



**Pivot Announces Completion of Definitive Agreement with Cartagena Inc.
*New Entity to Commercialize Cannabis-Infused Beverages***

VANCOUVER, BC - (December 18, 2018) – [Pivot Pharmaceuticals Inc.](#) (CSE: [PVOT](#) / OTCQB: [PVOTF](#) / FRA: [NPAT](#)) (“Pivot” or the “Company”) is pleased to report that it has completed the previously announced transaction to create a Joint Venture Corporation (“Pivot-Cartagena Joint Venture Inc.” or “JVC”) with [Cartagena Leaf Inc.](#), a subsidiary of Mexico-based [Licorera Del Sur](#). The Joint Venture is structured as a federally-registered standalone company from which Pivot will receive 50% of Net Revenues generated by the JVC. Each party will appoint two board members to the JVC.

The JVC will develop and commercialize cannabis-infused non-alcoholic beverages combining the proven industry expertise of Licorera del Sur with Pivot’s patented Solumer™ and RTIC™ powderization technologies. Formulation development is nearing completion, branding and marketing is underway, and product launch is scheduled for Q2 2019 in global markets through Licorera Del Sur’s extensive distribution network, where regulations permit.

Mr. Paul Bou-Nader, Managing Director of Cartagena Inc. stated, “Our formulators have been working diligently with Pivot’s scientists and we are very pleased with the progress to date, having already established a go-to-market flagship product. We will offer consumers a healthy and natural alternative to alcohol-based beverages with products that contain either CBD or THC.”

Dr. Patrick Frankham, CEO of Pivot stated, “As expected, our cannabis-infusion technology is stable, water-soluble, bioavailable and renders CBD tasteless and odorless. By combining our Solumer™ technology with natural fruit juices, we have succeeded in the creation of a premium, low calorie beverage experience that offers consumers the benefits of CBD in a flavourful product. We anticipate launching many more products in partnership with Licorera del Sur, including a line of products infused with THC. Pivot’s patented technologies are game changers for the cannabis-infused beverage industry.”

Drinks infused with marijuana-derived compounds could swell to become a \$600 million market in the U.S. within the next four years, outpacing the growth of other categories of retail cannabis products, according to analysts at [Canaccord Genuity](#). Canaccord also sees the demand for beverages featuring CBD, or cannabidiol, reaching \$260 million by 2022, up from the “negligible revenue” the limited number of drinks contribute now, while THC-based drinks could reach \$340 million, up from \$106 million expected this year.¹

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

¹ [Bloomberg](#)

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 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 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, Cartagena Inc., Cartagena Leaf Inc., Licorera del Sur, 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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