

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: XPHY

Number of Outstanding Listed Securities: 58,010,145

Date: July 7, 2020

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.

On June 8, the Company announced its wholly owned German subsidiary, Vektor Pharma TF GmbH ("Vektor"), has finalized the formula for its novel transdermal delivery system for the neurologic drug Rotigotine. Vektor is now proceeding with process implementation for the manufacture of Rotigotine patches for human clinical studies. Rotigotine is a non-ergoline dopamine agonist approved for the treatment of Parkinson's disease and restless legs syndrome in Europe and the United States.

On June 10, the Company announced its diagnostic partner, 3a-Diagnostics GmbH ("3a") and their contract research collaborators, have received a €254,200 grant from the German Federal Ministry of Education and Research. Proceeds of the grant are committed to the development and commercialization of enzyme activated biosensors for use in real-time, low-cost and easy-to-use oral screening tests for the rapid detection of influenza A virus and specific variants that are high-risk pandemic threats such as H1N1 and H5N1.

On June 15, the Company announced its wholly owned German subsidiary, Vektor Pharma TF GmbH, has successfully incorporated peptide biosensors into its oral dissolvable thin film ("ODF") platform. XPhyto and 3a are developing pathogen-specific ODF biosensors for infectious diseases, including pandemic threats. On June 29, 3a confirmed active functionality of peptide biosensors that were incorporated into the ODF platform.

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

XPhyto is a next-generation cannabis company focused on formulation, clinical validation, and European imports, distribution and sales. XPhyto's 100% owned subsidiary, Vektor Pharma TF GmbH, a German narcotics manufacturer, importer and researcher has expertise in the design, testing and manufacture of thin film drug delivery systems, particularly transdermal

patches and sub-lingual (oral) strips. Vektor also holds a number of narcotics licences issued by the German Federal Institute for Drugs and Medical Devices (BfArM), including import and manufacturing permits, as well as EU GMP lab certification. XPhyto's 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction licence for scientific purposes by BfArM. Bunker has two exclusive R&D collaboration agreements with the Technical University of Munich, Chair of Beverage and Brewing Technology and Faculty of Chemistry. XPhyto is pursuing additional opportunities in Europe including commercial cannabis 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.

3. 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

4. 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

5. 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

6. 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

7. 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

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

N/A

9. 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

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

N/A

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

N/A

12. 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

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

N/A

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

In June, the Company issued:

- **1,650,000 shares issued pursuant to the conversion of convertible debentures**
- **20,000 shares issued for gross proceeds of \$42,000 for the exercise of options**
- **50,000 shares issued pursuant to a consulting agreement**
- **305,000 shares issued for gross proceeds of \$177,875 for the exercise of warrants**

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

N/A

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

N/A

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

The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Management Discussion and Analysis for the year ended December 31, 2019 dated as of April 29, 2020 (the "MD&A") under the headings "Financial Instruments and Risk Management" and "Risks and Uncertainties". The MD&A is available on the Issuer's SEDAR profile at

www.sedar.com and on the Issuer's disclosure hall with the CSE at www.thecse.com.

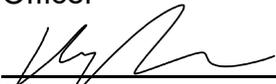
Additional trends that are likely to impact the Issuer include: COVID-19 The outbreak of the coronavirus ("COVID-19") pandemic has impacted the Issuer's plans and activities. The Issuer may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately that the Issuer would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

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 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 July 7, 2020.

Hugh Rogers
 Name of Director or Senior
 Officer

 Signature
 Chief Executive Officer
 Official Capacity

Issuer Details Name of Issuer XPhyto Therapeutics Corp.	For Month End June 2020	Date of Report YY/MM/D 20/07/07
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	