



FOR IMMEDIATE RELEASE

News Release

July 19, 2019

PreveCeutical Named in Lawsuit

Vancouver, British Columbia: PreveCeutical Medical Inc. (the “Company” or “PreveCeutical”) (CSE: PREV, OTCQB: PRVCF, FSE: 18H), announces that it has been named as a defendant in a lawsuit commenced in the Supreme Court of British Columbia (the “**Claim**”) on July 11, 2019 (*Tietz and Loewen v. Bridgemark Financial Corp. et al.*). The Claim was brought under the *British Columbia Class Proceedings Act* and alleges certain misrepresentations in connection with various private placements conducted by the defendants. The plaintiffs are seeking an unspecified amount of damages for claims arising from alleged misrepresentations regarding, in respect of the Company, the Company’s disclosure of its June 2018 private placement.

The transactions which are the subject of the Claim are also currently being investigated by the British Columbia Securities Commission, as described in the news release of the Company dated November 28, 2018. The Company intends to vigorously defend the Claim, and has already taken legal action against certain of the other defendants named in the Claim.

On December 17, 2018, the Company filed a Notice of Civil Claim with the Supreme Court of British Columbia (the “**Notice of Civil Claim**”) against certain of the defendants named in the Claim, namely, Aly Babu Mawji, Justin Liu, BridgeMark Financial Corp., Rockshore Advisors Ltd. (formerly known as, Cam Paddock Enterprises Inc.), Detona Capital Corp., Escher Invest SA, Essos Corporate Services Inc., Jarman Capital Inc., JCN Capital Corp., Kendl Capital Limited, Lukor Capital, Northwest Marketing and Management Inc., Sway Capital Corp. and Tryton Financial Corp. (collectively, the “**BridgeMark Group**”).

In the Notice of Civil Claim, PreveCeutical claims against the BridgeMark Group for fraudulent misrepresentation, breach of contract, conspiracy, unjust enrichment and breach of duty of honest performance in connection with consulting agreements (the “**Consulting Agreements**”) and subscription agreements (the “**Subscription Agreements**”) entered into between PreveCeutical and certain members of the BridgeMark Group.

The relief sought by PreveCeutical in the Notice of Civil Claim includes, rescission of the Consulting Agreements as well as the Subscription Agreements; all necessary actions to effect such rescission, including an order that the relevant members of the BridgeMark Group return the securities issued to them by PreveCeutical under the Subscription Agreements and refund the

consulting fees paid to them by PreveCeutical under the Consulting Agreements, as well as damages, costs, and pre and post judgement interest.

To date, PreveCeutical has obtained default judgment against three members of the BridgeMark Group: Essos Corporate Services Inc., Detona Capital Corp. and JCN Capital Corp. The amount of damages and costs to be awarded to the Company against the three members remains to be assessed by the court. The Company is continuing to pursue its claims against the other members of the BridgeMark Group.

About PreveCeutical

PreveCeutical is a health sciences company that develops innovative options for preventive and curative therapies utilising 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 diabetes and obesity; the Sol-gel 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).

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

On Behalf of the Board of Directors

“Dr. Makarand (Mak) Jawadekar”
President & Chief Science Officer

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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, statements regarding the Claim and the Company’s claims against the BridgeMark Group, the Company’s anticipated business plans and its prospect of success in executing its proposed plans. Often, but not always, forward-looking statements can be identified by words such as “plans”, “expects”, “may”, “will”, “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 the Company, including that the Company’s claims against the BridgeMark Group will result in a judgement in favour of the Company against the BridgeMark Group and that the Company will be able to obtain the relief sought in the Notice of Civil Claim and successfully defend the Claim. Actual results could differ from those projected in any forward-

looking statements due to numerous factors including, risks and uncertainties relating to the Company's claims against the BridgeMark Group and the Claim and the inability of the Company, to, among other things, enforce a judgment against the BridgeMark Group, obtain any required governmental, regulatory or stock exchange approvals, permits, consents or authorizations required, including Canadian Securities Exchange acceptance of any planned future activities, 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 biotechnology, pharmaceutical or cannabis industry, may also adversely affect the future results or performance of 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.

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.