



VALEO PHARMA™

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**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

VALEO PHARMA ANNOUNCES \$6.0 MILLION BOUGHT DEAL FINANCING

MONTREAL, QUEBEC , August 20, 2020 – [Valeo Pharma Inc.](#) (CSE:VPH, FSE:VP2) (“**Valeo**” or the “**Company**”), a Canadian specialty pharmaceutical company, announced today that it has entered into an agreement with a syndicate of underwriters led by Stifel GMP (the "Lead Underwriter", and collectively with the syndicate of underwriters, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase from the Company, on a bought deal basis pursuant to the filing of a short form prospectus, 5,000,000 units of the Company (the "Units") at a price of \$1.20 per Unit (the "Offering Price") for gross proceeds of \$6.0 million (the "Offering"). Each Unit shall consist of one common share of the Company and one-half common share purchase warrant (each whole warrant, a "Unit Warrant"), with each Unit Warrant entitling the holder to purchase one common share of the Company at a price of \$1.50 until 24 months after the closing of the Offering and will be subject to an accelerated expiration if the closing price of the Company's common shares on the Canadian Securities Exchange (the "CSE") is equal to or greater than \$2.00 for a period of ten consecutive trading days.

The Underwriters have also been granted an option (the "Over-Allotment Option"), exercisable in whole or in part and from time to time, at any time until 30 days after the closing of the Offering, to purchase from the Company up to 750,000 additional Units at the Offering Price for additional gross proceeds of up to approximately \$0.9 million to the Company. If the Over-Allotment Option is exercised by the Underwriters in full, aggregate gross proceeds of the Offering (including the OverAllotment Option) will be approximately \$6.9 million.

The Units will be offered by way of a short form prospectus to be filed in all of the provinces of Canada. The Company intends to use the net proceeds from the Offering for working capital and general corporate purposes. The Offering is expected to close on or about September 10, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary corporate and regulatory approvals, including the approval of the CSE and the applicable securities regulatory authorities.



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"We are very pleased with this capital raise as it enables us to continue to accelerate our growth initiatives and support our coming product launches." said Steve Saviuk, Chief Executive Officer of the Company.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Valeo Pharma

Valeo Pharma is a specialty pharmaceutical company dedicated to the commercialization of innovative prescription products in Canada. With a focus on Neurodegenerative Diseases, Oncology and Hospital Specialty Products, Valeo Pharma has a growing portfolio of innovative products and the full infrastructure to properly manage these products through all stages of commercialization. Headquartered in Kirkland, Quebec, Valeo Pharma has all capabilities internally to register and market health care solutions for Canadian patients. For more information, please visit <http://www.valeopharma.com> and follow us on LinkedIn and Twitter.

Forward-Looking Statements

This news release may contain certain forward-looking statements regarding the Company's expectations for future events. Such expectations are based on certain assumptions that are founded on currently available information. If these assumptions prove incorrect, actual results may differ materially from those contemplated by the forward-looking statements contained in this press release. Factors that could cause actual results to differ include, amongst others, uncertainty as to the final result and other risks. The Company disclaims any intention or obligation to publicly update or revise any forward- looking statements, whether as a result of new information, future events or otherwise, other than as required by security laws.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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