited to, the receipt of all necessary regulatory, stock exchange and other approvals, including the approval of the TSX Venture Exchange.

In connection with the Offering the Underwriter will receive: (i) a cash fee equal to 7.0% of the gross proceeds of the Offering (including Units sold pursuant to the exercise of the Over-Allotment Option); and (ii) that number of broker warrants equal to 7.0% of the Units sold under the Offering (including Units sold pursuant to the exercise of the Over-Allotment Option), each entitling the holder to acquire one Common Share at the Offering Price for a period of 24 months after the closing.

The Units will be offered pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* to qualify the distribution of the Offered Units in each of the provinces of British Columbia, Alberta, and Ontario, and may be offered in such other jurisdictions as the Company and the Underwriters may agree.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This press release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities in the United States, nor in any other jurisdiction in which such offer, solicitation or sale would be

unlawful. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the Company and management, as well as financial statements.

About Avivagen

Avivagen is a life sciences corporation focused on developing and commercializing products for livestock, companion animal and human applications. By unlocking an overlooked facet of β carotene activity, a path has been opened to safely and economically support immune function, thereby promoting general health and performance in animals. Avivagen 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.

Notice Regarding Forward Looking Statements

This news release contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Avivagen to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include the anticipated closing of the Offering, the anticipated closing date of the Offering, the potential to issue securities in other jurisdictions and the anticipated use of proceeds. The closing of the Offering is subject to a number of customary conditions, including the approval of the applicable securities commissions and the TSX Venture Exchange, some of which are outside the control of Avivagen and the Underwriter. If the Offering does close, circumstances may necessitate or make it desirable that Avivagen use the proceeds of the Offering for different purposes than described above. Readers are directed to the detailed discussion of risk factors related to the Offering that will be set forth in the prospectus filed by Avivagen in connection with the Offering. The forward-looking statements included in this news release are made as of the date of this news release and Avivagen does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

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

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Contacts

Avivagen Inc.
Drew Basek
Director of Investor Relations
100 Sussex Drive, Ottawa, Ontario, Canada K1A 0R6

Kym Anthony
Chief Executive Officer
100 Sussex Drive, Ottawa, Ontario, Canada K1A 0R6
Head Office Phone: 613-949-8164
Website: www.avivagen.com