

INFECTIOUS DISEASE ORAL DISSOLVABLE BIOSENSOR DEVELOPMENT

Vancouver, Canada (April 22, 2020) - XPhyto Therapeutics Corp. (CSE:XPHY / FSE:4XT / OTC:XPHYF) ("XPhyto" or the "Company") is pleased to announce that further to its press release on April 20, 2020, regarding a definitive development, technology purchase and licence agreement (the "Agreement") with 3a-Diagnostics GmbH ("3a"), XPhyto's wholly owned German subsidiary, Vektor Pharma TF GmbH ("Vektor"), has taken delivery of certain pathogen-specific peptide biosensors from 3a for the purpose of adapting them for use with Vektor's oral dissolvable thin film ("ODF") platform.

The Agreement established a framework for research, development and commercialization through adaption of 3a's pathogen-specific biosensors to Vektor's ODF platform, development of a high-throughput peptide screening platform to facilitate rapid identification of new biosensor targets for future pandemic threats, and development of an ODF COVID-19 screening test.

Vektor has received peptide biosensors from 3a in order to commence development work immediately. The strategy for technical development which entails adaption of these biosensors to Vektor's ODF platform is expected to occur in several stages over a period of approximately 30 days:

- 1. Formulation development for dissolution of peptide biosensor conjugate
- 2. Application of formula to ODF (oral thin films)
- 3. Analytical evaluation of ODF physical and chemical properties
 - a. Macroscopic and microscopic appearance
 - b. Residual liquid
 - c. Disintegration
 - d. Weight, thickness, elasticity and elongation
 - e. Degradation/stability profile
 - f. Interactive study (films, packaging, excipients)

During this period, Vektor will also initiate strategic planning for small-scale EU GMP test-manufacturing which is expected to begin for trial purposes pending successful technical development of ODF biosensors for some or all of 3a's existing portfolio indications: stomatitis, periimplantitis, periodontitis, scarlet fever, and influenza.

"We are very pleased to move so quickly from signing the Agreement to product development work," said Prof. Dr. Thomas Beckert, Managing Director of Vektor. "The XPhyto team shares 3a's vision of developing screening tools for rapid, low-cost and easy to self-administer detection of pathogens to manage infectious diseases on a population scale."

About XPhyto Therapeutics Corp.

XPhyto is a biotechnology and 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 the 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 commercial 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; product regulatory risk; 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; currency risks; 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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