



Pivot Signs Letter of Intent With Pharmaflorx For Supply Of Cannabis Oils And Isolates Minimum of 1,000 KG/Annually For Use In Pivot's Product Pipeline

VANCOUVER, BC - (August 9, 2018) – [Pivot Pharmaceuticals Inc.](#) (CSE: [PVOT](#) / OTCQB: [PVOTF](#) / FRA: [NPAT](#)) ("Pivot" or the "Company") is pleased to announce the signing of a Letter of Intent for the supply of cannabis oils and isolates with Pharmaflorx Ltd. ("PFX"), a privately-held late-stage Access to Cannabis for Medical Purposes Regulations ("ACMPR") applicant located in Gatineau, Quebec.

Highlights:

- *Pivot signs Letter of Intent with Pharmaflorx, based in Gatineau, Quebec;*
- *The Company has secured supply of cannabis oils and isolates for its product pipeline;*
- *Agreement ensures Pivot can meet Canadian and EU market needs;*
- *Pharmaflorx is currently building an 85,000 sq. ft. facility with a production capacity of 24,000 kg/year;*
- *Phase II expansion to increase Pharmaflorx production capacity to 125,000 kg/year.*

Pivot will purchase a minimum of 1,000 kg/year of cannabis oils or isolates from PFX for manufacturing of Pivot's patented portfolio of biocannabis products. Upon receipt of appropriate licenses in Canada, Pivot intends to supply both the Canadian and European Union markets with its suite of patented, formulated and bioavailable products, including CBD and/or THC-based creams, lotions, capsules, tablets, bulk powder, infused beverages and pet supplements, where regulations permit.

Pharmaflorx' Gatineau facility will be a multi-level state-of-the-art operation. With 22 independent grow rooms, vertical growing and a full LED lighting system, PFX endeavours to become the most productive facility in the cannabis industry with respect to grams per square foot. Using the latest in active soil technology and nutrient packed medium, PFX aims to reduce labour costs and have a fast turnover rate of quality product. Their two-story facility gives PFX the opportunity to produce 4 levels of vertically-grown product and to maximize the use of their 8-acre property for future expansion. A planned Phase II expansion will see PFX add 240,000 sq. ft. of production space to reach a production capacity of over 125,000 kg/year.

Louis-Alexandre Morin, co-founder and CEO of Pharmaflorx comments, "We are delighted to be selected as a supplier to Pivot Pharmaceuticals, a leader in the cannabis derivatives sector. Pharmaflorx is committed to providing high-quality medical grade cannabis oils and isolates to both consumers and strategic partners, which this agreement demonstrates. We believe this agreement represents the beginning of a strong partnership with Pivot, one which will benefit both companies and consumers for many years."

"We welcome Pharmaflorx to our growing list of strategic partners and look forward to collaborating with their team to provide a steady and consistent supply of premium cannabis oils and isolates for Pivot's portfolio of products," said Dr. Patrick Frankham, Pivot's CEO. "We continue to execute aggressively on our business plan to bring Pivot's industry leading pipeline of derivatives to market by the end of this year."

About Pharmaflorx Ltd.

Pharmaflorx, located in Gatineau, Quebec, is constructing a state-of-the-art 85,000 sq. ft. facility capable of producing 24,000 kg/annually of high-quality medical grade cannabis. We are proud at Pharmaflorx to build a facility as green as possible. Our LED lighting uses 70% less energy than regular HPS lighting and gives us the opportunity to maximize the yield per square foot by using a fully automated vertical growing system for the full

cycle of the plants. Our pre-packed medium lets us cut down the use of liquid nutrients by more than 20%. Our active soil becomes a sustainable solution with results as good as hydroponic culture without the excessive water use. Not only does this technology limit our impact on the environment, it gives Pharmaflorx the capacity to produce high-quality medical grade cannabis at a fraction of the price; the use of the latest technology and fully automated grow rooms combined with Quebec's competitive electricity prices results in a price per gram well below a dollar. For more information please visit www.pharmaflorx.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 powdered 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 BiPhasix™ Dermal Drug Delivery platform technology (topical), Solmic Solubilisation technology (oral), and Solumer™ Oral Drug Delivery technology; and an option to acquire worldwide rights to TriVair™ Nasal and Pulmonary Breath-Propelled Drug Delivery Systems™ 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, Pharmaflorx 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.

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