

Pivot Acquires Rights To Patented Solumer™ Oral Drug Delivery Technology Ideal For Use In Cannabis-Infused Beverage Formulations

VANCOUVER, BC - (August 7, 2018) – <u>Pivot Pharmaceuticals Inc.</u> (CSE: <u>PVOT</u> / OTCQB: <u>PVOTF</u> / FRA: <u>NPAT</u>) ("Pivot" or the "Company") is pleased to announce that it has signed a Definitive Agreement with Israeli-based SoluBest Ltd. to acquire the worldwide rights for the use, development and commercialization of its patented SolumerTM Oral Drug Delivery Technology ("SolumerTM") for the improved bioavailability, delivery and commercialization of Cannabidiol (CBD), Tetrahydrocannabinol (THC) and other biocannabis-based products.

Highlights:

- Pivot acquires worldwide rights to SolumerTM Oral Drug Delivery Technology;
- Actively pursuing opportunities with multinational food, beverage and healthcare companies;
- SoluCBD and SoluTHC: ingredients for new category of cannabis-infused non-alcoholic beverages;
- Ideally suited for cannabis-infused beverages; completely dispersible, odourless and flavourless;
- Cost-effective, significantly improves bioavailability; reliable and consistent formulations

A <u>patented</u> and versatile technology, SolumerTM was developed by SoluBest Ltd. to maximize the solubility, bioavailability and physical stability of drug substances utilizing submicron particle engineering. SoluBest then achieves clear powder formulations through a spray drying process. Submicron technology has been proven in pre-clinical trials to significantly enhance bioavailability, and therefore drug performance. Dissolution profiles in intestinal media demonstrate a high dissolution rate and saturation solubility resulting in improved drug absorption, at a rate 10-15 times greater than control.

SoluBest's CEO and patent co-inventor, Dr. Galia Temtsin Krayz stated, "We are very excited to partner with Pivot to monetize our important patent. As the cannabis industry evolves, differentiated products that actually work will rapidly gain market share. After the recent testing of the SolumerTM solution, there is no doubt that this technology will be a disruptive force and will be the standard others will try to match. Pivot's formulations team has already identified potential uses for SolumerTM in multiple products and consumers will be impressed by the results."

Dr. Joseph Borovsky, Pivot's Executive Vice-President of Product Development commented, "I thank SoluBest for entrusting Pivot with the SolumerTM technology. We have now secured two distinct oil-to-powder technologies that are well suited for the food, beverage and healthcare industries resulting in the addition of several more products to our pipeline. The edibles market will allow customers to consume non-smokeable products while being able to fully enjoy the benefits of cannabinoids."

"The addition of Solumer™ further positions us to collaborate with multinational companies to introduce non-alcoholic cannabis-infused beverages to consumers. Pivot has the largest portfolio of platform technologies for the formulation and delivery of cannabinoids in the cannabis space," said Dr. Patrick Frankham, Pivot's CEO. "As we prepare to bring Pivot's industry leading pipeline of derivatives to market, we continue to aggressively execute on our business plan."

In 2016, cannabinoid edibles accounted for approximately 16% of U.S. sales of cannabis products. Furthermore, Cannabiz Consumer Group states that cannabis-infused beverages could represent a \$15 billion market opportunity upon legalization. ²

About SoluBest Ltd.

SoluBest Ltd. specializes in the development of customer tailored formulation and pilot production services - starting from the discovery and pre-clinical phases through to early clinical testing and scale-up. SoluBest was founded in 2001 to develop an easy-to-integrate technological platform for solving one of the most pressing issues facing the pharma industry: the problem of drug insolubility. For more information please visit www.solubest.com

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 powderized cannabis products such as food additives, capsules, bulk powder and stick packs to the California market. PGS has acquired "RTIC" Ready-To-Infuse Cannabis oil-to-powder technology and Thrudermic Transdermal Nanotechnology (transdermal); acquired worldwide rights to BiPhasixTM Dermal Drug Delivery platform technology (topical), Solmic Solubilisation technology (oral), and SolumerTM Oral Drug Delivery technology; and an option to acquire worldwide rights to TriVairTM Nasal and Pulmonary Breath-Propelled Drug Delivery SystemsTM for the delivery and commercialization of cannabinoid, cannabidiol (CBD), and tetrahydrocannabinol (THC)-based products. 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., Pivot Green Stream Health Solutions Inc., Pivot Naturals, LLC, SoluBest Ltd., 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, statements with respect to internal expectations, 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.

Contact:

¹ Statista: Distribution of the cannabis products market in the United States in 2016, by category

² Green with Envy: Why the Biggest Battleground for the Beverage Industry Will be in Cannabis

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