



## **Pivot Pharmaceuticals Signs Agreement with Licorera Del Sur Subsidiary Cartagena Inc. To Create Joint Venture To Commercialize Cannabis-Infused Non-Alcoholic Beverages**

VANCOUVER, BC - (October 22, 2018) – [Pivot Pharmaceuticals Inc.](#) (CSE: [PVOT](#) / OTCQB: [PVOTF](#) / FRA: [NPAT](#)) (“Pivot” or the “Company”) is pleased to announce that it has signed a Letter of Intent to create a Joint Venture (“the Joint Venture”) with [Cartagena Inc.](#), a subsidiary of Mexico-based [Licorera Del Sur](#). The Joint Venture will develop and commercialize cannabis-infused non-alcoholic beverages using Pivot’s patented, water-soluble powdered cannabis technologies combined with Cartagena’s fine spirits and flavoured extract formulations. In addition, the Pivot and Cartagena Joint Venture will have extensive access to sales, distribution and marketing expertise.

### **Highlights:**

- **Pivot to create a Joint Venture with Cartagena Inc. for cannabis-infused non-alcoholic beverages;**
- **The Joint Venture will commercialize cannabis-infused beverages to be sold in Canada, California, EU and Latin America markets, where and when regulations permit;**
- **Extensive research and development already completed by both parties;**
- **Low calorie, rapid onset non-alcoholic cannabis-infused beverages to be offered as an alternative to alcohol;**
- **Pivot’s patented, water-soluble cannabis-oil-to-powder technologies offer the beverage industry a ready-made solution that addresses stability, taste, odour and solubility issues;**

Cartagena Inc. is exclusively responsible for the international expansion of Licorera Del Sur. The group specializes in crafting multiple types of spirits with a focus on agave-based alcoholic beverages, including tequila, mezcal and agave liquor while also producing premium vodka, rum, aguardiente and whisky. With over 35 years of experience, 2000 employees, three modern state-of-the-art distilleries, thirteen bottling plants and global distribution capabilities, Licorera Del Sur is well positioned to enter the cannabis-infused beverage space through Cartagena Inc., capitalizing on the recent legalization of cannabis in Canada. The group will also get ready for the potential legalization of cannabis in Mexico.

Pivot Pharmaceuticals has an extensive library of patents and formulations that are perfectly suited for the food and beverage industry. Research and development performed by Solubest Inc., Pivot’s Israeli-based partner, has shown positive results for the Company’s cannabis powder technologies. Test formulations that have been successfully developed are stable, tasteless, odourless, colourless, and completely water-soluble.

Mr. Paul Bou-Nader, Managing Director of Cartagena Inc. stated “We are excited to partner with Pivot to create low calorie, rapid onset cannabis-infused beverages. This is a brand-new category of beverages and we are happy to be early movers in the space. Pivot’s intellectual property and formulations will allow us to accelerate the commercialization of several potential products. We look forward to bringing our creations to market very soon.”

Dr. Patrick Frankham, CEO of Pivot stated, “We are thrilled that Cartagena Inc. has agreed to enter into this Joint Venture. Their world class team of experts and award-winning product lines combined with Pivot’s industry leading intellectual property portfolio will result in consumers being able to enjoy cannabis-infused beverages that taste good, are stable and consistent, science-based and provide the experience they are looking for without the side effects of alcohol. This is yet another milestone moment for Pivot as we will once again monetize our

intellectual property portfolio. The importance of having patent protection should also not be underestimated. We realize that there are several companies offering cannabis-infusion technology but we are confident that our portfolio of issued patents is strong and defensible.”

### **About Cartagena Inc. and Licora Del Sur**

Cartagena Inc. is a subsidiary of Mexico based Licora Del Sur. Our exclusive mission is to expand the international reach of the group as well as the introduction of our Premium Mezcal brand “Mexcalia” to international markets. We thrive to serve a diverse market in the most efficient way offering our existing and potential clients with a multitude of solutions and products to suit their needs and support them in the development of their own private label brands as well as the commercialization of our existing brands through beneficial distribution agreements internationally. We specialize in crafting multiple types of spirits with a focus on agave based alcoholic beverages including tequila, mezcal and agave liquor. We also produce and bottle premium vodka, rum, aguardiente and blended scotch whisky. Our group controls the craft of the spirits mentioned above but is also proudly vertically integrated controlling the production of glass and PET bottles, plastic and wooden caps and closures as well as the design of bottles, labels and packaging material. For further information please visit [Cartagena Inc.](#) or [Licorera Del Sur](#)

### **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 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 [pivotpharma.com](http://pivotpharma.com)

### **Cautionary Note Regarding Forward-Looking Statements:**

*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, 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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