



PREVECEUTICAL MEDICAL INC.
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News Release

17th July 2017

**PreveCeutical signs Research and Option Agreement with UniQuest Pty Limited
for Developing Dual-Gene Therapy Treatment for Diabetes and Obesity**

FOR IMMEDIATE RELEASE... Vancouver, British Columbia: PreveCeutical Medical Inc. (the “**Company**” or “**PreveCeutical**”) (CSE: **PREV**) announces, further to its news release dated April 13, 2017, that it has entered into a research and option agreement through an agreement made effective as of July 14, 2017 (the “**Research Agreement**”) between its wholly-owned subsidiary, PreveCeutical Medicals Holdings Inc., and UniQuest Pty Limited (“**UniQuest**”), the main commercialization company for the University of Queensland (“**UQ**”), to conduct a research program (the “**Research Program**”) focused on the development of Smart-siRNAs for the treatment of diabetes and obesity. This will be the third research and option agreement between PreveCeutical and UniQuest.

The Research Program

The four year Research Program, which has a targeted start date of the 1st day of September, 2017, will be led by UQ researcher and PreveCeutical’s Chief Research Officer, Dr. Harendra Parekh (see PreveCeutical’s news release dated May 17, 2017). The research will be carried out by UQ in collaboration with QIMR Berghofer Medical Research Institute’s Professor Grant Ramm and Murdoch University’s Dr. Rakesh Veedu.

To address the global rise of diabetes and obesity, and in furtherance of PreveCeutical’s preventive health care focus, the Research Program builds on years of multi-disciplinary research and development in diabetes and obesity. It will pursue a dual-gene therapy strategy using proprietary bionanotechnological approaches. The rational design of tissue targeted bio-responsive gene delivery systems will be accompanied by systematic evaluation towards gene and protein-silencing in appropriate cell and animal models of obesity and diabetes, to be undertaken in multiple phases.

“This really is a great example of cross-disciplinary collaboration, with leading researchers possessing complementary skills from three Australian institutions, UQ, QIMR Berghofer Medical Research Institute and Murdoch University, coming together with the common goal of addressing one of the most challenging epidemics facing humankind this century – diabetes and obesity,” said Dr. Parekh.

PreveCeutical will own all intellectual property developed under the funded Research Agreement and will be granted an option to negotiate an exclusive, world-wide licence to UniQuest’s background intellectual property in an agreed field. In return for the licence, UniQuest will receive payments for development milestones and sales based royalties in accordance with the terms of the Research Agreement.

Collaborating Researchers

Professor Grant Ramm is currently the head of the Hepatic Fibrosis Group and Coordinator of the Cell and Molecular Biology Department at QIMR Berghofer, a leading medical research institute located in Brisbane, Australia. He is an internationally renowned expert in liver pathobiology, hepatic fibrosis and chronic liver disease.

Dr. Rakesh Veedu is head of Nucleic Acid Therapeutics Research at the Centre for Comparative Genomics located at Murdoch University (Perth, Australia) and McCusker Research Fellow with the Perron Institute for Neurological and Translational Science. He is an emerging expert, nationally and internationally, in the field of nucleic acid-based biotechnologies and developing novel nucleic acid drug therapies for a range of neurological diseases, genetic disorders and solid cancers.

About UniQuest Pty Limited

UniQuest specializes in the commercialization of intellectual property, research outcomes and expertise developed by UQ and is the principal commercialization company of UQ. UniQuest benchmarks in the top ten percent globally for university-based technology transfers and UQ innovations licensed by UniQuest are now generating annual sales of over AUD \$3 billion. For example, UQ superconductor technology, through licensing arrangements, is used in two-thirds of the world's MRIs and more than 80 million doses of the life-saving Gardasil® cervical cancer vaccine, patented by UniQuest in 1991, have been distributed throughout 121 countries, including 72 developing countries.

About PreveCeutical Medical Inc.

PreveCeutical is a biomedical company that coined the platform for preventive health sciences. PreveCeutical's innovative research and development department advances organic and nature identical products for both prevention and curative therapies.

For more information about PreveCeutical, please visit <http://preveceutical.com/>, follow us on Twitter: <http://twitter.com/preveceuticals>, or on Facebook: <http://facebook.com/preveceutical>.

On Behalf of the Board of Directors of PreveCeutical Medical Inc.

“Stephen Van Deventer”
Chairman & CEO

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Forward Looking Statements:

This news release includes certain statements that constitute “forward-looking information” within the meaning of applicable Canadian securities laws. Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. Statements in this news release that are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations and orientations regarding the future. Often, but not always, forward-looking statements can be identified by words such as “pro forma”, “plans”, “expects”, “may”, “should”, “budget”, “schedules”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “potential” or variations of such words including negative variations thereof and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Such forward-looking statements include, among others, statements as to the terms and conditions or other matters related to the Research Agreement and any licence agreement, the proposed research and development services to be provided by UniQuest, the details of the Research Program, the anticipated business plans of the Company regarding the foregoing, the timing of future activities and the prospects of their success for the Company, and the Company’s ability and success in executing its proposed business plans. Actual results could differ from those projected in any forward-looking statements due to numerous factors including risks and uncertainties relating to the inability of the Company or UniQuest, as applicable, to, among other things, complete the Research Program as planned or the inability of the Company to obtain any required governmental approvals, permits, consents or authorizations required, including Canadian Securities Exchange acceptance of any planned future activities, or financing required to carry out its planned future activities. Other factors such as general economic, market or business conditions or changes in laws, regulations and policies affecting the biotechnology or pharmaceutical industry, may also adversely affect the future results or performance of the Company, including the completion of the Research Program. There is no guarantee that the Research Program will be successful or that its results can be commercialized by the Company. These forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements. Although the Company believes that the statements, beliefs, plans, expectations, and intentions contained in this news release are reasonable, there can be no assurance that those statements, beliefs, plans, expectations, or intentions will prove to be accurate. Readers should consider all of the information set forth herein and should also refer to other periodic reports provided by the Company from time-to-time. These reports and the Company’s filings are available at www.sedar.com.