ABATTIS ENTERS INTO DEFINITIVE AGREEMENT TO LAUNCH NEW CANNABIS LAB IN ONTARIO

VANCOUVER, BRITISH COLUMBIA / June 28, 2018 / **Abattis Bioceuticals Corp.** (the "**Company**" or "**Abattis**") (CSE:ATT) (OTC:ATTBF) is pleased to announce that it has entered into a definitive investment agreement dated June 27, 2018 (the "**Agreement**") with XLABS Therapeutics (ONT) Inc. ("**XLABS**") to launch a new Cannabis laboratory in Belleville, Ontario (the "**Laboratory**"). The Laboratory will be designed to service Ontario's growing cannabis sector, which currently numbers 59 licensed producers ("**LPs**").

"This is another very significant milestone for Abattis", stated Rob Abenante, President and CEO of Abattis. "Launching a laboratory of this size will substantially expand our lab business and strengthen our downstream service offerings", added Mr. Abenante.

The Laboratory will housed in a 320,000 square foot building (the "**Belleville Facility**"). Abattis and XLABs plan for an initial build-out of 10,000 square feet, with plans to expand into the remaining 310,000 square feet available at the Belleville Facility through organic growth and further joint-ventures.

The Laboratory will focus on the following services:

- extraction of cannabinoids into oils
- storage of flowers and oils
- testing and analytical services for LPs
- manufacturing of cannabis products
- research and development
- formulation of cannabinoid-infused products

"With the recent passing of Bill C-45, Canada is now heading down the home stretch to the legalization of recreational marijuana. Abattis is working hard to be one of the best positioned companies to fully service the coming growth in demand for cannabis and related products," continued Mr. Abenante.

Pursuant to the Agreement, Abattis will acquire (the "**Acquisition**") a 10% equity stake in XLABS, in exchange for an initial investment of $2.5 million into XLABS. XLABS has secured a location at the Belleville Facility. The Belleville Facility has been deemed suitable for use as a medical cannabis research facility under Health Canada's *Narcotic Control Regulations* (the "**NCR**") by an independent consultant engaged by XLABS. XLABS hopes to receive licensed dealer status under the NCR.

Abattis operates a diverse range of businesses across the cannabis space. The Acquisition will enable Abattis to leverage its existing businesses and further establish itself as a provider of downstream cannabis services across Canada.

Closing of the Acquisition is subject to, among other things, completion of due diligence by Abattis and the receipt of any required consents, including that of the Canadian Securities Exchange.

About Abattis Bioceuticals Corp.

Abattis is a leading diversified cannabis company, with interests in operations engaged in growing, extraction, testing, propagation and retail distribution. Over the past few years, Abattis has made key acquisitions to leverage synergies and vertically integrate its business. Through Abattis's ownership interest in Northern Vine Labs, Abattis has access to a laboratory facility holding a Health Canada dealer's license and, through its wholly owned subsidiary Gabriola Green Farms, it has applied for a Health Canada license to produce and sell Cannabis flower and oils. Abattis also operates a retail vaporizers business through its wholly owned subsidiary, Green Tree Therapeutics, which offers 10 unique branded SKUs online and across the country and owns a series of marketing, licensing and technology rights. Abattis has also partnered with a number of organizations, including the University of British Columbia Faculty of Land and Food Systems, with which it is developing delivery platforms with increased stability and bioavailability for cannabinoid rich THC-free hemp extracts.

For more information, visit the Company's website at: www.abattis.com

ON BEHALF OF THE BOARD OF
ABATTIS BIOCEUTICALS CORP.,

"Rob Abenante"
Robert Abenante, President & CEO

For more information, please visit the Company's website at: www.abattis.com or www.northernvinelabs.com

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This press release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "intends", "should", "believe" and similar expressions are intended to identify forward-looking statements. Forward-looking statements in this press release include statements regarding: the proposed Acquisition and the expected benefits of same for Abattis; XLABS's anticipated receipt of a License; completion of the initial build-out of the initial phase of the Laboratory and XLABS's intention to take over the remaining space available at the Belleville Facility; the services on which the Laboratory will focus; and XLABS and Abattis developing one of Canada's largest laboratories together. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties, including: that the proposed Acquisition will not complete or benefit Abattis as expected; that XLABS will not receive a License; that XLABS's facility in Belleville, Ontario, will not be built-out or expanded as expected; that XLABS will not provide the services it expects to provide; that XLABS and Abattis will not develop one of Canada's largest laboratories together; that the Company will not be able to execute its proposed business plan in the time required or at all due to regulatory, financial or other issues; that the Company's competitors may develop competing technologies; changes in regulatory requirements; and other factors beyond the Company's control. Additional risk factors are included in the Company's Management's Discussion and Analysis, available under the Company's profile on www.sedar.com. The forward-looking statements are made as at the date hereof and the Company disclaims any intent or obligation to publicly update any forward-looking statements, where because of new information, future events or results, or otherwise, except as required by applicable securities laws.