

PreveCeutical Enters into Development Agreement with Asterion Cannabis Inc. to Develop Medicinal Cannabinoid Products

Vancouver, British Columbia--(Newsfile Corp. - September 26, 2018) - **PreveCeutical Medical Inc.** (CSE: PREV) (OTCQB: PRVCF) (FSE: 18H) ("**PreveCeutical**"), and Asterion Cannabis Inc. ("**Asterion**") announce that they have entered into a development and joint venture agreement (the "**Development Agreement**") to form a joint venture ("**Joint Venture**") to develop a range of medicinal cannabinoid products, including sublingual tablets, transdermal patches, and other jointly evaluated products aimed at treating various ailments, such as chronic pain, inflammation, epilepsy and anxiety disorders.

Mr. Stephen Van Deventer, PreveCeutical's Chairman, CEO and President, stated, "This agreement between PreveCeutical and Asterion further supports our mission to improve global health and healthcare by utilizing innovative science and cutting-edge technology to enhance natural products. Our joint venture with Asterion comes at an important time, using Asterion's high quality, low cost, genetically uniform strains of medicinal cannabis will allow PreveCeutical to supply the anticipated increasing demand for effective and personalised cannabis-based therapies."

Mr. Paget Hargreaves, Asterion's President, stated, "We look forward to working with PreveCeutical, as this agreement takes us closer to realizing Asterion's goal of improving the quality of life and health of those suffering from acute and chronic illness. Asterion aims to develop the highest quality medicinal cannabis products and can only benefit from this joint venture with PreveCeutical."

Commercial Terms of Development Agreement

Under the terms of the Development Agreement, any cash requirements by the Joint Venture for the development of medicinal cannabis products will be funded 100% by Asterion, at cost. Asterion will also be contributing its management's industry knowledge and contacts to the Joint Venture, while PreveCeutical will be providing access to its research team and the resources at their disposal. Any intellectual property and products developed by the Joint Venture during its term will be owned by Asterion and PreveCeutical jointly on a split-ratio, as to 80% Asterion and as to 20% PreveCeutical. Any intellectual property developed by the Joint Venture will be controlled exclusively by Asterion. The Development Agreement has an initial term of two years, renewable by the parties for an additional two year term. PreveCeutical will receive 20% of the net revenue earned or proceeds received by the Joint Venture from the sale of the intellectual property and products developed by the Joint Venture.

As PreveCeutical entered into the Development Agreement with current and former directors and executive officers of PreveCeutical (the "**Related Parties**"), the Development Agreement constitutes a related party transaction pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). PreveCeutical relied on Sections 5.5(a) and 5.7(1)(a) of MI 61-101 for an exemption from the formal valuation and minority shareholder approval requirements, respectively, of MI 61-101, as, at the time the Development Agreement was entered into by PreveCeutical, neither the fair market value of the subject matter of, nor the fair market value of the consideration for the Development Agreement exceeded 25% of PreveCeutical's market capitalization.

About PreveCeutical

PreveCeutical is a health sciences company that develops innovative options for preventive and curative therapies utilizing organic and nature identical products.

PreveCeutical aims to be a leader in preventive health sciences and currently has five research and development programs, including: dual gene therapy for curative and prevention therapies for type 2 diabetes and obesity; a Sol-gel drug delivery program; Nature Identical™ peptides for treatment of various ailments; non-addictive analgesic peptides as a replacement to the highly addictive analgesics such as morphine, fentanyl and oxycodone; and a therapeutic product for treating athletes who suffer from concussions (mild traumatic brain injury).

PreveCeutical sells CELLB9®, an Immune System Booster. CELLB9® is an oral solution containing polarized and potentiated essential minerals extracted from a novel peptide obtained from Caribbean Blue Scorpion venom. This product is available on PreveCeutical's website.

For more information about PreveCeutical, please visit www.PreveCeutical.com, follow us on Twitter: <http://twitter.com/PreveCeuticals> and Facebook: www.facebook.com/PreveCeutical.

About Asterion

Asterion is a Canadian cannabis company with operations in Australia, specializing in medicinal cannabis with a goal of becoming an industry leader in next generation cannabis products. Asterion is focused on the future of precision agriculture and aims to produce the highest quality genetically uniform cannabis strains, at an affordable price.

Asterion is led by a team of highly experienced executives with over 120 years of combined experience in medicinal cannabis, renewable energy, capital markets, and other highly relevant sectors across North America, Oceania, Europe, Africa and Asia.

On Behalf of the Boards of Directors

PREVECEUTICAL MEDICAL INC.

"Stephen Van Deventer"

Chairman, CEO and President

ASTERION CANNABIS INC.

"Paget Hargreaves"

President

For further information, please contact:

PREVECEUTICAL MEDICAL INC.

Deanna Kress

Director of Corporate Communications & Investor Relations

+1-778-999-6063

deanna@preveceutical.com

ASTERION CANNABIS INC.

Paget Hargreaves

President

info@asterioncannabis.com

Forward-Looking Statements:

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation, including the United States *Private Securities Litigation Reform Act of 1995*. All statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, the ability of PreveCeutical to develop and bring its products to market, the efficacy of the medicinal cannabis products developed under the Joint Venture, matters related to PreveCeutical's current and planned research and development programs, PreveCeutical and Asterion's anticipated business plans and their prospects of success in executing the proposed plans. Often, but not always, forward-looking statements can be identified by words such as "plans", "expects", "may", "intends", "anticipates", "believes", "proposes" 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. Forward looking statements are based on certain assumptions regarding PreveCeutical, including expected growth, results of operations, performance, industry trends and growth opportunities. Actual results could also differ from those projected in any forward-looking statements due to numerous factors including, risks and uncertainties relating to the inability of PreveCeutical, to, among other things, obtain any required governmental, regulatory or stock exchange approvals, permits, consents or authorizations required, including Canadian Securities Exchange acceptance of any planned future activities, manufacture and distribute its products, execute its proposed business plans, develop a range of medicinal cannabinoid products under the Joint Venture, complete its research programs as planned and obtain the 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 healthcare and cannabis industries in Canada may also adversely affect the future results or performance of PreveCeutical. These forward-looking statements are made as of the date of this news release and, unless required by applicable law, PreveCeutical 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 PreveCeutical believes that the statements, beliefs, plans, expectations, intentions and assumptions contained in this news release are reasonable, there can be no assurance that those statements, beliefs, plans, expectations intentions or assumptions 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 PreveCeutical from time-to-time. These reports and PreveCeutical's filings are available at www.sedar.com.

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.