RYU Apparel Announces Closing of Short Form Prospectus Offering

/NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES/

VANCOUVER, Feb. 2, 2017 /CNW/ - RYU Apparel Inc. (**"RYU"** or the **"Company"**) (TSX VENTURE: RYU & Frankfurt Stock Exchange: RYA), creator of "tailored innovation for the urban athlete", is pleased to announce that it has closed its previously announced short form prospectus offering, raising gross proceeds of $3,734,440.65 for the Company. Canaccord Genuity Corp. (the **"Agent"**) acted as an agent for the Company with respect to the sale of 24,896,271 common shares of the Company (the **"Shares"**) at a price of $0.15 per Share (the **"Offering"**). The Shares were sold pursuant to an agency agreement dated January 24, 2017 between the Company and the Agent (the **"Agency Agreement"**).

In consideration of the services performed by the Agent under the Agency Agreement, the Company: (i) paid the Agent a commission of $261,410.85 in cash; and (ii) issued to the Agent and members of its selling group an aggregate of 1,742,739 warrants entitling the Agent and members of its selling group to acquire up to an aggregate of 1,742,739 common shares of the Company at a price of $0.20 per common share until February 2, 2019. In addition, the Company paid the Agent a corporate finance fee of $125,000, consisting of $62,500 in cash and $62,500 in common shares of the Company (the **"Corporate Finance Shares"**), issued at a deemed price equal to $0.15 per Share, being equal to 416,666 Corporate Finance Shares. The Company has also reimbursed the Agent for expenses incurred by the Agent in connection with the Offering in the amount of $81,500.

The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the **"U.S. Securities Act"**), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction where such offer, solicitation, or sale would be unlawful.

For regular updates on RYU Apparel visit: http://ryu.com.

About RYU
RYU Apparel Inc. is tailored innovation for the urban athlete. Designed without compromise, RYU engineers apparel and accessories for the fitness and training of the multi-discipline athlete. Created for athletes by athletes, RYU exists to facilitate human performance. For more information, visit: http://ryu.com.

On Behalf of the Board

RYU APPAREL INC.
"*Marcello Leone*"
Marcello Leone, CEO, President and Chairman of the Board
Tel: 604-235-2880

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

SOURCE RYU Apparel Inc.

To view this news release in HTML formatting, please use the following URL: http://www.newswire.ca/en/releases/archive/February2017/02/c8111.html

%SEDAR: 00036899E

For further information: Investor Relations: Contact: Anna Brazier, Investor Relations, 1-844-535-2880, investors@ryu.com, www.ryu.com; For Media inquiries, contact: Katie Stevens, 778-686-0906, katies@talkshopmedia.com

CO: RYU Apparel Inc.

CNW 11:06e 02-FEB-17