NEWS RELEASE

ASIA GREEN BIOTECHNOLOGY CORP. EXPANDS TECHNOLOGY LICENSE AGREEMENT WITH PATHWAY Rx INC. BY ENTERING CORRESPONDING AGREEMENT WITH PNW BIOSCIENCES INC.

September 8, 2020 – Calgary, AB: Asia Green Biotechnology Corp. ("AGB" or the "Company") (CSE:ASIA) is pleased to announce that it has entered an agreement with Pathway Rx Inc. ("Pathway Rx") and PNW Biosciences Inc. ("PNW") in which the three companies have determined to act collaboratively to affect the clinical development and commercialization of the *Cannabis sativa* varieties for prevention and for treatment of COVID-19 and other infectious diseases to which Pathway Rx Inc. owns the rights. Both AGB and PNW have previously entered licensing agreements with Pathway Rx to assist Pathway Rx in studying those varieties and possibly other versions of the strains for their efficacy in humans and to eventually seek approval of these products as new drugs and as over-the-counter health products (see News Release of AGB dated August 18, 2020). Under the terms of their prior agreements with Pathway Rx, each of AGB (in respect of the Asian territory) and PNW (in respect of the balance of global territories) had independently agreed to fund and cooperate with Pathway Rx to deploy the technology for the purpose of completing further research, development, testing and additional validation and establishment of practical applications with a view to commercialization of the technology in those territories. The new agreement among all three parties establishes a plan to allow the joint development of that technology with a mutual level of participation in the potential rewards that these activities may create.

Consideration payable by AGB and PNW to Pathway Rx includes royalties on commercial sale of derivative products in the licensed territories on a sliding scale. In addition, each of AGB and PNW will be paid a smaller royalty for any and all sales which occur in jurisdictions outside their own licensed territories. Also, in the event a party does not participate in the financing and completion of these studies, the other has the option to assume the additional payment obligations and extend the license granted accordingly to include the balance of worldwide rights.

The clinical developments and commercialization contemplated in the agreement include but may not be limited to the completion of the following steps:

a. Determination with Pathway Rx of the study design and endpoints most advantageous to the patient population, the international emergency, and the commercialization opportunity. The study design for treatment of COVID-19 will include pre-treatment and post-treatment of gut fauna and flora, drug-to-drug interaction prediction with Cytochrome P450 precision medicine genetic testing, pre-treatment and post-treatment of respiration and lung and major organ fibrosis, laboratory testing of each patient in the studies showing the inflammatory markers that predict the onset of the cytokine storm, laboratory

testing using cannabis drug efficiency index software, and other important scientific markers of effectiveness of the treatment and scientific and medical information that may be of assistance in greater recovery for the patient's health. Once appropriate approvals are obtained, initial phase testing is expected to commence in January, 2021 and extend over a period of approximately four months. Results from that phase will inform the decision on how next to proceed.

b. Development of Pre-Investigational New Drug Applications and meeting with the appropriate regulatory officials to request Emergency Use Authorizations for Phase II studies of 300 patients and controls, or more, and thereafter Emergency Use Authorizations for Phase III studies of 1,050 patients and controls, or more, to use the extracts to treat patients hospitalized for COVID-19 infection.
c. Provision for the cost and conduct of Phase II clinical studies which will include but not be limited to physician recruitment, patient recruitment, cost of cannabis extracts, patient monitoring, data analysis reporting and assistance with preparation of study results to be submitted to major scientific journals.
d. Provision for the cost and conduct of Phase III clinical studies to gain new drug approvals of the extracts and/or versions of the extracts.
e. Provision for any required Phase IV after-market studies, if required by either regulatory officials.
f. Provision of marketing and sales costs for strong distribution of the products in the licensed territories and elsewhere.
g. Provision for clinical studies to support marketing and sales of the developed novel *Cannabis sativa* varieties in the licensed territories and elsewhere through dermal patch technologies, gel caps, sublinguals, extract drops, suppositories, and as a nasal spray to prevent infection with COVID-19.

Dr. Igor Kovalchuk, a director of AGB, is also the chief executive, a director and a shareholder of Pathway Rx. As such, he will maintain an active and direct role in the initiation and ongoing administration of the clinical testing activity to be undertaken. To date, Dr. Kovalchuk and his partner, Dr. Olga Kovalchuk have, through Pathway Rx, been the primary principals in the research and development activities undertaken in relation to the subject cannabinoid varieties. This research has resulted in the filing of a patent application with the United States Patent Office in respect of new and unique *Cannabis sativa* lines, extracts and methods for their use to inhibit the levels of ACE2 receptor in oral, lung and intestinal epithelial tissues to prevent entry of SARS-CoV-2 and related viruses, to treat the cytokine storm that precedes and underlies acute respiratory distress syndrome in COVID-19 and other diseases, and to affect viral life cycle processes. In addition, on March 30, 2020, Pathway Rx and their research team announced the publication of a working paper detailing aspects of the research undertaken to date and outlining anticipated next steps in that process. The paper, entitled "In Search of Preventative Strategies: Novel Anti-Inflammatory High-CBD *Cannabis Sativa* Extracts Modulate ACE2 Expression in COVID-19 Gateway Tissues" is available for viewing and study at https://www.preprints.org/manuscript/202004.0315/v1. Further, in April 2020, Pathway Rx and their research team published another research paper entitled "Fighting

the storm: novel anti- TNFα and anti-IL-6 *C. sativa* lines to tame cytokine storm in COVID-19", available at https://www.researchsquare.com/article/rs-30927/v1.

In commenting on these developments, Dr. Kovalchuk stated: "Since the onset of the Covid-19 pandemic, it has been our intent to move as quickly as possible to determine the efficacy of the research work completed by Pathway Rx relative to the new and unique *Cannabis sativa* lines, extracts and methods for their use to inhibit the levels of ACE2 receptor in oral, lung and intestinal epithelial tissues to prevent entry of SARS-CoV-2 and related viruses. The announcement of the collaboration among AGB, PNW and Pathway Rx is a significant development as it brings a collection of talented teams together to move this process forward in a timely, cost-effective and highly proficient manner. We believe the stage is set to proceed with clinical trials that may significantly expand and create applications for those significant new varieties of cannabinoid varieties that we have been developing and we are excited to begin this process as soon as possible."

About AGB:

AGB is an early stage international bio-technology company focused on the development, evaluation, testing, application and, ultimately, supply to the market of proprietary organic hybridization technology and certain products derived from that technology. The core approach of the business is centred on the planting, growth and harvesting of new and valuable strains of hemp and related crops in commercial quantities under the terms of license agreements with InPlanta Biotechnology Inc., Swysh Inc. and Pathway Rx Inc.

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