

Form 45-106F6
British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

M Pharmaceutical Inc.
430 – 580 Hornby Street
Vancouver, B.C.
V6C 3B6
604-428-0511

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

Not Applicable

Item 2: Reporting issuer status

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

Issuer is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

Not Applicable

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

☒ Bio-tech

Financial Services

☐ investment companies and funds

☐ mortgage investment companies

☐ securitized products issuers

☐ Forestry

☐ Hi-tech

☐ Industrial

Mining

☐ exploration/development

☐ production

☐ Oil and gas

☐ Real estate

☐ Utilities

☐ Other (describe)

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
N/A			

Details of distribution**Item 5: Distribution date**

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

June 27, 2016

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

The Company has issued 32,788,789 units at \$0.025 per unit for gross proceeds of \$819,719.72. Each unit consists of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant") entitling the holder to purchase one additional Common Share for \$0.05 for a period of 12 months.

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Alberta	2	0.025	34,000
British Columbia	51	0.025	567,500
Manitoba	1	0.025	3,000
Saskatchewan	1	0.025	1,000
Ontario	2	0.025	47,000
United States	6	0.025	167,219.72
Total number of Purchasers	63		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$819,719.72

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Syndicated Capital Corp. PO Box 91323 West Vancouver, BC V7V 3N9 A. Salman Jamal 604-694-1994		200,000 Common Share Units	5,000	s.2.3 NI 45-106	2016/06/27
Proactive Investors North America 55 Front Street East, Suite 913 Toronto, Ontario M5E 0A7 416-451-6521		1,200,000 Common Share Units	30,000	s.2.3 NI 45-106	2016/06/27
Sutton Ventures Ltd. 44486 Monte Vista Drive Sardis, BC V2R 5T2 604-997-9007		400,000 Common Share Units	10,000	BC Instrument 45-536	2016/06/27

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
New Raven Capital Ltd. 44486 Monte Vista Drive Sardis, BC V2R 5T2 604-997-9007		400,000 Common Share Units	10,000	s. 2.3 NI 45-106	2016/06/27
Stadnyk Industries Inc. 430, 580 Hornby Street Vancouver, BC V6C 3B6 604-306-3737		1,240,000 Common Share Units	31,000	s. 2.3 NI 45-106	2016/06/27
1389999 Alberta Ltd. 430, 580 Hornby Street Vancouver, BC V6C 3B6 604-961-2588		400,000 Common Share Units	10,000	s. 2.3 NI 45-106	2016/06/27
Cyrus Driver Inc. 1200 – 609 Granville St Vancouver, BC V7Y 1G6 604-687-0947		500,000 Common Share Units	12,500	s. 2.3 NI 45-106	2016/06/27
8986207 Canada Inc. 101 Peter Street, Unit 2303 Toronto, Ontario M5N 0G6 647-980-7641		680,000 Common Share Units	17,000	s. 2.5 NI 45-106	2016/06/27
Sutton Ventures Ltd. 44486 Monte Vista Drive Chilliwack, BC V2R 5T2 604-997-9007		1,200,000 Common Share Units	30,000	s. 2.3 NI 45-106	2016/06/27
Fairmont Advisors 708 3rd Avenue, Suite 600 New York, NY 10017 917-921-6689		3,000,000 Common Share Units	75,000	s. 2.3 NI 45-106	2016/06/27

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information

about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
Global Securities Corporation 11 Floor, 595 Burrard Street Vancouver, BC V7X 1C4	(R)	3,720	148,800 Finder's Warrants	0.05	s.2.3 NI 45-106 June 27, 2016	3,720
Haywood Securities Inc. Waterfront Centre 200 Burrard Street, Suite 700 Vancouver, BC V6C 3L6	(R)	5,600	224,000 Finder's Warrants	0.05	s.2.3 NI 45-106 June 27, 2016	5,600
Mackie Research Capital Corporation 1075 West Georgia Street Suite 1920 Vancouver, BC V6E 3C9	(R)	4,000	160,000 Finder's Warrants	0.05	s.2.3 NI 45-106 June 27, 2016	4,000
PI Financial Corp. 1900, 666 Burrard St Vancouver, BC V6C 3W1	(R)	2,800	112,000 Finder's Warrants	0.05	s.2.3 NI 45-106 June 27, 2016	2,800
Canaccord Genuity Corp. 609 Granville Street, Suite 2200 Vancouver, BC V7Y 1H2	(R)	5,600	224,000 Finder's Warrants	0.05	s.2.3 NI 45-106 June 27, 2016	5,600

Note: Each Finder's Warrant entitles the holder to purchase one additional Common Share for \$0.05 for a period of 12 months expiring June 27, 2017.

Certificate

On behalf of the [issuer/underwriter], I certify that the statements made in this report are true.

Date: June 28, 2016

M Pharmaceutical Inc.

Name of issuer (please print)

D. Richard Skeith, Director, (403) 267-8165

Print name, title and telephone number of person signing

(signed) "D. Richard Skeith"

Signature

Instruction

The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free across Canada: 1-800-373-6393

Facsimile: (604) 899-6581

Guidance for completing and filing Form 45-106F6

1. ***Required form in British Columbia*** - In British Columbia, file this report and the applicable fee using BCSC e-services in accordance with British Columbia Instrument 13-502 Electronic filing of reports of exempt distribution. If the distribution occurs in British Columbia and one or more other jurisdictions, the issuer is required to file this report in British Columbia and file Form 45-106F1 in the other applicable jurisdictions.
2. ***What is a distribution?*** - In British Columbia, “distribution” includes distributions made from British Columbia to purchasers resident in other Canadian or foreign jurisdictions if the issuer has a significant connection to British Columbia. If the issuer has a significant connection to British Columbia, complete the tables in item 8 and Schedules I and II for all purchasers.

In British Columbia, “distribution” also includes distributions made from another Canadian or foreign jurisdiction to purchasers resident in British Columbia. If the issuer is from another Canadian or foreign jurisdiction, complete the tables in item 8 and Schedules I and II only for purchasers resident in British Columbia.

3. ***What is a purchaser?*** - References to a purchaser in this report are to the beneficial owner of the securities.
4. ***What is an individual?*** - An individual is a natural person. A corporation, partnership, party, trust, fund, association, and any other organized group of persons is not an individual.
5. ***Space in tables*** - If the space provided in any table in this Form is insufficient, please adjust the table to include additional space.
6. ***Multiple distributions*** - One report may be used for multiple distributions occurring within 10 days of each other if the report is filed on or before the 10th day following the first of such distributions.
7. ***Fees*** - In order to determine the applicable fee, consult Fee Checklist British Columbia Form 11-901F (item # 16).