

**M PHARMACEUTICAL INC.**
**Interim Condensed Consolidated Statements of Changes in Equity (Deficit) (Unaudited)**

As at

		Share capital		Accumulated other comprehensive income		Total equity(deficit )	
	Notes	Number of shares*	Amount	Contributed surplus			
			\$	\$	\$	\$	
<b>Balance at December 31, 2014</b>		8,066,678	40,969,783	8,231,930	(50,000)	(49,355,291)	(203,578)
Common shares issued for private placement	6	5,400,000	1,080,000	-	-	-	1,080,000
Common shares issued for debt issue	6	2,494,014	405,522	-	-	-	405,522
Common shares issued for consulting contract	6	2,000,000	165,000	-	-	-	165,000
Common shares issued for M Diagnostics Inc. acquisition	5	806,667	282,333	-	-	-	282,333
Common shares issued for RX Global Capital Inc. acquisition	5	9,522,400	1,523,574	-	-	-	1,523,574
Common shares issued for TriMtec Biomedical Inc. acquisition	5	1,000	200	-	-	-	200
Common shares issued for warrant exercise	6	400,000	52,000	-	-	-	52,000
Finder's fees		-	(40,320)	-	-	-	(40,320)
Fair value loss on investment		-	-		(155,072)		(155,072)
Loss for the period		-	-	-	-	(1,940,769)	(1,940,769)
<b>Balance at September 30, 2015</b>		28,690,759	44,438,102	8,231,930	(205,072)	(51,296,060)	1,168,901
Common shares issued for debenture interest prepayment	11	4,459,596	267,576	-	-	-	267,576
Finder's fees		-	(21,645)	9,000	-	-	(12,645)
Fair value loss on investment		-	-		205,072		72,765
Warrant issued for convertible debentures		-	-	162,964	-	-	162,964
Warrants issued for RX Global acquisition		-	-	813,000	-		813,000

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As at

Stock based compensation		-	-	167,042	-	-	167,042
Loss for the period		-	-	-	-	(3,121,867)	(3,121,867)
<b>Balance at December 31, 2015</b>		33,150,355	44,292,890	9,383,936	-	(54,417,927)	(741,101)
Common shares issued for private placement	6	34,433,179	850,830	-	-	-	850,830
Share issue costs		-	(279,395)	10,000	-	-	(269,395)
Common shares issued for debenture conversion	11	21,864,640	296,616	-	-	-	296,616
Warrants issued to debenture holders on conversion to shares		-	-	490,000	-	-	490,000
Common shares issued for warrants exercised	6	2,000,000	100,000	-	-	-	100,000
Common shares issued for debenture interest	11	8,452,640	967,877	490,053	-	-	1,457,930
Common shares issued for debenture conversion	11	640,000	10,100	-	-	-	10,100
Common shares issued for IP acquisition	5	10,000,000	200,000	-	-	-	200,000
Stock based compensation		-	-	271,690	-	-	271,690
Loss for the period		-	-	-	-	(1,919,850)	(1,919,850)
<b>Balance at September 30, 2016</b>		110,540,814	46,438,918	10,645,679	-	(56,337,777)	746,820

\* Post Consolidated

The accompanying notes are an integral part of interim these consolidated financial statements.