NEWS RELEASE

ASIA GREEN BIOTECHNOLOGY CORP. ENTERS TECHNOLOGY LICENSE AGREEMENT WITH PATHWAY Rx INC. FOR ASIA REGION AND AGREES TO ASSIST IN INITIATING CLINICAL TRIALS

August 18, 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") pursuant to which AGB is granted an exclusive license to clinically develop and commercialize the *Cannabis sativa* varieties to which Pathway Rx Inc. owns the rights for prevention and for treatment of COVID-19 and other infectious diseases. Both companies wish to see those varieties, and possibly other versions of the strains, studied for their efficacy in humans and eventually approved and applied as new drugs and as over-the-counter health products. This agreement grants a license to AGB 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 the greater region of Asia.

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. In the process of obtaining those approvals Pathway Rx will determine whether the trials are conducted under the direction of the United States Food & Drug Administration (the "**FDA**") or Health Canada.
b. Development of Pre-Investigational New Drug Applications and meeting with the FDA and Health Canada 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 the FDA or Health Canada.
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.

The agreement recognizes that Pathway Rx has entered a similar license agreement in respect of other territories with another independent corporation, and that the obligations of that third party corporation parallel those of the Company both in terms of payment obligations, royalty obligations and satisfaction of terms and conditions upon which the corresponding license is granted. AGB and Pathway Rx have commenced negotiations with that third party corporation for the purpose of jointly achieving the clinical testing and commercialization objectives set out herein. All three of those parties recognize that such an agreement will be beneficial relative to the achievement of those objectives.

Consideration payable by the Company to Pathway Rx includes royalties on commercial sale of derivative products in the licensed territories on a sliding scale. In addition, and to initiate and support commencement of the clinical studies processes contemplated by the agreement, the Company will make available $100,000 to Pathway Rx within 30 days from August 13, 2020 and a further $500,000 within 90 days of that date. In the event a third party corporation does not participate in the financing and completion of these studies, AGB has the option to assume the additional payment obligations and extend the license granted accordingly to include the balance of worldwide rights.

This agreement complements and is an adjunct to the agreement made with Swysh Inc. and announced on March 19, 2020 wherein AGB is participating in research and development activities based on Swysh's intellectual property and associated rights to control and market health, skin care and a variety of other products successfully derived from those activities.

Dr. Igor Kovalchuk, a director of AGB, is also the chief executive, a director and a shareholder of Pathway Rx and Swysh (controlling shareholder). 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 and Swysh, 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, Swysh, Pathway Rx and their research team announced the publication 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: "The relationship with our group of companies to AGB has expanded through, first, the InPlanta license agreement, and then the license agreement with Swysh Inc. Now, with what may be the most important and timely element of these developing relationships, this license agreement between AGB and Pathway Rx sets the stage 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. In this era in which all dimensions of society are affected by the Covid-19 pandemic, we are duty-bound to apply as much of our expertise as possible to mitigate the effects of this disease, and, with the participation of AGB, we intend to do so in a positive way."

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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The Company is not making any express or implied claims that any product produced pursuant to the terms of its license agreements has the ability to eliminate, cure or contain the Covid-19 (or SARS-2 Coronovirus) at this time.