WeedMD and Phivida Sign Definitive Agreement on Cannabis Beverages Inc.

Canbev Positioned as an Early Mover in the Canadian Cannabis Beverage Market

TORONTO, CANADA, **August 15, 2018** – **WeedMD Inc.** (TSX-V:WMD) (OTC:WDDMF) (FSE:4WE) ("WeedMD") and **Phivida Holdings Inc.** (CSE: VIDA) (OTC.PHVAF) ("Phivida") are pleased to announce the signing of a final definitive joint venture agreement ("Agreement") to develop and operate Cannabis Beverages Inc. ("CanBev") at WeedMD's state-of-the-art greenhouse facility in Strathroy, Ontario.

As an early mover in the cannabis-infused beverage market, CanBev is positioning itself to capture significant market share in Canada's highly-anticipated consumable cannabis market. According to Consumer Health Products Canada, the CBD-infused products market is worth $5.6 billion in Canada alone. The joint venture will be focused on product development, manufacturing, marketing and distribution of cannabis-infused beverages for Canada and export to licensed international markets. Click here for an introductory video on the CanBev joint venture project.

Under the terms of the Agreement, both companies will be strategic partners in the development of CanBev. WeedMD will act as the exclusive supplier of cannabinoid extracts for use in innovative cannabis infused consumer products to be made at the CanBev facility. In doing so, WeedMD will designate manufacturing space at its 610,000 sq. ft. state-of-the-art licensed cultivation and processing facility located in Strathroy, Ontario.

In addition to supplying CanBev with premium, high-quality cannabis, WeedMD will assist CanBev with obtaining all necessary federal licenses and permits and has also agreed to provide all current and future genetics.

"We are thrilled to begin the development of this joint venture. With the launch of CanBev, WeedMD will be one of the first to introduce an innovative and popular consumption method with our cannabis-infused beverages – adding a new brand category for the medical and adult-use markets," said Keith Merker, CEO of WeedMD. "WeedMD is proud to collaborate with Phivida on this joint venture and to work alongside a world-class management team that includes former senior executives from beverage and other industry leaders who worked for Red Bull®, Seagram's®, Proctor and Gamble®, and McKesson. Leveraging proven success, we will be well-positioned to execute on our growth plans for infused beverages."

Phivida will be sublicensing its current and future trademarks, intellectual property, branding and packaging to CanBev. Phivida has also agreed to lead new product innovation, research and development, formulation, packaging and branding for CanBev.

"The Phivida team is excited to contribute our management, expertise and product knowledge to the CanBev joint venture," said Jim Bailey, CEO and President of Phivida. "WeedMD is an ideal partner for Phivida and we are thrilled to bring our cannabinoid-infused beverages and brands back home to Canada. WeedMD provides CanBev with solid infrastructure, strong management, world-class genetics and proven success in the Canadian healthcare market. We are very proud to partner with best in class among the Canadian licensed producers.".

Transaction Summary

The joint venture will be structured as a jointly-owned company with a dedicated board of directors and operational management team. Phivida and WeedMD will retain 50% each of the Class A shares. The shares issued will correspond to CanBev's appointment of nominees to a Board of Directors— to be made up of five individuals, two nominated by Phivida, two by WeedMD, and one independent director. Phivida and WeedMD have agreed to fund capital requirements of CanBev equally, and on a pro-rata basis, from their respective treasuries, beginning with initial shareholder advances of $375,000 each.

Cannabis Beverages Inc.

Cannabis Beverages Inc. (or "CanBev") plans to manufacture, market, and distribute cannabinoid infused products for use initially into the medical market as well as for the recreational Canadian markets, and then for use internationally, where such products are permitted. CanBev cannabis-infused products are expected to be available in retail locations and online throughout Canada in late 2019, or upon the implementation of government legislation on consumables. CanBev has plans to build and operate a federally approved cannabis-infused beverage production facility to be located on the WeedMD 610,000 sq. ft. expansion property located in Strathroy, Ontario. CanBev has no plans to sell any cannabis-infused products in the U.S. or any other market unless or until it is legally permissible to do so at all government levels.

Phivida Holdings Inc.

Phivida ["fiii-vee-daa"] infuses CBD derived from Hemp into functional foods, beverages and health products. Phivida uses encapsulated cannabinoids from hemp oil into water soluble form, enhancing bioavailability, and timed released within the body. Phivida's CBD beverages, foods and supplements contain a proprietary blend of phytonutraceuticals studied to target a range of health conditions, from chronic pain, treatment of stress and anxiety to reducing inflammation in the body. The World Anti-Doping Association's recently lifted a ban of CBD from hemp oil and the World Health Organization's recent statement supports clinical benefits of CBD for athletes and active families. Celebrating; Health and Wellness, In Harmony™, Phivida's vision is to lead the market as the benchmark quality standard in premium CBD infused foods, beverages and clinical products, with a dedication to research, education and investing back into the communities we serve. Phivida is a publicly traded company listed on the Canadian Securities Exchange under the ticker symbol "VIDA" and the OTCQX Market as "PHVAF". Join our social media network @Phivida.

Phivida Holdings Inc.

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To learn more, visit us at www.phivida.com

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About WeedMD Inc.:

WeedMD Inc. is the publicly-traded parent company of WeedMD Rx Inc., a federally-licensed producer and distributor of medical cannabis and oils under the Access to Cannabis for Medical Purposes

Regulations (ACMPR). The Company operates a 26,000 sq. ft. indoor facility in Aylmer, Ontario, and a second cultivation site at its greenhouse facility located in Strathroy, Ontario, representing 610,000 sq. ft. or 14 acres under glass. WeedMD has entered into supply agreements in addition to strategic relationships with established cannabis brands. The Company is focused on providing medical cannabis to the seniors' markets in Canada through its proprietary seniors care program. It is dedicated to educating healthcare practitioners and furthering public understanding of the role that medical cannabis plays – including as it pertains to regulatory requirements, indications and potential side effects.

For more information, access our investor presentation here and corporate video here.

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Cautionary Statement on Forward-looking Information

This news release contains forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Phivida and WeedMD to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to our expectations with respect to: the timing and outcome of the CanBev joint venture; the anticipated benefits of the CanBev joint venture to the parties; impact of the CanBev joint venture and anticipated growth for the parties; and the anticipated timing of availability of applicable legislation in Canada. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. In respect of the forward-looking statements and information concerning the anticipated benefits of the CanBev joint venture and the anticipated timing of availability of applicable legislation in Canada, Phivida and WeedMD have provided such statements and information in reliance on certain assumptions that they believe are reasonable at this time, including assumptions as to the necessary regulatory approvals and other expectations and assumptions concerning the CanBev joint venture.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of the parties are included in reports on file with applicable securities regulatory authorities.

The forward-looking statements contained in this news release are made as of the date of this release and, accordingly, are subject to change after such date. Phivida and WeedMD do not assume any obligation to update or revise any forward-looking statements, whether written or oral, that may be made from time to time by us or on our behalf, except as required by applicable law.