

RYU Apparel Obtains Receipt for Final Short Form Prospectus

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VANCOUVER, July 11, 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 been issued a receipt for its final short form prospectus dated July 10, 2017 in connection with its public offering of 36,111,112 units of the Company ("**Units**") at a price of \$0.09 per Unit (the "**Offering Price**") for gross proceeds of \$3,250,000 (the "**Offering**"). Each Unit consists of one common share in the capital of the Company and one transferable common share purchase warrant (a "**Warrant**") with each Warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.135 for a period of 24 months after the closing of the Offering (the "**Closing**").

On July 10, 2017, the Company entered into an agency agreement with Canaccord Genuity Corp. (the "**Agent**"), pursuant to which the Agent has agreed to act as the Company's exclusive agent for the Offering on a commercially reasonable efforts basis. Pursuant to the Agency Agreement, the Company granted the Agent an over-allotment option (the "**Over-Allotment Option**"), exercisable in whole or in part, for a period of 30 days from the Closing, to offer an additional 15% of the number of Units sold under the Offering (the "**Additional Units**") at the Offering Price, solely to cover over-allotments, if any, and for market stabilization purposes.

Pursuant to the Agency Agreement, the Company has agreed to: (i) pay the Agent a cash fee equal to 7% of the gross proceeds raised under the Offering, including any gross proceeds raised upon the exercise of the Over-Allotment Option, provided that in respect of proceeds raised from purchasers on the president's list comprised of investors introduced by the Company to the Agent (the "**President's List**"), the cash fee is equal to 3.5%; and (ii) issue to the Agent warrants (each, an "**Agent's Warrant**") entitling the Agent to acquire that number of common shares of the Company equal to 7% of the number of Units sold under the Offering, including any Additional Units issued upon the exercise of the Over-Allotment Option, provided that the number of Agent's Warrants to be issued in respect of Units sold to purchasers on the President's List is equal to 3.5%. Each Agent's Warrant will be exercisable into one common share of the Company at a price of \$0.135 for a period of 24 months after the Closing. In addition, the Company has agreed to pay the Agent a corporate finance fee of \$25,000, consisting of \$12,500 in cash and \$12,500 in common shares of the Company (the "**Corporate Finance Shares**"), to be issued at a deemed price equal to the Offering Price, being equal to 138,888 Corporate Finance Shares. The Company has also agreed to reimburse the Agent for all reasonable expenses incurred by the Agent in connection with the Offering, including but not limited to the fees and expenses of legal counsel to the Agent.

The Closing is expected to occur on or about July 20, 2017 and is subject to the Company receiving all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

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

This news release contains forward-looking information that involves various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of RYU, such as statements about the expected date of the Closing. There are numerous risks and uncertainties that could cause actual results and RYU's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) adverse market conditions; (ii) risks inherent in the apparel industry in general; (iii) the inability of RYU to complete the Offering at all or on the terms announced; or (iv) the TSX Venture Exchange not approving the Offering. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, RYU does not intend to update these forward-looking statements.

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

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