

Xanthic Announces the Installation of Manufacturing Equipment at its Strategic Partner's Oregon Facility

TORONTO, June 13, 2018 /CNW/ - Xanthic Biopharma Inc. (formerly Aurquest Resources Inc.) ("**Xanthic**", CSE: xTHC) is pleased to announce the arrival, installation and shake down of its first manufacturing machines at the Oregon facility of Xanthic's strategic partner, Green Mile Enterprises, LLC ("**Green Mile**"). The newly arrived equipment consists of a variety of processing machines as well as a "form, fill, seal" machine which has been customized and calibrated to efficiently handle the Xanthic-powdered product profile, including the hydration drink mix and energy drink mix.



(Left - Xanthic's equipment being installed at Green Mile Enterprises' Oregon facility; Right - the "form, fill, seal" machine after installation) (CNW Group/Xanthic BioPharma)

Xanthic is awaiting final review of product packaging by the Oregon regulatory body, the Oregon Liquor Control Commission. Management of Xanthic anticipates that first production will commence by the end of June 2018 and that sales through the distribution channels to dispensaries across Oregon will commence by the end of August 2018.

Xanthic has also ordered the necessary equipment to build out the California manufacturing facility of its strategic partner, Pasa Verde, LLC, with the goal of first production to commence before the end of September 2018.

Meredith Farrow, CEO of Green Mile, stated, "Green Mile Enterprises is pleased to be working with Xanthic and their team to provide a unique product line up to the Oregon market."

Tim Moore, CEO of Xanthic, commented, "The Xanthic team is extremely pleased with the installation and calibration of the machinery in our Oregon partner's facility. With a business model based on unique proprietary technology, we are excited to see the first installation at the location of a licensed producer partner. Our thanks go to the Green Mile team for their support and collaboration during this process. Lessons learned during this first execution will help accelerate the installation process with future strategic partners in Canada, the U.S. and internationally. Our plan to operate in three U.S. states by the end of 2018 is on schedule.

About Xanthic

Xanthic, through its wholly-owned operating subsidiary, Xanthic Biopharma Limited, provides

valuable intellectual property to cannabis industry participants, enabling its strategic partners to produce high quality, innovative, non-combustible cannabis, and cannabis-infused products which deliver consistent THC and/or CBD levels and improved bioavailability. Using a patent-pending proprietary process, Xanthic allows its strategic partners to deliver superior cannabinoid solubility, improved bioavailability, accurate micro-dosing and greater consistency versus competitive infused products. Through its investment in Xanthic Beverages, Xanthic has access to non-cannabis derived CBD-infused products that qualify for distribution outside of the cannabis dispensary network and into mainstream retail. www.xanthicbio.com

About Green Mile Enterprises, LLC

Green Mile is a privately owned processing facility licensed under the Oregon Liquor Control Commission. Green Mile provides valuable intellectual property in extraction, processing, and formulation for CBD and THC products, in addition to key relationships in distribution throughout the state of Oregon. The Green Mile team consists of a broad spectrum of qualified members ranging from chemists and engineers to sales associates.

Disclaimer:

This news release includes statements containing certain "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"). Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur and include, but are not limited to, Xanthic's expansion and development plans and the product packaging review of the Oregon regulatory authorities. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Xanthic is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. The Canadian Securities Exchange accepts no responsibility for the adequacy or accuracy of this release.

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