

xanthic
Cannabinoid Life Sciences

CSE: xTHC

Xanthic Biopharma Inc.

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**"AVITAS CBD WATER, LLC" REBRANDED AS "XANTHIC BEVERAGES" AND
FIRST PRODUCTION TO BE DISTRIBUTED TO OVER 500 RETAIL LOCATIONS**

FOR IMMEDIATE RELEASE

Toronto, Ontario – May 29, 2018 - Xanthic Biopharma Inc. (formerly Aurquest Resources Inc.) ("Xanthic", CSE: xTHC) is pleased to announce the rebranding of its Oregon-based strategic partner, "Avitas CBD Water, LLC", as "Xanthic Beverages". Concurrent with the corporate name change, Xanthic Beverages is rebranding its flagship product, "Avitas CBD Water", as "Xanthic CBD Water", which is still expected to ship before the fourth of July. These changes are expected to reinforce Xanthic's national brand proposition in the United States and expand the visibility of Xanthic's expertise in water solubility of cannabinoids.

Xanthic CBD Water uses CBD that is not derived from hemp or marijuana, allowing for production in a good manufacturing practice facility and distribution outside the licensed dispensary universe. Xanthic CBD Water is being produced by a Pepsico-contracted bottler under the same quality standards as the entire range of Pepsico-branded soft drinks. This bottler will also be distributing Xanthic CBD Water to over 500 retail locations, which are part of the existing Pepsico customer base, including grocery retailers and convenience stores, across Eastern Washington and Northeast Oregon. For further information about the strategic partnership between Xanthic Biopharma and Xanthic Beverages, please see our previous press releases dated March 21 and April 25, 2018.

Ryan Maxson, co-founder and CEO of Xanthic Beverages commented, "We are excited to be co-branding with Xanthic Biopharma Inc. Combining our branding efforts directed towards a shared



increase in market visibility is in alignment with our other strategic goals, and opens us to even more opportunity."

Tim Moore, CEO of Xanthic stated, "This is another key milestone for the Xanthic brand. With a business model focused on licensing our water-soluble technology and brand name to qualified producers, being able to demonstrate initial success on the West Coast of the U.S. with Xanthic CBD Water will be extremely valuable. Our Xanthic team commends the Xanthic Beverages team on their hard work and dedication in moving the production process forward, and are looking forward to continuing our successful relationship."

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. Using a proprietary process, Xanthic empowers 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

For further information or questions, contact:

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This news release may contain forward-looking statements and information based on current expectations. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. There is no assurance that the strategic partnership with Xanthic Beverages will successfully produce benefits for Xanthic. Although such forward-looking statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. We assume no responsibility to update or revise them to reflect new events or circumstances, except as required pursuant to applicable securities laws.