PARKINSON’S GENERIC TRANSDERMAL DRUG DELIVERY SYSTEM

Vancouver, Canada (June 8, 2020) - XPhyto Therapeutics Corp. (CSE:XPHY / FSE:4XT / OTC:XPHYF) (“XPhyto” or the “Company”) is pleased to announce that its wholly owned German subsidiary, Vektor Pharma TF GmbH (“Vektor”), has finalized the formula for its novel transdermal delivery system (“TDS”) for the neurologic drug Rotigotine. Vektor is now proceeding with process implementation for the manufacture of Rotigotine patches for human clinical studies.

Rotigotine is a non-ergoline dopamine agonist approved for the treatment of Parkinson's disease (PD) and restless legs syndrome (RLS) in Europe and the United States. Rotigotine, the active pharmaceutical ingredient, is a generic “off-patent” drug that is typically formulated as a once-daily transdermal patch which provides a slow and constant supply of the drug over the course of 24 hours. Global and European sales of Rotigotine patches in 2019 were approximately $500MM and $250MM CAD respectively.

“we are extremely pleased with the TDS development results thus far. It appears that our goal of optimizing the dosage form efficiency, to reduce the amount of drug required in each patch, and improving overall patch adhesion to the patient’s skin has been achieved,” said Prof. Dr. Thomas Beckert, founder and managing director of Vektor.

Vektor is now focused on process implementation for the manufacture of Rotigotine TDS clinical samples for use in human pilot studies. The parameters for increased manufacturing capacity are currently being evaluated with a final decision expected to be made within 30 days. Once process implementation is complete, clinical sample manufacturing and analytical work will commence in Vektor’s EU GMP laboratory and manufacturing facility based in Baden-Württemberg, Germany. Human pilot studies in Europe are scheduled for Q3 2020 with results expected in Q4 2020.

“XPhyto’s Parkinson’s drug patch is an excellent example of the Company’s generic drug delivery strategy whereby approved generic drugs can be delivered using Vektor’s novel drug delivery platforms,” said Hugh Rogers, CEO of XPhyto. “For both our transdermal patches and oral dissolvable films, we see the generic drug delivery model as a major opportunity for scalable value creation through expedited clinical evaluation and product launch, particularly in Europe.”

About XPhyto Therapeutics Corp.

XPhyto is a biopharma and cannabis science 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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