Avivagen Secures New Influential Customer in Mexico

OTTAWA, Ontario--(BUSINESS WIRE)--March 8, 2022--Avivagen Inc. (TSXV:VIV, OTCQB:VIVXF) ("Avivagen"), a life sciences corporation focused on developing and commercializing products for livestock, companion animal and human applications that safely enhances feed intake and supports immune function, thereby supporting general health and performance, is pleased to announce that a large, influential and industry-leading poultry producer in Mexico has placed an order for its OxC-beta Livestock™ product, through Avivagen's Mexican consultant Meyenberg International Group.

The sale follows a successful customer evaluation trial confirming that OxC-beta™ Livestock increased productivity, flock health, uniformity and improved skin pigmentation within its operations. This small initial order is expected to be delivered in Q2. Based on discussions with the customer, Avivagen anticipates receiving increasingly larger orders in the coming quarters as the customer implements OxC-beta in an increasing number of its contract farms.

"This new purchase, while modest, is continued proof that once large and reputable food producers begin to trial OxC-beta, they consistently see strong results in improved health and production," says Kym Anthony, Chief Executive Officer, Avivagen. "We're excited to increase our reach in Mexico, and we expect our relationship with this high-profile customer to grow over the coming months."

The sale has twofold significance. First, this customer is a relatively large producer with the capacity to regularly use a considerable quantity of OxC-beta in its operations. Thus, they represent an important potential recurring revenue stream for Avivagen. Secondly, the company is a prominent member of ANFACA, a producer association with a large membership based in Jalisco, Mexico. The adoption of OxC-beta in their operations provides other potential customers in the region with validation of the product's effectiveness under local conditions and will help facilitate additional new sales.

The Mexico Animal feed market is expected to expand to more than US$8 billion by 2025. Growth in the Mexico poultry industry is noted as a key driver of that growth.[i]

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

About OxC-beta™ Technology and OxC-beta™ Livestock
Avivagen's OxC-beta™ technology is derived from Avivagen discoveries about β-carotene and other carotenoids, compounds that give certain fruits and vegetables their bright colours. Through support of immune function the technology provides a non-antibiotic means of promoting health and growth. OxC-beta™ Livestock is a proprietary product shown to be an effective and economic alternative to the antibiotics commonly added to livestock feeds. The product is currently available for sale in the United States, Philippines, Mexico, Taiwan, New Zealand, Thailand, Brazil, Australia, and Malaysia.

Avivagen's OxC-beta™ Livestock product is safe, effective and could fulfill the global mandate to remove all in-feed antibiotics as growth promoters. Numerous international livestock trials with poultry and swine using OxC-beta™ Livestock have proven that the product performs as well as, and, sometimes, in some aspects, better than in-feed antibiotics.

Forward Looking Statements
This news release includes certain forward-looking statements that are based upon the current expectations of management. Forward-looking statements involve risks and uncertainties associated with the business of Avivagen Inc. and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions "aim", "anticipate", "appear", "believe", "consider", "could", "estimate", "expect", "if", "intend", "goal", "hope", "likely", "may", "plan", "possibly", "potentially", "pursue", "seem", "should", "whether", "will", "would" and similar expressions.

Statements set out in this news release relating to the expectations for the new customer to order more and larger orders of Avivagen product, the anticipated benefits of the new customer relationship to Avivagen, future growth and prospects for Avivagen and the possibility for OxC-beta™ Livestock to replace antibiotics in livestock feeds as growth promoters are forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. For instance, the new customer is under no obligation to order Avivagen products in the future and could stop ordering at any time, the benefits Avivagen anticipates from this new customer relationship may not be realized, Avivagen's products may not gain market acceptance or regulatory approval in new jurisdictions or for new applications and may not be widely accepted as a replacement for antibiotics as growth promoters in livestock feeds due to many factors, many of which are outside of Avivagen's control. Readers are referred to the risk factors associated with the business of Avivagen set out in Avivagen's most recent management's discussion and analysis of financial condition available at www.SEDAR.com. Except as required by law, Avivagen assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

---

[i] https://www.businesswire.com/news/home/20201116005771/en/Mexico-Animal-Feed-Markets-2020-2025-by-Type-Livestock-Form-Production-System-Source-Raw-Materials-Competitive-Environment---ResearchAndMarkets.com

Contacts

For more information:
Avivagen Inc.
Drew Basek
Director of Investor Relations
100 Sussex Drive, Ottawa, Ontario, Canada K1A 0R6 Phone: 416-540-0733
E-mail: d.basek@avivagen.com

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