

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: XPhyto Therapeutics Corp (the "Issuer").

Trading Symbol: XPHY

Number of Outstanding Listed Securities: 48,945,769

Date: December 3, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The issuer, XPhyto is a next-generation cannabis company focused on formulation, clinical validation, and European markets. XPhyto's 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction licence for scientific purposes by the German Federal Institute for Drugs and Medical

Devices (BfArM). Bunker has two exclusive R&D collaboration agreements with the Technical University of Munich, Faculty of Chemistry as well as the Chair of Beverage and Brewing Technology. XPhyto acquired 100% of Vektor Pharma TF GmbH, a German narcotics manufacturer, importer and researcher with expertise in the design, testing and manufacture of thin film drug delivery systems, particularly transdermal patches and sub-lingual (oral) strips for the clinical management of pain. XPhyto is pursuing additional opportunities in Germany including commercial 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. Over the past month, the Issuer has been active in advancing the business plan as described below.

Provide a general overview and discussion of the activities of management.

Management is currently focused on the following activities:

The Company is currently working with growers to source supply of ultra-premium flower for export while working on the Bunker plan design for its 10,000 square foot facility in Germany, half of which will house small-scale cultivation rooms, with the other half being for storage, manufacturing, and distribution.

With respect to supply, the Company announced during the month that it has signed a term sheet with a major cannabis grower and processor for exclusive distribution of EU GMP flower, extracts, isolates, and crystallites in Germany. The Company intends to import and distribute cannabis flower, isolates and derivative products in Germany and the EU beginning in Q1 2020. The company and grower are working towards a definitive agreement.

With respect to the Canadian operations, the Company's pharmaceutical grade extraction and processing laboratory at the Faculty of Pharmacy and Pharmaceutical Sciences, University of Alberta, Edmonton, Alberta, is now complete and is ready for commissioning and operations. The XPhyto team at the Faculty of Pharmacy took delivery of an innovative proprietary CO2 extraction unit in November 2019.

XPhyto's current cannabis research and development focus at the lab is on topical treatments for inflammatory dermatology indications and oral and ingestible treatments for pain management and sleep disorders. The Company is also working on solubility solutions for both decarboxylated and acid forms of cannabinoids. Operations at the lab will run in parallel to German operations.

2. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

N/A

3. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

N/A

4. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

N/A

5. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

N/A

6. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

N/A

7. Describe the acquisition of new customers or loss of customers.

N/A

8. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

N/A

9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

N/A

10. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

11. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

N/A

12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

N/A

13. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common shares	275,000	Warrant exercises	Proceeds of \$192,500 used for G&A purposes

(1) State aggregate proceeds and intended allocation of proceeds.

14. Provide details of any loans to or by Related Persons.

N/A

15. Provide details of any changes in directors, officers or committee members.

N/A

16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

N/A

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated December 3, 2019.

Hugh Rogers
Name of Director or Senior
Officer

"Hugh Rogers"
Signature
Chief Executive Officer
Official Capacity

Issuer Details		For Month End	Date of Report YY/MM/D
Name of Issuer XPhyto Therapeutics Corp.		November 30, 2019	2019/12/03
Issuer Address #270 – 1820 Fir Street, Vancouver, B.C., V7Y 1G5			
City/Province/Postal Code Vancouver, British Columbia		Issuer Fax No. N/A	Issuer Telephone No. (780) 818-6422
Contact Name Hugh Rogers		Contact Position Chief Executive Officer	Contact Telephone No. (780) 818-6422
Contact Email Address info@xphyto.com		Web Site Address www.xphyto.com	

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