NEWS RELEASE

EXMceuticals obtains its research and development license for its TecLab facilities in Portugal

VANCOUVER, BRITISH COLUMBIA, October 23, 2019 – EXMceuticals Inc. (CSE: EXM) (FSE: A2PAW2) (the "**Company**" or "**EXM"**), a cultivator and producer of high-grade cannabis is pleased to announce that it has obtained the licence for cannabis research and development from INFARMED, the Portuguese National Authority of Medicines and Health Products. This license allows the company to make a huge step forward in its European operations by being able to import, research and refine cannabinoids and cannabis by-products in Europe. EXM's fully operational R&D laboratory in Portugal will now develop cannabis-based products and also operate as a pilot-scale refinery for the transformation of cannabis-based ingredients.

With its Portuguese license, EXMceuticals is making a leap forward with regards to its activities in the country and the European Union. The company will now convert its research work into real-life wellness products and pursuit for innovative solutions. In parallel, EXM is optimizing the refining processes using state of the art technology.

"We are very pleased to reach this important step for our activities in Europe. This will enable us to expand our work, as well as operate our existing R&D Lab and pilot CBD refinery to its full potential and capacity. Cannabis research will now proceed under the guidance of our senior scientists, with the clear goal of product innovation. Our scientific staff will also standardize and optimize extraction and refining protocols that will in time permit us to scale up our worldwide extraction and refining capacity very significantly." **said Jonathan Summers, chairman of EXMceuticals**. **He added:** "The focus, time and diligence that INFARMED and the Portuguese authorities have devoted to our license application has been highly impressive. We look forward to collaborating with INFARMED and the entire medical community in Portugal to produce pharmaceutical grade cannabinoid ingredients. These ingredients will be reliable, safe and highly effective for the consumers and will have a relevant impact for research and industry".

The license will also enable EXMceuticals to initiate new research projects under the Portugal 2020 program, a Framework Program between Portugal and the European Commission that brings together the five European Structural and Investment Funds. EXM anticipates this to be one of many upcoming advances regarding the company's R&D activities.

The license allows EXMceuticals to go further with its strategic R&D partnership program with the addition of a leading UK university and additional European universities in the next few weeks. EXMceuticals already have in place collaboration agreements with Nova University Lisbon, Lusófona University as well as with a leading Portuguese cosmetics company, prominent Portuguese Food & Beverage companies, and GFR Pharma, a leading Canadian contract manufacturer. The company R&D activities are focused on advanced research and innovation, training and collaboration within the industry and with its strategic partners.

EXM has already began, in Portugal, the construction and fit out of an industrial-scale refining facility which will comply to European Union's GMP Standards. We anticipate this new industrial-scale facility to be completed, operational and fully licensed before end of first quarter of 2020. This industrial-scale facility will import large quantities of cannabis and hemp crude oil from our farms in Africa, and then refine it on-site to our client's demands. The new industrial-scale facility will allow EXMceuticals to export very large volume of highest purity refined cannabis products to European Union and worldwide.

As EXM moves from the current pilot-scale facility towards industrial-scale production and increases the number and scope of the R&D projects undertaken, the company anticipates creating more than 80 highly qualified technical & scientific research jobs in Portugal.

Loan Agreement

The Company announces that it has entered into a loan facility agreement with Jonathan Summers, Chairman of the Company, for up to $500,000. Amounts funded under the facility are unsecured, repayable in December 2020 and bear interest at 15% per annum. The company issued bonus special warrants to the lender which entitle the lender to acquire bonus shares at a price of $1.35 per share for 20% of the principal amount actually funded under the loan facility. The special warrants convert into shares only if the lender subscribes to a future Company financing in the amount equal to outstanding loan amount. Proceeds from the Loan will be allocated to ongoing business initiatives and general working capital purposes.

The loan agreement also provides for the grant of performance-based warrants, entitling the lender to acquire between 15% and 60% of the principal amount funded under the loan facility in shares at a price of $1.35 per share. The percentage will be determined based on the Company's share price at the time the loan is repaid, with a sliding scale starting from $1.35 to above $6.00.

Pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") the Company advises that the loan agreement is a related party transaction under MI 61-101 and is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to section 5.5(a) and section 5.7(1)(a) of the instrument.

ON BEHALF OF THE BOARD OF DIRECTORS OF EXMCEUTICALS INC.

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ABOUT INFARMED

INFARMED the Portuguese Government agency responsible for the protection of Public Health.

INFARMED is accountable to the Health Ministry, it evaluates, authorises, regulates and controls medical, pharmaceutical as well as health and cosmetics products.

Infarmed performs at national and European levels its control and supervisory responsibilities on medicines and health products and is the Portuguese Reference Laboratory on the Quality Control of Medicines within the scope of the Network of Official Medicines Control Laboratories (OMCL).

ABOUT EXMCEUTICALS

EXM's activities are focused on the sustainable cultivation of cannabis and hemp, and the production of high-grade ingredients for the pharmaceutical, therapeutical, nutraceutical and cosmetic industries. The Company proposes to sell the produced ingredients to international markets.

EXM, through its subsidiary, Prime Ranchers Limited, is able to cultivate and process cannabis in Uganda at an industrial scale. The Uganda processing facilities are installed and will produce and export pharmaceutical, therapeutical, nutraceutical and cosmetic grade cannabis ingredients.

EXM owns a provisional license in Malawi enabling the cultivation of 50Ha of Cannabis and is in the process of obtaining a full license, in partnership with a large local agro producer. Please see previous press releases for more detailed information on EXM Malawi activities.

EXM, through its subsidiary and in-country partner, holds the rights to a cannabis license in the Kuba Kingdom, Mweka, Kasai Province, Democratic Republic of Congo, and the rights to a land concession for the cultivation of cannabis and hemp, and processing and export of high-grade cannabis extracted ingredients.

EXM has also submitted applications and undertaken negotiations with local governments and partners in Ethiopia, Zambia, Eswatini and Burundi, in order to obtain licences to permit the cultivation of cannabis and hemp, as well as the processing, transformation and export of psychotropic and non-psychotropic cannabinoid ingredients. In Ethiopia, EXM is in its final stage of negotiation with the government for an agro-industrial park, of 4,000 hectares (9,880 acres) encompassing a free trade zone.