

**Abattis Amends License Agreement with Vertical Designs Ltd. and
Acquires Exclusive, Worldwide Rights to Bio-Pharma Patent License**

VANCOUVER, BC - Thursday, December 27, 2012 - Abattis Bioceuticals Corp. ("Abattis") (OTC: ATTBF) (CNSX: FLU), is pleased to announce that the Company has entered into an amended license agreement (the "Amended License Agreement") which amends the terms of the license agreement previously entered into between the Abattis and Vertical Designs Ltd. ("Vertical Designs") (see news release of November 15, 2012 for more details).

Under the Amended License Agreement, Abattis has now been granted the **exclusive, worldwide** rights to a patent license, with the right to grant sublicenses, to use the Bio-Pharma technology for growing products at licensed facilities, which products may only be used as ingredients in the pharmaceutical, nutraceutical, cosmetic and wellness markets, for total consideration of \$600,000 to be paid by way of the issuance of 6,000,000 common shares of Abattis (\$250,000, or 2,500,000 common shares of Abattis, of which was previously paid to Vertical Designs on execution of the original agreement). As the license grant was expanded from a British Columbia only non-exclusive license to a worldwide exclusive license, the royalty provisions of the license agreement were amended to reflect that: (i) the royalty payable on net sales of all products sold by Abattis was increased from 3% to 4%; (ii) in consideration for the grant of Abattis' right to grant sublicenses, Abattis will pay to Vertical Designs a sublicense royalty of 15% of any monies or other consideration that Abattis receives from any sublicense; and (iii) after two years, Abattis will be required to pay to Vertical Designs a minimum royalty payment of \$25,000 per year and if the combined royalty payments paid from (i) and (ii) above do not equal \$25,000 in any given year then Abattis will be permitted to top up such amount with a cash payment.

Under the terms of the Amended Agreement, the patent license will revert to Vertical Designs in certain circumstances, including: (i) if Abattis terminates the Amended Agreement; (ii) if Abattis materially breaches or defaults in the performance of the agreement and has not cured such default within 60 days, or in the case of failure to pay any amounts due, then within 30 days, after receiving written notice from Vertical Designs specifying the breach; (iii) if Abattis discontinues its business of producing ingredients for pharmaceutical, nutraceutical, cosmetic or wellness markets; (iv) if Abattis fails to pay the annual \$25,000 minimum royalty payment for any year ending after the second anniversary of the Amended Agreement; or (v) if Abattis becomes insolvent, makes an assignment for the benefit of creditors or has a petition of bankruptcy filed by or against it, which petition is not vacated or otherwise removed within 90 days after the filing thereof.

In addition, under the Amended Agreement all obligations related to the purchase of equipment and the building of licensed facilities were deleted from the license agreement and, in lieu thereof, the parties entered into a Bill of Sale pursuant to which Abattis agreed to pay Vertical Designs \$250,000 for the purchase and sale of six complete Vertical Designs operational units of six levels high, totaling thirty-six levels, with touch screen software to control all lights, sensors and irrigation air flow along with 5 tonnes of HVAC for room controls. The purchase price will be paid in instalments, the dates and amounts of which will be determined between the parties, with the first instalment payment being due on or before the earlier of five business days following Abattis completing an equity and/or debt financing of any amount whatsoever or the first business day in the seventh month following the date of the Bill of Sale.

"After signing the BC license agreement in November, we have seen the medical marijuana policies in Health Canada and under US laws change", stated Mike Withrow, President and chief executive officer of Abattis. "It was a combination of this, together with opportunities in other foreign countries with other plant tissue and medicinal applications, that played a major factor in our decision to acquire the exclusive world-wide rights to the Vertical Designs' technology for use in the prescribed areas. We have put all of the pieces in place and we are now pushing forward with the process of making application to the government to become a participant in the rapidly changing marijuana market, which in November 2012 was estimated to be \$46 Billion in the United States alone, assuming cannabis was legalized nationally there (Medical Marijuana Business Daily, November 27, 2012: potential US Marijuana Market Estimated at \$46 Billion by Anne Holland). We feel this exclusive, world-wide license is a great compliment to the asset base and IP we have acquired over the past 18 months and it is now time to start implementing our strategy.

"Nick Brusatore, President and chief executive officer of Vertical Designs and recently appointed director of Abattis, commented "I am very happy to make this deal for the shareholders of Vertical Designs and Abattis, as this will allow me and my team to focus on the implementation of our new automated mechanical pollinating strawberry systems along with the construction of our BC operations for herbs, spinach and various lettuces." We are also very excited that Abattis will now be poised to establish itself in the marijuana markets in North America as they open up, with the ability to mass produce and extract under the highest level of protocol scrutiny for the safety of the North American people and deliver a solution to the mass production of this plant tissue."

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for the adequacy or accuracy of this release.

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Abattis also announces that it has granted 1,615,000 incentive stock options to certain of its directors, officers and consultants, with each option being exercisable into a common share of Abattis @ \$0.10/share for a period of five years.

About Vertical Design

Vertical Design is helmed by Nick Brusatore -- an innovative eco-entrepreneur, natural capitalist, mechanical designer and inventor. Mr. Brusatore has presented on the benefits of vertical farm production facilities and energy-saving technologies on the international stage, including in Vancouver, Haiti, New York, San Francisco and China as well as at various colleges and universities. Vertical Design is headquartered in Vancouver, B.C.

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About Abattis Bioceuticals Corp.

Abattis is a specialty biotechnology company with capabilities through its wholly owned subsidiaries of producing, licensing and marketing proprietary ingredients and formulas for use in BioPharma, Nutraceutical, Cosmetic and Animal Nutrition markets. The company has a deep pipeline of proprietary products ready for sale in high growth areas of Functional Foods and Supplements business.

ON BEHALF OF THE BOARD

“Mike Withrow”

Mike Withrow
President & CEO

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