

December 1, 2017

**AURQUEST RESOURCES INC. SIGNS LETTER OF INTENT WITH XANTHIC
BIOPHARMA LIMITED**

FOR IMMEDIATE RELEASE

Toronto, Ontario – Aurquest Resources Inc. ("Aurquest" or the "Company") is pleased to announce the signing of a binding Letter of Intent ("LOI") to acquire the issued and outstanding shares of Xanthic Biopharma Limited ("Xanthic"). The LOI calls for Aurquest to acquire all of the 27,000,000 outstanding Xanthic shares, in exchange for issuing a total of 216,000,000 Aurquest common shares at a ratio of eight (8) Aurquest shares for each one (1) Xanthic share (the "**Exchange Ratio**") at a deemed price of \$0.01563 per Aurquest share, resulting in a reverse take-over of Aurquest by Xanthic (the "**Transaction**").

It is anticipated that prior to closing of the Transaction, Xanthic will raise up to \$1,500,000 in a non-brokered private placement through the issuance of up to 12,000,000 Xanthic shares at a price of \$0.125 per Xanthic share (the "**Xanthic Private Placement**"). The Xanthic shares issued in the Xanthic Private Placement will also be acquired by Aurquest on completion of the Transaction by issuing a total of up to 96,000,000 Aurquest shares at the Exchange Ratio.

Aurquest currently has 51,688,184 shares outstanding. The Transaction will result in the Company having approximately 363,688,184 common shares. On closing of the Transaction, the current Aurquest shareholders will have 51,688,184 shares (14.21%), the existing Xanthic shareholders will hold 216,000,000 Aurquest shares (59.39%), and the purchasers in the Xanthic Private Placement will hold 96,000,000 Aurquest shares (26.40%) assuming full subscription.

On closing of the Transaction, the resulting issuer will repay \$35,000 of shareholder loans out of the total of \$160,771 shareholder loans due to two major Aurquest shareholders, Messrs. Rob Salna and Dom Monardo, and the balance of the shareholder loans will be forgiven. In addition, Aurquest and Xanthic will assist Messrs. Salna and Monardo to enter into share purchase agreements on or prior to closing of the Transaction to sell a total of approximately 32 million Aurquest shares to third party purchasers.

On the closing of the Transaction, the current directors of Aurquest will resign and Messrs. Gary Galitsky (sole director of Xanthic) and four more nominees of Xanthic will be added as directors for a total of five directors for the resulting issuer. The current officers of Aurquest will resign at closing and new officers will be appointed by the board of directors of the resulting issuer, which

will include Mr. Tim Moore (Xanthic CEO) as the CEO, Mr. Gary Galitsky (Xanthic President) as President and Mr. David Bhumgara (Xanthic CFO) as CFO.

A definitive agreement is anticipated to be completed on or about December 15, 2017 with the Transaction expected to close on or about December 15, 2017.

Xanthic is a private Ontario company, which produces high quality, innovative, non-combustible cannabis, and cannabis-infused products which deliver consistent THC and/or CBD levels. Using a proprietary process, Xanthic is able to deliver superior solubility and consistency versus competitive infused products.

There are a number of conditions precedent for both Aurquest and Xanthic to the completion of a Definitive Agreement for the acquisition including, but not limited to: due diligence; completion of ongoing audits.

Following completion of the Definitive Agreement, the Company will provide further information on the transaction, proposed management and expected timelines to completion.

For Further Information 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. Such statements include the expected terms of the Transaction, the expected terms for the Xanthic Private Placement; the expected timing for the execution of the Definitive Agreement and for the closing of the Transaction; the expected conditions for the Transaction; the expected capitalization for the resulting issuer; and Xanthic's expectation of the quality and effect of its products. There is no certainty that any of these events will occur. Although such 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.

Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.