

XPhyto Therapeutics Corp.

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XPhyto Therapeutics closes acquisition of German narcotics company Vektor Pharma

XPhyto Therapeutics Corp (CSE:XPHY), a medical cannabis company, said Tuesday that it has closed the share purchase agreement to acquire Vektor Pharma TF GmbH, a German narcotics manufacturer.

In a statement, the Vancouver-based company said it also completed an equipment purchase agreement with a Vektor Pharma-affiliated company.

Vektor Pharma, which is located 170 kilometers west of Munich, specializes in thin therapeutic films, such as skin patches and oral strips, and possesses a slate of narcotics licenses covering traditional and cannabis-related medications. Vektor's various narcotics licences include authorizations related to conventional and cannabis-related prescription medications, including but not limited to: Buprenorphine, cannabis, Dronabinol, Fentanyl, Hydromorphone, Oxycodone, and THC.

READ: XPhyto Therapeutics acquires German narcotics company Vektor
 "The Vektor transaction will accelerate XPhyto's medicinal cannabis import into Germany and its drug delivery expertise, both of which are a critical part of our near-term revenue generation strategy," said XPhyto CEO Hugh Rogers in a statement.

"Further, with vape-based delivery systems now associated with significant potential health risks, XPhyto is extremely pleased to combine assets and expertise with Vektor, a specialist in thin-film drug delivery systems. XPhyto is well positioned to capitalize on the next generation of cannabis investment opportunities, primarily clinical validation of safe and effective medicine and emerging European markets," he added.

In line with the agreement, XPhyto Therapeutics will pay roughly €350,000 in cash, plus 200,000 shares of stock, and about €400,000 in units of capital in the company at C\$1 per unit due upon closing. Each unit consists of a share and one warrant. The common shares are subject to a three-year escrow matrix. The warrants are exercisable into one share of the company at an exercise price of C\$1 per share for a period of three years from closing. The company also issued a pair of convertible debentures worth €200,000 and €150,000 respectively.

Pricing of the securities set out in the agreements was established pursuant to a price reservation filed with the Canadian Securities Exchange on August 6. In connection with the transaction, a consulting fee of 200,000 shares will be paid to an arms-length consultant on closing.

XPhyto is based in Vancouver but has its sights set on European markets. The company also owns Bunker Pflanzenextrakte GmbH, a German cannabis cultivation and extraction company.

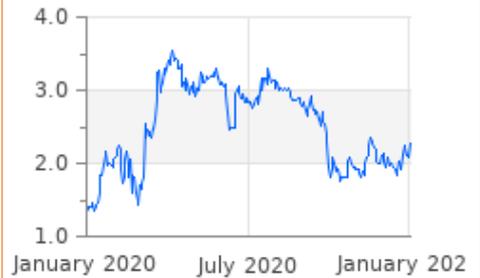
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Price: 2.26

Market Cap: \$137 m

1 Year Share Price Graph



Share Information

Code: XPHY
Listing: CSE
52 week High: 3.55
52 week Low: 1.1
Sector: Pharma & Biotech
Website: www.xphyto.com

Company Synopsis:
 XPhyto Therapeutics Corp.

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