XPHYTO THERAPEUTICS ANNOUNCES PRIVATE PLACEMENT

NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Vancouver, Canada (January 5, 2021) - XPhyto Therapeutics Corp. (**CSE:XPHY / OTC:XPHYF / FSE:4XT**) ("**XPhyto**" or the "**Company**"), is pleased to announce a non-brokered private placement (the "Offering") of 1,500,000 units of the Company (the "Units") at a price of $1.90 per Unit for total gross proceeds of up to $2,850,000.

Each Unit will consist of one common share of the Company and one common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $2.20 per share for a period of 24 months from the date of closing.

The Company intends to use the net proceeds of the Offering to facilitate development and commercialization of its oral and transdermal drug formulations, diagnostic test products, and psychedelic API and drug formulations as well as general working capital purposes.

Completion of the Offering is subject to the satisfaction of certain conditions, including notice to the CSE. The securities issued pursuant to the Offering will be subject to a statutory four month hold period. Finder's fees will be paid in connection with the Offering pursuant to applicable CSE policies and Canadian securities regulations.

About XPhyto Therapeutics Corp.

XPhyto Therapeutics Corp. is a bioscience accelerator focused on next-generation drug delivery, diagnostic, and new active pharmaceutical ingredient investment opportunities, including: precision transdermal and oral dissolvable drug formulations; rapid, low-cost infectious disease and oral health screening tests; and standardization of emerging active pharmaceutical ingredients for neurological applications, including psychedelic compounds and cannabinoids. The Company has research and development operations in North America and Europe and is currently focused on regulatory approval and commercialization of medical products for European markets.

XPhyto Therapeutics Corp.:
Hugh Rogers, CEO and Director

Investor Inquiries:
Mr. Knox Henderson
T: 604-551-2360
E: info@xphyto.com

Media Inquiries:
MC Services AG
Julia Hofmann, Andreas Jungfer
T: +49 89 210 228 0
E: xphyto@mc-services.eu

Forward looking statements

This news release includes statements containing forward-looking information within the meaning of applicable Canadian securities law ("forward-looking statements"). Forward-looking statements are frequently characterized by words such as “develop”, "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "potential", "propose" and other similar words, or statements that certain events or conditions "may" or "will" occur, and in this release include the statement regarding the Company's goal of building a successful diagnostic, drug delivery, and medical cannabis company. Forward-looking statements are only predictions based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including: that the Company may not succeed in developing a commercial product; that the sale of products may not be a viable business; that the Company may be unable to scale its business; product liability risks; product regulatory risk; general economic conditions; adverse industry events; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; currency risks; competition; international risks; and other risks beyond the Company's control. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.