

**REVIVE THERAPEUTICS LTD.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE THREE AND NINE MONTHS ENDED**

**MARCH 31, 2015**

## **Introduction**

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Revive Therapeutics Ltd. ("Revive" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended March 31, 2015. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended June 30, 2014 and the period from August 7, 2012 to June 30, 2013, together with the notes thereto and the unaudited condensed interim consolidated financial statements for the three and nine months ended March 31, 2015, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Information contained herein is presented as at May 20, 2015, unless otherwise indicated.

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Revive's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at [www.sedar.com](http://www.sedar.com).

## **Caution Regarding Forward-looking Statements**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or to the future performance of Revive. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking information is based on the opinions and estimates of management as at the date the information is given, and is based on information available to management at such time. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

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Forward-looking statements	Assumptions	Risk factors
<p>The early stage of development, particularly the inherent risks and uncertainties associated with (i) developing new drug candidates, (ii) demonstrating the safety and efficacy of these drug candidates in clinical trials, and (iii) obtaining regulatory approval to commercialize these drug candidates.</p>	<p>Financing will be available for development of new drug candidates and conducting clinical studies; the actual results of the clinical trials will be favourable; development costs will not exceed Revive's expectations; the Company will be able to retain and attract skilled staff; the Company will be able to recruit suitable patients for clinical trials; all requisite regulatory and governmental approvals to commercialize the drug candidates will be received on a timely basis upon terms acceptable to Revive; and applicable economic conditions are favourable to Revive.</p>	<p>Availability of financing in the amount and time frame needed for the development and clinical trials may not be favourable; increases in costs; the Company's ability to retain and attract skilled staff; the Company's ability to recruit suitable patients for clinical trials; timely and favourable regulatory and governmental compliance, acceptances, and approvals; interest rate and exchange rate fluctuations; changes in economic conditions.</p>
<p>The Company's ability to obtain the substantial capital it requires to fund research and operations.</p>	<p>Financing will be available for Revive's research and operations and the results thereof will be favourable; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Revive.</p>	<p>Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in cost of research and operations; interest rate and exchange rate fluctuations; adverse changes in economic conditions.</p>
<p>Factors affecting clinical trials and regulatory approval process of the Company's drug candidates.</p>	<p>Actual costs of clinical and regulatory processes will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; the Company will be able to recruit suitable patients for clinical trials; the Company will be able to complete clinical studies on a timely basis with favourable results; all applicable regulatory and governmental approvals for drug candidates will be received on a timely basis with terms acceptable to Revive; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to Revive; there will be a ready market for the drug candidates.</p>	<p>Revive's drug candidates may require time-consuming and costly preclinical and clinical testing and regulatory approvals before commercialization; the Company's ability to retain and attract skilled staff; the Company's ability to recruit suitable patients for clinical trials; adverse changes in regulatory and governmental processes; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company will not be adversely affected by market competition.</p>

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Forward-looking statements	Assumptions	Risk factors
The Company's ability to find and enter into agreements with potential partners to bring viable drug candidates to commercialization.	Revive will be able to find a suitable partner and enter into agreements to bring drug candidates to market within a reasonable time frame and on favourable terms; the costs of entering into a partnership will be consistent with Revive's expectations; partners will provide necessary financing and expertise to bring drug candidates to market successfully and profitably.	Revive will not be able to find a partner and / or enter into agreements within a reasonable time frame; if the Company enters into agreements, these agreements may not be on favourable terms to Revive; costs of entering into agreements may be excessive; potential partners will not have the necessary financing or expertise to bring drug candidates to market successfully or profitably.
The Company's ability to obtain and protect the Company's intellectual property rights and not infringe on the intellectual property rights of others.	Patents and other intellectual property rights will be obtained for viable drug candidates; patents and other intellectual property rights obtained will not infringe on others.	Revive will not be able to obtain appropriate patents and other intellectual property rights for viable drug candidates; patents and other intellectual property rights obtained will be contested by third parties; no proof that acquiring a patent will make the product more competitive.
The Company's ability to source markets which have demand for its products and successfully supply those markets in order to generate sales.	The anticipated markets for the Company's potential products and technologies will continue to exist and expand. The Company's products will be commercially viable and it will successfully compete with other research teams who are also examining potential therapeutics with regards to respiratory and breathing disorders, gout, Rett Syndrome, rare diseases, cognitive dysfunction, and central nervous system disorders.	The anticipated market for the Company's potential products and technologies will not continue to exist and expand for a variety of reasons, including competition from other products and the degree of commercial viability of the potential product.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. The forward-looking statements contained herein are expressly qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## **Description of Business**

Revive is a clinical-stage company focused on commercializing treatments for Gout and orphan drug indications such as, Cystinuria, Wilson disease and Rett syndrome. Revive's business model employs a lower risk drug development and commercial strategy by focusing on finding new uses of old drugs through drug repurposing with the objective of finding an appropriate partner or partners to bring the new use drug to the marketplace. Additional information on Revive is available at [www.revivether.com](http://www.revivether.com).

The Company's registered and legal office is located at 5 Director Court, Suite 105, Vaughan Ontario, L4L 4S5.

## **Corporate Highlights**

The Company is the resulting issuer of a reverse take-over transaction ("**RTO**") completed on December 30, 2013. Pursuant to the RTO, Revive Therapeutics Inc. ("**Old Revive**"), a private company, which had been incorporated under the *Business Corporations Act* (Ontario) ("**OBCA**") on September 1, 2012, acquired Mercury Capital II Limited ("**Mercury**"), a capital pool company listed on the TSX Venture Exchange (the "**Exchange**"), which had been incorporated under the OBCA on March 27, 2012. Prior to the completion of the RTO, Mercury was classified as a capital pool company ("**CPC**") under the policies of the Exchange and accordingly, had no commercial operations, and no significant assets other than cash. Completion of the RTO constituted Mercury's Qualifying Transaction (as such term is defined in Exchange Policy 2.4 - *Capital Pool Companies*).

Pursuant to the RTO, Old Revive, the Company (as Mercury), and a subsidiary of Mercury completed a triangular amalgamation under the OBCA pursuant to which shares of Old Revive were exchanged for shares of the Company on the basis of one (1) share of the Company for each one (1) Old Revive share, all of the outstanding shares of Old Revive were acquired by Mercury Capital III Limited ("**Mercury AcquisitionCo**"), Old Revive and Mercury AcquisitionCo were amalgamated, and the resulting company continued under the name "Revive Therapeutics Inc." as a wholly-owned subsidiary of the Company (the "**Amalgamation**"). The Amalgamation was accounted for as a RTO whereby Old Revive was identified as the acquirer for accounting purpose and the resulting consolidated financial statements are presented as a continuance of Old Revive and the comparative figures presented in the consolidated financial statements after the RTO are those of Old Revive. Upon completion of the Amalgamation on December 30, 2013, the Company filed articles of amendment under the OBCA to change its name to its current form of name.

On September 4, 2014, the Company terminated a patent license agreement with Numedicus Limited ("Numedicus") related to Patent Document PCT/GB2012/050831 (the "REV-001 050831 Agreement"), and the Company recorded a write-off of intangible assets of \$15,192 in the unaudited condensed interim consolidated statements of comprehensive loss for the three and nine months ended March 31, 2015.

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On September 11, 2014, the Company announced that it has named Dr. Robert A. Terkeltaub, MD, as Principal Investigator for the Company's upcoming clinical study of gout. Dr. Terkeltaub is a professor of Medicine in the Rheumatology Allergy Immunology Division at the University of California San Diego. He has been a principal investigator of multiple clinical trials in gout, and has published over 80 academic papers on gout and crystal-induced inflammation.

On October 28, 2014, the Company applied to the US Food & Drug Administration ("FDA") for Orphan Drug Designation for REV-003 (Tianeptine) in the treatment of Rett Syndrome ("REV-003").

On October 30, 2014, the Company submitted an Investigational New Drug ("IND") application to the FDA for the clinical development of REV-002 (Bucillamine) for the treatment of gout ("REV-002").

On November 4, 2014, the Company obtained a receipt for a preliminary short form base PREP prospectus (the "Preliminary Prospectus") filed with the securities regulators in all of the provinces of Canada, except Quebec, pursuant to which the Company proposes to complete a best-efforts public offering of up to \$5,000,000 in common shares of the Company upon terms to be determined in the context of the market (the "Offering"). Beacon Securities Limited (the "Agent") is acting as sole agent and bookrunner in respect of the Offering. The Company has granted the Agent an over-allotment option (the "Over-Allotment Option") to sell up to an additional 15% of the common shares offered under the Offering, exercisable in whole or in part at any time up to 48 hours prior to closing, to cover over-allotments, if any. The Company has agreed to pay the Agent a cash commission equal to 7% of gross proceeds of the Offering, and to issue to the Agent warrants to acquire the number of Common Shares equal to 7% of the aggregate number of common shares sold pursuant to the Offering (including any common shares sold pursuant to the exercise of the Over-Allotment Option) at the offering price of the common shares pursuant to the Offering (see "Liquidity and Financial Position" below).

On November 26, 2014, the Company announced that the FDA had accepted the Company's IND application for the clinical development of REV-002 in the U.S.

On December 18, 2014, the Company completed the "Offering" of 4,996,500 units ("Units") for aggregate gross proceeds of \$2,997,900. Each Unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant is exercisable at a price of \$0.85 and entitles the holder thereof to acquire one common share of the Company for a period of two years following the closing of the Offering. The expiry date of the warrants may be accelerated by the Company, at its option, if, at any time the volume-weighted average trading price of the common shares is greater than \$1.20 for any 20 consecutive trading days, upon providing 30 days prior notice, such prior notice to be delivered within five business days immediately following such 20-day period. The fair value of the warrants was estimated to be \$999,300 using a valuation model incorporating Black-Scholes on the following assumptions: dividend yield 0%; volatility 112%; risk-free interest rates of 1.01%; and expected lives of 2 years. The Offering was led by Beacon as the sole agent and bookrunner. The Company also issued 349,755 non-transferable compensation broker warrants to Beacon and other members of a special selling group, with each broker warrant exercisable to purchase one Unit on the same terms of the Offering for a period of two years following the closing of the Offering. The fair value of the broker warrants was estimated to be \$120,942 using the Black-Scholes valuation model on the following assumptions: dividend yield 0%; volatility 112%; risk-free interest rates of 1.01%; and expected lives of 2 years.

On January 15, 2015, the Company announced that it has entered into a research collaboration with Rettsyndrome.org to explore the potential of Revive's REV-003 (Tianeptine) for the treatment of Rett syndrome.

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On January 29, 2015, the Company announced the initiation of a Phase II - A clinical study in patients with gout in the U.S.

On February 10, 2015, the Company granted 925,000 stock options to certain officers, directors, employees and consultants at an exercise price of \$0.60 per common share expiring on February 10, 2025.

On March 5, 2015, Revive announced the appointment of Spinnaker Capital Markets Inc. ("Spinnaker") as its capital markets and investor relations advisor. The agreement is for an initial term of three months from March 2, 2015 to June 2, 2015. Spinnaker's mandate will focus on developing and expanding the network of investors, analysts, and financial intermediaries who are interested in following the Revive growth and investment story. The agreement also provides for a full range of investor relations services for a monthly fee of \$7,500.

On April 27, 2015, the Company announced positive study results of the REV-003 (Tianeptine) from its research collaboration with Rettsyndrome.org for the potential treatment of Rett syndrome (see "Subsequent Events" section below).

On May 4, 2015, the Company announced that the Company's CEO, Fabio Chianelli, will present at the Marcum MicroCap Conference which is being held on May 27 and 28, 2015 in New York City and will also be available for one-on-one meetings with the investment community (see "Subsequent Events" section below).

### **Goal**

Revive's principal business is focused on acquiring, developing and commercializing therapeutic products designed to help address unmet medical needs. Revive aims to rapidly bring drugs to market by finding new uses for drug compounds that have already been successfully commercialized (known as "drug repurposing") or tested for safety in at least Phase I clinical trials, and improving the therapeutic performance of existing drugs. Instead of independently developing its drug repurposing candidates up to regulatory approval and commercialization, Revive's goal is to develop these new-use drug compounds up to or past Phase II human clinical trial testing, and then to bring its product candidates to market through out-licensing, acquisition or partnering opportunities with appropriate pharmaceutical or medical device partners.

### **Outlook**

The pharmaceutical industry is facing a number of significant pressures such as decreasing research and development productivity, increasing drug development costs, increasing patent protection loss of branded drugs, high regulatory barriers, evolving payer requirements, lower return on investment, generic drug competition and post-market clinical trial result failures due to safety concerns. Pharmaceutical companies are being forced to find more efficient and cost effective ways to improve their research and development strategies. There is increasing interest in drug repurposing to help fill this unmet drug development gap. Drug repurposing has the potential to fill the unmet need of pharmaceutical companies looking to fill their drug pipelines, provide a new source of revenue and increase return on investment. Drug repurposing is the process of developing new indications for existing drugs. Drug repurposing has a number of potential research and development advantages such as reduced time to market, reduced development cost, and the improved probability of success. Interestingly enough, the drug repurposing development model has not been fully adopted by pharmaceutical companies to address their new drug development needs. Revive aims to fill this gap for the pharmaceutical industry.

## **Overall Performance**

The Company's current efforts are focused on the development of three material repurposed drug products, REV-001, REV-002, and REV-003.

REV-001's primary target indication is for the treatment and prevention of opioid-induced respiratory depression in a perioperative setting for high-risk patients such as persons with sleep apnea. Revive has announced successful results of a Phase II-A "proof of concept" clinical study. Revive is currently seeking a suitable pharmaceutical or medical device partner to continue efforts to obtain regulatory approval for and pursue commercialization of REV-001, including initiating and completing Phase II and Phase III clinical trials.

REV-002's primary target indication is for the treatment of gout, a painful condition involving deposition of uric acid crystals in the joints due to defective uric acid excretion.

Pre-clinical studies have been performed with REV-002, and Revive has received FDA approval of its IND application to conduct a Phase II-A human proof of concept study for REV-002 for the treatment of acute gout flares. The Company plans to promptly initiate this Phase II-A clinical study in patients with gout in the U.S. Pursuant to a material transfer agreement (the "REV-002 MTA") with a pharmaceutical company headquartered in Japan ("MTACo"), Revive has obtained non-clinical data, clinical data, manufacturing information and clinical supply of bucillamine, which will be used to advance clinical trials. Revive is currently identifying potential clinical research organizations and clinical trial centers to engage in order to conduct the Phase II-A human proof of concept study of REV-002, which will cost an estimated \$2,000,000 and is expected to be completed in the first half of 2015. The REV-002 MTA reinforces the Company's belief in the significant market potential of REV-002, and paves the way for accelerated progress in REV-002's development, and if merited, commercialization. As at the date of this MD&A, Revive does not have sufficient funds to complete the human proof of concept study.

On February 26, 2015, Revive announced the expansion of its orphan drug indication pipeline to include the drug Bucillamine for the treatment of cystinuria and Wilson disease. The addition of cystinuria and Wilson disease was the result of the Company amending the REV-002 MTA, with MTACo. Pursuant to the amended REV-002 MTA, Revive will obtain access to confidential information and clinical trial supply of the drug Bucillamine for cystinuria and Wilson disease, which the Company expects to conduct US-based clinical trials. The Company will continue to have access to confidential information and clinical trial supply of the drug Bucillamine for the treatment of gout. In return, MTACo will have exclusive commercialization rights in Japan, Korea and Taiwan, and Revive will have exclusive commercialization rights in the rest of the world.

REV-003's primary target indication is for the treatment of Rett Syndrome, a rare genetic postnatal neurological disorder. Revive has announced successful results of a pre-clinical animal study in breathing difficulties. The Company is evaluating the next steps for further clinical development, and is in discussions with potential clinical investigators to pursue additional pre-clinical and human clinical testing for REV-003 in the U.S. and Europe. Revive is currently determining the clinical design, budget and estimated time to complete the clinical development of REV-003. Funds to complete pre-clinical and human clinical testing for REV-003 have not been budgeted. The Company will require additional financing to complete pre-clinical and human testing for REV-003.

In addition to REV-001, REV-002, and REV-003, the Company is evaluating additional drug repurposing candidates and novel formulations to add to its product development pipeline. Should the need exist, Revive may develop next-generation versions of its drug candidates, which will aim to improve upon the



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original drug, and may have the potential to treat new diseases that would otherwise remain untreated by the original drug.

The following chart summarizes the Company's product candidates, including the principal disease or indication being targeted, clinical trial status, expected milestones and marketing rights for each program:

<b>Program</b>	<b>Status</b>	<b>Next Milestone</b>	<b>Estimated Cost to Complete</b>	<b>Marketing Rights</b>
REV-001: tianeptine for treatment of opioid-induced respiratory depression in a perioperative setting	Phase II-A human proof of concept study complete	Partner via out-licensing or acquisition of REV-001 or continue clinical development (expected Q2 2016)	N/A	Revive (Worldwide)
REV-002: bucillamine for treatment of gout	Pre-clinical proof of concept study complete; IND application accepted by FDA	Complete Phase II-A human proof of concept study (expected Q1 2016)	\$2,000,000	Revive (Rest of world) / MTACo (Japan, Korea, Taiwan)
		Partner via out-licensing or acquisition of REV-002 or continue clinical development (expected Q2 2016)	N/A	
REV-003: tianeptine for treatment of Rett Syndrome	Pre-clinical studies on going in collaboration with Rettsyndrome.org	Complete pre-clinical studies from collaboration with Rettsyndrome.org (expected Q4 2015)	N/A	Revive (Worldwide)

**Operations by Program**

REV-001

(a) On October 15, 2013, Revive and Numedicus entered into the REV-001 050831 Agreement, which amended and superseded a patent license agreement originally concluded on September 4, 2012, and amended and superseded on March 7, 2013. Pursuant to the REV-001 050831 Agreement, the Company acquired the exclusive rights to develop and commercialize Patent Document PCT/GB2012/050831. Between September 4, 2012, and September 4, 2014, the Company paid an aggregate total of GBP £10,000 (actual Canadian dollars at date of transaction - \$15,922) in licensing fees to Numedicus in accordance with the REV-001 050831 Agreement. On September 4, 2014, the Company terminated the REV-001 050831 Agreement, and recorded a write-off of intangible asset of \$15,192 in respect thereof in the unaudited condensed interim consolidated statements of comprehensive loss for the three and nine months ended March 31, 2015.

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(b) On October 15, 2013, Revive and Numedicus entered into a patent license agreement (the "REV-001 051213 Agreement"), which amended and superseded a patent license agreement originally concluded on September 4, 2012, as amended and superseded on March 7, 2013. Pursuant to the REV-001 051213 Agreement, the Company acquired the exclusive rights to develop and commercialize Patent Document PCT/GB2013/051213. The Company is required to pay (i) annual license fees amounting to GBP £10,000, (ii) milestone payments at various stages of development, and (iii) a 3% royalty charged on net sales value for any licensed products or, in the event Revive sublicenses its patents, based on a percentage of revenue earned. Where a milestone payment is payable in relation to a grant of a sub-license matches the milestones described above, Revive shall be entitled to off-set the milestone payments. To date, the Company has paid an aggregate total of GBP £20,000 (first £10,000 payment equated to \$16,927 Canadian on date of transaction; and second £10,000 payment equated to \$18,206 Canadian on date of transaction) in licensing fees to Numedicus in accordance with the REV-001 051213 Agreement. No milestone payments or royalties have been incurred or paid.

During the three and nine months ended March 31, 2015, the Company incurred \$nil and \$81,901, respectively, in REV-001 research costs for consulting services of clinical trial design and research (three and nine months ended March 31, 2014 - \$14,543 and \$37,942, respectively).

REV-002

On June 17, 2013, Revive and Xenexus Pharmaceuticals Pty Ltd. ("Xenexus") entered into a patent assignment agreement (the "REV-002 Agreement"), which replaced and superseded a patent license agreement (the "REV-002 License") between Revive and Xenexus dated April 3, 2013. The REV-002 Agreement and its predecessor grant Revive the right to commercially exploit Patent Document AU2012905072 with respect to the use of bucillamine, a rheumatoid arthritis drug for the treatment of gout. Pursuant to the REV-002 License, the Company was required to pay annual license fees amounting to \$10,000. Between April 3, 2013, and June 17, 2013, the Company paid \$10,000 in accordance with the REV-002 License. Pursuant to the REV-002 Agreement, the Company acquired Patent Document AU2012905072 in exchange for a \$15,000 cash payment (paid). If the Company licenses the patent acquired under the REV-002 Agreement, it will be required to pay to Xenexus 5% of any upfront milestone payments and subsequent milestone fees from its licensee. To date, no milestone payments have been incurred or paid. As of March 31, 2015, the Company is in compliance with the terms of the REV-002 Agreement.

On October 30, 2014, the Company announced that it submitted an IND application to the FDA for the clinical development of REV-002 (Bucillamine) for the treatment of gout and on November 26, 2014, the Company announced that FDA accepted the Company's IND application.

On January 29, 2015, the Company announced the initiation of a Phase II - A clinical study in patients with gout in the U.S.

During the three and nine months ended March 31, 2015, the Company incurred \$140,533 and \$350,470 in REV-002 research costs for consulting services of clinical trial design and research (three and nine months ended March 31, 2014 - \$nil).

REV-003

October 28, 2014, the Company announced that it applied to the FDA for Orphan Drug Designation for REV-003 (Tianeptine) in the treatment of Rett Syndrome.

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On January 15, 2015, the Company announced that it has entered into a research collaboration with Rettsyndrome.org to explore the potential of Revive's REV-003 (Tianeptine) for the treatment of Rett syndrome.

As part of the collaboration, Revive will supply the drug to conduct the study under the Rettsyndrome.org Scout Program. The purpose of the study is to run a behavioral battery of tests to screen and assess the potential for REV-003 (Tianeptine) for the therapeutic treatment of Rett syndrome in a mouse model. Assessments will include body weight, grip strength, gait analysis and neurologic/behavioral parameters. All raw data, samples and specimens arising from the performance of this study will remain the property of Revive. The study will be funded and managed by Rettsyndrome.org.

On April 27, 2015, the Company announced positive study results of the REV-003 (Tianeptine) from its research collaboration with Rettsyndrome.org for the potential treatment of Rett syndrome (see "Subsequent Events" section below).

During the three and nine months ended March 31, 2015, the Company incurred \$nil and \$3,628, respectively, in REV-003 research costs for consulting services of clinical trial design and research (three and nine months ended March 31, 2014 - \$nil).

Financial

At March 31, 2015, the Company had working capital of \$2,831,249, compared to working capital of \$1,198,328 at June 30, 2014. The Company had cash and cash equivalents of \$2,808,733 at March 31, 2015, compared to \$1,188,919 at June 30, 2014. The increase in both working capital and cash and cash equivalents is primarily due to the proceeds from the Offering completed on December 18, 2014.

## **Trends**

Pharmaceutical and biotechnology companies have commonly relied on two mainstream approaches to establish a product pipeline. The first being internal research and development efforts, which is expensive, time-consuming and involve a very high degree of risk. The second common approach is product in-licensing, which is limited by increased competition from well-established global pharmaceutical and biotechnology companies to in-license or acquire a limited number of interesting and high probability of success compounds. As such, there is a trend towards the drug repurposing development model to fill the pharmaceutical product pipeline gap.

Traditionally, once a compound in clinical development for a specific indication is deemed to lack effectiveness, yet have a good safety profile, the drug developer will stop the clinical development regardless if the compound could be effective in treating additional medical indications. Until now, any alternative or new uses were most often discovered by serendipity. The drug repurposing industry has gone beyond serendipity and new technologies such as bioinformatics-based approaches and high put screening approaches are being utilized by drug developers. Thus, the Company believes that the drug repurposing development model will become a core drug development strategy of pharmaceutical companies for many years to come.

## **Overall Objective**

The Company's overall objective is to produce income by monetizing compounds from its own development pipeline through out-licensing or various forms of collaboration; and earning upfront payments, milestones and royalties from our pharmaceutical, biotechnology or medical device company partners. The Company also continues to consider other strategic opportunities and paths to enhance shareholder value, including but not limited to, additional sources of funding, new strategic relationships

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with pharmaceutical companies and other third parties, and licensing and acquisitions of drug development and medical device opportunities.

## Contingencies

As at the date of this MD&A, the Company does not believe that there are any significant obligations requiring material capital outlays in the immediate future.

## Selected Quarterly Information

The Company's quarterly information in the table below is prepared in accordance with IFRS.

Three Months Ended	Total Revenue (\$)	Profit or Loss		Total Assets (\$)
		Total (\$)	Per Share (\$) <sup>(9)(10)</sup>	
March 31, 2015	-	(575,642) <sup>(1)</sup>	(0.02)	3,102,354
December 31, 2014	-	(460,703) <sup>(2)</sup>	(0.02)	3,429,809
September 30, 2014	-	(398,588) <sup>(3)</sup>	(0.02)	1,169,605
June 30, 2014	-	(380,157) <sup>(4)</sup>	(0.02)	1,342,816
March 31, 2014	-	(278,876) <sup>(5)</sup>	(0.02)	1,648,191
December 31, 2013	-	(560,304) <sup>(6)</sup>	(0.04)	1,946,792
September 30, 2013	-	(37,752) <sup>(7)</sup>	(0.00)	717,013
June 30, 2013	-	(78,610) <sup>(8)</sup>	(0.01)	753,725

### Notes:

- (1) Net loss of \$575,642 consisted of \$60,849 consulting fees, \$140,533 research costs, \$47,071 professional fees and disbursements, \$83,496 salaries and benefits and \$183,653 stock-based compensation.
- (2) Net loss of \$460,703 consisted of \$56,988 consulting fees, \$140,667 research costs, \$77,719 professional fees and disbursements, \$72,067 salaries and benefits and \$33,468 stock-based compensation.
- (3) Net loss of \$398,588 consisted of \$54,855 consulting fees, \$154,799 research costs, \$42,192 professional fees and disbursements, \$60,067 salaries and benefits and \$33,468 stock-based compensation.
- (4) Net loss of \$380,157 consisted of \$75,686 consulting fees, \$126,702 research costs, \$53,656 of professional fees and disbursements, \$60,709 of salaries and benefits and \$33,104 of stock-based compensation.
- (5) Net loss of \$278,876 consisted of \$14,543 of research costs, \$25,038 of professional fees and disbursements, \$154,242 stock-based compensation, \$58,987 of salaries and benefits and \$8,000 consulting fees. All other expenses related to general working capital purposes.

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- (6) Net loss of \$560,304 consisted of \$23,399 of research costs, \$146,900 of professional fees and disbursements, \$348,805 of reverse takeover transaction cost and \$24,000 of consulting fees. All other expenses related to general working capital purposes.
- (7) Net loss of \$37,752 consisted of \$10,479 of office expenses and \$24,000 of consulting fees. All other expenses related to general working capital purposes.
- (8) Net loss of \$78,610 consisted of \$3,678 of research costs, \$544 of office expenses, \$1,746 of amortization, \$27,642 of professional fees and disbursements and \$45,000 of consulting fees.
- (9) Basic and diluted per share basis.
- (10) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

## **Capital Management**

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the board of directors on an ongoing basis.

The Company considers its capital to be total shareholders' equity, comprising share capital, warrants and broker warrants, stock options and accumulated deficit which at March 31, 2015, totalled \$2,915,144 (June 30, 2014 - \$1,265,040).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its research programs. Information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the three and nine months ended March 31, 2015.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the Exchange which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2015, management believes it is compliant with known requirements. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

## **Discussion of Operations**

### *Nine months ended March 31, 2015, compared to the nine months ended March 31, 2014*

The Company's net loss totaled \$1,434,933 for the nine months ended March 31, 2015, with basic and diluted loss per share of \$0.07. This compares with a net loss of \$876,932 with basic and diluted loss per share of \$0.06 for the nine months ended March 31, 2014.

Net loss for nine months ended March 31, 2014 principally related to research costs of \$435,999, professional fees and disbursements of \$166,982, stock-based compensation of \$250,589, salaries and benefits of \$215,630, consulting fees of \$172,692, depreciation and amortization of \$5,626, rent of \$17,654, office expenses of \$154,569 and write-off of intangible assets of \$15,192. Net loss for the nine months ended March 31, 2014 consisted of consulting fees of \$56,000, research costs of \$37,942, salaries and benefits of \$58,987, stock-based compensation of \$154,242, office expenses of \$30,142, rent of \$15,338, depreciation and amortization of \$3,238, professional fees of \$172,238 and reverse takeover transaction cost of \$348,805. The increase in expenses of \$558,001 related primarily to: higher research costs for REV-001 and REV-002 and higher stock-based compensation due to the stock options granted.

### *Three months ended March 31, 2015, compared to the three months ended March 31, 2014*

The Company's net loss totaled \$575,642 for the three months ended March 31, 2015, with basic and diluted loss per share of \$0.02. This compares with a net loss of \$278,876 with basic and diluted loss per share of \$0.02 for the three months ended March 31, 2014.

Net loss for three months ended March 31, 2015 principally related to research costs of \$140,533, professional fees and disbursements of \$47,071, stock-based compensation of \$183,653, salaries and benefits of \$83,496, consulting fees of \$60,849, depreciation and amortization of \$1,877, rent of \$6,516, and office expenses of \$51,647. Net loss for the three months ended March 31, 2014 consisted of consulting fees of \$8,000, research costs of \$14,543, salaries and benefits of \$58,987, stock-based compensation of \$154,242, office expenses of \$10,633, rent of \$6,338, depreciation and amortization of \$1,095 and professional fees of \$25,038. The increase in expenses of \$296,766 related primarily to: higher research costs and higher stock-based compensation due to the stock options granted.

## **Liquidity and Financial Position**

Cash and cash equivalents used in operating activities was \$1,185,058 for the nine months ended March 31, 2015. Operating activities were affected by a \$5,626 adjustment for depreciation and amortization, \$250,589 stock-based compensation, write-off of intangible assets of \$15,192 and the net change in non-cash working capital balances of \$21,532 because of increases in other receivables, prepaid expenses and accounts payable and accrued liabilities.

Cash and cash equivalents used in investing activities was \$38,001 for the nine months ended March 31, 2015. This pertained to purchase of the payment to Numedicus of GBP £10,000 (actual Canadian dollars at date of transaction - \$18,206) to comply with the terms of the REV-001 license agreement and associated legal fees of \$19,795.

Cash and cash equivalents provided by financing activities was \$2,842,873 for the nine months ended March 31, 2015 which represents proceeds from the Offering and from the exercise of broker warrants and stock options.

At March 31, 2015, Revive had \$2,808,733 in cash and cash equivalents.

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Accounts payable and accrued liabilities were \$187,210 at March 31, 2015. The Company's cash and cash equivalents balance as at March 31, 2015 is sufficient to pay these liabilities.

The Company has no operating revenues and therefore must utilize its income from financing transactions to maintain its capacity to meet ongoing operating activities.

As of March 31, 2015, and to the date of this MD&A, the cash resources of Revive are held with one Canadian chartered bank.

The Company has no debt and its credit and interest rate risk is minimal. Accounts payable and accrued liabilities are short-term and non-interest-bearing.

As of March 31, 2015, based on current projections, Revive's working capital of \$2,831,249 is expected to meet its expenses for the period ending December 31, 2015. The table below outlines the Company's use of proceeds for this period:

<b>Use of Proceeds <sup>(1)</sup></b>	<b>Amount</b>	<b>Spent (approx.) <sup>(4)</sup></b>	<b>Remaining Funds to Spend or (excess)</b>
License fees pursuant to REV-001 051213 Agreement	\$18,000 <sup>(3)</sup>	\$18,000 <sup>(3)</sup>	\$nil
REV-001 research and development, and clinical trials	\$237,500	\$165,900	\$71,600
REV-002 research and development, and clinical trials	\$2,537,500	\$471,000	\$2,066,500
REV-003 research and development, and clinical trials	\$150,500	\$23,000	\$127,500
REV-101 analog research and development	\$72,500	\$nil	\$72,500
Intellectual Property Costs	\$75,000	\$nil	\$75,000
G&A for 12 months <sup>(2)</sup>	\$1,070,000	\$974,500	\$95,500
Unallocated Working Capital <sup>(5)</sup>	\$322,649	\$nil	\$322,649
<b>Total</b>	<b>\$4,483,649</b>	<b>\$1,652,400</b>	<b>\$2,831,249</b>

Notes:

- (1) The use of proceeds provided in the table above should be considered estimates. Actual expenditures to satisfy these estimated costs may, and most likely will, differ from these estimates. It must be noted that the previous use of proceeds has increased due to the Offering completed on December 18, 2014.
- (2) Salaries and benefits (\$462,000), consulting fees (\$231,000), office lease (\$55,000), travel (\$37,000), insurance (\$46,000), professional fees (\$138,000), transfer agent and regulatory fees (\$37,000), technology expenses (\$18,000), marketing (\$46,000).
- (3) The actual fee paid was £10,000. Based on Bank of Canada's daily noon exchange rate of £1.00 equals to \$1.8206 on the date of payment during the period ended March 31, 2015.
- (4) Based on expenditures from the consolidated statement of comprehensive loss from January 1, 2014 to March 31, 2015.
- (5) Unallocated working capital will be increased to \$322,649 from \$319,028 to meet the allocated expenditures in the table above.

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Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to effect the planned activities of Revive. For these reasons, management considers it to be in the best interests of Revive and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises.

### **Off-Balance-Sheet Arrangements**

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

### **Proposed Transactions**

As of the date of this MD&A, no proposed transaction has been approved by the Board of Directors, other than the Offering.

### **Related Party Transactions**

Related parties include the directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

(a) Revive engaged in the following transactions with related parties:

<b>Names</b>	<b>Three Months Ended March 31, 2015 (\$)</b>	<b>Three Months Ended March 31, 2014 (\$)</b>
Fabiotech Inc. ("Fabiotech") (i)	nil	8,000
Marrelli Support Services Inc. ("Marrelli Support") (ii)	10,000	9,750
DSA Corporate Services ("DSA") (iii)	690	nil
McMillan LLP ("McMillan") (iv)	74	14,833
RangerCap Inc. ("RangerCap") (v)	50,000	nil
<b>Total</b>	<b>60,764</b>	<b>32,583</b>

<b>Names</b>	<b>Nine Months Ended March 31, 2015 (\$)</b>	<b>Nine Months Ended March 31, 2014 (\$)</b>
Fabiotech (i)	nil	56,000
Marrelli Support (ii)	34,000	14,130
DSA (iii)	5,915	nil
McMillan (iv)	4,401	115,853
RangerCap (v)	125,000	nil
<b>Total</b>	<b>169,316</b>	<b>185,983</b>



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(i) Fabiotech is a corporation controlled by the Chief Executive Officer ("CEO"), President and Director of the Company. As at March 31, 2015, \$nil (June 30, 2014 - \$nil) was owed to Fabiotech.

(ii) Marrelli Support was owed \$3,554 as at March 31, 2015 (June 30, 2014 - \$2,500) for the services of Carmelo Marrelli to act as Chief Financial Officer ("CFO") of the Company. This amount was included in accounts payable and accrued liabilities. The Company has entered into a consulting agreement (the "Marrelli Consulting Agreement") with Marrelli Support and Mr. Marrelli to provide the services of Mr. Marrelli as CFO of the Corporation. The term of the Marrelli Consulting Agreement commenced on January 8, 2013, and shall continue until terminated by either Mr. Marrelli or the Company. Pursuant to the Marrelli Consulting Agreement, Mr. Marrelli is entitled to receive monthly compensation of \$1,250 per month, and incentive stock option grants on a reasonable basis, consistent with the grant of options to other grantees. In addition, Marrelli Support provides bookkeeping services to the Company. Mr. Marrelli is the President of Marrelli Support. The amounts charged by Marrelli Support are based on what Marrelli Support usually charges its clients. The Company expects to continue to use Marrelli Support for an indefinite period of time.

(iii) DSA was owed \$1,041 as at March 31, 2015 (June 30, 2014 - \$nil) for filing services. This amount was included in accounts payable and accrued liabilities. DSA is a private company controlled by Carmelo Marrelli, the CFO of the Company. Carmelo Marrelli is also the corporate secretary and sole director of DSA. Services were incurred in the normal course of operations for electronic filing and news dissemination services.

(iv) McMillan was owed \$73 as at March 31, 2015 (June 30, 2014 - \$nil) for legal services (including disbursements) and this amount was included in accounts payable and accrued liabilities. Robbie Grossman, Corporate Secretary of the Company, is a partner at McMillan. The amounts charged by McMillan are based on what McMillan usually charges its clients.

(v) RangerCap was owed \$nil as at March 31, 2015 (June 30, 2014 - \$14,125) for consulting services and this amount was included in accounts payable and accrued liabilities. RangerCap is owned by Craig Leon, one of the directors of the Company.

(b) Remuneration of directors and key management personnel of the Company, excluding consulting fees, was as follows:

<b>Stock-based compensation</b>	<b>Three Months Ended March 31, 2015 (\$)</b>	<b>Three Months Ended March 31, 2014 (\$)</b>
<b>Names</b>		
Craig Leon, Director	37,467	78,429
Bill Jackson, Director	33,644	26,143
Carlo Sansalone, Director	22,590	19,607
Fabio Chianelli, CEO and Director	22,590	19,607
Carmelo Marrelli, CFO	4,422	2,614
Dr. Bev Incedon, Officer	2,307	2,614
<b>Total</b>	<b>123,020</b>	<b>149,014</b>

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<b>Stock-based compensation</b>	<b>Nine Months Ended March 31, 2015 (\$)</b>	<b>Nine Months Ended March 31, 2014 (\$)</b>
<b>Names</b>		
Craig Leon, Director	71,501	78,429
Bill Jackson, Director	44,988	26,143
Carlo Sansalone, Director	31,098	19,607
Fabio Chianelli, CEO and Director	31,098	19,607
Carmelo Marrelli, CFO	5,556	2,614
Dr. Bev Incedon, Officer	3,441	2,614
<b>Total</b>	<b>187,682</b>	<b>149,014</b>

<b>Salaries and benefits</b>	<b>Three Months Ended March 31, 2015 (\$)</b>	<b>Three Months Ended March 31, 2014 (\$)</b>
<b>Names</b>		
Fabio Chianelli, CEO and Director	62,500	43,750
<b>Total</b>	<b>62,500</b>	<b>43,750</b>

<b>Salaries and benefits</b>	<b>Nine Months Ended March 31, 2015 (\$)</b>	<b>Nine Months Ended March 31, 2014 (\$)</b>
<b>Names</b>		
Fabio Chianelli, CEO and Director	160,096	43,750
<b>Total</b>	<b>160,096</b>	<b>43,750</b>

(c) Major shareholders:

As at March 31, 2015, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all of the common shares of the Company other than Mr. Fabio Chianelli, CEO and a Director of the Company, who owns or controls, directly or indirectly, 35.51% of the issued and outstanding shares of the Company. These shareholdings can change at any time at the discretion of the owner.

None of the Company's major shareholders have different voting rights other than holders of the Company's common shares.

The Company is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company. Other than Mr. Fabio Chianelli, the CEO and a Director of the Company, who owns or controls, directly or indirectly, 35.51% of the issued and outstanding shares of the Company, the Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

## **Change in Accounting Policies**

IAS 32 – Financial Instruments: Presentation (“IAS 32”) was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. On July 1, 2014, the Company adopted this amendment and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

### Recent accounting pronouncements

IFRS 9 - Financial Instruments (“IFRS 9”) was issued by the IASB on November 12, 2009 and will replace IAS 39 - Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of assessing the impact of this pronouncement.

IFRS 15 - Revenue from Contracts with Customers (“IFRS 15”) was issued by IASB in May 2014, replacing IAS 11, Construction Contracts, IAS 18, Revenue, and several revenue-related interpretations. IFRS 15 establishes a single revenue recognition framework that applies to contracts with customers. The standard required an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. Disclosure requirements have also been expanded. IFRS 15 is effective for years beginning on or after January 1, 2017, with early adoption permitted. The standard may be applied retrospectively or using a modified retrospective approach. The Company is in the process of assessing the impact of this pronouncement.

## **Share Capital**

Other than as described below, as of the date of this MD&A, there are no equity or voting securities of the Company outstanding, and no securities convertible into, or exercisable or exchangeable for, voting or equity securities of the Company.

As of the date of this MD&A, there are (i) 23,936,437 common shares of the Company issued and outstanding; (ii) warrants exercisable for the purchase of 4,996,500 common shares; (iii) broker warrants exercisable for the purchase of 349,755 Units with each Unit composed of one common share of the Company and one common share purchase warrant. Each warrant is exercisable at a price of \$0.85 and entitles the holder thereof to acquire one common share of the Company for a period of two years following the closing of the Offering; and (iv) stock options exercisable for the purchase of 1,553,151 common shares outstanding.

## **Financial Instruments**

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate and foreign exchange rate risk).

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

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Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and other receivables. Cash is held with select major Canadian chartered banks, from which management believes the risk of loss to be minimal.

Other receivables include sales tax recoverable from government authorities in Canada, which are in good standing as of March 31, 2015. Management believes that the credit risk concentration with respect to financial instruments included in sales tax recoverable is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at March 31, 2015, the Company had a cash and cash equivalents balance of \$2,808,733 (June 30, 2014 - \$1,188,919) to settle current liabilities of \$187,210 (June 30, 2014 - \$77,776). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

Market risk

(a) Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash held as collateral in guaranteed investment certificates or interest bearing accounts of select major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

The Company is exposed to the risk that the value of financial instruments will change due to movements in market interest rates. As of March 31, 2015, the Company's interest rate risk mainly relates to cash balances. Sensitivity to a plus or minus 1% change in interest rates would affect the reported loss and comprehensive loss by approximately \$21,000.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As of March 31, 2015, sensitivity to a plus or minus 10% change in US dollar foreign exchange rate would not have significant impact on the reported comprehensive loss.

**Fair value hierarchy and liquidity risk disclosure**

Cash and cash equivalents are considered Level 1 with the fair value hierarchy as at March 31, 2015.

## **Commitments**

The Company has entered into an agreement (the "Employment Agreement") with an officer (Fabio Chianelli) (the "Officer") of the Company to provide services to the Company in the general capacity of CEO and to undertake the duties and exercise the powers associated with this role. Under the terms of the Employment Agreement, the CEO is contracted by the Company for an indefinite term, commencing as of January 1, 2014. The Company shall pay the CEO a \$250,000 base salary per annum (the "Annual Base Salary") and annual bonus payments (the "Bonus") from time to time, at the Board's entire discretion, of up to 100% of the Annual Base Salary based on the achievement of corporate goals and benchmarks relating to the Company's overall performance. The Employment Agreement requires an additional contingent lump-sum payment equal to the Officer's then Annual Base Salary and also the Bonus paid or declared to the Officer, if any, in the Company's previously completed fiscal year upon the occurrence of a change of control or termination without cause. As a triggering event has not taken place, the contingent payments have not been reflected in the unaudited condensed interim consolidated financial statements for the three and nine months ended March 31, 2015.

The Company entered into a lease commencing on September 2013 for a 24-month period. The Company is required to pay minimum annual lease payments of \$25,353 for the premise.

See "Overall Performance" section above for patent license payment commitments.

On March 5, 2015, Revive announced the appointment of Spinnaker as its capital markets and investor relations advisor. The agreement is for an initial term of three months from March 2, 2015 to June 2, 2015. Spinnaker's mandate will focus on developing and expanding the network of investors, analysts, and financial intermediaries who are interested in following the Revive growth and investment story. The agreement also provides for a full range of investor relations services for a monthly fee of \$7,500.

## **Risk Factors**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. It should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's annual information form for the fiscal year ended June 30, 2014, available on SEDAR at [www.sedar.com](http://www.sedar.com). There have been no significant changes to such risk factors since the date thereof.

### Additional Disclosure for Venture Issuers without Significant Revenue

#### Office expenses

	Three Months Ended March 31, 2015 (\$)	Three Months Ended March 31, 2014 (\$)
Administrative	8,481	4,602
Bank charges	522	939
Insurance	7,560	3,095
Interest income	(2,864)	(5,939)
Meals and entertainment	1,483	117
Reporting issuer costs	30,887	7,179
Travel and accommodation	5,578	640
<b>Total</b>	<b>51,647</b>	<b>10,633</b>

	Nine Months Ended March 31, 2015 (\$)	Nine Months Ended March 31, 2014 (\$)
Administrative	26,150	11,033
Bank charges	1,308	1,229
Insurance	21,793	3,581
Interest income	(3,264)	(6,225)
Meals and entertainment	3,910	7,316
Reporting issuer costs	91,728	7,435
Travel and accommodation	12,944	5,773
<b>Total</b>	<b>154,569</b>	<b>30,142</b>

#### Intangible assets

Cost	REV-001	REV-002	REV-003	Total
<b>Balance, June 30, 2014</b>	<b>\$35,940</b>	<b>\$25,000</b>	<b>\$nil</b>	<b>\$60,940</b>
Additions	28,104	nil	9,897	38,001
Write-off	(15,992)	nil	nil	(15,992)
<b>Balance, March 31, 2015</b>	<b>\$48,052</b>	<b>\$25,000</b>	<b>\$9,897</b>	<b>82,949</b>

Accumulated amortization	REV-001	REV-002	REV-003	Total
<b>Balance, June 30, 2014</b>	<b>\$2,671</b>	<b>\$2,030</b>	<b>\$nil</b>	<b>\$4,701</b>
Amortization for the period	2,485	938	369	3,792
Write-off	(800)	nil	nil	(800)
<b>Balance, March 31, 2015</b>	<b>\$4,356</b>	<b>\$2,968</b>	<b>\$369</b>	<b>\$7,693</b>

### **Subsequent Events**

(i) On April 15, 2015, the Company announced that Dr. Bruce Cronstein, M.D. will join the Company as a medical advisor. A practicing rheumatologist for more than 30 years, Dr. Cronstein is the recipient of a 'Research Hero' award from the Arthritis Foundation and a Clinical Investigator Award from the NIH. In addition to being the author of over 220 peer-reviewed journal papers and multiple patents and patents pending, and an investigator of a number of clinical studies in gout, Dr. Cronstein is the 2013 recipient of the Lee C. Howley Sr. Prize for Research in Arthritis from the Arthritis Foundation.

(ii) On April 27, 2015, the Company announced positive study results of the REV-003 (Tianeptine) from its research collaboration with Rettsyndrome.org for the potential treatment of Rett syndrome.

(iii) On May 4, 2015, the Company announced that the Company's CEO, Fabio Chianelli, will present at the Marcum MicroCap Conference which is being held on May 27 and 28, 2015 in New York City and will also be available for one-on-one meetings with the investment community.