



XPHYTO THERAPEUTICS PHARMACEUTICAL-GRADE CANNABIS EXTRACTION LAB

Vancouver, Canada (November 25, 2019) - XPhyto Therapeutics Corp. (CSE:XPHY; FSE:4XT) (“XPhyto” or the “Company”) is pleased to announce that the Company’s pharmaceutical grade extraction and processing laboratory (the “Lab”) at the Faculty of Pharmacy and Pharmaceutical Sciences, University of Alberta, Edmonton, Alberta (the “Faculty of Pharmacy”), is now complete and is ready for commissioning and operations.

The XPhyto team at the Faculty of Pharmacy recently took delivery of an innovative proprietary CO2 extraction unit. Notably, this equipment will operate within an ISO certified clean room designed for pharmaceutical manufacturing. The Lab is supervised by Professor Raimar Loebenberg, founder and director of the Drug Development and Innovation Centre at the University of Alberta, and director of XPhyto. Dr. Loebenberg received his PhD in pharmaceuticals from Johann Wolfgang Goethe-University, Frankfurt, Germany.

“This is a major step forward for XPhyto in the development of novel pharmaceutical-grade cannabis formulations,” said Dr. Loebenberg. “Our team has already identified a number of potential opportunities that merit development and clinical study. The ability to control the cannabis extraction, isolation and formulation process in an ISO certified cleanroom is quite remarkable.”

XPhyto’s current cannabis research and development focus at the Lab is on topical treatments for inflammatory dermatology indications and oral and ingestible treatments for pain management and sleep disorders. The Company is also working on solubility solutions for both decarboxylated and acid forms of cannabinoids. Operations at the Lab will run in parallel to German operations, via its 100% owned Vektor Pharma TF GmbH, which are focused on novel thin film (oral and transdermal) drug delivery methods and innovative cannabis-based products.

“We believe the next wave of cannabis investment opportunities (3.0) will be focused on formulation, drug delivery, precision dosing, clinical validation, and European and emerging markets. With XPhyto’s pharma-grade extraction lab coming online in Canada and our cannabis import licences and EU GMP lab in Germany, we are very well positioned to take advantage of emerging trends in the rapidly evolving cannabis industry,” said Hugh Rogers, CEO of XPhyto.

In anticipation of the extraction equipment commissioning, XPhyto has engaged in discussions with multiple potential third-party collaborators seeking cannabis related contract research and development services from the Lab and the XPhyto team. This presents a new business opportunity for the Company. XPhyto invites any parties interested in cannabis medical formulation and clinical validation on a contract or partnership basis to contact the Company.

About XPhyto Therapeutics Corp.

XPhyto is a next-generation cannabis company focused on formulation, clinical validation, and European markets. XPhyto’s 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction licence for scientific purposes by the German Federal Institute for Drugs and Medical Devices (BfArM). Bunker has two exclusive R&D collaboration agreements with the Technical University of Munich, Faculty of Chemistry as well as the Chair of



Beverage and Brewing Technology. XPhyto acquired 100% of Vektor Pharma TF GmbH, a German narcotics manufacturer, importer and researcher with expertise in the design, testing and manufacture of thin film drug delivery systems, particularly transdermal patches and sub-lingual (oral) strips for the clinical management of pain. XPhyto is pursuing additional opportunities in Germany including commercial cultivation, processing, manufacturing, import, and distribution. In Canada, two exclusive 5-year engagements with the Faculty of Pharmacy at a major Canadian university provide certified extraction, isolation, and formulation facilities, drug research and development expertise, as well as commercial analytical testing capability.

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Forward looking statements

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