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XPhyto Therapeutics Announces Offering of Units of the Company

VANCOUVER, BC – July 22, 2022 - XPhyto Therapeutics Corp. (“XPhyto” or the “Company”) (CSE: XPHY) is pleased to announce a non-brokered private placement for gross proceeds of a maximum of CAD\$3,600,000 (the “Offering”) of units (the “Units”) at an issue price of \$0.36 per Unit. Each Unit will consist of one common share in the capital of the Company (a “Common Share”) and one half of one Common Share purchase Warrant (each whole warrant, a “Warrant”). Each Warrant will entitle the holder to acquire one Common Share (a “Warrant Share”) at an exercise price of \$0.50 per Warrant Share for a period of 24 months from the date of issuance. The Offering is anticipated to result in a maximum of 10,000,000 Units of the Company being issued, and the Offering may close in one or more tranches.

In connection with the Offering, eligible parties may receive a cash finder’s fee payment equal to up to 8% of the gross proceeds of the Units that are sold to subscribers introduced by such parties, and warrants (the “Finder’s Warrants”) to purchase that number of Common Shares (the “Finder’s Warrant Shares”) equal to up to 8% of the Units that are sold to subscribers introduced by such parties, with each Finder’s Warrant being exercisable for one Finder’s Warrant Share at a price of \$0.50 per Finder’s Warrant Share for a period of 24 months from the closing of the Offering.

The Company intends to use the proceeds from the Offering to fund its research, development, and commercialization activities and for general working capital purposes.

All securities issued or issuable in connection with closing of the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities.

About XPhyto Therapeutics Corp.

XPhyto Therapeutics Corp. is a diversified bioscience accelerator focused on next-generation drug formulation, diagnostic, and new active pharmaceutical ingredient investment opportunities, including: precision transdermal and oral dissolvable drug formulations; rapid, low-cost infectious disease and oral health screening tests; and manufacture, standardization, and evaluation of psychedelic compounds for the treatment of neurological conditions. The Company has research and development operations in

North America and Europe, with an operational focus in Germany, and is currently focused on regulatory approval and commercialization of medical products for European markets.

XPhyto Therapeutics Corp.

Hugh Rogers, CEO and Director

Email: info@xphyto.com

Phone: +1 780-818-6422

Cautionary Statement Regarding “Forward-Looking” Information

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Forward-looking information in this release includes the closing of the Offering on the terms described herein or otherwise, and the proposed use of funds for the Offering. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include regulatory actions, market prices, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.