



## **XPHYTO THERAPEUTICS SIGNS EXCLUSIVE CANNABIS AGREEMENT WITH ELITE BAVARIAN BREWING & BEVERAGE INSTITUTE**

**Vancouver, Canada (September 9, 2019) - 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 entered into an exclusive cannabis research and development agreement (the “Agreement”) 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.

“Given the commercial potential for CBD infused beverages in Europe, XPhyto is very pleased to have secured such a strong development partner right here in Bavaria,” said Robert Barth, VP European Corporate Development, XPhyto and Managing Director, Bunker. “We are excited to work together and we are particularly looking forward to the development of cannabis infused fermented beverages and sports drinks.”

Pursuant to the Agreement, initial research will focus on the identification and development of new research approaches targeting potential commercial applications for the use and inclusion of cannabis plants, parts thereof, or derived ingredients, active ingredients and flavours for the production of beverages, food and dietary supplements. Preliminary testing will include analysis of the chemical-physical suitability of the cannabis derived materials for use in various food and beverages. Specific cannabis applications with prospective commercial viability will be pursued via separate joint research projects on a case-by-case basis.

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”.

### **About XPhyto Therapeutics Corp.**

XPhyto is a science-based cannabis company focused on formulation, clinical validation, and emerging 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). XPhyto is pursuing additional opportunities in Germany including 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.

**For further information, please contact:**

Hugh Rogers  
*CEO & Director*  
+1.780.818.6422  
[info@xphyto.com](mailto:info@xphyto.com)  
[www.xphyto.com](http://www.xphyto.com)

Robert Barth  
*VP European Corporate Development*  
+49 8331 99481 10  
[info@xphyto.com](mailto:info@xphyto.com)  
[www.xphyto.com](http://www.xphyto.com)

**Forward looking statements**

This news release includes statements containing forward-looking information within the meaning of applicable Canadian securities law ("forward-looking statements"). Forward-looking statements are frequently characterized by words such as "develop", "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "potential", "propose" and other similar words, or statements that certain events or conditions "may" or "will" occur, and in this release include the statement regarding the Company's goal of building an industry leading medical cannabis company. Forward-looking statements are only predictions based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including: that the Company may not derive the expected, or any, benefits from the Licence; that the Company may be unable to scale its business; product liability risks; frequent changes to cannabis regulations in Canada and internationally; general economic conditions; adverse industry events; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; competition; international risks; and other risks beyond the Company's control. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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