



XPHYTO THERAPEUTICS ENGAGES GLOBAL CANNABIS EXPERT FOR GERMAN OPERATIONS

Vancouver, Canada (September 19, 2019) - XPhyto Therapeutics Corp. (CSE:XPHY; FSE:4XT) (“XPhyto” or the “Company”) is pleased to announce that it has entered into an exclusive two year European consulting agreement (the “Agreement”) with Stephen Schroeder, a leading international cannabis expert (the “Consultant”). The Consultant’s initial mandate is the design, renovation, and commissioning of XPhyto’s state-of-the-art hydroponics and extraction facility, the “BUNKER”, pursuant to the Company’s German cannabis cultivation and extraction licence first announced on July 24, 2019.

“XPhyto is extremely pleased with the engagement. Product quality is our primary objective and Stephen and his team bring a set of skills and pride of craftsmanship that is aligned with our corporate vision,” said Hugh Rogers, CEO of XPhyto. “His extensive international network provides access to industry leading system design, equipment, training, operational support and cannabis genetics. This will be an essential component of the best-in-class cultivation and extraction operations we are building in Bavaria.”

The Consultant is an accomplished cannabis expert whose recent work include several high-profile engagements: the design, construction and operation of one of the largest greenhouse and outdoor cannabis cultivation, extraction and isolation systems in the world, with scalability up to 100,000 hectares, based in Colombia, South America; final design and optimization of one of the largest premium hydroponics facilities in Canada; and due diligence on behalf of a highly successful international cannabis investment and royalty fund, recently purchased for over one billion dollars.

Pursuant to the Agreement the Consultant will receive a monthly consulting retainer in addition to stock based compensation in the form of stock options and common shares to vest and be issued, respectively, over a two year period: 1) 600,000 stock options, as previously announced on August 8, 2019, each of which is exercisable into one common share of the Company for a period of five years at an exercise price of \$1.25 per share, of which 120,000 will vest immediately and 120,000 will vest every six months thereafter; and 2) 700,000 common shares of the Company, of which 220,000 will be issued immediately and 120,000 will be issued every six months thereafter. All shares are subject to a four month hold period in accordance with applicable Canadian securities law.

About XPhyto Therapeutics Corp.

XPhyto is a science-based cannabis company focused on formulation, clinical validation, and emerging European markets. XPhyto’s 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction licence for scientific purposes by the German Federal Institute for Drugs and Medical Devices (BfArM). XPhyto acquired 100% of Vektor Pharma TF GmbH, a German narcotics manufacturer, importer and researcher with expertise in the design, testing and manufacture of thin film drug delivery systems, particularly transdermal patches and sub-lingual (oral) strips for the clinical management of pain. XPhyto is pursuing additional opportunities in Germany including commercial cultivation, processing, manufacturing, import, and distribution. In Canada, two exclusive 5-year engagements with the Faculty of Pharmacy at a major Canadian university provide certified extraction, isolation, and formulation facilities, drug research and development expertise, as well as commercial analytical testing capability.



For further information, please contact:

Hugh Rogers
CEO & Director
+1.780.818.6422
info@xphyto.com
www.xphyto.com

Robert Barth
VP European Corporate Development
+49 8331 99481 10
info@xphyto.com
www.xphyto.com

Forward looking statements

This news release includes statements containing forward-looking information within the meaning of applicable Canadian securities law ("forward-looking statements"). Forward-looking statements are frequently characterized by words such as "develop", "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "potential", "propose" and other similar words, or statements that certain events or conditions "may" or "will" occur, and in this release include the statement regarding the Company's goal of building an industry leading medical cannabis company. Forward-looking statements are only predictions based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including: that the Company may not derive the expected, or any, benefits from the Licence; that the Company may be unable to scale its business; product liability risks; frequent changes to cannabis regulations in Canada and internationally; general economic conditions; adverse industry events; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; competition; international risks; and other risks beyond the Company's control. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this news release.