

Revive Therapeutics and Herman Holdings Enter Into Non-Binding Letter of Intent to Merge

TORONTO, October 17, 2019 (GlobeNewswire) -- Revive Therapeutics Ltd. ("Revive") (CSE: RVV) (OTCQB: RVVTF), a specialty cannabis company focused on the research, development, and commercialization of novel cannabinoid-based products, is pleased to announce that on October 15, 2019 it has signed a non-binding letter of intent (the "LOI") to merge with Herman Holdings Limited ("Herman Holdings"). The proposed merger is intended to create a brand focused vertically-integrated cannabis company that provides premium products for Canadian recreational and medical cannabis consumers. Final terms will be set out in a definitive agreement (the "Agreement") to be entered into by the parties.

"The merger of our business with Herman Holdings gives us an opportunity to execute on our strategy more efficiently and strategically positions us as a unique vertically-integrated cannabis company within Canada that will be able to provide solutions on a global-scale in the long-term," said Craig Leon, Chief Executive Officer of Revive.

Herman Holdings has made deliberate investments in synergistic assets throughout the supply chain. The tone was set with the first investment in Richmond Cannabis Co., a licensed producer under the Cannabis Act in Napanee, Ontario. Herman Holdings has also signed a letter of intent with a processing facility that uses heat pressing to extract rosin from cannabis, in a natural solvent-free manner. The supply chain was completed with the Revive and Herman Holdings joint-ventured product manufacturing facility in Mississauga, Ontario. These assets will power Herman Holdings' fully developed brands that are targeted towards consumers who care about the quality of the product they are consuming.

"Our ability to deliver on brands is a direct reflection of our strategic investments. As we begin to launch our niche portfolio of brands, we are thrilled to partner with Revive whose cannabis-based intellectual property portfolio and expertise will help implement our unique strategy. We intend to grow shareholder value by providing differentiated consumer products and using high quality inputs from soil to oil," said Joshua Herman, Chief Executive Officer of Herman Holdings.

For purposes of the Transaction, the deemed value of the issued and outstanding shares of Revive (on a fully diluted basis) at the time of closing of the Transaction, shall be approximately \$6,750,000, and the deemed value of the issued and outstanding shares of Herman Holdings (on a fully diluted basis) at the time of closing of the Transaction, shall be approximately \$18,300,000, plus the gross proceeds of the Herman Holdings proposed minimum financing of a private placement for gross proceeds of \$2,500,000.

Under the terms of the LOI, on completion of the Agreement, it is anticipated that Revive will (i) consolidate the Revive common shares on the basis of one common share for every 2.5 common shares held, (ii) the shareholders of Herman Holdings (the "Herman Holdings Shareholders") will receive two common shares (the "Exchange Ratio") of Revive (a "Revive Share") for each common share of Herman Holdings (a "Herman Holdings Share") held, including Herman

Holdings shares from Herman Holdings' proposed minimum financing of a private placement for gross proceeds of \$2,500,000, and (iii) issue replacement convertible securities of the Resulting Issuer to the holders of convertible securities of Herman Holdings on the basis of the ratio set out in (ii). Consummation of the transaction is subject to a number of conditions, including entering into a mutually agreed definitive arrangement agreement, completion of due diligence, minimum financing of a private placement for gross proceeds of \$2,500,000, Canadian Securities Exchange (the "CSE") approval, Revive shareholder and board approval, other third party and regulatory consents and approvals, and the satisfaction of other closing conditions. There is no assurance that the transaction will be consummated on the terms outlined above or at all.

ABOUT HERMAN HOLDINGS LIMITED

Herman Holdings has invested in assets throughout the supply chain to bring a portfolio of brands to market. We make sure that all of our brands and assets speak to natural premium processes, so our consumers can be confident that our products are clean from soil to oil to ensure a more enjoyable experience. For more information, visit www.HermanHoldings.ca.

ABOUT REVIVE THERAPEUTICS LTD.

Revive Therapeutics Ltd. (CSE: RVV) (OTCQB: RVVTF) is a specialty cannabis company focused on the research, development and commercialization of novel cannabinoid-based products. The Company's novel cannabinoid delivery technology is being advanced to fill the medical needs for diseases and disorders such as pain, inflammation, and wound care. Revive's cannabinoid pharmaceutical portfolio focuses on rare inflammatory and liver diseases. For more information, visit www.ReviveThera.com.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Revive's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. The forward-looking information contained in this press release is made as of the date hereof, and Revive is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not

place undue reliance on forward looking-information. The foregoing statements expressly qualify any forward-looking information contained herein. Factors that may cause actual results to differ materially from those anticipated by these forward looking statements include: uncertainties associated with the merger; uncertainties associated with reaching a definitive agreement to merge; uncertainties associated with obtaining regulatory approvals; the need to establish additional corporate collaborations, distribution or licensing arrangements; the Company's ability to raise additional capital if and when necessary; intellectual property disputes; increased competition from pharmaceutical and cannabis-centered companies; changes in equity markets, inflation, and changes in exchange rates; and other factors as described in detail in the Company's Management's Discussion & Analysis for the year ended June 30, 2018, the Company's Annual Information Form for the year ended June 30, 2018, and continuous disclosure filings, all of which may be viewed on SEDAR (www.sedar.com). Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements and information, which are qualified in their entirety by this cautionary statement. Except as required by law, Revive disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.