



EXCLUSIVE STRATEGIC PARTNERSHIP COMMENCED BETWEEN XPHYTO THERAPEUTICS AND ELITE BAVARIAN BREWING & BEVERAGE INSTITUTE WEIHENSTEPHAN

Vancouver, Canada (February 18, 2020) - XPhyto Therapeutics Corp. (CSE:XPHY; FSE:4XT) (“XPhyto” or the “Company”) is pleased to announce that its wholly owned German subsidiary, Bunker Pflanzenextrakte GmbH (“Bunker”), has begun its strategic exclusive partnership for research and development of cannabis focused products, specifically beverages, with the chair of brewing and beverage technology at the Technical University of Munich (“TUM”), School of Life Sciences Weihenstephan (“Weihenstephan”).

Weihenstephan is home to the International Beverage Research Center Weihenstephan (the “iGZW”), a best-in-class interdisciplinary research and development center, capable of handling the entire drink design process chain – from basic molecular biology research through biotechnology processes to the final product. With a start-up cost of EUR 22 million, the iGZW includes a state-of-the-art pilot brewing plant which makes it possible to run a variety of trials to manufacture a broad range of beers in accordance with the German Purity Law and other fermented beverages using un-malted cereals and alternative starch carriers, as well as non-fermented beverages.

The chair of brewing and beverage technology has a well-earned reputation for expertise in the field of food and beverage science with an emphasis on commercial applicability. The institution has a specific focus on flavor-process-engineering, raw material and product design, food safety, and relevant legislative issues, such as EU designated “novel foods”.

“We are pleased to be working with XPhyto on cannabis-based beverages that have great potential and create opportunities for product innovations in a new rapidly growing global market,” says Dr.-Ing. Martina Gastl, group leader of the research group “Raw material-based brewing and beverage technology” from the chair of brewing and beverage technology at the TUM, Weihenstephan.

“We are extremely pleased that we are able to collaborate with a globally recognized partner for the research and development of cannabis-based products and beverages. Our recently signed and announced supply, import and distribution agreement for cannabis extracts and isolates with one of the highest quality and largest cannabis cultivators in the world, will ensure the supply of necessary ingredients for all the products developed,” said Hugh Rogers, CEO of XPhyto. “Given that XPhyto has been approached by beverage companies in Europe and North America with interest in potential collaboration for the development of cannabis-infused products at Weihenstephan, we are confident that we are on the right track with this exclusive strategic partnership.”

About XPhyto Therapeutics Corp.

XPhyto is a next-generation cannabis company focused on formulation, clinical validation, and European imports, distribution and sales. XPhyto’s 100% owned subsidiary, Vektor Pharma TF GmbH, a German narcotics manufacturer, importer and researcher has expertise in the design, testing and manufacture of thin film drug delivery systems, particularly transdermal patches and sub-lingual (oral) strips. Vektor also holds a number of narcotics licences issued by the German Federal Institute for Drugs and Medical Devices (BfArM), including import and manufacturing permits, as well as EU GMP



lab certification. XPhyto's 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction licence for scientific purposes by BfArM. Bunker has two exclusive R&D collaboration agreements with the Technical University of Munich, chair of beverage and brewing technology and Faculty of Chemistry. XPhyto is pursuing additional opportunities in Europe including commercial cannabis 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. XPhyto signed a supply, import and distribution agreement for cannabis oils and isolates with one of the largest, highest quality, and lowest cost cannabis cultivators in the world.

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Forward looking statements

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