



PreveCeutical Signs Letter of Intent for Research & Development for Cannabinoid and Diabetes Products with UniQuest Pty Limited

Vancouver, British Columbia, **April 13, 2017** – **PreveCeutical Medical Inc.** (“**PMI**”) a health and wellness company focused on utilizing nature and science for the benefit of health-conscious consumers, is thrilled to announce that on April 7, 2017, it signed a Letter of Intent (“**LOI**”) with UniQuest Pty Limited (“**UniQuest**”) which describes the essential terms and conditions for the proposed research and development services to be provided by UniQuest to PMI.

The LOI covers two research programs which align with PMI’s vested interest in preventive health care. These programs will focus on development and evaluation translatable formulations for delivery of Cannabinoids (“**CBDs**”) and delivery of nutraceutical or pharmaceutical products to diabetes patients based on PMI’s intellectual property and product line. The parties are currently negotiating the entry into a definitive agreement regarding the services to be provided by UniQuest, which agreement will supersede the LOI once executed by the parties.

The following provide further detail on the proposed research programs and their goals:

Formulation and evaluation of CBD-infused soluble gels (sol-gels) - a patient-friendly platform paving the way for local, systemic and direct nose-to-brain delivery of CBDs.

There is ever-increasing evidence of the broad ranging clinical benefits presented by CBDs, and with recent legalisation of ‘medical marijuana’ across a number of jurisdictions, PMI has engaged UniQuest to undertake research into the development and evaluation of translatable formulations for local/systemic/central nervous system (“**CNS**”) delivery of CBDs. Soluble gels (sol-gels), being liquid upon administration and rapidly gelling upon contact with nasal mucosa present an ideal, universally patient-friendly and reliable delivery platform. CBD-infused sol-gels are amenable to patient self-administration, with the added convenience of extended delivery of agents such as CBDs that are rapidly metabolised, or that would benefit from direct systemic or nose-to-brain CNS delivery and providing clinical relief across a range of indications including, although not limited to pain, inflammation, seizures and mental illness.

Dual-Gene Therapy Approach for Obesity & Diabetes using Smart-siRNAs and Tissue Targeted Bio-responsive Carrier Systems

To address the alarming rise of obesity and diabetes globally, this program will pursue development of a dual-gene therapy approach towards obesity AND diabetes, with a single gene as the target. The rational design and systematic evaluation of tissue targeted bio-responsive carriers will promote Smart-siRNA delivery with effective gene silencing into cells/tissue of clinical relevance and interest. Assessment of safety and effectiveness in appropriate preclinical models of diabetes will follow paving the way for broader (pre-)clinical safety and efficacy evaluations.

"With our vested interest in the preventive health sector, we have to consider the many health benefits that can be derived from CBDs. We are very excited to work with UniQuest on programs that will enhance PMI's available solutions in promoting good health and wellness including direct nose-to-brain CNS delivery CBD products.", commented Mr. Stephen Van Deventer, PMI's Chairman and Chief Executive Officer.

Information on these projects will be presented by Dr. Makarand Jawadekar, Chief Science Officer, and Dr. Harendra (Harry) Parekh at PMI's presentation on April 27, 2017.

Presentation Information:

Venue: The Fairmont Waterfront Hotel (900 Canada Pl, Vancouver, BC V6C 3L5), Malaspina Room

Date: Thursday, April 27, 2017

Time: 1:30 p.m. PDT to 6:00 p.m. PDT

Confirm your attendance, register by clicking here: <https://preveceutical-presentation-2017.eventbrite.ca/>

Update on Previously Announced Amalgamation and Financing

The non-brokered private placement of up to 10 million units for minimum gross proceeds of at least \$1 million and maximum gross proceeds of up to \$5 million (the "Financing") being conducted by Carrara Exploration Corp. (CSE: CAA) ("Carrara") pursuant to a previously announced amalgamation agreement (see news release of Carrara dated March 22, 2017 on www.sedar.com) is ongoing. The amalgamation agreement provides for the acquisition of PMI by Carrara by way of a three-cornered amalgamation and a reverse take-over of Carrara by PMI.

On Behalf of the Directors,

Stephen Van Deventer
Chairman & CEO

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 LOI, the proposed research and development services to be provided by UniQuest, the details of the research programs, the anticipated business plans of PMI regarding the foregoing, the timing of future activities and the prospects of their success for PMI including the entry into the definitive agreement to supersede the LOI, PMI's ability and success in executing its proposed business plans, the Financing and the amalgamation. 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 PMI or UniQuest, as applicable, to, among other things, enter into the definitive agreement for the research programs, complete the research programs as planned, and obtain any required governmental approvals, permits or financing required to carry out 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 PMI, including entry into a definitive agreement for the research programs or their completion. There is no guarantee that any of the proposed research programs will be successful or their results can be commercialised by PMI. There is no guarantee that the Financing or the amalgamation will complete. These forward-looking statements are made as of the date of this news release and, unless required by applicable law, PMI 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 PMI 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 PMI from time-to-time.