

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

The following management discussion and analysis (“MD&A”) of the financial condition and results of operations of PreveCeutical Medical Inc. (“PREV” or the “Company”) constitutes management’s review of the factors that affected the Company’s financial and operating performance for the six months ended June 30, 2017. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations as of October 20, 2017. Results are reported in Canadian dollars unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the period presented, are not necessarily indicative of the results that may be expected for any future period.

For the purposes of preparing this MD&A, management, in conjunction with the Company’s board of directors (the “Board of Directors”), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of PREV’s common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and this MD&A, is complete and reliable.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and U.S. securities laws. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the Company’s future cash requirements; general business and economic conditions; the proposed use of the proceeds of the private placements completed by the Company; the proposed research and development services to be provided by UniQuest (as defined below), the details of the Company’s research programs, 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, are forward looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as “pro forma”, “plans”, “expects”, “may”, “should”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “potential” or variations of such words including negative variations thereof, and by discussions of strategy or intentions. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements. Such risks and other factors include, among others, the ability of the Company to obtain sufficient financing to fund its business activities and plans, the inability of the Company or UniQuest to, among other things, complete the Company’s research programs as planned, the inability of the Company to obtain any required governmental or regulatory approvals (including Canadian Securities Exchange approval), permits, consents or authorizations required as well as those factors discussed under the heading “Risks and Uncertainties”. 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.

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially and adversely, from those expressed or implied by forward-looking statements contained in this MD&A. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and such beliefs, estimates and opinions may prove incorrect. For the reasons set out above, investors are cautioned against attributing undue certainty or placing an undue reliance on to forward-looking statements.

DATE

This MD&A reflects information available as at October 20, 2017.

MATERIAL CHANGE TO CORPORATE STRUCTURE

Effective June 30, 2017, the Company completed the acquisition of 1050962 B.C. Ltd., formerly PreveCeutical Medical Inc. (hereinafter referred to as "0962") (the "Transaction"). Pursuant to the terms of the Transaction, 0962 became a wholly-owned subsidiary of the Company by way of a "three-cornered amalgamation" with 1110607 B.C. Ltd., a wholly-owned subsidiary of the Company. Prior to the Transaction, the Company completed a three (3) to one (1) consolidation of its issued and outstanding shares and changed its name to "PreveCeutical Medical Inc.".

Following the Transaction, all of the issued and outstanding shares of 0962 were cancelled and the Company issued an equal number of shares to the former shareholders of 0962, resulting in a reverse take-over of the Company by 0962 (the "Reverse Takeover"). The previous shareholders of 0962 hold 83% (on a non-diluted basis) of the issued and outstanding common shares in the capital of the Company.

The Company resumed trading on the Canadian Securities Exchange on July 14, 2017 under the new symbol "PREV" and under the new CUSIP 74141E104 and ISIN CA74141E1043.

The Company's condensed consolidated interim financial statements have been amended and restated to account for the listing cost and measuring the non-cash consideration for the Transaction. .

DESCRIPTION OF BUSINESS

The Company's business model is to license, brand and market nutraceutical and wellness products, using nature and science to develop lasting contributions to health and well-being.

The Company is currently marketing and selling its initial product, CELLB9[®], which is an oral solution containing polarised and potentiated essential minerals extracted from a novel peptide, obtained from Blue Scorpion serum and is an immune-system booster. The active potentiated ingredients in the Blue Scorpion serum appear to support health at a deep cellular level, having been used for many years and in over 40 countries. The solution is colourless and odourless and can be administered orally. CELLB9[®] is produced by Samson Pharmaceuticals Inc., in its FDA approved facility in the United States of America. PREV continues to evaluate additional nutraceutical and wellness products that fit its acquisition, licensing, branding and marketing strategy. Management has not yet determined whether these products have a value that is economically recoverable.

To advance its goal of developing an extensive patent portfolio, PREV has partnered with UniQuest Pty Limited ("UniQuest") (University of Queensland's main commercialization company), to work on research and development programs, which include:

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

1. Caribbean Blue Scorpion Venom Research Program: This project started on July 7, 2017 and the preliminary phase of the program (a 1D separation of peptides/protein) has begun.
2. Cannabinoid Sol-gel Research Program: This project is focused on developing a cannabinoid based nose-to-brain delivery system that is intended to provide relief across a range of ailments including pain, inflammation, seizures and neurological disorders.
3. Smart –siRNA Research Program: This project is focused on the development of Smart-siRNAs for the treatment of diabetes and obesity.

Major equipment required for these projects has been purchased, installed and commissioned.

OVERALL PERFORMANCE

During the quarter ending June 30, 2017, the Company's efforts were directed to having its shares listed on the Canadian Stock Exchange (the "CSE") through the Transaction described in the Material Change to Corporate Structure above. There was a concurrent private placement that required a number of investors relations initiatives. This included traveling to different cities and holding an investor relations presentation in Vancouver on April 24, 2017.

The listing of the Company's securities on the CSE will provide it access to more capital to fund its research projects and operations whilst it is in the development stages.

The Company has also been focusing on researching nutraceutical and wellness products and therapies for development to generate a future revenue stream. The Company's current projects are outlined above. As the products and therapies are developed and materialize through the Company's projects, they will be either produced by the Company or licensed for production and sale. In identifying the products, the Company signed three research projects with UniQuest.

As the Company's growth required more office space, the Company signed a five-year agreement with Golden Properties Ltd. to lease premises located at 2200 – 1177 West Hastings Street, Vancouver, British Columbia in April 2017. The Company renovated and furnished the space which it occupied on June 19, 2017. The monthly rent and common charges are \$13,500, which the Company started paying in June 2017 is \$13,500. The office renovation cost was \$60,600 and computers, furniture and equipment cost amounted to \$74,300.

The Company is continuing to build its brand and registering its trademarks. The cost of registering trademarks in this quarter was \$12,000.

SELECTED FINANCIAL INFORMATION

	3 months ending June 30, 2017	December 31, 2016
Revenues	\$17,680	\$31,054
Net (Loss)	(\$3,080,114)	(\$3,127,217)
Net (Loss) per Share	(\$0.126)	(\$0.071)
Cash/(Bank Indebtedness)	\$2,285,821	(\$47,036)

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

Total Assets	\$3,381,506	\$207,183
Total Liabilities	\$2,734,871	\$503,244
Deficit	(\$6,698,549)	(\$3,250,223)

The net loss of \$3,080,114 includes the reverse takeover and listing costs that amounted to \$2,385,752 as follows:

3,995,667 Common shares deemed to be issued at \$0.50	1,997,834
Stock options and warrants deemed to be issued (Black-Scholes model)	166,000
Net asset value	35,545
Legal and transaction Costs	186,373
Total Reverse Takeover and Listing Costs	2,385,752

These costs increased the net loss, share capital value, contributed surplus and the deficit. This valuation had no impact on the cash and liquidity.

FINANCIAL RESULTS OF OPERATION

For the six months ending June 30, 2017, PREV focused on developing its product line and building resources. The Company has built a working relationship with UniQuest which has resulted in three research and development contracts signed this year. PREV continues to identify, review and commission additional products for research and development.

The Company currently sells one product, CellB9[®], online. In the three months ending June 30, 2017, there was revenue of \$17,700 from online sales giving a gross profit of \$4,200.

The Company had a net loss of \$3,080,114 during this quarter. This included \$672,674 in expenses detailed below, \$2,385,752 Reverse Takeover and listing costs detailed above, foreign exchange loss of \$1,082 from US dollar transactions and interest expense of \$24,854 which represents interest accrued for the convertible debt. There are three convertible debts at an annual simple rate of 5%. One convertible debt has a balance of \$11,846 outstanding. Two of the convertible debts with an outstanding balance of \$2,325,500 have been classified as long term debt as the loaners have signed a waiver by which there will be no demand on the funds until July 31, 2018.

Expenses incurred in this quarter amounted to \$672,674. This is \$199,270 higher than the same quarter of 2016. This increase related to:

- Increase of professional fees which included legal costs of \$61,000 and accounting and assurance fees of \$81,500. This was an increase of \$52,800 from prior year. Legal fees were in relation to reviewing of contracts including the Transaction and other general matters, and the accounting and assurance fees were for the full time financial management consultant and audit fees.
- Increase in rent expenses (\$22,234, an increase of \$10,396 from prior year).
- For this quarter the Company incurred research and development costs of \$21,350, where as no research and development costs were incurred in the prior year. This included fees paid for research and development.

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

- Hiring of new employees as a result of the growth of the Company, thus increasing the salaries and wages expenses (\$141,181, an increase of \$60,918). There were three more employees in this quarter compared to the prior quarter.
- Travel and meals expenses for this quarter was \$105,175, an increase of \$65,929. This was due to increased travel activities relating to investor relations and development, including attendance of board members and officers at the Company's investor presentation held in Vancouver, British Columbia on April 24, 2017.

Increased expenses were offset by a decrease in marketing and promotion expenses (\$13,256, decrease of \$46,784). The Company hired a full time person in June 2016 which decreased the requirement of outsourcing.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

On June 21, 2017 the Company consolidated all of its issued and outstanding common shares on the basis of one (1) post-consolidation security for every three (3) pre-consolidation securities. As a result of the consolidation, (i) the Company's issued and outstanding shares was reduced from 11,987,000 common shares to 3,995,667; and (ii) the Company's issued and outstanding options were reduced from 1,572,400 options to 524,134 options.

On June 29, 2017, the Company closed a non-brokered private placement of 4,271,200 units (each a "Unit") at the price of \$0.50 per Unit. Each Unit consisted of one (1) common share in the capital of the Company and one (1) common share purchase warrant. Of the 4,271,200 Units, 4,076,000 Units were issued to investors in the aggregate amount of \$2,038,000, and 195,200 Units were issued as finder's fees.

On June 30, 2017, the Company issued 40,729,408 common shares in the capital of the Company to the former 0962 shareholders in connection with the Transaction. As a result, the Company had 48,996,275 shares issued and outstanding.

As at June 30, 2017, the Company had working capital of \$2.2 million and cash of \$2.3 million.

As is typical with start-up companies there will be more costs than revenue in the first few years. PREV is in the development stage focusing on developing its marketable products. To support its initial operations, PREV is dependent on equity financing.

Management is taking steps to ensure PREV has funding to continue its operations which include:

1. With the completion of the Transaction, the Company will have broader access to equity financing. The Company currently has 4,271,200 common share warrants at an exercise price of \$1.00 per common share. However, the exercise of warrants is dependent primarily on the market price and overall market liquidity of the Company's securities at or near the expiry date of such warrants (over which the Company has no control) and therefore there can be no guarantee that any existing warrants will be exercised.
2. To cover any shortfall for operational funding and working capital requirements, PREV entered into a convertible credit facility agreement with Kimberly Van Deventer (President and Director)

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

and Stephen Van Deventer (CEO and Director) (the "Lenders") on December 9, 2016, as amended March 31, 2017 in the principal amount of \$2 million. Under the terms of the agreement and waiver in respect of same dated June 30, 2017, the amount of any outstanding principal and accrued interest thereon under the credit facility is convertible, after October 28, 2017, into common shares in the capital of the Company at the price of \$0.50 per share (being the share price offered in the Company's private placement, which placement closed on June 29, 2017). PREV has drawn the full \$2 million under the agreement, which bears simple interest at 5% per annum. The Lenders have signed a waiver by which there will be no demand on the funds until July 31, 2018.

3. On May 9, 2017, PREV entered into an additional convertible credit facility agreement with the Lenders in the principle amount of \$1 million to be used towards the operations of the Company. Under the terms of the agreement and waiver in respect of same dated June 30, 2017, the amount of any outstanding principal and accrued interest thereon under the credit facility is convertible, after October 28, 2017, into units, each consisting of one common share in the capital of the Company and one common share purchase warrant entitling the holder to purchase one common share in the capital of the Company at the price of \$1.00 per share for a period of 24 months after the issuance of the units, subject to acceleration. Funds borrowed under this agreement bears simple interest at 5% per annum and are convertible at a price of \$0.50 per unit, wherein each unit is comprised of one common share of the Company and one transferrable common share purchase warrant in the capital of the Company. Each warrant entitles the holder to purchase (1) one common share at the exercise price of \$1.00 per share (being the share price offered in the Company's ongoing private placement). The credit facility amount can be further increased if required, at the election of the Company. The Lenders have signed a waiver by which there will be no demand on the funds until July 31, 2018.
4. PREV is continuing to look into other funding including grants for research and development.

RELATED PARTY TRANSACTIONS

1. Management

During the three months ending June 30, 2017, compensation to management and directors included:

- Consulting fees of \$30,000 paid to Hill Road Capital, a corporation related to PREV's Director and VP Corporate Development, Brian Harris.
- Consulting fees of \$30,000 paid to SHROF Financial Management, a company owned by PREV's CFO and Controller, Shabira Rajan.
- Salary paid to Stephen Van Deventer, PREV's Chairman and CEO in the amount of \$45,000 for services provided.
- Salary paid to Kimberly Van Deventer, PREV's President and director in the amount of \$36,000 for services provided.

2. Cornerstone Global Partnership Inc. ("CGP")

CGP is a corporation that is owned by the CEO and Chair, Mr. Stephen Van Deventer and President and director, Mrs. Kimberly Van Deventer.

During the three months ending March 31, 2017, PREV paid office rent of \$4,000 to CGP.

Short term loan of \$105,000 was made to PREV by CGP in January 2016 which was payable for the

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

exclusive right and license to use CGP's property including, but not limited to trademarks, intellectual property, URL's and the use of the property on packing, promotional and advertising material associated with the business. For the three months' ending June 30, 2017 interest in the amount of \$730 was payable on the loan. The balance of the loan including interest at June 30, 2017 was \$74,679.

3. Credit Facility Agreements with Stephen Van Deventer and Kimberley Van Deventer

The Lenders are key executives and directors of PREV. The credit facility agreements were entered into to compensate for any funding shortfall in the Company's ability to cover operating costs. The initial agreement was entered into on December 9, 2016 as amended March 31, 2017 in the principal amount of \$2 million. For the three months ending June 30, 2017, accrued interest under this facility amounted to \$29,539. The amount drawn on the credit facility at June 30, 2017 including interest before IAS 32 adjustment for financial instruments was \$2,029,538. With the adjustments, the amount drawn on the credit facility was \$1,873,972.

The Company entered into a second credit facility agreement with the Lenders in the amount of \$1 million on May 9, 2017 to cover additional operational costs. For the three months ending June 30, 2017, accrued interest under this credit facility amounted to \$989. The amount drawn on the credit facility at June 30, 2017, including interest and before IAS 32 adjustment for financial instruments was \$541,489.

OUTSTANDING SHARE DATA

As of June 30, 2017:

- (i) the Company had 48,996,275 common shares issued and outstanding;
- (ii) the Company had 4,574,134 stock options outstanding; and
- (iii) the Company had 4,271,200 outstanding share purchase warrants.

No share options or warrants were converted into common shares during the period.

CHANGES IN ACCOUNTING POLICIES

Please refer to note 4 of the June 30, 2017 interim financial statements on www.sedar.com for a comprehensive list of the accounting policies not yet adopted during the current period.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Details of Financial Instruments and Risk Management are disclosed in the notes to the June 30, 2017 interim financial statements.

RISKS AND UNCERTAINTIES

In conducting its business, the Company faces a number of risks and uncertainties related to its operations, some of which are beyond its control. Such risks include, but are not limited to:

- The industry is capital intensive and subject to fluctuations in market sentiment, foreign exchange and interest rates.

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

- The only sources of future funds for further product development and marketing which are presently available are the sale of inventory and funding from equity capital. Management has been successful in accessing the equity markets during the year, but there is no assurance that such sources will be available on acceptable terms in the future.
- Any future equity financings for the purpose of raising additional capital may result in substantial dilution to the holdings of existing shareholders.
- PREV's intention is to make products available for sale globally. As such, operations are subject to political risk due to political, economic, social and other uncertainties, including the risk of civil rebellion, nationalization, land ownership disputes, renegotiation or termination of existing and future contracts, permits or other agreement, changes in laws or taxation policies, currency exchange restrictions and changing political conditions.
- PREV's continued operations require licenses from various parties and governmental authorities. There is no assurance that PREV will be successful in obtaining or maintaining the necessary licenses and permits to continue with the development and commercialization activities or that current licenses will remain in force as granted.
- While management believes that control over the Company's bank accounts and assets is adequate, there is an internal control weaknesses in respect of a lack of segregation of duties, and therefore a risk of management override of controls and procedures. It is management's opinion that these weaknesses in internal controls over financial reporting are inherently related to the small size of the Company.

Should one or more of these risks and uncertainties materialise, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in any forward-looking statements.

STOCK OPTIONS

The Company's stock option plan was implemented on August 11, 2016. On March 27, 2017, the Board of Directors (as it was then) amended the plan to extend the term in which the options granted thereunder may be exercised from 24 months to 48 months after the date the options were granted. In addition to options granted under the Company's stock option plan, there are also options granted to agents which are issued and outstanding.

As at June 30, 2017, the Company has 4,574,134 stock options issued and outstanding as follows:

Participant	Number of Stock Options	Grant Date	Expiry of Option	Exercise price per Common Share
Stephen Van Deventer, Director & CEO	250,000	11-Aug-16	10-Aug-20	\$0.25
Kimberly Van Deventer, Director & President	250,000	11-Aug-16	10-Aug-20	\$0.25
Brian Harris, Director, VP Corporate Development	1,000,000	11-Aug-16	10-Aug-20	\$0.25
Greg Reid	300,000	11-Aug-17	10-Aug-17	\$0.25
Makarand Jawadekar, CSO	500,000	11-Aug-16	10-Aug-20	\$0.25
Alicia Rebman, VP of Marketing	750,000	11-Aug-16	10-Aug-20	\$0.25
Sydney Cole, Executive Assistant	300,000	11-Aug-16	10-Aug-20	\$0.25

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

Shabira Rajan, CFO & Controller	250,000	01-Sep-16	30-Aug-20	\$0.25
Shabira Rajan, CFO & Controller	250,000	29-Jun-17	28-Jun-21	\$0.50
Ryan Van Deventer, Employee	100,000	29-Jun-17	28-Jun-21	\$0.50
Deanne Kress, Employee	100,000	29-Jun-17	28-Jun-21	\$0.50
Matthew Coltura, Director	16,667	18-May-17	18-May-19	\$0.66
Matthew Coltura, Director	66,667	07-Sep-16	07-Sep-21	\$0.30
Stephen B. Butrenchuk, Consultant	25,233	18-May-17	18-May-19	\$0.66
Robert Coltura, Consultant	45,500	18-May-17	18-May-19	\$0.66
A. Salman Jamal, Consultant	45,500	18-May-17	18-May-19	\$0.66
Stephen B. Butrenchuk, Consultant	66,667	07-Sep-16	07-Sep-21	\$0.30
Robert Coltura, Consultant	66,667	07-Sep-16	07-Sep-21	\$0.30
A. Salman Jamal, Consultant	66,667	07-Sep-16	07-Sep-21	\$0.30
Agent's Options	124,566	21-Dec-16	21-Dec-18	\$0.30
TOTAL	4,574,134			

SUBSEQUENT EVENTS

Change to Corporate Structure

The Company and its subsidiary, PreveCeutical Medical Holdings Inc. amalgamated on July 31, 2017.

Change in Share Capital

- (i) On July 12, 2017, 4,200,000 performance warrants were issued at an exercise price of \$0.50 with the expiry date of July 12, 2022 to certain consultants, officer and other persons. The performance warrants will vest as follows:
- One third on the issue date;
 - One third on the date of filing of a patent application in Canada, Australia or the United States by the Company for any of its technologies including, synthetic scorpion venom, gene therapy for obesity and diabetes or sol-gel delivery platform; and
 - One third on the date of the filing of an additional patent application in Canada, Australia or the United States by the Company for any of its technologies including, synthetic scorpion venom, gene therapy for obesity and diabetes or sol-gel delivery platform.
- (ii) On August 8, 2017, 10,000 agent's options were exercised at an exercise price of \$0.30 per share.
- (iii) On August 16, 2017, 7,813 agent's options were exercised at an exercise price of \$0.30 per share.
- (iv) On August 29, 2017, 220,000 stock options were granted to consultants of the Company exercisable for one common share at an exercise price of \$0.81 per share for a period of 2 years.
- (v) On September 5, 2017, 36,510 agent's options were exercised at a price of \$0.30 per share.

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

- (vi) On September 19, 2017, 2,564,103 options were granted under a supplier agreement exercisable for one common share at an exercise price of \$0.78 per share for a period of 2 years.
- (vii) On September 20, 2017, 100,000 stock options were granted to a consultant of the Company exercisable for one common share at an exercise price of \$0.73 for a period of 2 years.
- (viii) On September 21, 2017, 100 shares options were issued for consulting services at a deemed price of \$0.25 per share.
- (ix) On September 21, 2017, 9,600 shares were issued for finder's services at a deemed price of \$0.50 per share.
- (x) On September 21, 2017, 30,685 shares were issued for consulting services at a deemed price of \$0.83 per share.

Material Agreements

On July 14, 2017, the Company entered into a research and option agreement with Uniquest, the University of Queensland's main commercialization company, to conduct a research program focused on the development of Smart-siRNAs for the treatment of diabetes and obesity.

On August 7, 2017, the Company signed a non-binding letter of intent with UniQuest for a proposed research collaboration between the Company and the University of Queensland related to a research and development ("R&D") program involving peptide library synthesis, pharmacological evaluation, alongside pharmacokinetic assessment and efficacy determinations in appropriate animal models of pain and inflammation, which may encompass either party's intellectual property and product line and other pharmaceutical offerings that may fall within the peptide R&D program.

On August 29, 2017, the Company entered into a joint venture agreement with Sports 1 Marketing to assist in the development of therapy in the form of a beverage geared towards assisting players recovering from concussion.

On September 11, 2017, the Company entered into an agreement with Susan Blond Group Inc. to provide publicity relations services to the Company.

On September 18, 2017, the Company entered into research and development supply agreement with a licensed producer of medical cannabis (the "LP") under Health Canada's Access to Cannabis for Medical Purposes Regulations, whereby the LP will supply samples of cannabis-derived products and ingredient information for use by the Company in its research and development program for the commercialization of sol-gels for the nasal delivery of medical compounds, including cannabinoids.

Listings on Stock Markets

Effective July 14, 2017, The Company resumed trading on the Canadian Securities Exchange under the symbol "PREV".

Effective July 31, 2017, the Company's shares began trading on the Frankfurt Stock Exchange under the

PREVECEUTICAL MEDICAL INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED JUNE 30, 2017

symbol "18H".

The Company's application for its shares to be quoted on the OTCQB market was approved and the Company's common shares began trading on that market under the symbol "PRVCF" on September 15, 2017.

The Company filed an application on September 14, 2017 to list its common shares on the TSX Venture Exchange as a tier 2 issuer.

On October 17, 2017, the Company became DTC eligible.

OTHER

Additional information regarding the Company is available on the Company's website at www.preveceutical.com. Additional information relating to the Company, including other continuous disclosure documents required by the securities regulators, is filed on System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed electronically at www.sedar.com.

The effective date of this report is October 20, 2017.