

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws and may not be offered or sold within the “United States” (as such term is defined in Regulation S under the U.S. Securities Act) or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act) unless an exemption from such registration is available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to or on behalf of U.S. persons. See “Plan of Distribution”.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of the issuer at 100 Sussex Dr, Ottawa, Ontario, K1A 0R6, telephone: 613-702-2908, and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue

February 9, 2021

Avivagen

Avivagen Inc.

\$7,500,000
15,000,000 Units

Price: \$0.50 per Unit

Avivagen Inc. (the “**Company**” or “**Avivagen**” or “**we**” or “**our**”) is hereby qualifying for distribution 15,000,000 units of the Company (the “**Units**”) at a price of \$0.50 per Unit (the “**Offering Price**”). Each Unit consists of one common share of the Company (each, an “**Offered Share**”) and one half (1/2) of one common share purchase warrant of the Company (each whole common share purchase warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one common share of the Company (a “**Warrant Share**”) at an exercise price of \$0.75, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the date that is 36 months after the Closing Date (as defined herein) of the Offering (as defined herein) (the “**Warrant Expiry Time**”). The Units will immediately separate into Offered Shares and Warrants upon issuance. The distribution of the Units and the Broker Warrants (as defined herein) qualified by this short form prospectus is referred to herein as the “**Offering**”. See “*Description of Offered Securities*”.

The outstanding common shares of Avivagen (“**Common Shares**”) are listed and posted for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “VIV”. On February 8, 2021, the last trading day on the TSXV prior to the date of this short form prospectus, the closing price of the Common Shares on the TSXV was \$0.74. The Company has received conditional approval from the TSXV to list the Offered Shares, the Warrant Shares and the Broker Warrant Shares (as defined herein) distributed under this short form prospectus on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV. There can be no assurance that the securities offered pursuant to this short form prospectus will be accepted for listing on the TSXV. The Company does not intend to apply to list the Warrants on any securities exchange. **There will be no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased in the Offering. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation.** See “*Risk Factors*”.

Pursuant to the terms of an underwriting agreement (the “**Underwriting Agreement**”) entered into between the Company and Bloom Burton Securities Inc. (the “**Underwriter**”), the Units will be issued and sold in the provinces of British Columbia, Alberta and Ontario by the Underwriter. See “*Plan of Distribution*”.

An investment in the securities offered hereunder is speculative and involves a high degree of risk. The risk factors identified in this short form prospectus and the documents incorporated by reference herein should be carefully reviewed and evaluated by prospective investors before purchasing the securities being offered hereunder. See “Risk Factors” in this short form prospectus and the documents incorporated by reference herein.

	Price to the Public	Underwriter’s Commission ⁽¹⁾	Net Proceeds to the Company ⁽²⁾
Per Unit ⁽³⁾	\$0.50	\$0.035	\$0.465
Total.....	\$7,500,000	\$525,000	\$6,975,000

Notes:

- (1) The Company has agreed to pay the Underwriter, on the Closing Date, a commission (the “**Underwriter’s Commission**”) equal to 7% of the aggregate gross proceeds of the Offering (or \$0.035 per Unit). In addition to the Underwriter’s Commission, the Company will issue to the Underwriter, on the Closing Date, broker warrants of the Company (“**Broker Warrants**”) to purchase such number of Common Shares (the “**Broker Warrant Shares**”) as is equal to 7% of the aggregate number of Units issued pursuant to the Offering. Each Broker Warrant, shall entitle the Underwriter to acquire one Broker Warrant Share at an exercise price of \$0.50, subject to adjustment, for a period of 24 months following the Closing Date. See “*Plan of Distribution*”. This short form prospectus also qualifies the distribution of the Broker Warrants.
- (2) After deducting the Underwriter’s Commission, but before deducting expenses of the Offering (including listing fees) estimated to be approximately \$263,450 which will be paid from the gross proceeds of the Offering.
- (3) From the Offering Price of \$0.50 per Unit, the Company will allocate \$0.40 to each Offered Share and \$0.10 to each half (1/2) Warrant.

The following table sets out the number of Broker Warrants that may be issued by the Company to the Underwriter:

Underwriter’s Position	Number	Exercise Period	Exercise Price
Broker Warrants	1,050,000 Broker Warrants	24 months following the Closing Date	\$0.50 per Broker Warrant Share

Subscriptions for Units will be received by the Underwriter subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is anticipated that the Offered Shares and Warrants will be issued in “book-entry only” form and represented by a global certificate or certificates, or be represented by uncertificated securities, registered in the name of CDS Clearing and Depositary Services Inc. (“**CDS**”) or its nominee, and will be deposited with CDS. Except in limited circumstances, no beneficial holder of Offered Shares or Warrants will receive definitive certificates representing their interest in the Offered Shares or Warrants. Beneficial holders of Offered Shares or Warrants will receive only a customer confirmation from the Underwriter or another registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares or Warrants is acquired. Certain other holders may receive definitive certificates representing their interests in the Offered Shares or Warrants.

The Offering Price was determined by arm’s length negotiation between the Company and the Underwriter, with reference to the prevailing market price of the Common Shares. It is expected that the Closing Date will occur on or about February 16, 2021, or such other date as the Company and the Underwriter may agree. The Units are to be taken up by the Underwriter on or before the date that is not later than forty-two (42) days after the date of the receipt for this short form prospectus to be prepared in connection with this Offering.

The Underwriter proposes to offer the Units initially at the Offering Price. After the Underwriter has made a reasonable effort to sell all of the Units at the Offering Price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriter will be decreased by the amount that the aggregate price paid by purchasers for the Units is less than the gross proceeds paid by the Underwriter to the Company. See “*Plan of Distribution*”.

The Underwriter, as principal, conditionally offers the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriter in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*”, and subject to approval of certain legal matters on behalf of the Company by LaBarge Weinstein LLP, and on behalf of the Underwriter by Baker & McKenzie LLP.

You should rely only on the information contained or incorporated by reference in this short form prospectus and the documents incorporated by reference herein. The Company and the Underwriter have not authorized anyone to provide purchasers with information different from that contained or incorporated by reference in this short form prospectus and the documents incorporated by reference herein. Information contained on the website of the Company shall not be deemed to be a part of this short form prospectus or incorporated herein by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest under the Offering. The Company is offering to sell, and seeking offers to buy, the Units only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted. The Company does not undertake to update information contained or incorporated by reference in this short form prospectus, except as required by applicable securities laws.

Prospective investors should be aware that the acquisition or disposition of the Units described herein may have tax consequences in Canada. This short form prospectus may not describe these tax consequences fully. You should consult and rely on your own tax advisor with respect to your own particular circumstances. See “Certain Canadian Federal Income Tax Considerations” in this short form prospectus.

Jeffrey Kraws, Chairman and a director of the Company, resides outside of Canada (the “**Non-Resident Director**”) and has appointed the following agent for service of process:

Name of Non-Resident Director	Name and Address of Agent
Jeffrey Kraws	LaBarge Weinstein LLP 800 – 515 Legget Drive Ottawa, ON K2K 3G4

Purchasers are advised that it may not be possible for investors to enforce judgements obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

In this short form prospectus, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. All references to “dollar” or “\$” are to Canadian dollars.

Avivagen’s head and registered office is located at 100 Sussex Drive, Ottawa, Ontario, Canada, K1A 0R6.

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ABOUT THIS PROSPECTUS

General Advisory

A prospective purchaser of Units should read this entire short form prospectus (this “**Prospectus**”), including the documents incorporated herein by reference, and consult its own professional advisors to assess the income tax, legal, risks and other aspects of its investment in the Units.

You should rely only on the information contained in this Prospectus and the documents incorporated herein by reference. Neither the Company nor the Underwriter has authorized anyone to provide you with additional or different information. The information contained in this Prospectus (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus (or the date of the document incorporated by reference, as applicable), regardless of the time of delivery of this Prospectus or any sale of the Units. The Company’s business, financial condition, results of operations and prospects may have changed since such dates. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable Canadian securities laws.

Neither the Company nor the Underwriter is making an offer to sell the Units in any jurisdictions where the offer of sale of the Units is not permitted. For prospective purchasers of Units outside Canada, neither the Company nor the Underwriter has done anything that would permit the Offering or possession or distribution of this Prospectus in any jurisdiction where action for that purpose is required, other than in Canada. Prospective purchasers of Units are required to inform themselves about, and to observe any restrictions relating to, the Offering and the possession or distribution of this Prospectus.

Interpretation

Unless otherwise noted or the context otherwise requires, all references in this Prospectus to “Avivagen”, the “Company”, “we”, “us” and “our” refer to Avivagen Inc.

Presentation of Financial Information

The financial statements of Avivagen incorporated by reference in this Prospectus are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Certain calculations included in tables and other figures in this Prospectus have been rounded for clarity of presentation.

Market and Industry Data

Unless otherwise indicated, information contained in this Prospectus, and the documents incorporated herein by reference, concerning the Company’s industry and the markets in which it plans to operate or seeks to operate, including its general expectations and market position, market opportunities and market share, is based on management studies and estimates, information from independent industry organizations and consultants, and other third-party sources (including industry publications, surveys and forecasts). These reports are subjective and speak as of their original publication dates, which in some cases may be prior to changes in market conditions resulting from the COVID-19 pandemic, and not as of the date of this Prospectus. The opinions and market data expressed in these reports are subject to change without notice.

While management believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of future performance and the future performance of the industry and markets in which the Company plans to operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the headings “*Cautionary Statement Regarding Forward-Looking Information*” and “*Risk Factors*”.

Trademarks and Trade Names

This Prospectus includes references to the trademarks and trade names of the Company or its licensors or partners,

such as OxC-beta, Vivamune and Dr. Tobias, some of which may be protected under applicable intellectual property laws of one or more countries and which the Company believes is its property. Solely for convenience, the Company's trademarks referred to in this Prospectus may appear without the ™ or ® symbols, but such references are not intended to indicate, in any way, its rights in such marks or that the Company or its licensors or partners will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names. All other trademarks and trade names referenced in this Prospectus are the property of their respective owners.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus, including the documents incorporated herein by reference, contains "forward-looking information" within the meaning of applicable Canadian securities legislation which is based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs and views of future events. Forward-looking information can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may", "would" or "will" happen, or by discussions of strategy. Forward-looking information include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance or other statements that are not statements of fact. Statements containing forward-looking information are made as of the date of this Prospectus or as of the date of the document incorporated herein by reference and include, but are not limited to, statements with respect to:

- the Company's ability to raise sufficient financing on a timely basis, secure and restore relationships with its suppliers and development partners and retain qualified personnel;
- the potential for the Company to develop and commercialize new products;
- the Company's ability to sell to prospective customers who are currently testing the Company's products;
- the Company's ability to continue its entry into the human supplement markets for OxC-beta™ technology;
- the continuation of and the anticipated success of the Company's joint venture with Mimi's Rock Corp. and the benefits to the Company anticipated therefrom;
- the Company's intent to continue pursuing its long-standing plans to enter into the human use market in anticipation of a general need for novel immune-supporting supplements in relation to the COVID-19 pandemic;
- expectations as to future shipments of products based on purchase orders received and the total size of such orders after all shipments;
- the anticipated or potential effects of the COVID-19 pandemic on the Company, its operations and results, its customers, suppliers and employees and on the economy generally;
- the potential listing of the Offered Shares, Warrant Shares and Broker Warrant Shares on the TSXV;
- the Company's ability to meet the continued listing requirements for the TSXV;
- the Company's guidance on the regulatory process, jurisdictions in which it may see registration and the costs and time that may be involved;
- the Company's strategy for commercialization of its products;
- the Company's expectation that it will undertake confirmatory trials with potential customers to support sales initiatives in new and existing markets;
- the Company's intention to allocate a portion of its available capital towards its research efforts to provide use case data in additional target species to assist with marketing the product to a broader client base;
- the Company's anticipation of higher demand from current and prospective clients in Asian, North American, and South American markets and its expectation that this will require warehousing and storage arrangements within Asia and North America;
- the Company's intended use of the net proceeds from the Offering;
- the Company's anticipation that it will continue to have negative cash flow from operating activities and net losses in future periods as revenue from commercial activities continues to increase and that a portion of the proceeds from the Offering will be used to fund negative cash flow from operating activities in future periods;
- the Company's expectation of a significant number of customer-run trials to be conducted over the course of the next 18 months;
- the anticipated costs of trials;
- the Company's intended business objectives and milestones described in this Prospectus;

- the plan of distribution of the Offering;
- the closing date and completion of the Offering;
- the creation and issuance of the Warrants pursuant to the terms of a Warrant Indenture (as defined herein);
- the Company's expectations as to future sources of revenues; and
- the Company's expectations as to average monthly expenditures and the number of months it will be able to continue operating after closing of the Offering without any additional source of debt or equity financing.

Forward-looking information in this Prospectus and the documents incorporated herein by reference is based on the opinions, estimates and assumptions of management of the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management of the Company currently believes are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that management of the Company considered appropriate and reasonable as of the date such statements were made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual actions, events, results, performance or achievements to differ materially from what is projected in forward-looking information, including but not limited to the risks described in this Prospectus and in the Annual Information Form under "*Risk Factors*". These risks include, but are not limited to:

- The Company has a history of operating losses. It expects to incur net losses and may never achieve or maintain profitability;
- The Company's technology and products are not yet commercially successful;
- The Company may need to raise additional capital;
- The Company may be unable to maintain or obtain partnerships for one or more of its product candidates, which could curtail future development and negatively affect its share price;
- The success of the business depends on receiving and maintaining regulatory approvals;
- The success of Company-sponsored and customer-sponsored product trials;
- The Company may not achieve its projected development goals in the time frames the Company announces and expects;
- If the Company fails to attract and retain key employees, the development and commercialization of its products may be adversely affected;
- The Company may be unable to obtain or enforce patents to protect its technologies from other companies with competitive products, and patents of other companies could prevent it from manufacturing, developing or marketing its products;
- The Company is dependent on sole suppliers for its raw materials and finished goods;
- The Company is dependent on one technology;
- The Company's products and product candidates may infringe the intellectual property rights of others, or others may infringe on its intellectual property rights, which could increase its costs;
- The Company may be subject to product liability claims;
- The Company may face product recalls;
- The Company and its products may be subject to unfavourable publicity or consumer perception;
- The Company may be the subject of litigation;
- The Company's major markets are outside of Canada and may expose it to political, currency, economic and legal risk;
- The Company relies on international advisors and consultants;
- The Company's competitors may be better capitalized and have more attractive product offerings than the Company does;
- The Company's share price has been and may continue to be volatile and an investment in its common shares could suffer a decline in value;
- Future sales of common shares by the Company or by its existing shareholders could cause its share price to fall;
- The Company is susceptible to stress in the global economy and therefore, its business may be affected by current and future global financial conditions;
- The Company and its suppliers, partners and customers are exposed to the effects of severe weather, natural

disasters, diseases, and other catastrophic and force majeure events beyond the Company's control, as well as those that may be caused by climate change, and such events could result in a material adverse effect on the Company;

- There is no assurance that an active trading market in the Company's common shares will be sustained;
- Management has indicated its plan for the use of proceeds of any particular Offering in the Prospectus, but will ultimately exercise its discretion respecting how such funds are put to use;
- The price of the Common Shares in public markets may experience significant fluctuations;
- Holders of Common Shares may be subject to dilution resulting from future offerings of Common Shares by the Company;
- There is no guarantee of any positive return on securities of the Company;
- If securities or industry analysts cease to publish research reports or publish inaccurate or unfavourable research about the Company, the trading price and volume of the Common Shares could decline;
- COVID-19 and similar global health crises could have a negative impact on the Company, its employees, suppliers and customers;
- Outbreaks of virus or disease that impact livestock animals worldwide could have a negative impact on the Company and its customers;
- Orders for the Company's products may be cancelled or not fulfilled for many reasons;
- There is no guarantee of liquidity in the market or of continued listing of the Company's Shares;
- There can be no assurance that the Offering will be completed;
- There will be no market for the Warrants;
- Holders of Warrants do not have shareholder rights until the Warrant is exercised; and
- Enforcement of judgments against foreign persons may not be possible.

In connection with the forward-looking information contained in this Prospectus, the Company has made certain assumptions, including, but not limited to:

- No significant or prolonged recession;
- Continued market growth and demand for livestock and pet products;
- Continued ability to conduct trials;
- Continued access to the Company's Ottawa facilities;
- Continued access to production in Taiwan for the Company's products;
- Continued stability between China and Taiwan;
- Continued access to production in USA for pet product;
- Stable tax and tariff environments with no significant trade, tariffs or duties in countries which the Company operates;
- No significant devaluation of currencies in countries in which the Company sells and in the US dollar;
- Stable inflation levels;
- No environment changes due to greenhouse gases from farms and livestock;
- A controlled African Swine Fever and no new animal virus outbreaks;
- Continue demand in countries for antibiotic free product;
- Continued protection of and ability to maintain and enforce intellectual property including patents and trademarks;
- Ability to protect information technology systems holding intellectual property, trade secrets, and other confidential information;
- Continued strong and growing demand for animal protein;
- Strong equity markets;
- Continued positive reviews of the Company by analysts;
- Continued active positive investor following for the Company;
- No downturn in general business and global economic conditions;
- Continued cooperation with regulatory and marketing consultants;
- Retention of key staff members;
- Future success of confirmatory and research trials;
- Achievement of regulatory milestones;

- No significant changes to competitive market forces;
- No significant changes to regulatory pathways in target markets;
- Long term purchase orders received will remain in place and not be cancelled and the Company will ship and be paid for all product ordered;
- The Company's ability to meet and maintain product cost targets; and
- Continued liquidity and access to working capital funding.

Although management of the Company has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking information, there may be unknown factors not presently known to us or factors presently not believed to be material that may cause actions, events, results, performance or achievements to differ from those anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize or should assumptions underlying the forward-looking information prove incorrect, actual actions, events, results, performance or achievements may vary materially from those expressed and implied by such statements contained in this Prospectus and the documents incorporated herein by reference. The purpose of forward-looking information is to provide the reader with a description of management's expectations, and such statements may not be appropriate for any other purpose. Accordingly, prospective purchasers of Units should not place undue reliance on forward-looking information contained in this Prospectus and the documents incorporated herein by reference. Although management of the Company believes that the expectations reflected in statements containing forward-looking information are reasonable, no assurance can be given that such expectations will prove to be correct. The Company disclaims any obligation to update any forward-looking information, whether as a result of new information or future events or results, except to the extent required by applicable securities laws.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, each of which has been filed with the securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario are specifically incorporated by reference and form an integral part of this Prospectus:

- (a) the annual information form of the Company dated December 15, 2020 in respect of the financial year ended October 31, 2020 (the "**Annual Information Form**");
- (b) the Company's consolidated financial statements for the years ended October 31, 2020 and 2019 together with the notes related thereto and auditor's report thereon (the "**Annual Financial Statements**"), and the management's discussion and analysis in connection therewith (the "**Annual MD&A**");
- (c) the notice of annual general meeting of shareholders and management information circular of the Company dated February 24, 2020 in connection with the annual and special meeting of shareholders of the Company held on April 8, 2020;
- (d) the template version of the term sheet relating to the Offering dated January 26, 2021 (the "**Initial Term Sheet**");
- (e) the template version of the term sheet relating to the Offering dated January 27, 2021 (the "**Upsize Term Sheet**" and together with the Initial Term Sheet, the "**Marketing Materials**"); and
- (f) the material change report of the Company dated February 4, 2021 in respect of the execution of an agreement with the Underwriter in respect of the Offering.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* filed by the Company with the Canadian securities commissions or similar regulatory authorities after the date of this Prospectus pursuant to the requirements of applicable securities legislation in Canada, in each case during the period after the date of this Prospectus and before completion or withdrawal of the Offering, shall be deemed to be incorporated by reference in this Prospectus. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Company and readers should review all information contained in this Prospectus and the documents incorporated or deemed to be

incorporated by reference herein.

Upon a new annual information form and annual financial statements being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities in Canada during the period that this Prospectus is effective, the previous annual information form, the previous annual financial statements and all interim financial statements, and in each case the accompanying management's discussion and analysis of financial condition and results of operations, and material change reports, filed prior to the commencement of the financial year of the Company in which the new annual information form is filed shall be deemed to no longer be incorporated into the Prospectus for purposes of offers and sales of Units under this Prospectus. Upon interim financial statements and the accompanying management's discussion and analysis of financial condition and results of operations being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, all interim financial statements and the accompanying management's discussion and analysis of financial condition and results of operations filed prior to such new interim financial statements and management's discussion and analysis of financial condition and results of operations shall be deemed to no longer be incorporated into this Prospectus for purposes of offers and sales of Units under this Prospectus. In addition, upon a new management information circular for an annual meeting of shareholders being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this Prospectus for offers and sales of Units under this Prospectus.

Any statement contained in a document incorporated or deemed to be incorporated herein by reference shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated herein by reference modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as such terms are defined under applicable Canadian securities laws), including the Marketing Materials, that are used by the Underwriter in connection with the Offering are not part of this Prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus. The Initial Term Sheet has been modified by the Upsize Term Sheet to reflect an increase in the number of Units offered and the size of the Offering is superseded by the Upsize Term Sheet. The Company has prepared the Initial Term Sheet and the Upsize Term Sheet, and each can be viewed under the Company's SEDAR profile at www.sedar.com. Any template version of any marketing materials that has been, or will be, filed on SEDAR after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus.

SUMMARY DESCRIPTION OF THE BUSINESS

Company Overview

Avivagen is an early-revenue stage life sciences company that was formed under the *Canada Business Corporations Act* on August 4, 2005, through the amalgamation of Ocell Inc., a privately held company founded in April 1997, and Triumph Acquisition Corporation Inc., a TSX Venture Exchange capital pool corporation founded in August 2003. The common shares of the Company began trading on the TSX Venture Exchange under the symbol "CFR" on August 5, 2005. On May 25, 2012, the Company amended the articles of the Company to change its name from Chemaphor Inc. to Avivagen Inc., and on May 30, 2012, the shares began trading under the new ticker symbol "VIV". On November 1, 2017 Avivagen amalgamated with its wholly owned subsidiary, Avivagen Animal Health Inc.

Avivagen's head and registered office is located at 100 Sussex Drive, Ottawa, Ontario, Canada, K1A 0R6.

Business Overview

Avivagen is a life sciences company focused on developing and commercializing products for livestock feeds that support optimal immune function and help animals to achieve their full growth and productivity potential. Furthermore, the product is a compelling alternative as a replacement for in-feed antibiotics. The Company's unique, proprietary technology is known as OxC-beta™ (fully-oxidized beta-carotene; "**OxC-beta**") technology.

OxC-beta™ Livestock premix is currently being sold as a non-antibiotic feed additive in the Philippines, Brazil, Thailand, Taiwan, Mexico, and Malaysia. The product is also being tested by prospective customers for its ability to promote optimal health in swine, poultry and dairy cattle, thereby helping animals reach their full productivity potential, e.g., feed efficiency, and resulting in improved human safety in food-animal production.

The benefits observed in livestock have given rise to one of Avivagen's goals, which is to access the human supplement markets for OxC-beta™ technology.

For companion animals, the Company has created Vivamune™ Health Chews for retail distribution, which are intended to promote health and quality of life in companion animals. In 2019, the Company announced a joint venture agreement with Mimi's Rock Corp. focused on the online sale of nutritional supplements for cats and dogs. Under the terms of the agreement, Avivagen will supply its proprietary OxC-beta™ technology and Mimi's Rock Corp. will market and sell the product as Dr. Tobias™ All-in-One Dog Chews through its e-commerce platform and online global channels. This joint venture will be the exclusive channel through which Avivagen sells nutritional supplements for cats and dogs online. All online sales will be conducted through a corporation, Centre Beach, Inc., jointly owned by the Company and Mimi's Rock Corp. In January 2021, Centre Beach, Inc. launched a human dietary supplement including OxC-beta™.

For more information on Avivagen's business, see "*Description of the Business*" in the Annual Information Form, which is incorporated herein by reference.

Recent Developments

In March 2020, the Company announced its intent to accelerate its long-standing plans to enter into the human use market in anticipation of a general need for novel immune-supporting supplements in relation to the COVID-19 pandemic. The Company retained the services of Bloom Burton's strategic consultancy group in order to optimize the launch of the product into the U.S. market, initially, including confirming the regulatory path, commercial strategy and timing.

On July 23, 2020, the Company obtained access to \$210,000 in repayable funding from the Federal Economic Development Agency for Southern Ontario through the Regional Relief and Recovery Fund. The funding was granted in the form of an interest-free loan of up to \$210,000 to offset fixed operating costs. \$168,000 was received on July 23, 2020. The remaining \$42,000 of funding was received on August 11, 2020.

In September 2020, the Company received a purchase order for OxC-beta™ Livestock from Industrias Melder in Mexico through the Company's Mexican consultant. The order was for five shipments of two tonnes of OxC-beta™ Livestock each for a total amount of ten tonnes. The Company expects all shipments to be completed in calendar year 2021.

On October 14, 2020, the Company received \$500,000 in debt funding via an unsecured promissory note issued by the Bloom Burton Healthcare Lending Trust (the "**Bloom Burton Note**"). The promissory note bears interest at a rate of 12% per annum and is payable on demand. The promissory note has no conversion or equity features. On November 24, 2020, the Company drew an additional \$350,000 of funding from the Bloom Burton Note.

Avivagen's distribution partner for means feed supplementation products for poultry; swine; and dairy cattle in the United States of America, CSA Animal Nutrition, LLC, has not met the annual performance targets set out in the distribution agreement among the parties and, as such, the relationship between the Company and such distributor has

become non-exclusive.

In January 2021, Centre Beach, Inc., the Company's joint venture with Mimi's Rock Corp., launched the Dr. Tobias Beta Blend product. Beta Blend is the first product including OxC-Beta that was designed for human application and is the result of the Company's previously announced accelerated plans for commercial launch of a human product, including the retention of Bloom Burton's strategic consultancy group in order to optimize the launch of the product into the US market initially.

In January 2021, the Company continued its expansion in the Mexican market with a six tonne order of OxC-beta™ Livestock from Transformadora Agricola de Alimentos S.A. de C.V in Mexico. The order, received through the Company's Mexican consultant, is comprised of monthly fulfilments of 500 kilograms each over a one year period starting in April 2021. The Company expects the first shipment to commence in April, 2021.

COVID-19

On March 18, 2020, the Company took the decision to temporarily close the physical offices and require all staff to work from home as a result of the COVID-19 pandemic. Most of the Company's operations allowed for all staff to work from home and the disruption to operations by the COVID-19 pandemic was not significant for the Company. However, business development has continued to be challenging due to restrictions on travel, shelter at home orders, and other operational disruptions affecting our current and potential customers. Subject to stay at home orders and other guidance issued from time to time by applicable governmental authorities, some members of staff have returned to the laboratory and office space, but our personnel will continue working primarily in a remote fashion until such time as management believes, based on the stages of the COVID-19 pandemic and the advice of government health authorities, that the risk to staff, suppliers, customers and stakeholders is reduced sufficiently. At such time, all recommended safety precautions, including physical distancing measures, continue to be implemented.

The Company is conducting business with substantial modifications to employee travel, employee work locations and virtualization or cancellations of such activities as business development, marketing, and investor relations events. The Company has substantially modified interactions with customers and suppliers, among other modifications. Management may take further actions that alter business operations as may be required by various levels of government, or that it determines are in the best interest of our employees, customers, partners, suppliers, and shareholders. However, there is no certainty that such measures will be sufficient to mitigate the direct and indirect effects of the COVID-19 pandemic and the Company's financial condition and results of operations could be affected. The degree to which the COVID-19 pandemic will affect results and operations will depend on future developments that are highly uncertain and cannot currently be predicted, including, but not limited to, the duration, extent and severity of the COVID-19 pandemic, actions taken to contain COVID-19, the impact of the pandemic and related restrictions on economic activity and the extent of the impact of these and other factors on our employees, partners, suppliers and customers. The COVID-19 pandemic has also caused heightened uncertainty and volatility in the global economy. If economic growth slows further, customers may not have the financial means to purchase our products, negatively impacting the statement of comprehensive loss and the statement of financial position. Since the impact of COVID-19 is ongoing, the effect of the COVID-19 pandemic and the related impact on the global economy may not be fully reflected in the Company's statement of comprehensive loss and statement of financial position until future periods. Further, volatility in the capital markets has been heightened since March 2020 and such volatility may continue, which may cause declines in the price of our shares and may affect the Company's ability to raise working capital through equity or debt transactions.

CONSOLIDATED CAPITALIZATION

The following summarizes the changes in the Company's capitalization since October 31, 2020, the last day of the Company's most recently completed fiscal period in respect of which financial statements have been filed, after giving effect to the Offering. The following table should be read in conjunction with the Annual Financial Statements and the Annual MD&A incorporated by reference in this Prospectus.

Description	As at October 31, 2020 (audited) before giving effect to the Offering	As at October 31, 2020 (unaudited) after giving effect to the Offering
Total Debt	\$6,129,700	\$6,129,700
Share Capital	\$26,555,348 (41,766,212 Common Shares)	\$31,760,119 (56,766,212 Common Shares)
Contributed Surplus	\$2,340,861 (8,709,798 Warrants)	\$3,847,640 (16,977,718 Warrants)
Share-based Payments	\$1,472,877 (2,653,162 Stock Options)	\$1,472,877 (2,653,162 Stock Options)
Total Equity	\$(4,767,610)	\$1,943,940

The foregoing assumes the issuance of 15,000,000 Common Shares and 7,500,000 Warrants pursuant to the Offering for gross proceeds of \$7,500,000 less the Underwriter's Fee of \$525,000 and the deduction of the expenses of the Offering estimated to be \$263,450.

USE OF PROCEEDS

Proceeds

The estimated net proceeds of the Offering to the Company after deducting the estimated expenses of the Offering of \$263,450 and after deducting the Underwriter's Fee of \$525,000 will be approximately \$6,711,550.

For the 12 months ended October 31, 2020, cash used in operating activities by the Company was \$3,335,688 and the Company recorded a net loss of \$4,751,287. At October 31, 2020, the Company had \$664,169 in cash and cash equivalents, current liabilities of \$2,351,892, non-current liabilities of \$4,591,860, and net working capital deficit of \$570,092.

At January 31, 2021, based on management's unaudited preliminary estimates, the Company had approximately \$500,000 in cash and cash equivalents and a net working capital deficit between \$1,700,000 and \$1,900,000. With its current financial resources, the net proceeds from the Offering and assuming that the Company receives anticipated revenues from purchase orders it has already received and has other revenues consistent with its prior financial years, the Company expects to be able to continue operations for at least 12 months after the anticipated closing without additional debt or equity financing. Except for the ACOA payments disclosed below, the Company does not have any significant debt obligations which are set to mature during this 12-month period.

Principal Purposes

The Company currently anticipates using the net proceeds of the Offering as set forth in the following table:

	Approximate Amount Allocated
Pre-Commercialization: Registration and Research	\$ 1,199,471
Commercialization, sales, and marketing	\$ 1,558,748
Inventory and working capital build-up	\$ 1,200,000
General corporate purposes	\$ 2,000,000
Atlantic Canada Opportunities Agency repayment	\$ 215,531
Interest payment	\$ 537,800
Total use of proceeds of the Offering	\$ 6,711,550

Until applied, the net proceeds of the Offering will be held as cash balances in the Company's bank account or invested in certificates of deposit and other instruments issued by banks or obligations of or guaranteed by the Government of Canada or any province thereof.

Any additional proceeds received from the exercise of Warrants or Broker Warrants will be used for working capital purposes.

There may be circumstances where, on the basis of results obtained or for other sound business reasons, a re-allocation of funds may be necessary or prudent. Accordingly, management of the Company will have broad discretion in the application of the proceeds of the Offering. The actual amount that the Company spends in connection with each intended use of proceeds of the Offering may vary significantly from the uses described above and will depend on a number of factors, including those referred to under "Risk Factors" in this Prospectus.

Pre-Commercialization: Registration and Research

The Company plans to use a portion of the net proceeds from the Offering to fund its pre-commercialization: registration and research initiatives. The Company is currently pursuing product registration initiatives in various North American, South American, European, and Asian jurisdictions, as well as supporting evidence for its self-affirmed GRAS definition within the United States. Registrations in these jurisdictions will allow for the free sale of the Company's product. The Company is currently planning the following registration initiatives with an estimated cost from the use of proceeds of \$789,223:

Region	Timing
Canada – Livestock registration	1 to 2 years
US (extension of self-affirmed GRAS) - Livestock registration	0.5 to 1 year
Chile – Livestock registration	Dossier submission – Q3 2021 Product approval Q1 2022
China – Livestock registration	Dossier submission – Q2 2021 Product Approval – Q3 2022
Philippines (supplementary distributor) – Livestock registration	Q2 2021
Viet Nam – Livestock registration	Dossier submission – Q2 2021 Product approval – Q3 2022
European Union - Companion animal registration	Dossier submission – Q3 2021 Product approval – Q1 2022

The registration process differs in each country but in general, the registration efforts involve a two-step process: Step one is the preparation of a dossier submission, based on the regulatory requirements of the specific country. In the Company's experience, this step represents about 50% to 60% of the total cost, involving disclosures of the safety, related trials, efficacy, manufacturing processes and other background material. Step two involves various responses to the regulators for additional information. In the Company's experience, this step is typically expected to represent about 40% to 50% of the total cost.

Confirmatory trials in support of new and existing registration efforts may need to be conducted in Brazil, China, the US, Canada, and Vietnam and are partly included in the estimated registration costs outlined above. The Company may need to perform additional toxicology trials to support registration efforts for livestock and human use in the European Union and United Kingdom, with an estimated start date of Q2 2022.

The Company expects to fund certain of these future confirmatory trials, if required by the various country regulators, in the quarter ending April 30, 2022 and beyond from operational cashflows, line of credit or factoring arrangements against the then current inventory, and/or accounts receivable. Other possible funding includes government grants from sources such as the National Research Council, Industrial Research Assistance Program, Ontario refundable Scientific Research and Experimental Development tax credits, COVID-19 funding programs, and funding from other agencies or crowns of the Canadian, Ontario and / or PEI Government. Additional funding may come from debt or equity financings.

Confirmatory trials may be requested by the various regulators in connection with the Company's registration activity and the exact nature, extent and timing cannot be fully assessed until the regulators assess the dossier submissions. The Company has and will continue to accumulate a significant body of confirmatory trials which it expects could be reused in other jurisdictions, which could potentially decrease the need and future cost of such confirmatory trials.

As noted above, various registration dossiers may be reused in other related jurisdictions, accordingly registration efforts taking place in the near future are expected to have an increased cost compared to subsequent efforts in 2022 and 2023.

Avivagen has evaluated the utility of OxBC as a feed supplement for livestock in several field trials with swine and broiler poultry, as well as in proof-of-concept studies in rainbow trout, and cattle. The Company intends to continue to allocate a portion of its available capital towards its research efforts to provide use case data in additional target species to assist with marketing the product to a broader client base. Most research is leveraged with the registration and pre-commercialization activities. The proceeds of the Offering allocated to pre-commercialization research is \$410,248.

One significant trial is currently being conducted with the National Research Council of Canada to evaluate the metabolic products of OxC-Beta in mice. The trial itself will cost \$60,190 less a 50% Industrial Research Assistance Program grant from the Government of Canada.

The remaining \$380,153 from the Offering relates to staffing, consultant, and overhead costs associated with supporting the pre-commercialization research trials as well as the following anticipated trials:

Pre-commercialization trial details	Timing
Brazil – Dairy, broiler chickens, sow and/ or piglet	Q3 2021 to 2023
China – Dairy broiler and layer chickens	Q4 2021 to Q2 2023
United States – Dairy, sow, piglet, broiler and layer chickens	Q4 2021 to 2022
Mexico – Layer chicken	Q2 2022 to 2023
Viet Nam – Sow, piglet and broiler chickens	Q2 2022 to Q3 2023
Canada – Salmonid bacterial kidney disease challenge	Q4 2021 to 2022
Canada – Salmonid dietary inflammation	Q4 2021 to 2022
Chile – salmonid	Q1 2022 to 2023
Companion animal – Atopic Dermatitis	Q3 2021 to 2022
Human dietary supplement trial	Q4 2021 to 2022

In the Company's experience, a trial is generally a two step process. Step one is the development of the trial protocol, outlining the nature, extent and timing of the proposed trial. Step two is the conduct of the trial by a third party and the written report of results. Cost for the trials the Company has done typically involve a down payment (generally 50% to 80% of the total cost) to cover the cost of the materials, samples, animals, feed, farm usage, labour and other related trial cost. A final payment (generally 20% to 50%) is then due on completion of the trial and the final written report of the results. For accounting purposes, expenses are recorded based on the progress of the trials, which generally is pro rata on time or effort expended by the third party to conduct the trial (generally the trials the Company has run have been for a 40-to-90-day period).

Commercialization, Sales, and Marketing

The Company's strategy for commercialization may require it to enter into collaboration arrangements with third parties to assist with selling, logistics and networking for the purposes of increasing sales volumes. The Company believes that allocating a portion of funds, being \$1,558,748, towards commercialization, sales and marketing initiatives is critical to its success in penetrating new geographic markets and expanding existing geographic markets.

The Company employs various employees, agents, consultants, advisors, and experts with an expected cost of \$1,062,483. Support costs for the companion animal and human product lines are expected to total \$66,933. Additional anticipated costs consist of trade shows, advertising and marketing, incidental support to customer-led product trials, and other sales support estimated to total \$429,332.

In addition to the research trials outlined below, the Company expects a significant number of customer-run trials to be conducted over the course of the next 18 months. While the majority of expenses associated with these types of trials will typically be incurred by the customer, there will be cost to the Company related to providing technical oversight, planning and assessment for these studies. These costs are reflected in the above estimates.

Inventory and Working Capital Build-up

The Company plans to use a portion of the net proceeds from the Offering to increase its product inventory and working capital to support anticipated higher demand from current and prospective clients in Asian, North American, and South American markets. The Company anticipates that this will require warehousing and storage arrangements within Asia and North America.

The sales will require a build-up of inventory as well as associated warehousing costs. As the Company increases sales, it is expected to improve on just-in-time inventory and drop shipping from production which will require an increase in working capital. Accounts receivable, prepaid expenses would be expected to grow at a similar rate to accounts payables and deferred revenues, resulting in a total working capital increase of \$1,200,000.

The Company has started earning revenue from its commercial operations, but not sufficient to cover related expenditures. For the 12 months ended October 31, 2020, the Company had negative cash flow from operating activities, reported a net loss of \$4,751,287, and net loss per share of \$0.12. Avivagen has had a history of losses and had negative operating cash flow for its most recent financial year. As at October 31, 2020, the Company had cash and cash equivalents of approximately \$664,169 and a working capital deficit of \$570,092. The Company anticipates it will continue to have negative cash flow from operating activities and net losses in future periods as revenue from commercial activities continues to increase. A portion of the proceeds from the Offering will be used to fund negative cash flow from operating activities in future periods. See “*Risk Factors*”.

General Corporate Purposes

General corporate purposes represent administrative and back-office expenses in support of the commercialization, sales, marketing, research, and registration initiatives described above. This consists of estimated board and employee costs, legal fees, insurance costs, investor relations, regulatory and securities filings, audit fees, and other associated overhead costs for a total of \$2,000,000 from the Offering.

Atlantic Canada Opportunities Agency Repayment

The Company plans to use a portion of the net proceeds of the Offering to settle the \$215,531 current portion of the Atlantic Canada Opportunity Agency (“**ACOA**”) debt which is due on June 30, 2021. The \$215,531 consists of \$97,745, being 10% of the revenues recorded in the 2019 fiscal year, and \$117,786, being 10% of the total revenues recorded in the 2020 fiscal year.

Interest Payments

The Company plans to use a portion of the net proceeds of the Offering to fund the payment of \$537,800 in interest obligations on outstanding debentures. \$131,135 is due on April 30, 2021, and \$135,555 is due on each of July 31, 2021, October 31, 2021, and January 31, 2022.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Company has agreed to sell and the Underwriter has agreed to purchase, as principal, on the Closing Date, 15,000,000 Units at the Offering Price, for aggregate gross proceeds of approximately \$7,500,000, payable in cash to the Company against delivery of the Units. The obligations of the Underwriter under the Underwriting Agreement are subject to certain closing conditions and may be terminated at the Underwriter’s discretion on the basis of its “disaster out”, “material change out”, “regulatory out” and “breach out” provisions included in the Underwriting Agreement and may also be terminated upon the occurrence of certain other stated events. The Underwriter is, however, obligated to take up and pay for all of the Units if any Units are purchased under the Underwriting Agreement.

Each Unit will consist of one Offered Share and one half (1/2) of one Warrant. Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.75 for a period of 36 months following the Closing Date. The Warrants will be created and issued pursuant to the terms of the Warrant Indenture to be dated as of the Closing Date between the Company and the Warrant Agent (as defined herein). The Company may, upon prior written notice in the form of an officer's certificate to the Warrant Agent and the holders of Warrants, and subject to the rules and policies of the TSXV or such other exchange as the Warrant Shares may then be listed, extend the Warrant Expiry Time to a later time or date in its sole discretion provided that in no event shall the Warrant Expiry Time be extended beyond 5:00 p.m. (Toronto time) on the date that is 5 years after the date of the Warrant Indenture. The Company is under no obligation to extend the Warrant Expiry Time.

When the Underwriter and the Company initially agreed on the terms for the Offering on January 26, 2021, it was contemplated that the Underwriter would be granted an over-allotment option exercisable in whole or in part and from time to time, at any time until 30 days after the closing of the Offering. On January 27, 2021 the Underwriter and the Company agreed to increase the size of the Offering to 15,000,000 Units and, in connection with such increase, the over-allotment option was removed as a term of the Offering. The Underwriter will not be granted an over-allotment option in connection with the Offering.

The Offering Price was determined by arm's length negotiation between the Company and the Underwriter in accordance with the policies of the TSXV. Among the factors considered in determining the Offering Price were the market price of the Common Shares, prevailing market conditions, the historical performance and capital structure of the Company, the Underwriter's estimate of the business potential and earnings prospects of the Company, the availability of comparable investments, an overall assessment of management of the Company and the consideration of the foregoing factors in relation to market valuation of companies in related businesses. The Underwriter has reserved the right to form a selling group of appropriately registered dealers and brokers, with compensation to be negotiated between the Underwriter and such selling group participants, but at no additional cost to the Company.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Pursuant to the Underwriting Agreement, the Company has appointed the Underwriter to offer the Units to the public pursuant to the securities legislation of each of the provinces of British Columbia, Alberta and Ontario.

In consideration for the Underwriter's services with respect to the Offering, the Company shall pay the Underwriter a cash fee of 7% of the aggregate gross proceeds of the Offering. In addition, the Company has agreed to issue Broker Warrants equal to 7% of the number of Units sold pursuant to the Offering.

The Offering is being made in the provinces of British Columbia, Alberta and Ontario. The Units will be offered in the provinces of British Columbia, Alberta and Ontario through the Underwriter or its affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Underwriter.

The Company has received conditional approval from the TSXV to list the Offered Shares, the Warrant Shares and the Broker Warrant Shares to be distributed under the Offering, on the TSXV. Listing will be subject to the Company fulfilling all of the requirements of the TSXV. There is currently no market through which the Warrants may be sold. See "*Risk Factors*".

The Company has agreed that, during the period commencing on January 26, 2021 and ending 90 days after the Closing Date, it will not, directly or indirectly, without the prior written consent of the Underwriter, such consent not to be unreasonably withheld, issue, agree to issue or announce an intention to issue, any additional debt, Common Shares or security convertible into or exchangeable for equity securities of the Company, except (i) in connection with the grant or exercise of stock options and other similar equity awards pursuant to the existing share unit plans of the Company and other share compensation arrangements outstanding as of the date of the Underwriting Agreement; (ii) as full or partial consideration for a bona fide, arm's length acquisition by the Company; or (iii) in connection with the issuance of Common Shares or securities convertible into or exchangeable for or exercisable to acquire Common Shares to third parties pursuant to existing rights of participation or other similar arrangements including the issuance of Common Shares in satisfaction of interest and fees owing to the holders of senior secured debentures pursuant to

the terms and conditions of a secured trust indenture dated March 28, 2019 between the Company and Capital Transfer Agency, ULC.

As a condition of closing of the Offering, each of the senior officers and directors of the Company will enter into agreements in favour of the Underwriter pursuant to which each will agree not to, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap, or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, any Common Shares or other securities of the Company held by them, directly or indirectly, for a period ending 120 days from the Closing Date unless they first obtain the prior written consent of the Underwriter, which consent will not be unreasonably withheld or delayed, except (i) in respect of a *bona fide* take-over bid or any other similar transaction made generally to all of the shareholders of the Company, provided that, in the event the change of control or other similar transaction is not completed, such securities shall remain subject to such lock-up agreement, or (ii) customary exceptions relating to transfers of securities to wholly-owned or controlled entities of such person or for *bona fide* tax planning or estate planning purposes, provided that, such securities remain subject to the restrictions of such agreements or a new agreement is entered into on substantially the same terms.

The Underwriter proposes to offer the Units initially at the Offering Price. After the Underwriter has made a reasonable effort to sell all of the Units at the Offering Price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriter will be decreased by the amount that the aggregate price paid by purchasers for the Units is less than the gross proceeds paid by the Underwriter to the Company.

Pursuant to policies of certain Canadian securities regulatory authorities, the Underwriter may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for its own accounts or for accounts over which it exercises control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. These exceptions include a bid or purchase permitted under Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing, the Underwriter may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

Subscriptions will be received subject to rejection or allotment, in whole or in part, and the Underwriter reserves the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about February 16, 2021, or such other date as may be agreed upon by the Company and the Underwriter. It is anticipated that the Offered Shares and Warrants will be delivered under the book-based system through CDS or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Offered Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required.

Pursuant to the terms of the Underwriting Agreement, the Company has agreed to reimburse the Underwriter for certain expenses incurred in connection with the Offering and to indemnify the Underwriter and its directors, officers, employees, and agents against certain liabilities and expenses and to contribute to payments the Underwriter may be required to make in respect thereof.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Offering consists of 15,000,000 Units, each Unit consisting of one Offered Share and one half (1/2) of one Warrant, each Warrant entitling the holder thereof to purchase one Warrant Share at an exercise price of \$0.75 per Warrant Share, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the date that is 36 months after

the Closing Date. The Units will immediately separate into Offered Shares and Warrants upon issuance. This Prospectus also qualifies the distribution of Warrant Shares and Broker Warrant Shares.

Offered Shares

As of the date of this Prospectus, the authorized capital of the Company consists of an unlimited number of Common Shares of which 41,766,212 Common Shares are issued and outstanding. After giving effect to the Offering, the Company would have 56,766,212 Common Shares issued and outstanding (assuming no further exercises or issuances of convertible securities).

The holders of the Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each Common Share carries with it the right to one vote.

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out its liabilities. The holders of Common Shares are entitled to receive any dividends declared by Avivagen on the Common Shares.

The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

For more information, see “*Description of Capital Structure*” in the Annual Information Form which is incorporated herein by reference.

The Company has not paid any dividends in the past and does not have any present intention of declaring dividends.

The Company currently has future obligations to repay government-granted research and development funding to ACOA. The funding is non-interest bearing and is repayable based on 10% of the Company’s sales of the prior year. A stipulation of this funding agreement is that no dividends be distributed until the funding is repaid. As such, the Company is currently contractually prohibited from distributing dividends on its Common Shares.

Warrants

The Warrants will be governed by the terms of a warrant indenture (the “**Warrant Indenture**”) to be entered into between the Company and Computershare Trust Company of Canada, as warrant agent thereunder (the “**Warrant Agent**”). The Company will appoint the principal transfer offices of the Warrant Agent in Toronto, Ontario as the location at which Warrants may be surrendered for exercise or transfer. The following summary of certain provisions of the Warrant Indenture contains all of the material attributes and characteristics of the Warrants but does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

Each Warrant will entitle the holder to purchase one Warrant Share at an exercise price of \$0.75 per Warrant Share, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the Warrant Expiry Time. The Company may, upon prior written notice in the form of an officer’s certificate to the Warrant Agent and the holders of Warrants, and subject to the rules and policies of the TSXV or such other exchange as the Warrant Shares may then be listed, extend the Warrant Expiry Time to a later time or date in its sole discretion provided that in no event shall the Warrant Expiry Time be extended beyond 5:00 p.m. (Toronto time) on the date that is 5 years after the date of the Warrant Indenture. The Company is under no obligation to extend the Warrant Expiry Time.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to holders of all or substantially all of the Company’s Common Shares by way of stock dividend or other distribution (other than a “dividend paid in the ordinary course”, as defined in the Warrant Indenture, or a distribution of Common Shares upon the exercise of the Warrants or pursuant to the exercise of director, officer or employee stock options granted under the Company’s stock option plan);

- (ii) the subdivision, redivision or change of the Common Shares into a greater number of shares;
- (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of shares;
- (iv) the fixing of a record date for the issue of rights, options or warrants to all or substantially all of the holders of the Common Shares under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or having an exchange or conversion price per share) of less than 95% of the “current market price”, as defined in the Warrant Indenture, for the Common Shares on such record date; and
- (v) the issuance or distribution to all or substantially all of the holders of the securities of the Company including shares, rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or cash, property or assets and including evidences of indebtedness, or any cash, property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events: (i) reclassifications of the Common Shares; (ii) consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another entity (other than consolidations, amalgamations, plans of arrangement or mergers which do not result in any reclassification of the Common Shares or a change or exchange of the Common Shares into other shares); or (iii) the transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another Company or other entity.

No adjustment in the exercise price or the number of Warrant Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the exercise price by at least 1% or the number of Warrant Shares purchasable upon exercise by at least one one-hundredth of a Warrant Share. Further, no adjustment will be made for Common Shares issued: (i) upon exercise of the Warrants; (ii) pursuant to any dividend reinvestment or similar plan adopted by the Company; (iii) pursuant to stock option or purchase plans, as payment of interest on outstanding notes or debentures, in connection with strategic license agreements or other partnering arrangements; or (iv) in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of a corporation or other entity.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 10 days prior to the record date or effective date, as the case may be, of such event.

If a Warrant holder is entitled to a fraction of a Warrant, the number of Warrants issued to that Warrant holder shall be rounded down to the nearest whole Warrant. No fractional Warrant Shares will be issuable upon the exercise of any Warrants. Holders of Warrants will not have any voting rights or any other rights which a holder of Common Shares would have.

From time to time, the Company (when properly authorized) and the Warrant Agent, subject to the provisions of the Warrant Indenture, may amend or supplement the Warrant Indenture for certain purposes. Certain amendments or supplements to the Warrant Indenture may only be made by “extraordinary resolution”, which is defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66⅔% of the aggregate number of all of the then outstanding Warrants.

The Company has not applied and does not intend to apply to list the Warrants on any securities exchange. There will be no market through which the Warrants may be sold and purchasers may not be able to resell the

Warrants purchased in the Offering. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation.

Book-Based System

Registration of interests in, and transfers of, the Offered Shares and Warrants will be made only through the book-based system of CDS. Offered Shares and Warrants must be purchased and transferred only through a CDS participant. All rights of an owner of Offered Shares must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS participant through which the owner holds such Offered Shares or Warrants. Upon purchase of any Offered Shares or Warrants, the owner will receive only the customary confirmation. References in this Prospectus to a holder of Offered Shares or Warrants means, unless the context otherwise requires, the owner of the beneficial interest in such Offered Shares or Warrants. Physical certificates evidencing Offered Shares and Warrants will not be issued unless specifically requested or required.

The Company and the Underwriter will not have any liability for: (i) records maintained by CDS relating to the beneficial interests in the Offered Shares, Warrants or the book-based accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS participants.

The ability of a beneficial owner of Offered Shares or Warrants to pledge such Offered Shares or Warrants or otherwise take action with respect to such owner's interest in such Offered Shares or Warrants (other than through a CDS participant) may be limited due to the lack of a physical certificate to the extent that such owner has not requested a physical certificate from the Company. The Company has the option to terminate registration of the Offered Shares and Warrants through the book-based system in which case certificates for Offered Shares or Warrants in fully registered form may be issued to beneficial owners of such Offered Shares or Warrants or to their nominees.

PRIOR SALES

The following table summarizes issuances of Common Shares or securities convertible into Common Shares during the 12-month period preceding the date of this Prospectus:

Common Shares Issued

<u>Date of Issuance</u>	<u>Type of Security</u>	<u>Number of Securities</u>		<u>Issuance Price per Security</u>
		<u>Issued</u>		
March 28, 2020 ¹	Common Shares	162,122		\$0.65
April 9, 2020 ²	Common Shares	3,752		\$0.61
August 27, 2020 ³	Common Shares	112,359		\$0.45

Notes:

1. On March 28, 2020, the Company issued 162,122 common shares at \$0.65 per share to holders of the senior secured debentures issued by the Company on March 28, 2019 in settlement of maintenance fees payable on such debentures.
2. On April 9, 2020, the Company issued 3,752 common shares at \$0.61 per share to holders of the senior secured debentures issued by the Company on April 9, 2020 in settlement of maintenance fees payable on such debentures.
3. On August 27, 2020, the Company issued 112,359 common at \$0.45 per share in settlement of a consulting fee.

Stock Options Issued

<u>Date of Issuance</u>	<u>Type of Security</u>	<u>Number of Securities Issued</u>	<u>Exercise Price per Security</u>
March 6, 2020 ¹	Stock options	555,000	\$0.71

Notes:

1. On March 6, 2020, the Company granted 555,000 stock options to employees, directors, and consultants.

TRADING PRICE AND VOLUME

The outstanding Common Shares are traded on the TSXV under the trading symbol “VIV”. The following table sets out the price range (monthly high and low prices) and monthly trading volumes of the Common Shares on the TSXV for the 12-month period prior to the close of trading on the date immediately prior to the date of this Prospectus.

Month	High	Low	Volume
February 2020	\$0.77	\$0.57	1,732,989
March 2020	\$0.75	\$0.42	1,411,295
April 2020	\$0.65	\$0.54	1,297,888
May 2020	\$0.69	\$0.54	1,692,724
June 2020	\$0.61	\$0.44	1,357,296
July 2020	\$0.495	\$0.42	691,722
August 2020	\$0.55	\$0.405	875,517
September 2020	\$0.53	\$0.41	775,833
October 2020	\$0.53	\$0.415	535,425
November 2020	\$0.55	\$0.39	1,462,107
December 2020	\$0.66	\$0.50	935,765
January 2021	\$0.68	\$0.51	1,573,714
February 1, 2021 to February 8, 2021	\$0.78	\$0.57	2,150,887

ELIGIBILITY FOR INVESTMENT

In the opinion of LaBarge Weinstein LLP, counsel for the Company, and Baker & McKenzie LLP, counsel to the Underwriter, based on the provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder (the “**Regulations**”) in force as of the date hereof:

- the Offered Shares and Warrant Shares will, on the date of issue, be qualified investments for trusts governed by registered retirement savings plans (each a “**RRSP**”), registered education savings plans (each a “**RESP**”), registered retirement income funds (each a “**RRIF**”), registered disability savings plans (each a “**RDSP**”), deferred profit sharing plans and tax-free savings accounts (each a “**TFSA**”), all within the meaning of the Tax Act (collectively, “**Plans**”) provided that the Offered Shares and Warrant Shares are listed on a “designated stock exchange” as defined in the Tax Act (which includes the TSXV); and
- the Warrants will, on the date of issue, be qualified investments for Plans provided that either (a) the Warrants are listed on a “designated stock exchange” as defined in the Tax Act (which includes the TSXV), or (b) the Warrant Shares are listed on a “designated stock exchange” as defined in the Tax Act (which includes the TSXV) and the Company is not, and deals at arm’s length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Plan.

Notwithstanding the foregoing, if the Offered Shares, Warrant Shares or Warrants held by a TFSA, RRSP, RRIF, RDSP or RESP are “prohibited investments” for purposes of the Tax Act, the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP will be subject to a penalty tax as set out in the Tax Act. The Offered Shares, Warrant Shares and Warrants will be a “prohibited investment” if the holder of a TFSA or RDSP, the annuitant of a RRSP or RRIF or the subscriber of the RESP, as the case may be: (i) does not deal at arm’s length with the Company for purposes of the Tax Act; or (ii) has a “significant interest” (within the meaning of the Tax Act) in the Company. In addition, the Offered Shares, Warrant Shares and Warrants will not be a “prohibited investment” if the Offered Shares, Warrant Shares and Warrants are “excluded property”, as defined in the Tax Act, for a TFSA, RRSP, RRIF, RDSP or RESP. Holders who intend to hold Offered Shares, Warrant Shares or Warrants in a TFSA, RRSP, RRIF, RDSP or RESP should consult their own tax advisors in this regard.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of LaBarge Weinstein LLP, counsel to the Company, and Baker & McKenzie LLP, counsel to the Underwriter, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act and Regulations thereunder to the acquisition, holding and disposition of Offered Shares, Warrant Shares or Warrants by a holder (“**Holder**” and collectively, the “**Holders**”) who acquires Units pursuant to this Prospectus. For the purposes of this summary, the term “Common Shares” shall also include the Offered Shares and any Warrant Shares acquired upon the exercise of the Warrants, unless the context otherwise requires. This summary is applicable to a Holder who, for the purposes of the Tax Act and at all relevant times, deals at arm’s length with, and is not affiliated with the Company and holds Common Shares and Warrants as capital property. Generally, the Common Shares or Warrants will be considered to be capital property to a Holder provided that the Holder does not hold such Common Shares or Warrants in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is, or was, an employee of the Company and holds Common Shares as a result of the exercise of a stock option issued by the Company to such Holder on account of their employment with the Company (ii) that is a “financial institution” for purposes of the “mark-to-market” rules in the Tax Act; (iii) that is a “specified financial institution” within the meaning of the Tax Act; (iv) that reports its “Canadian tax results” within the meaning of the Tax Act in a currency other than Canadian currency; (v) an interest in which is, a “tax shelter investment” within the meaning of the Tax Act; (vi) that has entered or will enter into a “derivative forward agreement” or “synthetic disposition agreement”, each within the meaning of the Tax Act, in respect of Common Shares and/or Warrants; (vii) that receives dividends on Common Shares under or as part of a “dividend rental arrangement” within the meaning of the Tax Act; or (viii) a Holder that is a corporation and is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of the Offered Shares and Warrant Shares, controlled by a (A) non-resident corporation, (B) non-resident individual, (C) non-resident trust, or (D) group of any of the foregoing who do no deal at arm’s length with each other, for the purposes of section 212.3 of the Tax Act. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire the Units.

This summary is based upon the current provisions of the Tax Act and the Regulations thereunder in force as of the date hereof, all specific proposals to amend the Tax Act and Regulations thereunder (the “**Tax Proposals**”) which have been announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) which have been made publicly available prior to the date hereof. This summary assumes that the Tax Proposals will be enacted in the form proposed and does not take into account or anticipate any other changes in law or in the administrative policies or assessing practices of the CRA, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. No assurances can be given that the Tax Proposals will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Common Shares or Warrants. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the tax consequences of an investment in Common Shares and Warrants, based on their particular circumstances.

Acquisition of Common Shares and Warrants

A reasonable allocation of the Offering Price between the Offered Share and the Warrant that comprise each Unit will be required to determine the cost of each to the Holder for purposes of the Tax Act. The Company has advised its counsel that, of the \$0.50 Offering Price per Unit, the Company intends to allocate \$0.40 to the Offered Share and \$0.10 to the half (1/2) Warrant. Although the Company believes that such allocation is reasonable, it is not binding on the CRA or any Holder and the CRA may not agree with such allocation. Counsel expresses no opinion with respect to such allocation.

When Common Shares (including an Offered Share) or Warrants are acquired by a Holder who already owns Common Shares or Warrants, the cost of newly acquired Common Shares or Warrants will be averaged with the adjusted cost base of all Common Shares or Warrants, respectively, owned by the Holder as capital property before that time for the purpose of determining the Holder's adjusted cost base of all Common Shares and Warrants, as the case may be, held by such person.

Exercise of Warrants

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act and consequently no gain or loss will be realized by a Holder upon such an exercise. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging such cost with the adjusted cost base to the Holder of all other Common Shares owned by the Holder and held as capital property immediately prior to such acquisition.

Holders Resident in Canada

The following section of this summary is generally applicable to a Holder who, for purposes of the Tax Act and any applicable tax treaty or convention, is or is deemed to be resident of Canada at all relevant times (a "**Resident Holder**"). Certain Resident Holders who might not otherwise be considered to hold Common Shares as capital property may, in certain circumstances, be entitled to have such Common Shares (but, for avoidance of doubt, not Warrants) and all other "Canadian securities" as defined in the Tax Act owned by them in the year in which the election is made and all subsequent taxation years treated as capital property by making an irrevocable election under subsection 39(4) of the Tax Act. **Resident Holders contemplating such an election should consult their own advisors.**

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, the Resident Holder will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and losses is discussed in greater detail below under the subheading "*Capital Gains and Losses*".

Dividends

Dividends received or deemed to be received on the Common Shares will be included in computing the Resident Holder's income. In the case of a Resident Holder that is an individual (other than certain trusts) such dividends will be subject to the gross-up and dividend tax credit rules applicable in respect of taxable dividends received from "taxable Canadian corporations" (as defined in the Tax Act). An enhanced dividend tax credit will generally be available to a Resident Holder that is an individual in respect of dividends designated by the Company as "eligible dividends". There may be limitations on the ability of the Company to designate dividends as "eligible dividends". Resident Holders who are individuals (other than certain trusts) may be subject to alternative minimum tax in respect of taxable dividends.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividends that is included in its income for a taxation year received or deemed to be received on the Common Shares will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Resident Holders that are "private corporations" (as defined in the Tax Act) or "subject corporations" (as defined in the Tax Act) may be subject to a refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Common Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income for the year. This refundable tax generally will be refunded to a Resident Holder that is a corporation when sufficient taxable dividends are paid to its shareholders while it is a private corporation or subject corporation.

Disposition of Common Shares and Warrants

A disposition or deemed disposition by a Resident Holder of Common Shares (other than on a purchase for cancellation by the Company) or Warrants (which, as discussed above, does not include an exercise of Warrants to acquire such Warrant Shares) will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of reasonable costs of disposition, are greater (or less) than such Resident Holder's adjusted cost base of such Common Shares or Warrants, as the case may be, immediately before the disposition or deemed disposition.

The tax treatment of capital gains and losses is discussed in greater detail below under the subheading “*Capital Gains and Losses*”.

Capital Gains and Losses

Generally, one-half of any capital gain will be included in the Resident Holder's income as a taxable capital gain and one-half of any capital loss must normally be deducted as an allowable capital loss against taxable capital gains realized in the taxation year of disposition or deemed disposition to the extent and under the circumstances described in the Tax Act. Any unused allowable capital losses may be applied to reduce net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year to the extent and in the circumstances prescribed in the Tax Act.

If the Resident Holder is a corporation, any capital loss arising on the disposition or deemed disposition of a Common Share may, in certain circumstances be reduced by the amount of any dividends previously received or deemed to have been previously received on the Common Share. Similar rules may apply to reduce any capital loss in respect of the disposition or deemed disposition of Common Shares held by a trust or partnership of which a corporation, partnership or trust is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be required to pay an additional refundable tax on certain investment income, including taxable capital gains. Resident Holders who are individuals (other than certain trusts) may be subject to alternative minimum tax in respect of capital gains.

Resident Holders should consult and rely on their own tax advisors with respect to the application of these additional taxes based on their own particular circumstances.

Holders Not Resident in Canada

The following section of this summary is generally applicable to Holders who for the purposes of the Tax Act and any applicable tax treaty or convention and at all relevant times (i) have not been and will not be deemed to be resident in Canada at any time while they hold the Common Shares or Warrants; and (ii) do not use or hold the Common Shares or Warrants in carrying on a business in Canada (“**Non-Resident Holders**”).

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an “authorized foreign bank” (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company will be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend unless such rate is reduced by the terms of an applicable tax treaty. Under the *Canada-United States Tax Convention (1980)*, as amended (the “**Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty and fully entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company's voting shares).

Dispositions of Common Shares and Warrants

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Common Share or a Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Common Share or Warrant constitutes “taxable Canadian property” to the Non-Resident Holder for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Provided the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which includes the TSXV), at the time of disposition, the Common Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, partnerships in which the Non-Resident Holder or such non-arm’s length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the Common Shares of the Company was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, “Canadian resource properties” (as defined in the Tax Act), “timber resource properties” (as defined in the Tax Act) or an option, an interest or right in such property, whether or not such property exists. Notwithstanding the foregoing, a Common Share or Warrant may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain circumstances. A Non-Resident Holder’s capital gain (or capital loss) in respect of a disposition of Common Shares or Warrants that constitute or are deemed to constitute taxable Canadian property to a Non-Resident Holder (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “Holders Resident in Canada — Disposition of Common Shares and Warrants”. Non-Resident Holders whose Common Shares or Warrants are taxable Canadian property should consult their own tax advisors regarding the tax and compliance considerations that may be relevant to them.

RISK FACTORS

An investment in the securities of the Company should be considered a highly speculative investment that involves significant risk. The occurrence of any one or more of the following risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the Company’s business, prospects, financial position, financial condition and results of operations. There is no assurance that any risk management steps taken by the Company will avoid future loss due to the occurrence of the risks described or incorporated by reference in this Prospectus, or other unforeseen risks.

Prospective purchasers should carefully consider all information contained in this Prospectus, including, but not limited to, the risk factors under the section titled “Risk Factors” in the Annual Information Form, which is incorporated by reference in this Prospectus and which may be accessed on the Company’s SEDAR profile at www.sedar.com, and the information contained in the section entitled “Cautionary Statement Regarding Forward-Looking Information” before deciding to purchase the Units.

The risks and uncertainties described or incorporated by reference in this Prospectus are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company’s business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Common Shares could decline and purchasers could lose all or part of their investment.

In addition to the other information presented in this Prospectus and the documents incorporated herein by reference, the following risk factors should be given special consideration when evaluating an investment in the Company which are described in further detail under the heading “Risk Factors” in the Annual Information Form:

- The Company has a history of operating losses. It expects to incur net losses and may never achieve or maintain profitability;

- The Company's technology and products are not yet commercially successful;
- The Company may need to raise additional capital;
- The Company may be unable to maintain or obtain partnerships for one or more of its product candidates, which could curtail future development and negatively affect its share price;
- The success of the business depends on receiving and maintaining regulatory approvals;
- The success of Company-sponsored and customer-sponsored product trials;
- The Company may not achieve its projected development goals in the time frames the Company announces and expects;
- If the Company fails to attract and retain key employees, the development and commercialization of its products may be adversely affected;
- The Company may be unable to obtain or enforce patents to protect its technologies from other companies with competitive products, and patents of other companies could prevent it from manufacturing, developing or marketing its products;
- The Company is dependent on sole suppliers for its raw materials and finished goods;
- The Company is dependent on one technology;
- The Company's products and product candidates may infringe the intellectual property rights of others, or others may infringe on its intellectual property rights, which could increase its costs;
- The Company may be subject to product liability claims;
- The Company may face product recalls;
- The Company and its products may be subject to unfavourable publicity or consumer perception;
- The Company may be the subject of litigation;
- The Company's major markets are outside of Canada and may expose it to political, currency, economic and legal risk;
- The Company relies on international advisors and consultants;
- The Company's competitors may be better capitalized and have more attractive product offerings than the Company does;
- The Company's share price has been and may continue to be volatile and an investment in its common shares could suffer a decline in value;
- Future sales of common shares by the Company or by its existing shareholders could cause its share price to fall;
- The Company is susceptible to stress in the global economy and therefore, its business may be affected by current and future global financial conditions;
- The Company and its suppliers, partners and customers are exposed to the effects of severe weather, natural disasters, diseases, and other catastrophic and force majeure events beyond the Company's control, as well as those that may be caused by climate change, and such events could result in a material adverse effect on the Company; and
- There is no assurance that an active trading market in the Company's common shares will be sustained.

Additionally, purchasers should consider the following risk factors:

Risks Related to the Offering and Ownership of Common Shares and Warrants

Management has indicated its plan for the use of proceeds of any particular Offering in the Prospectus, but will ultimately exercise its discretion respecting how such funds are put to use

The Company currently intends to allocate the net proceeds received from a particular Offering as described in this Prospectus, however, management will have discretion in the actual application of the net proceeds, and may elect to allocate the net proceeds differently from that described under "Use of Proceeds" if it believes it would be in the Company's best interests to do so. Shareholders may not agree with the manner in which Company chooses to allocate and spend the net proceeds of a particular Offering. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business. Additionally, the Company may not be successful in implementing the Company's business strategies and the Company may need to reallocate the net proceeds of the Offering to other purposes, including potentially to working capital.

The price of the Common Shares in public markets may experience significant fluctuations

The market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including but not limited to: (i) actual or anticipated fluctuations in the Company's quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company's executive officers and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on Common Shares; (vi) sales or perceived sales of Common Shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Financial markets have recently experienced significant price and volume fluctuations, due in part to the ongoing COVID-19 pandemic, that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Common Shares may decline even if the Company's operating results or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to satisfy such criteria may result in limited or no investment in the Common Shares by those institutions, which could materially adversely affect the trading price of the Common Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, such as from the COVID-19 pandemic, for a protracted period of time, there could be a material adverse effect on the Company's business, financial condition and results of operations, as well as the trading price of the Common Shares.

Holders of Common Shares may be subject to dilution resulting from future offerings of Common Shares by the Company

Avivagen may raise additional funds in the future by issuing Common Shares or securities convertible into, or exercisable or exchangeable for, Common Shares. Holders of Common Shares will have no pre-emptive rights in connection with such further issues. The Company's board of directors has the discretion to determine if an issuance of Common Shares or securities convertible into, or exercisable or exchangeable for, Common Shares is warranted, the price at which such issuance is effected and the other terms of issue of such securities. In addition, additional Common Shares may be issued by the Company in connection with the exercise of options granted before the date hereof or following the completion of the Offering. Such additional equity issuances could, depending on the price at which such securities are issued, substantially dilute the interests of the holders of Common Shares.

There is no guarantee of any positive return on securities of the Company

There is no guarantee that the Units will earn any positive return in the short-term or long-term. A holding of securities is speculative and involves a high degree of risk and should be undertaken only by holders whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. A holding of securities is appropriate only for holders who have the capacity to absorb a loss of some or all of their holdings.

If securities or industry analysts cease to publish research reports or publish inaccurate or unfavourable research about the Company, the trading price and volume of the Common Shares could decline

The trading market for the Common Shares depends in part on the research and reports that securities or industry analysts publish about the Company or our business. If one or more of the analysts who cover the Company downgrade the Common Shares or publish inaccurate or unfavourable research about the Company's business, the trading price of the Common Shares may decline. If one or more of these analysts cease coverage of the Company or fail to publish reports on the Company regularly, demand for the Common Shares could decrease, which could cause the trading price and volume of the Common Shares to decline.

COVID-19 and similar global health crises could have a negative impact on the Company, its employees, suppliers and customers

The COVID-19 pandemic has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the pandemic continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The Company's business, operations and financial condition could be materially adversely affected by the COVID-19 pandemic or the outbreak of other epidemics, pandemics or other health crises. However, as conditions surrounding the pandemic continue to evolve, the Company may in the future experience unexpected negative impacts from the COVID-19 pandemic. Such impacts could include, with respect to its operations, its suppliers' operations and its customers' operations, forced closures, mandated social distancing, isolation and/or quarantines, impacts of declared states of emergency, public health emergency and similar declarations and could include other increased government regulations, a material reduction in demand for the Company's products, reduced sales, higher costs for new capital, licencing delays, increased operating expenses, delayed performance of contractual obligations, product shipping delays, and potential supply and staff shortages, all of which would be expected to negatively impact the business, financial condition and results of operations of the Company and its ability to satisfy its obligations. The risks to the Company of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in the Company's facilities or a supplier's facilities. Should an employee or visitor in any of the Company's facilities or a supplier's facilities become infected with a serious illness that has the potential to spread rapidly, this could place the Company's workforce at risk.

Outbreaks of virus or disease that impact livestock animals worldwide could have a negative impact on the Company and its customers

Outbreaks of viruses and diseases that impact livestock, such as mad cow disease (beef and dairy), swine flu and African swine fever (pork) and avian influenza (poultry), may impact the financial condition of our customers, our ability to gain access to our customers' sites and our ability to conduct commercial testing and field trials. Outbreaks in regions where Avivagen sells a material amount of product now or in the future or where we are conducting field trials, could impact our operations, ability to complete field trials, demand for our products and our ability to sell product, any of which could be expected to negatively impact the business, financial condition and results of operations of the Company.

Orders for the Company's products may be cancelled or not fulfilled for many reasons

The Company often sells and ships products based on purchase orders received from customers. Sometimes those purchase orders plan for multiple shipments of products on future dates. Despite receipt of the purchase order, delivery or fulfilment of orders of product could be delayed for a number of reasons, some of which are outside of the Company's control, any of which could result in anticipated future deliveries and revenues from such sales being delayed or in the most serious cases eliminated. Actions taken by the Company's customers and factors affecting the economy, the livestock industry or the business and financial viability of the Company's customers can have a negative impact on the expectation of future deliveries, sales and revenues, any of which could be expected to negatively impact the business, financial condition and results of operations of the Company.

There is no guarantee of liquidity in the market or of continued listing of the Company's Shares

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on the trading market, and that the Company will continue to meet the listing requirements of the TSXV or achieve listing on another other public listing exchange.

There can be no assurance that the Offering will be completed

The completion of the Offering is subject to the completion of definitive binding documentation and satisfaction of a number of conditions. There can be no certainty that the Offering will be completed.

There will be no market for the Warrants

The Warrants constitute a new issue of securities of the Company. The Company has not applied and does not intend to apply to list the Warrants on any securities exchange. There is currently no market through which the Warrants may be sold and purchasers of Units may not be able to resell the Warrants purchased under this Prospectus. There can be no assurance that an active trading market for the Warrants will develop or, if developed, that any such market will be sustained. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. Even if a market develops for the Warrants, it is not possible to predict the price at which the Warrants will trade in the market or whether such market will be liquid or illiquid. To the extent Warrants are exercised, the number of Warrants outstanding will decrease, resulting in a diminished liquidity for the remaining Warrants. A decrease in the liquidity of the Warrants may cause, in turn, an increase in the volatility associated with the price of the Warrants. If any market trading of the Warrants becomes illiquid, an investor may have to exercise such Warrants to realize value.

Holders of Warrants do not have shareholder rights until the Warrant is exercised

Until a Warrant holder acquires Warrant Shares upon exercise of their Warrants, such Warrant holder will have no rights with respect to the Warrant Shares underlying such Warrants. Upon exercise of such Warrants, such Warrant holder will be entitled to exercise the rights of a shareholder only as to matters for which the record date occurs after the exercise date.

Enforcement of judgments against foreign persons may not be possible

Canadian investors should be aware that the Non-Resident Director resides outside of Canada; as a result, it may not be possible for purchasers of the Units to effect service of process within Canada upon the Non-Resident Director. All or a substantial portion of the assets of the Non-Resident Director are likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Non-Resident Director in Canada or to enforce a judgment obtained in Canadian courts against the Non-Resident Director outside of Canada.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are McGovern Hurley LLP, Toronto, Ontario. McGovern Hurley was first appointed auditors of the Company for the 2018 fiscal year.

The transfer agent and registrar of the Common Shares is Computershare Investor Services Inc., 100 University Ave., 9th Floor, Toronto, Ontario, M5J 2Y1.

INTERESTS OF EXPERTS

McGovern Hurley LLP are the external auditors of the Company and have confirmed that they are independent of the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

Certain legal matters relating to the distribution of the Offering will be passed upon by LaBarge Weinstein LLP, on behalf of the Company and by Baker McKenzie LLP, on behalf of the Underwriter. As of the date hereof, the “designated professionals” (as such term is defined in Form 51-102F2 – *Annual Information Form*) of each of LaBarge Weinstein LLP and Baker & McKenzie LLP, respectively, beneficially own, directly or indirectly, less than 1% of the Company’s issued and outstanding securities.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission,

revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Date: February 9, 2021

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

AVIVAGEN INC.

(Signed) “*Kym Anthony*”
Chief Executive Officer

(Signed) “*Chris Boland*”
Chief Financial Officer

On behalf of the Board of Directors of Avivagen Inc.

(Signed) “*Paul Mesburis*”
Director

(Signed) “*Graham Burton*”
Director

CERTIFICATE OF THE UNDERWRITER

Dated: February 9, 2021

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

BLOOM BURTON SECURITIES INC.

(Signed) “*Jolyon Burton*”
President and Head of Investment Banking