

Devonian Healthcare Group Reports Key Financial Results for Quarter Ended January 31, 2019

QUEBEC--(BUSINESS WIRE)--April 2, 2019--Devonian Health Group Inc. (“**Devonian**” or the “**Corporation**”) (TSXv: GSD), a clinical stage botanical pharmaceutical corporation focused on developing a unique portfolio of botanical prescription drugs and cosmeceutical products, today reported key results from operations for the quarter ended January 31, 2019.

Financial Highlights for the quarter ended January 31, 2019

- For the three-month period ending January 31, 2019, the Corporation recorded revenues of \$3,354,684, amounting to \$5,317,215 for the six-month period ending on the same date. The Corporation's revenues are generated by the distribution of two pharmaceutical products, Cleo-35® and Pantoprazole Magnesium, through its subsidiary Altius Healthcare. For the same periods in the prior year, the Corporation recorded no income.
- During the quarter ending January 31, 2019, Research and Development expenses amounted to \$95,240, and \$316,313 for the six-month period ending the same date. These expenses are mainly attributable to the costs incurred for the clinical trial on Adult Atopic Dermatitis, the costs related to patents, as well as the related payroll assigned to this sector. Research and Development expenses of \$277,276 and \$533,705 were respectively incurred for the same periods in 2018. The decrease, compared to the corresponding 2018 periods is mainly due to the Research and Development tax credits recorded for a total of \$191,773 in January 2019, as well as a reduction in extraction activities compared to 2018.
- For the three-month period ending January 31, 2019, the net loss amounted to \$399,220 (\$ 0.006 per share) and \$1,055,805 (\$ 0.016 per share) for the six-month period ending on the same date. For the same comparative periods ending January 31, 2018, the Corporation realized a net loss of \$783,608 (\$ 0.013 per share) and \$1,427,486 (\$0.024 per share). This increase in net income is mainly attributed to revenues from Distribution and lower Research and Development expenses, partially offset by higher General and Administrative expenses and Financial expenses incurred during the period ending January 31, 2019.

“We are very pleased with the financial results of our Commercial Division, Altius Healthcare Inc. Devonian acquired Altius on February 1st, 2018, which includes the revenues from its existing product portfolio, namely Pantoprazole magnesium and Cléo-35®. Altius’ margins are in line with management expectations and partially offset some R&D expenses.” said Dr Andre P. Boulet, President and CEO of Devonian.

SELECTED QUARTERLY FINANCIAL INFORMATION (Unaudited Financial Statements)

	Quarter Ended	
	January 31 2019	January 31 2018
	\$	\$
Revenues	3,354,684	----
Net loss	(399,200)	(783,608)
Basic loss per share	(0.006)	(0.021)
Diluted loss per share	(0.006)	(0.013)

- All amounts referenced herein are in Canadian dollars.
- Unaudited financials for Q2-2019 can be found on SEDAR.

About Devonian

Devonian Health Group Inc. is a late stage botanical pharmaceutical corporation with novel therapeutic approaches to targeting unmet medical needs. Devonian's core strategy is to develop prescription botanical drugs from plant materials and algae for the treatment of inflammatory-autoimmune diseases including but not limited to ulcerative colitis and atopic dermatitis. Based on a foundation of over 15 years of research, Devonian's focus is further supported by a US-FDA set of regulatory guidelines favouring a more efficient drug development pathway for prescription botanical drug products over those of traditional prescription medicines. Devonian is also involved in the development of high-value cosmeceutical products leveraging the same proprietary approach employed with their pharmaceutical offerings. Devonian Health Group Inc. was incorporated in 2013 and is headquartered in Québec, Canada where it owns a state-of-the art extraction facility with full traceability ‘from the seed to the pill’. Acquired in 2018, Altius Healthcare Inc., its commercialization partner, brings opportunities for further diversification and growth potential. Devonian is traded publicly on the TSX Exchange (TSXv: GSD).

For more information, visit www.groupe-devonian.com

About Altius Healthcare Inc.

Based in Concord, Ontario, Altius Healthcare is a specialty pharmaceutical company with a primary focus of acquiring and in-licensing safe and innovative medicines and healthcare products designed to help people of all ages live healthier lives. Altius then leverages its expertise in the commercialisation activities required to successfully launch and distribute these medicines in Canada. The team's diverse experience and expertise draws from nearly 40 years of producing, importing, marketing and distributing branded and generic medicines.

For more information, visit www.altiushealthcare.ca

Forward Looking Statements

This press release contains forward-looking statements about Devonian's objectives, strategies and businesses that involve risks and uncertainties. These statements are "forward-looking" because they are based on our current expectations about the markets we operate in and on various estimates and assumptions. Actual events or results may differ materially from those anticipated in these forward-looking statements if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. Such risks and assumptions include, but are not limited to, Devonian's ability to develop, manufacture, and successfully commercialize value-added pharmaceutical and dermo-cosmeceutical products, the availability of funds and resources to pursue R&D projects, the successful and timely completion of clinical studies, the ability of Devonian to take advantage of business opportunities in the pharmaceutical and dermo-cosmeceutical industries, uncertainties related to the regulatory process and general changes in economic conditions. You will find a more detailed assessment of the risks that could cause actual events or results to materially differ from our current expectations in Devonian's prospectus dated April 21, 2017 under the heading "Risk Factors" related to Devonian's business. As a result, we cannot guarantee that any forward-looking statement will materialize. We assume no obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason, unless required by applicable securities laws and regulations.

Neither 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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