XPHYTO THERAPEUTICS EPILEPSY TREATMENT PROGRAM

Vancouver, Canada (March 18, 2020) - XPhyto Therapeutics Corp. (CSE:XPHY; FSE:4XT) (“XPhyto” or the “Company”) is pleased to announce significant progress with respect to development of its cannabidiol (“CBD”) based Epilepsy product. Further to the Company’s press release dated December 9, 2019, titled “Epilepsy Treatment to be Developed with XPhyto Therapeutics Thin Film Delivery System,” and based on recent positive product development results, XPhyto will be advancing the program to clinical studies immediately.

In the past three months, Vektor Pharma TF GmbH (“Vektor”), the Company’s wholly owned German subsidiary, has completed the initial stage of product development and established a number of critical parameters necessary for an efficient and well-defined dissolvable oral CBD dosage form. The Company is now finalizing the formulation and preparing for European-based clinical studies in Q2 and Q3 of 2020.

XPhyto’s thin film drug delivery system was developed by Vektor, a narcotics manufacturer, importer, and researcher located in the Upper Swabia region of the German state of Baden-Württemberg. Vektor’s previous development work has included narcotics delivery systems for conventional oncology and non-oncology pain treatment, such as Fentanyl, Hydromorphone, and Oxycodone, and more recently, the development of efficient cannabis delivery and dosage systems.

The Company’s CBD-based Epilepsy treatment program is one of several dissolvable oral drug delivery initiatives for 2020. Oral thin film drug delivery is a large and growing international industry which provides an alternative to conventional solid and liquid oral dosage forms. Transparency Market Research estimates that the global market for thin film drug manufacturing will be worth US$15.984 billion by 2024 and rising at a solid 9.0% CAGR between 2019 and 2024. XPhyto’s additional oral thin film drug delivery programs include both cannabinoid and non-cannabinoid products for pain, neurology and infectious disease.

Further to the Company’s press release on March 3, 2020, XPhyto is planning to announce, in due course, an update on its infectious disease programs, particularly as they relate to products relevant to the COVID-19 pandemic.

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

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 succeed in developing any cannabis-infused products; that the sale of any products may not be a viable business; that the Company may be unable to scale its business; product liability risks; frequent changes to cannabis regulations in Europe, Canada and elsewhere; 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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