

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

XPhyto Therapeutics Corp. (the “Company”)  
Suite 270 - 1820 Fir Street  
Vancouver, BC V6J 3B1

**Item 2. Date of Material Change**

December 6, 2021

**Item 3. News Release**

A news release announcing the material change referred to in this Material Change Report was disseminated and subsequently filed on SEDAR on December 6, 2021.

**Item 4. Summary of Material Change**

XPhyto Therapeutics Corp. completes strategic acquisition of 3a-diagnostics GmbH.

**Item 5.1 Full Description of Material Change**

The Company announced that the acquisition of 3a-diagnostics GmbH (“3a”), first announced July 20, 2021, is now complete.

The strategic acquisition of 3a is a transformative step in XPhyto’s commercial strategy, said Peter Damouni, XPhyto director. The integration of a highly innovative European biosensor development company places XPhyto at the forefront of the rapid point-of-care test industry, an explosive and technology driven sector. This transaction is the second acquisition since going public in August 2019. XPhyto completed the takeover of Vektor Pharma TF GmbH in September 2019. The corporate strategy of acquiring high-tech biotechnology and pharma companies showcases the potential growth acceleration and synergies for XPhyto’s biosensors, diagnostics and drug delivery portfolios.

3a is a research-based biotechnology company located Southeast of Stuttgart, Germany, specializing in the development, production and marketing of point-of-care (PoC) test systems. 3a has developed and patented a pipeline of oral biosensor screening tests for bacterial and viral infectious diseases, including stomatitis, periimplantitis, periodontitis, group A strep, and influenza A. The company has developed a high-throughput biosensor screening platform for rapid identification of new biosensor targets. 3a has also received grant funding from the German Federal Ministry of Education and Research for the development of real-time, low-cost and easy-to-use oral screening tests for the rapid detection of influenza A variants that are high-risk pandemic threats such as H1N1 and H5N1.

3a’s COVID-19 portfolio includes Covid-ID Lab a rapid point-of-care PCR test platform with a CE mark approved for sale in Europe. Total processing time is 25 minutes with minimal equipment and training. On July 28, 2021, XPhyto and 3a announced the identification of the first saliva activated in-mouth biosensor candidates for the detection of a COVID-19 infection. This research is the foundation for the development of the first enzyme-activated biosensors for real-time, low-cost and easy-to-use oral screening applications for the rapid detection of COVID-19.

The Company has recently received an EU commercial registration number to sell its biosensor for mouth related infections and oral inflammation, announced August 30, 2021. This product has application for the global oral health and cosmetic dentistry market. The Global Dental Services Market is expected to be \$435 billion in 2021 according to MedicalExpo e-magazine and projected to reach \$698.8 billion by 2030 and is growing at a CAGR of 6.4% according to Precedence Research.

With the integration of 3a's biosensor technology into our next-generation ODF platform, we are excited to be positioned to transform and dominate the market for rapid screening tests for a wide range of infectious diseases, including COVID-19, with highly affordable rapid oral tests starting in the coming year, says Prof. Dr. Thomas Beckert, Managing Director of Vektor Pharma TF GmbH, a wholly owned subsidiary of XPhyto. He adds, we have several biosensors in the development pipeline and plan to enter the market with low-cost rapid tests for infectious diseases, for which there are currently no rapid tests available, as early as 2022. We are very confident and excited to have the opportunity to revolutionize the diagnostics and rapid test market with products based on our integrated proprietary technologies, that are unique and leading in the world.

The acquisition of 3a is projected to produce significant synergies in research and development and manufacturing; significantly improved margins for commercial products, such as Covid-ID Lab; as well as expedite commercialization of products in 3a's near-market development pipeline. 3a's intellectual property, including patents, know-how, expertise and contracts are included in the acquisition.

Executive management of 3a will be led by Prof. Dr. Beckert, managing director of Vektor Pharma TF GmbH. Prof Dr. Beckert is a German-based scientist and experienced corporate executive who is leading XPhyto's drug formulation and diagnostics operations.

The Company is not making any express or implied claims that its product has the ability to eliminate, cure or contain the COVID-19 pandemic.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

No information was omitted.

**Item 8. Executive Officers**

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Hugh Rogers, Chief Executive Officer  
Telephone: 780-818-6422

**Item 9. Date of Report**

December 6, 2021