

Pivot Initiates Development Of Additives And Formulations For Cannabis Beverage Market

VANCOUVER, BC - (May 22, 2018) – [Pivot Pharmaceuticals Inc.](#) (CSE: [PVOT](#) / OTCQB: [PVOTF](#) / FRA: [NPAT](#)) (“Pivot” or the “Company”) is pleased to announce that it has initiated development of CBD and THC additives and formulations for the multi-billion dollar beverage industry using its patented Ready-To-Infuse Cannabis (“RTIC”) Powder and Solmic Micelle water-soluble technologies. The development program will be led by Pivot’s Executive Director of Formulations, Dr. Leonid Lurya, at the Company’s contract lab in Israel.

Pivot aims to bring finished additives to market that will include bulk cannabis powder for infusion into beverages by multi-national beverage companies and craft brewers interested in entering the massive cannabis market. The Company has already received unsolicited inquiries into the application of both their RTIC and Solmic technology into existing beverages. As well, Pivot is currently developing cannabis in a single-use powder formula sachet and a water-soluble liquid solution in a concentrated dropper bottle that consumers can add to their favourite beverage. The new products are being developed to be flavourless, odourless and will compliment the consumer’s intended beverage experience. Pivot’s beverage formulations will also be designed to provide consistent dosing and be highly bioavailable and assure a rapid onset of cannabinoid effect.

Dr. Patrick Frankham, Pivot’s CEO, stated “Pivot will bring cannabis derivatives to market that are differentiated and backed by science. The beverage market opportunity is just too big to ignore and our patented technologies lend themselves well to this space. Existing solutions are unable to provide consistent dosing nor offer the most effective bioavailability, of which our patented technology is able to remedy. Through Dr. Lurya’s work and our consistent commitment to producing the best available product on the market, it is our intention to supply CBD and THC additives as ingredients for global wine, spirits, beer and energy drink companies who have the capabilities for large scale manufacturing and distribution.”

Cowen and Co. recently revised their [cannabis market target](#) by USD \$25B as they “now look for the industry to generate USD \$75B in sales by 2030 (vs. \$50B by 2026 previously). Underpinning this estimate is proprietary analysis on binge drinking behavior, as well as the role that legal cannabis access has in terms of driving trial (measured by cannabis first use rates for 18+ consumers). This work builds on our prior assertions that cannabis acts as a substitute social lubricant for consumers. We believe this is the first time detailed state-level binge drinking statistics have been analyzed and juxtaposed against cannabis use, where we found that legal cannabis states (as of 2016) binge drink 13% fewer times per month than non-cannabis states. Meanwhile, our extensive analysis on the impact that legal cannabis access can have on overall drinking patterns reinforces our conviction that cannabis and alcohol are substitute products.”

About Pivot Pharmaceuticals Inc.

Pivot Pharmaceuticals Inc. is a biopharmaceutical company engaged in the development and commercialization of therapeutic pharmaceuticals and nutraceuticals using innovative drug delivery platform technologies. Pivot’s wholly-owned medical cannabis products division, Pivot Green Stream Health Solutions Inc. (“PGS” or “Pivot Green Stream”), conducts research, development and commercialization of cannabinoid-based nutraceuticals and pharmaceuticals. Pivot’s wholly-owned U.S. subsidiary, Pivot Naturals, LLC, based in Costa Mesa, California, will manufacture and supply finished powdered cannabis products such as food additives, capsules, bulk powder and stick packs to the California market. PGS has acquired worldwide rights to “RTIC” Ready-To-Infuse Cannabis powder to oil technology, BiPhasix™ Transdermal Drug Delivery platform technology (topical), Solmic Solubilisation technology (oral) and Thrudermic Transdermal Nanotechnology (transdermal) for the delivery and commercialization of cannabinoid, cannabidiol (CBD), and tetrahydrocannabinol (THC)-based products. PGS’ initial product development candidates will include topical treatments for women’s sexual

dysfunction (PGS-N005), as well as psoriasis (PGS-N007), and an oral product (PGS-N001) for cancer supportive care. For more information please visit www.PivotPharma.com

Cautionary Statement

Except for historical information contained herein, the matters set forth above may be forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ from those in the forward-looking statements. Words such as anticipate, believe, estimate, expect, intend, and similar expressions, as they relate to Pivot Pharmaceuticals Inc. or Pivot Green Stream Health Solutions Inc. or Pivot Naturals, LLC, or its management, identify forward-looking statements. Such forward-looking statements are based on the current beliefs of management, as well as assumptions made by and information currently available to management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, such as the failure to meet the conditions imposed by the CSE or other securities regulators, the level of business and consumer spending, the amount of sales of Pivot's products, the competitive environment within the industry, the ability of Pivot to continue to expand its operations, the level of costs incurred in connection with Pivot's expansion efforts, economic conditions in the industry, and the financial strength of Pivot's customers and suppliers. Pivot does not undertake any obligation to update such forward-looking statements. Investors are also directed to consider all other risks and uncertainties.

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