



PARKINSON'S GENERIC TRANSDERMAL DRUG DELIVERY SYSTEM

Vancouver, Canada (June 8, 2020) - XPhyto Therapeutics Corp. (CSE:XPHY / FSE:4XT / OTC:XPHYF) ("XPhyto" or the "Company") is pleased to announce that its wholly owned German subsidiary, Vektor Pharma TF GmbH ("Vektor"), has finalized the formula for its novel transdermal delivery system ("TDS") for the neurologic drug Rotigotine. Vektor is now proceeding with process implementation for the manufacture of Rotigotine patches for human clinical studies.

Rotigotine is a non-ergoline dopamine agonist approved for the treatment of Parkinson's disease (PD) and restless legs syndrome (RLS) in Europe and the United States. Rotigotine, the active pharmaceutical ingredient, is a generic "off-patent" drug that is typically formulated as a once-daily transdermal patch which provides a slow and constant supply of the drug over the course of 24 hours. Global and European sales of Rotigotine patches in 2019 were approximately \$500MM and \$250MM CAD respectively.

"We are extremely pleased with the TDS development results thus far. It appears that our goal of optimizing the dosage form efficiency, to reduce the amount of drug required in each patch, and improving overall patch adhesion to the patient's skin has been achieved," said Prof. Dr. Thomas Beckert, founder and managing director of Vektor.

Vektor is now focused on process implementation for the manufacture of Rotigotine TDS clinical samples for use in human pilot studies. The parameters for increased manufacturing capacity are currently being evaluated with a final decision expected to be made within 30 days. Once process implementation is complete, clinical sample manufacturing and analytical work will commence in Vektor's EU GMP laboratory and manufacturing facility based in Baden-Württemberg, Germany. Human pilot studies in Europe are scheduled for Q3 2020 with results expected in Q4 2020.

"XPhyto's Parkinson's drug patch is an excellent example of the Company's generic drug delivery strategy whereby approved generic drugs can be delivered using Vektor's novel drug delivery platforms," said Hugh Rogers, CEO of XPhyto. "For both our transdermal patches and oral dissolvable films, we see the generic drug delivery model as a major opportunity for scalable value creation through expedited clinical evaluation and product launch, particularly in Europe."

About XPhyto Therapeutics Corp.

XPhyto is a biopharma and cannabis science company focused on formulation, clinical validation, and European imports, distribution and sales. XPhyto's 100% owned subsidiary, Vektor Pharma TF GmbH, a German narcotics manufacturer, importer and researcher has expertise in the design, testing and manufacture of thin film drug delivery systems, particularly transdermal patches and sub-lingual (oral) strips. Vektor also holds a number of narcotics licences issued by the German Federal Institute for Drugs and Medical Devices (BfArM), including import and manufacturing permits, as well as EU GMP lab certification. XPhyto's 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction



licence for scientific purposes by BfArM. Bunker has two exclusive R&D collaboration agreements with the Technical University of Munich, Chair of beverage and brewing technology and the Faculty of Chemistry. XPhyto is pursuing additional opportunities in Europe including commercial cannabis 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. XPhyto signed a supply, import and distribution agreement for cannabis oils and isolates with one of the largest, highest quality, and lowest cost cannabis cultivators in the world.

For further information, please contact:

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

Wolfgang Probst
Director
+49 8331 9948 122
info@bunker-ppd.de
www.xphyto.com

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