

PLEASE READ THIS MATERIAL CAREFULLY AS YOU ARE REQUIRED TO MAKE A DECISION PRIOR TO 5:00 P.M. (TORONTO TIME) ON JUNE 17, 2016.

This rights offering circular is prepared by management. No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this circular. Any representation to the contrary is an offence.

This is the circular we referred to in the May 16, 2016 rights offering notice, which you should have already received. Your rights certificate and relevant forms were enclosed with the right offering notice. This circular should be read in conjunction with the rights offering notice and our continuous disclosure prior to making an investment decision.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States. This rights offering circular does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States, and the securities offered herein may not be offered or sold in or into the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws, or pursuant to an exemption from such registration requirements as described herein. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

Rights Offering Circular

May 16, 2016



REVIVE THERAPEUTICS LTD.

OFFERING OF RIGHTS TO SUBSCRIBE FOR COMMON SHARES AT A PURCHASE PRICE OF \$0.10 PER UNIT

References in this circular to **we**, **our**, **us** and similar terms mean to Revive Therapeutics Ltd. (the "**Company**"). References in this circular to **you**, **your** and similar terms mean to holders of the Company's common shares (the "**Common Shares**"). Unless otherwise indicated, references herein to "**\$**" or "**dollars**" are to Canadian dollars.

WE CURRENTLY HAVE SUFFICIENT WORKING CAPITAL TO LAST TWO MONTHS. WE REQUIRE 50% OF THE OFFERING TO LAST 12 MONTHS.

SUMMARY OF THE RIGHTS OFFERING

<p>Why are you reading this circular?</p>	<p>We are issuing to the holders of our outstanding Common Shares of record at the close of business on May 20, 2016 (the "Record Date") and who are resident in a province or territory of Canada (the "Eligible Jurisdictions"), an aggregate of 23,936,437 rights to subscribe for an aggregate of 23,936,437 Units on the terms described in this circular ("the Offering"). The purpose of this circular is to provide you with detailed information about your rights and obligations in respect of this Offering. This circular should be read in conjunction with the offering notice which you should have already received by mail.</p>
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What is being offered?	Each holder of Common Shares on the Record Date who is resident in an Eligible Jurisdiction will receive one right for each one Common Share held.
Who is eligible to receive rights?	The rights are offered only to shareholders resident in Eligible Jurisdictions (the “ Eligible Holders ”). Shareholders will be presumed to be resident in the place shown on their registered address, unless the contrary is shown to our satisfaction. Neither the Offering notice nor this circular is to be construed as an offering of the rights, nor are the Units issuable upon exercise of the rights offered for sale, in any jurisdiction outside of Eligible Jurisdictions or to shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions (the “ Ineligible Holders ”). Instead, Ineligible Holders will be sent a letter advising them that their rights will be held by Computershare Trust Company of Canada (the “ Depository ”), located at 100 University Ave, 9th Floor, Toronto ON M5J 2Y1 (the “ Subscription Office ”), who will hold such rights as agent for the benefit of all such Ineligible Holders.
What does one right entitle you to receive?	<p>Each one (1) right entitles you to subscribe for one (1) Unit upon payment of the Subscription Price (called the “Basic Subscription Privilege”). No fractional Units will be issued. Each whole Unit consists of one Common Share and one-half of one Common Share purchase warrants (a “Warrant”). Each whole Warrant entitles the holder to acquire one Common Share for \$0.18 until June 18, 2018.</p> <p>If you exercise your Basic Subscription Privilege in full, you will also be entitled to subscribe pro rata for Common Shares (the “Additional Units”) not otherwise purchased, if any, pursuant to the Basic Subscription Privilege (called the “Additional Subscription Privilege”).</p>
What is the subscription price?	\$0.10 per Unit (the “ Subscription Price ”).
When does the offer expire?	5:00 p.m. (Toronto time) on June 17, 2016 (the “ Expiry Time ”).
What are the significant attributes of the rights issued under the Offering and the Units to be issued upon the exercise of the rights?	<p>Each one (1) right entitles you to subscribe for one (1) Unit upon payment of the Subscription Price.</p> <p>We are authorized to issue an unlimited number of Common Shares, of which, as at the date hereof 23,936,437 are issued and outstanding. Holders of Common Shares are entitled to dividends if, as and when declared by our directors, to one vote per share at meetings of our shareholders and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the Common Shares.</p> <p>The Warrants will be issued under a warrant indenture (the “Warrant Indenture”). Each Warrant will be exercisable to purchase one Common Share at a price of \$0.18 per Common Share at any time before 5:00 p.m. (Toronto time) on June 18, 2018 (the “Warrant Expiry Date”). In the event that the volume-weighted average trading price of the Common Shares on the TSX-V exceeds \$0.25 per Common Share for any period of 20 consecutive trading days, the Company may, at its option, within five business days following such 20-day period, accelerate the Warrant Expiry Date by delivery of notice to the registered holders thereof and issuing a Warrant</p>

	Acceleration Press Release, and, in such case, the Warrant Expiry Date shall be deemed to be 5:00 p.m. (Toronto time) on the 30th day following the later of (i) the date on which the Warrant Acceleration Notice is sent to Warrant holders, and (ii) the date of issuance of the Warrant Acceleration Press Release. The Warrant Indenture provides for adjustment in the number of Warrant Shares issuable upon exercise of the Warrants and/or exercise price per security upon the occurrence of certain events, and the Warrant Indenture may be amended, all of which are described in the Warrant Indenture available in the Company's public disclosure documents on SEDAR at www.sedar.com .
What are the minimum and maximum number or amount of Common Shares that may be issued under the Offering?	A maximum of 23,936,437 Units will be issued under the Offering. There is no minimum number of Units that may be issued under the Offering.
Where will the rights and the Common Shares issuable upon exercise of the rights be listed for trading?	The Common Shares are listed on the TSX Venture Exchange (the "TSXV") under the trading symbol "RVV". The rights will trade on the TSXV under the trading symbol "RVV.RT" until 12:00 p.m. (Toronto time) on June 17, 2016. The Warrants will not be listed on any recognized stock exchange or over-the-counter trading system.

FORWARD-LOOKING STATEMENTS

This circular contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that we believe, expect or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements reflect our current expectations or beliefs based on information currently available to us. Forward-looking statements in this circular include, without limitation, statements with respect to: our expectations regarding the estimated costs of the Offering and the net proceeds to be available upon completion; the use of proceeds from the Offering and the availability of funds from sources other than the Offering; the listing of the rights and the Common Shares on the TSXV; and our ability to continue as a going concern.

The forward-looking statements are based on a number of key expectations and assumptions made by the Company's management relating to the Company including, but not limited to: the completion of the Offering; the estimated costs of the Offering; the estimated amount of funds raised under the Offering; and the anticipated operating expenses of the Company for the 12 month period following the Expiry Date.

Forward-looking statements are subject to a number of risks and uncertainties that may cause the Company's actual results to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: uncertainties relating to the availability and cost of funds; closing of the Offering; delays in obtaining or failure to obtain required approvals to complete the Offering; the uncertainty associated with estimating costs to completion of the Offering, including those yet to be incurred; dilution of the shareholdings of shareholders who do not exercise all of their rights under the Offering; uncertainties relating to the trading market for rights; irrevocability of the exercise of rights by a shareholder; the subscription price is not necessarily an indication of value; if a shareholder fails to follow the subscription procedure and

abide by the subscription deadline their subscription may be rejected; and other risks and uncertainties related to the Company's business and the Offering, including those described in the Company's public disclosure documents on SEDAR at www.sedar.com.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although we believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty.

USE OF AVAILABLE FUNDS

What will our available funds be upon closing of the Offering?

Assuming the exercise of all rights, the maximum net proceeds to the Company from the Offering will be approximately \$2,348,644, after deducting estimated expenses of \$45,000 associated with the Offering.

		Assuming 15% of Offering	Assuming 50% of Offering	Assuming 75% of Offering	Assuming 100% of Offering
A	Amount to be raised by this offering	\$359,047	\$1,196,822	\$1,795,233	\$2,393,644
B	Selling commissions and fees	\$14,362	\$47,873	\$71,809	95,746
C	Estimated offering costs (e.g., legal, Rights Agent, filing fees)	\$45,000	\$45,000	\$45,000	\$45,000
D	Available funds: D = A - (B+C)	\$299,685	\$1,103,949	\$1,678,424	\$2,252,898
E	Additional sources of funding	n/a	n/a	n/a	Nil
F	Working capital deficiency	n/a	n/a	n/a	Nil
G	Total: G = (D+E) - F	\$299,685	\$1,103,949	\$1,678,424	\$2,252,898

There is no working capital deficiency. The following table provides information regarding the significant changes in working capital since June 30, 2015, as set forth in our interim financial statements for the period ending March 31, 2016.

Significant Changes in Working Capital			
	March 31, 2016 (Unaudited)	June30, 2015 (Audited)	Change
Current Assets	\$820,986	\$2,583,495	\$(1,762,509)
Current Liabilities	\$650,598	\$304,437	\$(346,161)
Working Capital	\$170,388	\$2,279,058	\$(2,108,670)

There has been no significant change in the Company's working capital since March 31, 2016.

How will we use the available funds?

The net proceeds from the Offering (the "Available Funds") will be used for the purposes set out in the table below.

Description of intended use of available funds listed in order of priority	Assuming 15% of offering	Assuming 50% of offering	Assuming 75% of offering	Assuming 100% of offering
REV-004 Phase 2 human proof of concept study for cystinuria and/or non-clinical research studies	\$250,000	\$1,000,000	\$1,000,000	\$1,000,000
Working capital	\$49,685	\$103,949	\$678,424	\$1,252,898
Total:	\$299,685	\$1,103,949	\$1,678,424	\$2,252,898

The Company intends to use the net proceeds of the Offering for a REV-004 Phase 2 human proof of concept study for the treatment of cystinuria assuming receipt of FDA acceptance and/or for non-clinical research studies, which would be used as part of the new drug application to the FDA to seek approval of Bucillamine for the treatment of cystinuria and acute gout flares in the U.S., as well as working capital. This research will be completed on a contract basis.

We intend to spend the Available Funds as stated. We will reallocate funds only for sound business reasons.

How long will the available funds last?

Management of the Company anticipates that the Available Funds from the Offering will be sufficient for the next twelve months as it is straightforward for the Company to scale the levels of expenditures on the basis of the amount of funds it has on hand.

INSIDER PARTICIPATION

Will insiders be participating?

To the knowledge of the Corporation, after reasonable inquiry, the only insiders of the Corporation who will be participating in the Offering are Craig Leon, Chairman and a director, Fabio Chianelli, President, Chief Executive Officer and a director, and Carlo Sansalone, a director of the Corporation. Mr. Leon owns or controls 1,820,000 Common Shares, Mr. Chianelli owns or controls 6,499,600 Common Shares and Mr. Sansalone owns or controls 1,241,666 Common Shares. Mr. Leon, Mr. Chianelli and Mr. Sansalone (i) intend to exercise or cause to be exercised their Basic Subscription Privilege, being Rights entitling them to subscribe for 250,000 Units each; and, (ii) may also subscribe for Additional Units under the Additional Subscription Privilege. The foregoing information as to the intentions of the persons mentioned above is not within the Corporation's knowledge and has been furnished by such persons. No assurance can be given by the Corporation that such persons will subscribe for Units in the amounts set out above or at all.

Who are the holders of 10% or more of our Common Shares before and after the Offering?

To the knowledge of the directors and executive officers of the Company, as at the date hereof, no person or company beneficially owns, directly or indirectly, or controls or directs more than 10% of any class of voting securities of the Company, other than as set out below.

Shareholder	Holdings before the Offering	Holdings after the Offering ⁽¹⁾
Fabio Chianelli	6,499,600 (27.2%)	6,749,600 (14.1%)

Note:

(1) Assuming full exercise of the Basic Subscription Privilege and the Offering being fully subscribed.

DILUTION

If I do not exercise my rights, by how much will my security holdings be diluted?

If you wish to retain your current percentage ownership of the Common Shares, you should exercise your Rights and pay the Subscription Price for the Common Shares to which you are entitled to subscribe for under the Basic Subscription Privilege. If you do not exercise your Rights or elect to sell or transfer your Rights, the value of the Common Shares currently held by you will be diluted as a result of the exercise of Rights by others.

As an illustration, if you own 150,000 Common Shares on the Record Date, fail to exercise your right to purchase 10,000 Common Shares under the Offering pursuant to the Basic Subscription Privilege, and all other Shareholders fully exercise their Basic Subscription Privilege (i.e. the Corporation issues 23,936,437 Common Shares), your percentage ownership of the Common Shares will decrease from 0.6% to 0.3%, assuming no Warrants are exercised.

STAND-BY COMMITMENT

Who are the Stand-By Purchasers and what are the fees?

The Offering will not have a stand-by guarantor.

MANAGING DEALER AND SOLICITING DEALER

Who is the managing dealer or soliciting dealer and what are its fees?

The Company has not retained any party to solicit subscriptions for Units pursuant to the Offering. However, the Corporation shall pay a solicitation fee pursuant to the Offering of \$0.004 for each Unit subscribed for to any member of Investment Industry Regulatory Organization of Canada ("IIROC") whose name appears in the place provided on a rights certificate representing Rights surrendered for exercise subject to a minimum of \$25. There will be no maximum fee. No fee shall be payable in respect of Units subscribed by insiders of the Corporation.

HOW TO EXERCISE THE RIGHTS

Subscriptions for Units made in connection with this Offering either directly or through a Participant will be irrevocable.

How does a security holder that is a registered holder participate in the rights offering?

If you are a registered holder of Common Shares in an Eligible Jurisdiction, a certificate (the "**Rights Certificate**") representing the total number of transferable rights to which you are entitled as at the Record Date has been mailed to you with a copy of the Offering notice. To exercise the rights represented by the Rights Certificate, you must complete and deliver the Rights Certificate in accordance with the instructions set out below. Rights not exercised at or prior to the Expiry Time will be void and of no value. The method of delivery is at the discretion and risk of the holder of the Rights Certificate and delivery to the Depositary will only be effective when actually received by the Depositary at its Subscription Office, see "*Appointment of Depositary – Who is the Depositary?*" Rights Certificates and payments received after the Expiry Time will not be accepted.

In order to exercise your rights you must:

1. **Complete and sign Form 1 on the Rights Certificate.** The maximum number of rights that you may exercise under the Basic Subscription Privilege is shown in the box on the upper right hand corner of the face of the Rights Certificate. If you complete the Form 1 so as to exercise some but not all of the rights evidenced by the Rights Certificate, you will be deemed to have waived the unexercised balance of such rights, unless you otherwise specifically

advise the Depository at the time the Rights Certificate is surrendered to the Depository.

2. **Additional Subscription Privilege.** Complete and sign Form 2 on the Rights Certificate only if you also wish to participate in the Additional Subscription Privilege. See “*How to exercise the rights? – What is the Additional Subscription Privilege and how can you exercise this privilege?*” below.
3. **Enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Trust Company of Canada** To exercise the rights you must pay \$0.10 per Unit. In addition to the amount payable for any Units you wish to purchase under the Basic Subscription Privilege, you must also pay the amount required for any Units subscribed for under the Additional Subscription Privilege.
4. **Delivery.** Deliver or mail the completed Rights Certificate and payment in the enclosed return envelope addressed to the Depository so that it is received by the Subscription Office of the Depository set forth below before the Expiry Time. If you are mailing your documents, registered mail is recommended. Please allow sufficient time to avoid late delivery.

The signature of the Rights Certificate holder must correspond in every particular with the name that appears on the face of the Rights Certificate.

Signatures by a trustee, executor, administrator, guardian, attorney, officer of a company or any person acting in a fiduciary or representative capacity should be accompanied by evidence of authority satisfactory to the Depository. We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any subscription in our sole discretion. Subscriptions are irrevocable. We reserve the right to reject any subscription if it is not in proper form or if the acceptance thereof or the issuance of Units pursuant thereto could be unlawful. We also reserve the right to waive any defect in respect of any particular subscription. Neither we nor the Depository is under any duty to give any notice of any defect or irregularity in any subscription, nor will we be liable for the failure to give any such notice.

How does a security holder that is not a registered holder participate in the rights offering?

You are a beneficial Eligible Holder if you hold your Common Shares through a securities broker or dealer, bank or trust company or other participant (each, a “**Participant**”) in the book-based system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). The total number of rights to which all beneficial Eligible Holders as at the Record Date are entitled will be issued to CDS and will be deposited with CDS following the Record Date. We expect that each beneficial Eligible Holder will receive a confirmation of the number of rights issued to it from its Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding rights.

Neither we nor the Depository will have any liability for (i) the records maintained by CDS or Participants relating to the rights or the book-entry accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such rights, or (iii) any advice or representations made or given by CDS or Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or Participants.

If you are a beneficial Eligible Holder:

1. to exercise your rights held through a Participant, you must instruct such Participant to exercise all or a specified number of such rights, and forward to such Participant, the Subscription Price for each Unit that you wish to subscribe for.
2. you may subscribe for Additional Units pursuant to the Additional Subscription Privilege by instructing such Participant to exercise the Additional Subscription Privilege in respect of the number of Additional Units you wish to subscribe for, and forwarding to such Participant the Subscription Price for such Additional Units requested.

Any excess funds will be returned to the relevant Participant for the account of the beneficial holder, without interest or deduction.

Can I combine, exchange or divide my Rights Certificate?

Rights Certificates may be combined, divided or exchanged by delivering such Rights Certificates, accompanied by appropriate instructions or a completed Form 4 on the Rights Certificate, to the Subscription Office listed under the heading “*Appointment of Depositary – Who is the Depositary?*”. Rights Certificates must be surrendered for division, combination or exchange by such date as will permit new Rights Certificates to be issued and used by the holder thereof prior to the Expiry Time.

Who is eligible to receive rights?

No offering outside of Eligible Jurisdictions. The rights are being offered to Shareholders in each of the provinces and territories of Canada. Shareholders will be presumed to be resident in the place of their registered address, unless the contrary is shown to the satisfaction of the Company. This Offering circular is not to be construed as an offering of the rights, nor are the Units issuable upon exercise of the rights offered for sale, in any jurisdiction outside the Eligible Jurisdictions or to Shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions.

Ineligible Holders may not acquire rights or the Units issuable upon exercise of the rights. We will not issue or forward Rights Certificates to Ineligible Holders. Ineligible Holders will be presumed to be resident in the place of their registered address. Ineligible Holders will be sent a letter advising them that their Rights Certificates will be issued to and held on their behalf by the Depositary. The Depositary, for the account of registered Ineligible Holders, will, prior to the Expiry Time, attempt to sell the rights of such registered Ineligible Holders represented by Rights Certificates in the possession of the Depositary on such date(s) and at such price(s) as the Depositary determines in its sole discretion.

A holder of rights not resident in an Eligible Jurisdiction holding on behalf of a person resident in an Eligible Jurisdiction may be able to exercise the rights provided the holder furnishes an investor letter, satisfactory to us, on or before May 27, 2016 representing to us that the beneficial purchaser is resident in an Eligible Jurisdiction and satisfying us that such subscription is lawful and in compliance with all securities and other applicable laws (an “**Approved Eligible Holder**”).

Participants receiving rights on behalf of beneficial Ineligible Holders will be instructed by CDS not to permit the exercise of such rights unless the holder is an Approved Eligible Holder. After May 27, 2016, Participants should attempt to sell the rights of Ineligible Holders for the accounts of such holders and should deliver any proceeds of sale to such holders.

No charge will be made for the sale of rights by the Depositary except for a proportionate share of any brokerage commissions incurred by the Depositary and the costs of or incurred by the Depositary in connection with the sale of the rights. Registered Ineligible Holders will not be entitled to instruct the Depositary in respect of the price or the time at which the rights are to be sold. The Depositary will endeavour to effect sales of rights on the open market and any proceeds received by the Depositary with respect to the sale of rights net of brokerage fees and costs incurred and, if applicable, the Canadian tax required to be withheld, will be divided on a *pro rata* basis among such registered Ineligible Holders and delivered by mailing cheques (in Canadian funds) of the Depositary therefor as soon as practicable to such registered Ineligible Holders at their addresses recorded on the Company’s books. Amounts of less than \$10.00 will not be remitted. The Depositary will act in its capacity as agent of the registered Ineligible Holders on a best efforts basis only and we and the Depositary do not accept responsibility for the price obtained on the sale of, or the inability to sell, the rights on behalf of any registered Ineligible Holder. Neither we nor the Depositary will be subject to any liability for the failure to sell any rights of registered Ineligible Holders or as a result of the sale of any rights at a particular price or on a particular day. ***There is a risk that the proceeds received from the sale of rights will not exceed the costs of or incurred by the Depositary in connection with the sale of such rights and, if applicable, the Canadian tax required to be withheld. In such event, no proceeds will be remitted.***

Holders of rights who are not resident in Canada should be aware that the acquisition and disposition of

rights or Units may have tax consequences in the jurisdiction where they reside, which are not described herein. Accordingly, such holders should consult their own tax advisors about the specific tax consequences in the jurisdiction where they reside of acquiring, holding and disposing of rights or Units.

What is the Additional Subscription Privilege and how can you exercise this privilege?

Registered holders of rights

If you exercise all of your rights under the Basic Subscription Privilege, you may subscribe for additional Units that have not been subscribed and paid for pursuant to the Basic Subscription Privilege (the “**Additional Units**”) pursuant to the Additional Subscription Privilege.

If you wish to exercise the Additional Subscription Privilege, you must first exercise your Basic Subscription Privilege in full by completing Form 1 on the Rights Certificate for the maximum number of Units that you may subscribe for and also complete Form 2 on the Rights Certificate, specifying the number of Additional Units desired. Send the purchase price for the Additional Units under the Additional Subscription Privilege with your Rights Certificate to the Depository. The purchase price is payable in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Trust Company of Canada. These funds will be placed in a segregated account pending allocation of the Additional Units, with any excess funds being returned by mail without interest or deduction.

If the aggregate number of Additional Units subscribed for by those who exercise their Additional Subscription Privilege is less than the number of available Additional Units, each such holder of rights will be allotted the number of Additional Units subscribed for under the Additional Subscription Privilege.

If the aggregate number of Additional Units subscribed for by those who exercise their Additional Subscription Privilege exceeds the number of available Additional Units, each such holder of rights will be entitled to receive the number of Additional Units equal to the lesser of:

1. the number of Additional Units subscribed for by the holder under the Additional Subscription Privilege; and
2. the product (disregarding fractions) obtained by multiplying the aggregate number of Additional Units available through unexercised rights by a fraction, the numerator of which is the number of rights previously exercised by the holder and the denominator of which is the aggregate number of rights previously exercised by all holders of rights who have subscribed for Additional Units under the Additional Subscription Privilege.

As soon as practicable after the Expiry Time, the Depository will mail to each holder of rights who completed Form 2 on the Rights Certificate, a certificate for the Additional Units which that holder has purchased and shall return to the holder any excess funds paid for the subscription of Additional Units by such holder under the Additional Subscription Privilege, without interest or deduction.

Beneficial holders of rights

If you are a beneficial holder of rights through a Participant in CDS and you wish to exercise your Additional Subscription Privilege, you must deliver your payment and instructions to the Participant sufficiently in advance of the Expiry Time to allow the Participant to properly exercise the Additional Subscription Privilege on your behalf.

How does a rights holder sell or transfer rights?

Registered holders of rights

The rights will trade on TSXV under the trading symbol “RVV.RT” until 12:00 p.m. (Toronto time) on June 17, 2016. If you do not wish to exercise your rights, you may sell or transfer them directly or through your stockbroker or investment dealer at your expense, subject to any applicable resale restrictions. See “*How*

to exercise the rights – Are there restrictions on the resale of securities? You may elect to exercise a part only of your rights and dispose of the remainder, or dispose of all your rights. Any commission or other fee payable in connection with the exercise or any trade of rights (other than the fee for services to be performed by the Depositary as described herein) is the responsibility of the holder of such rights. Depending on the number of rights a holder may wish to sell, the commission payable in connection with a sale of rights could exceed the proceeds received from such sale.

If you wish to transfer your rights, complete Form 3 (the “**Transfer Form**”) on the Rights Certificate, have the signature guaranteed by an “eligible institution” to the satisfaction of the Depositary and deliver the Rights Certificate to the transferee. For this purpose, eligible institution means a Canadian Schedule 1 chartered bank, a major trust company in Canada, a member of the Securities Transfer Agents Medallion Program (STAMP), or a member of the Stock Exchange Medallion Program (“**SEMP**”). Members of these programs are usually members of a recognized stock exchange in Canada or members of the Investment Industry Regulatory Organization of Canada.

It is not necessary for a transferee to obtain a new Rights Certificate to exercise the rights or the Additional Subscription Privilege, but the signature of the transferee on Forms 1 and 2 must correspond in every particular with the name of the transferee shown on the Transfer Form. If the Transfer Form is properly completed, the Company and the Depositary will treat the transferee as the absolute owner of the Rights Certificate for all purposes and will not be affected by notice to the contrary. A Rights Certificate so completed should be delivered to the appropriate person in ample time for the transferee to use it before the expiration of the rights.

Beneficial holders of rights

If you hold Common Shares through a Participant, you must arrange for the exercise, transfer or purchase of rights through that Participant.

When can you trade the Common Shares issuable upon the exercise of your rights?

The Common Shares issuable upon the exercise of your rights will be listed on the TSXV under the trading symbol “RVV” and will be available for trading following the Expiry Date.

The Warrants will not be listed or quoted for trading on any recognized stock or over-the-counter trading system.

Are there restrictions on the resale of securities?

Rights, the Common Shares and Warrants issuable upon exercise of such Rights, and the Common Shares issuable upon the exercise of the Warrants, each distributed to shareholders and warrant holders in the Eligible Jurisdictions may be resold without hold period restrictions under the applicable securities laws of the Eligible Jurisdictions provided that: (i) the sale is not by a “control person” of the Company; (ii) no unusual effort is made to prepare the market or create a demand for the securities being resold; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the resale; and (iv) if the selling security holder is an insider or officer of the Company, the selling security holder has no reasonable grounds to believe that the Company is in default of securities legislation.

The Rights, the Common Shares and Warrants issuable upon exercise of such Rights, and the Common Shares issuable upon the exercise of the Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States. Accordingly, Rights, the Common Shares and Warrants issuable upon exercise of such Rights, and the Common Shares issuable upon the exercise of the Warrants, may not be offered, sold, pledged or transferred, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, absent an exemption from United States federal and state registration requirements. “United States” and “U.S. person” are as defined in Regulation S under the U.S. Securities Act.

Each holder is urged to consult their professional advisor to determine the exact conditions and restrictions

applicable to the right to trade in securities.

Will we issue fractional Common Shares and Warrants upon exercise of the rights?

No. Where the exercise of rights would appear to entitle a holder of rights to receive a fractional Common Share and Warrant, the holder's entitlement will be reduced to the next lowest whole number of Common Shares.

APPOINTMENT OF DEPOSITARY

Who is the Depositary?

Computershare Trust Company of Canada is the Depositary for the Offering. The Depositary has been appointed to receive subscriptions and payments from holders of rights and to perform the services relating to the exercise and transfer of the Rights.

What happens if we do not proceed with the rights offering?

If we terminate the rights offering, the Depositary will return all funds held by it to holders of rights that have subscribed for securities under the offering.

MATERIAL FACTS AND MATERIAL CHANGES

There is no material fact or material change about the Company that has not been generally disclosed.

RISK FACTORS

An investment in the rights or Units issuable upon exercise of the right is subject to certain risks, including those described below, as well as in our continuous disclosure documents. You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com.

Uncertainties Relating to the Availability and Cost of Funds

There is no minimum offering. Without adequate funds, your investment in rights may not be sufficient to complete any corporate objectives. In particular, in the event that the Company fails to complete 50% of the Offering, it will not have sufficient working capital to last twelve months. As a result, the Company may need to raise additional capital by way of an offering of equity securities, an offering of debt securities, or by obtaining financing through a bank or other entity. If the Company needs to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Company, or that any future offering of securities will be successful. **In the event that the Company is unable to raise additional funds through the sale of its securities or by other means, the Company will not be able to continue as a going concern.**

Uncertainties Relating to Closing of the Offering

The closing of the Offering is subject to certain risks and uncertainties, including but not limited to the ability of the Company to obtain applicable regulatory approvals.

Delays in Obtaining or Failure to Obtain Required Regulatory Approvals

The Offering is subject to the approval of various regulators and the TSXV. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions on the regulatory approvals could prevent the Company from completing the Offering.

The Company intends to use the net proceeds of the Offering for a REV-004 Phase 2 human proof of

concept study for the treatment of cystinuria assuming receipt of FDA acceptance. Notice of FDA acceptance is expected in July, 2016. Such acceptance cannot be assured. If FDA acceptance is not received, and assuming that the feedback of the FDA provides guidance which supports additional work, further non-clinical research studies will be required in order to prepare a revised application to the FDA for approval of an amended human proof of concept study. A re-application to the FDA for approval of a human proof of concept study will delay the new drug application to the FDA to seek approval of Bucillamine for the treatment of cystinuria and acute gout flares in the U.S. Furthermore, approval on a re-application is not assured.

Costs to completion of the Offering

There is uncertainty associated with estimating costs to completion of the Offering, including those yet to be incurred.

Dilution

If you do not exercise all of your rights pursuant to the Basic Subscription Privilege, your current percentage ownership in the Company will be diluted by the issuance of Units upon the exercise of rights by other holders of rights.

Trading Market for Rights

Although the rights will be listed on the TSXV, there is no assurance that an active or any trading market in the rights will develop or that rights can be sold on the TSXV at any time.

Exercise of Rights Irrevocable

You may not revoke or change the exercise of your rights after you send in your subscription form and payment. The Common Share trading price could decline below the Subscription Price for the Units, resulting in a loss of some or all of your subscription payment.

Subscription Price Not Necessarily Indication of Value

You should not consider the Subscription Price to be an indication of the Company's value, and the Common Shares may trade at prices above or below the Subscription Price.

Responsibilities of Holders of Rights

If you fail to follow the subscription procedures and meet the subscription deadline your subscription may be rejected. None of the Company, the Depositary or any Participant undertakes to contact you concerning, or will attempt to correct, an incomplete or incorrect payment or subscription form. Whether a subscription properly follows subscription procedures is solely within our discretion.

ADDITIONAL INFORMATION

Where can you find more information about the Company?

You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com.