SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Nemaura Medical Inc.

Form: 8-K

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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act 1934

Date of Report (Date of earliest event reported): **November 26, 2015**

NEMAURA MEDICAL, INC.
(Exact name of registrant as specified in charter)

Nevada
(State or other jurisdiction of incorporation)

000-55283	46-5027260
(Commission File Number)	(IRS Employer Identification No.)

Advanced Technology Innovation Centre Loughborough University Science and Enterprise Parks 5 Oakwood Drive Loughborough LE11 3QF	N/A
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 00 44 1509 222912

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12(b))

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into A Material Definitive Agreement

On November 26, 2015, Nemaura Medical, Inc.'s (the "Company"), subsidiary Dermal Diagnostics Limited ("DDL"), entered into a License, Supply and Distribution Agreement (the "Agreement") with Dallas Burston Pharma (Jersey) Limited ("DBJ"). DDL had previously entered into an LOI with DBJ on 31st March 2014, which outlined the basic terms of the cost at which the patches and watch that are components of the Company's sugarBeat® continuous glucose monitoring ("CGM") system would be supplied and minimum order quantities in the first two (2) years, pending finalizing the terms in a definitive agreement. The Agreement represents the final terms and conditions that were outlined in that LOI.

Under the terms of the Agreement, DDL has appointed DBJ as its exclusive licensee for the import, marketing, promotion and sale of sugarBeat®, pending completion of its clinical trials and successful application for the CE Mark. DPJ is exclusive licensee for the territory consisting of the United Kingdom, the Channel Islands, the Isle of Man and the Republic of Ireland (the "Territory").

Pursuant to the Agreement, DBJ will not distribute, promote or manufacture any other goods which provide for the transdermal monitoring of blood glucose levels using reverse iontophoresis technology. DBJ shall provide DDL with written forecasts of estimated product requirements for 12month periods and DDL undertakes to meet all orders within the estimates, subject to agreed upon changes.

The initial term of the Agreement is 5 years and provides for termination by either party upon at least 12 months' prior written notice, subject to other agreed upon earlier termination provisions in the Agreement. If termination is the result of a breach by a party that is not remedied within 30 days of notice of such breach, or if the Agreement is terminated upon prior written notice, the terminating party shall pay an exit payment.

In addition, on November 26, 2015, Company, executed a subscription agreement with Dr. Dallas John Burston, the CEO and founder of DBJ ("Dr. Burston"), for the sale of (i) 5,000,000 shares (the "Shares") of its common stock, par value $0.001 per share (the "Common Stock") at a purchase price of $2.00 per share for a total of $10,000,000, and (ii) warrants to purchase up to 10,000,000 shares of Common Stock (the "Warrant"), exercisable for a period of five years commencing from and after the date the Company's Common Stock is approved for listing on a national securities exchange (the "Listing Date"). The Warrants are exercisable at a price of $0.50, subject to customary anti-dilution provisions. During each 12 month period commencing on the Listing Date (each an "Exclusivity Period"), the holder of the Warrant shall be entitled to exercise this Warrant for such number of Warrant Shares that equals:

$$2{,}000{,}000 + [[2{,}000{,}000y]-z]$$

Where:
y = the number of expired Exclusivity Periods that have elapsed after the Listing Date; and
z = the cumulative number of shares underlying the Warrants that have already been exercised from time to time.

The Shares and Warrants were sold in a transaction not involving a public offering and were issued without registration in reliance upon the exemption from registration afforded by Section 4(2) of the Securities Act of 1933, as amended and Regulation D and/or Regulation S promulgated thereunder.

Reference is made to the full text of the Subscription Agreement and Form of Warrant, which are incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(d) **Exhibits**

Exhibit No.	Description
4.1	Form of Subscription Agreement
4.2	Form of Common Stock Purchase Warrant
10.1	License, Supply and Distribution Agreement+

+Portions of this Exhibit have been omitted pursuant to a request for confidential treatment.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Nemaura Medical, Inc.

By: /s/ Dewan F H Chowdhury
Name: Dewan F H Chowdhury
Title: Chief Executive Officer

Dated: December 2, 2015

Exhibit List

Exhibit No.	Description
4.1	Form of Subscription Agreement
4.2	Form of Common Stock Purchase Warrant
10.1	License, Supply and Distribution Agreement+

+Portions of this Exhibit have been omitted pursuant to a request for confidential treatment.

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement"), dated as of 26th November, 2015 has been executed by and between the undersigned (the "Subscriber"), and Nemaura Medical, Inc., a Nevada corporation (the "Company") in connection with the offer and sale (the "Offering") of (i) 5,000,000 shares (the "Shares") of common stock, $0.001 par value per share (the "Common Stock") at a price of US$2.00 per Share for a total of US$10,000,000, and (ii) a warrant to purchase up to 10,000,000 shares of Common Stock the (the "Warrants," and, together with the Shares and the shares of Common Stock issuable upon exercise of the Warrants (the "Warrant Shares"), the "Securities").

The Offering of the Securities is being made pursuant to Section 4(A)(2) of the Securities Act (as defined below), Rule 506 of Regulation D ("Regulation D") and/or Regulation S ("Regulation S") promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"). Upon the terms and subject to the conditions set forth herein, the Subscriber hereby agrees to purchase, and the Company hereby agrees to issue and sell the Securities. In consideration of the mutual promises, representations and warranties set forth herein, the Company and the Subscriber hereby agree as follows:

1. *Agreement to Subscribe*

1.1 Purchase and Issuance of the Shares and Warrants. The Subscriber is hereby subscribing for the Securities. The aggregate price payable for the Shares is US$10,000,000 ("Share Consideration").

(a) At the Closing, the Subscriber will deliver to the Company, or as otherwise instructed by the Company:

(i) this signed subscription agreement; and

(ii) the Share Consideration by wire transfer or such other form of payment as shall be acceptable to the Company, in its sole and absolute discretion.

(b) At the Closing, the Company will deliver to the Subscriber:

(i) this signed subscription agreement; and

(ii) the Warrant executed by the Company.

(c) Within three (3) business days after receipt of the Share Consideration, the Company will deliver to the Subscriber stock certificates representing the Shares.

1.2 Closing. The closing for the sale of the Shares and Warrants to the Subscriber shall take place at the offices of the Company on October _____, 2015 (the "Closing"), or at such other time and/or such other place as the Company may determine in its sole and absolute discretion.

2. *Representations and Warranties of the Subscriber*

The Subscriber represents and warrants to the Company that:

2.1 No Government Recommendation or Approval. The Subscriber understands that no United States federal or state agency or similar agency of any other foreign country, has passed upon or made any recommendation or endorsement of the Company or the Offering of the Securities.

2.2 Not a "U.S. Person". The Subscriber is not a "U.S. Person" as defined in Rule 902 of Regulation S promulgated under the Securities Act, was not organized under the laws of any United States jurisdiction, and was not formed for the purpose of investing in securities not registered under the Securities Act. At the time the purchase for this transaction was originated, the Subscriber was outside the United States.

2.3 Intent. The Subscriber is purchasing the Securities solely for investment purposes, for the Subscriber's own account and not for the account or benefit of any U.S. person, and not with a view towards the distribution or dissemination thereof and the Subscriber has no present arrangement to sell the Securities to or through any person or entity. The Subscriber understands that the Securities must be held indefinitely unless such Securities are resold in accordance with the provisions of Regulation S, are subsequently registered under the Securities Act or an exemption from registration is available.

2.4 Restrictions on Transfer. The Subscriber understands that the Securities are being offered in a transaction not involving a public offering in the United States within the meaning of the Securities Act. The Securities have not been and will not be registered under the Securities Act, and, if in the future the Subscriber decides to offer, resell, pledge or otherwise transfer the Securities, such Securities may be offered, resold, pledged or otherwise transferred only (A) pursuant to an effective registration statement filed under the Securities Act, (B) to a non-U.S. person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S of the Securities Act, (C) pursuant to the resale limitations set forth in Rule 905 of Regulation S, (D) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (E) pursuant to any other exemption from the registration requirements of the Securities Act, and in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. The Subscriber acknowledges, agrees and covenants that it will not engage in hedging transactions with regard to the Securities prior to the expiration of the distribution compliance period specified in Rule 903 of Regulation S promulgated under the Act, unless in compliance with the Securities Act. The Subscriber agrees that if any transfer of its Securities or any interest therein is proposed to be made, as a condition precedent to any such transfer, the transferor may be required to deliver to the Company an opinion of counsel satisfactory to the Company. Absent registration or another exemption from registration, the Subscriber agrees that it will not resell the Securities to U.S. Persons or within the United States.

2.5. Accredited and Sophisticated Investor.

(i) The Subscriber is familiar with the term "accredited investor" as defined in Regulation D promulgated under the Securities Act and is an "accredited investor" within the meaning of such term in Regulation D.

(ii) The Subscriber is sophisticated in financial matters and is able to evaluate the risks and benefits of the investment in the Securities.

(iii) The Subscriber is able to bear the economic risk of his investment in the Securities for an indefinite period of time because none of the Securities have been registered under the Securities Act and therefore cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is available.

2.6 Independent Investigation. The Subscriber, in making the decision to purchase the Securities, has relied upon an independent investigation of the Company and has not relied upon any information or representations made by any third parties or upon any oral or written representations or assurances from the Company, its officers, directors or employees or any other representatives or agents of the Company, other than as set forth in this Agreement. The Subscriber is familiar with the business, operations and financial condition of the Company and has had an opportunity to ask questions of, and receive answers from, the Company's officers and directors concerning the Company and the terms and conditions of the offering of the Securities and has had full access to such other information concerning the Company as the Subscriber has requested.

2.7 Authority. This Agreement has been validly authorized, executed and delivered by the Subscriber and is a valid and binding agreement enforceable in accordance with its terms, subject to the general principles of equity and to bankruptcy or other laws affecting the enforcement of creditors' rights generally. The execution, delivery and performance of this Agreement by the Subscriber does not and will not conflict with, violate or cause a breach of any agreement, contract or instrument to which the Subscriber is a party.

2.8 No Legal Advice from Company. The Subscriber acknowledges that he, she or it has had the opportunity to review this Agreement and the transactions contemplated by this Agreement and the other agreements entered into between the parties hereto with the Subscriber's own legal counsel and investment and tax advisors. Except for any statements or representations of the Company made in this Agreement and the other agreements entered into between the parties hereto, the Subscriber is relying solely on such counsel and advisors and not on any statements or representations of the Company or any of its representatives or agents for legal, tax or investment advice with respect to this investment, the transactions contemplated by this Agreement or the securities laws of any jurisdiction.

2.9 Reliance on Representations and Warranties. The Subscriber understands that the Securities are being offered and sold to the Subscriber in reliance on specific provisions of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of the Subscriber set forth in this Agreement in order to determine the applicability of such provisions.

2.10 .Organization. If the Subscriber is an entity, it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite corporate or partnership power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder and thereunder. If the Purchaser is an entity, the execution, delivery and performance by the Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or, if the Purchaser is not a corporation, such partnership, limited liability company or other applicable like action, on the part of the Purchaser.

3. *Representations and Warranties of the Company*

The Company represents and warrants to the Subscriber that:

3.1 Valid Issuance of the Securities. . The Shares and the Warrant Shares are duly authorized and, when issued and paid for in accordance with this Agreement, will be duly and validly issued, fully paid and nonassessable, free and clear of all liens. The Warrants have been duly authorized, executed and delivered by the Company and are valid and binding obligations of the Company, enforceable in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and such enforcement may be limited by equitable principles of general applicability, regardless of whether enforcement is sough in a proceeding at law or in equity. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 2, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchaser as contemplated hereby. No shareholder approval is required for the Company to fulfill its obligations pursuant to this Agreement. As of the Closing, the Company will have reserved from its duly authorized capital stock the maximum number of shares of Common Stock issuable pursuant to this Agreement

3.2 Organization and Qualification. The Company is a corporation duly incorporated and existing in good standing under the laws of the state of Nevada and has the requisite corporate power to own its properties and assets and to carry on its business as now being conducted.

3.3 Authorization; Enforcement. (i) The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and to issue the Securities in accordance with the terms hereof, (ii) the execution, delivery and performance of this Agreement by the Company and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action, and no further consent or authorization of the Company or its Board of Directors or stockholders is required, and (iii) this Agreement constitutes valid and binding obligations of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by equitable principles of general application and except as enforcement of rights to indemnity and contribution may be limited by federal and state securities laws or principles of public policy.

3.4 No Conflicts. To the knowledge of the Company, the execution, delivery and performance of this Agreement and the consummation by the Company of the transactions
contemplated hereby do not materially (i) result in a violation of the Company's Articles of Incorporation or By-Laws or (ii) conflict with, or constitute a default under any agreement, indenture or instrument to which the Company is a party. Other than any SEC or state securities filings which may be required to be made by the Company subsequent to the Closing, the Company is not required under federal, state or local law, rule or regulation to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency or self-regulatory entity in order for it to perform any of its obligations under this Agreement or issue the Securities in accordance with the terms hereof.

3.5 SEC Reports; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Reports") on a timely basis. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act and the rules and regulations of the SEC promulgated thereunder, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Reports have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved ("GAAP"), except as may be otherwise specified in such financial statements or the notes thereto, and fairly present in all material respects the financial position of the Company as of and for the dates thereof and the results of operations and cash flows for the periods then ended.

4. *Legends; Denominations*

4.1 Legend. The Company will issue the Shares, and upon exercise of the Warrant, will issue the Warrant Shares, purchased by the Subscriber in the name of the Subscriber and in such denominations to be specified by the Subscriber prior to the Closing. The Shares and Warrant Shares will bear the following legend (the "Legend"), and appropriate "stop transfer" instructions:

> THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THESE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, (B) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (C) PURSUANT TO THE RESALE LIMITATIONS SET FORTH IN RULE 905 OF REGULATIONS S UNDER THE SECURITIES ACT, (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (E) PURSUANT TO ANY OTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

4.2 Subscriber's Compliance. Nothing in this Section 4 shall affect in any way the Subscriber's obligations and agreement to comply with all applicable securities laws upon resale of the Securities.

4.3 Company's Refusal to Register Transfer of Securities. The Company shall refuse to register any transfer of the Securities not made in accordance with the provisions of Regulation S or Regulation D, pursuant to an effective registration statement filed under the Securities Act, or pursuant to an available exemption from the registration requirements of the Securities Act.

5. *Governing Law; Jurisdiction*; *Waiver of Jury Trial*

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. The parties hereto hereby waive any right to a jury trial in connection with any litigation pursuant to this Agreement and the transactions contemplated hereby.

6. *Assignment; Entire Agreement; Amendment*

6.1 Assignment. Neither this Agreement nor any rights hereunder may be assigned by any party to any other person other than by Subscriber to a person agreeing to be bound by the terms hereof.

6.2 Entire Agreement; Amendment. This Agreement and any other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and no party shall be liable or bound to any other party in any manner by any warranties, representations or covenants except as specifically set forth in this Agreement. Except as expressly provided in this Agreement, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge, or termination is sought.

7. *Notices; Indemnity*

7.1 Notices. Unless otherwise provided herein, any notice or other communication to a party hereunder shall be sufficiently given if in writing and personally delivered or sent by facsimile with copy sent in another manner herein provided or sent by courier (which for all purposes of this Agreement shall include Federal Express, UPS or other recognized overnight courier) or mailed to said party by certified mail, return receipt requested, at its address provided for herein or such other address as either may designate for itself in such notice to the other and communications shall be deemed to have been received when delivered personally on the scheduled arrival date when sent by next day or 2-day courier service or if sent by facsimile upon receipt of confirmation of transmittal or, if sent by mail, then three days after deposit in the mail.

7.2 Indemnification. Each party shall indemnify the other against any loss, cost or damages (including reasonable attorney's fees and expenses) incurred as a result of such party's breach of any representation, warranty, covenant or agreement in this Agreement.

8. *Counterparts*

This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

9. *Survival; Severability*

The representations, warranties, covenants and agreements of the parties hereto shall survive the Closing. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to any party.

10. *Titles and Subtitles*

The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

Name of the Subscriber: Dr. Dallas John Burston

Date of Subscription: 26th November, 2015
Place of Residency and/or Principal Place of Business: _____
Address of Subscriber:

_____
_____

Signature of Subscriber:

By: /s/ Dallas Burston /s/ Rachel Edwards
Name:
Title:

This subscription is accepted by the Company on the 26th day of November, 2015.

NEMAURA MEDICAL, INC.

By: /s/ Dewan F H Chowdhury
Name: Dewan F H Chowdhury
Title: CEO

THESE SECURITIES AND ANY SECURITIES ISSUABLE UPON THE EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

NEMAURA MEDICAL INC.

WARRANT

Warrant No. 1 Original Issue Date: November 26, 2015

Nemaura Medical Inc., a Nevada corporation (the **"Company"**), hereby certifies that, for value received, Dallas John Burston or its registered assigns (the **"Holder"**), is entitled to purchase from the Company up to a total of 10,000,000 shares of Common Stock (each such share, a **"Warrant Share"** and all such shares, the **"Warrant Shares"**), at any time and from time to time from and after the Listing Date and through and including the five year anniversary of the Listing Date (the **"Expiration Date"**), and subject to the following terms and conditions:

1. Definitions. As used in this Warrant, the following terms shall have the respective definitions set forth in this Section 1. Capitalized terms that are used and not defined in this Warrant that are defined in the Subscription Agreement (as defined below) shall have the respective definitions set forth in the Subscription Agreement.

"Business Day" means any day except Saturday, Sunday and any day that is a federal legal holiday or a day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Common Stock" means the common stock of the Company, $0.001 par value per share, and any securities into which such common stock may hereafter be reclassified.

"Exercise Price" means $0.50 subject to adjustment in accordance with Section 9.

"Listing Date" means the date on which the Common Stock of the Company is approved for listing on a Trading Market.

"Original Issue Date" means the Original Issue Date first set forth on the first page of this Warrant.

"New York Courts" means the state and federal courts sitting in the City of New York, Borough of Manhattan.

"Subscription Agreement" means the Subscription Agreement dated the date of this Warrant, to which the Company and the original Holder are parties.

"Trading Day" means (i) a day on which the Common Stock is traded on a Trading Market (other than the OTC QB), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTCQB), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTCQB, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported by the Pink OTC Markets (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

"Trading Market" whichever of the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market on which the Common Stock is listed or quoted for trading on the date in question.

2. Registration of Warrant. The Company shall register this Warrant upon records to be maintained by the Company for that purpose (the **"Warrant Register"**), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. Subject to the transfer restrictions set forth in the Subscription Agreement, the Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a **"New Warrant"**), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrants. This Warrant shall be exercisable by the registered Holder at any time and from time to time from and after the Listing Date and through and including the Expiration Date on the terms set out in this section 4. During each 12 month period commencing on the Listing Date (each an "Exclusivity Period") the Holder shall be entitled to exercise this Warrant for such number of Warrant Shares that equals:

2,000,000 + [[2,000,000 y] – z]

Where:

y = the number of expired Exclusivity Periods that have elapsed after the Listing Date; and

z = the cumulative number of Warrant Shares in respect of which this Warrant has already been exercised from time to time. At 5:00 p.m., New York City time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value. The Company may not call or redeem any portion of this Warrant.

5. Delivery of Warrant Shares.

(a) To effect exercises hereunder, the Holder shall not be required to physically surrender this Warrant unless the aggregate Warrant Shares represented by this Warrant is being exercised. Upon delivery of the Exercise Notice (in the form attached hereto) to the Company, the Company shall promptly (but in no event later than three Trading Days after the Date of Exercise (as defined herein)) issue and deliver to the Holder, a certificate for the Warrant Shares issuable upon such exercise, which, unless otherwise required by the Subcription Agreement or pursuant to applicable law, shall be free of restrictive legends. A "**Date of Exercise**" means the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the then current Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) if such Holder is not utilizing cashless exercise to the extent permitted by this Warrant, payment of the Exercise Price for the number of Warrant Shares so indicated by the Holder to be purchased.

6. Charges, Taxes and Expenses. Issuance and delivery of Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity, if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares. The Company covenants that it will at all times following the Listing Date reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of Persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, (ii) subdivides outstanding shares of Common Stock into a larger number of shares, or (iii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall

(b) Record Date. If the Company shall take a record of the holders of its Common Stock for the purpose of entitling them (i) to receive a dividend or other distribution payable in Common Stock or (ii) to subscribe for or purchase Common Stock, then such record date shall be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(c) Number of Warrant Shares. Simultaneously with any adjustment to the Exercise Price pursuant to this Section 9, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(d) Calculations. All calculations under this Section 9 shall be made to the nearest cent or the nearest 1/100 th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(e) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section 9, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's Transfer Agent.

10. Payment of Exercise Price. The Holder shall pay the Exercise Price in immediately available funds.

11. No Fractional Shares. No fractional shares of Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares which would, otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the closing price of one Warrant Share as reported by the applicable Trading Market on the date of exercise.

12. Notices. Any and all notices or other communications or deliveries hereunder (including, without limitation, any Exercise Notice) shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile or e-mail (followed by facsimile) at the facsimile number or e-mail address specified in this Section prior to 5:30 p.m. (New York City time) on a Trading Day, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile or e-mail (followed by facsimile) at the facsimile number or e-mail address specified in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given. The addresses for such communications shall be: (i) if to the Company, to Charnwood Building, Holywell Park, Ashby Road, Loughborough, Leicestershire, LE11 2PU, United Kingdom, Facsimile: [ ], attention: Chief Financial Officer, (ii) if to the Holder, to the address, e-mail address, or facsimile number appearing on the Warrant Register or such other address, e-mail address, or facsimile number as the Holder may provide to the Company in accordance with this Section or the Purchase Agreement.

13. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of this Warrant and the transactions herein contemplated (**"Proceedings"**) (whether brought against a party hereto or its respective Affiliates, employees or agents) shall be commenced exclusively in the New York Courts. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any New York Court, or that such Proceeding has been commenced in an improper or inconvenient forum. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Warrant or the transactions contemplated hereby. If either party shall commence a Proceeding to enforce any provisions of this Warrant, then the prevailing party in such Proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such Proceeding.

(c) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(d) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(e) The Company shall have the option at any time following the Listing Date any prior to the Expiration Date to reduce the then effective Exercise Price to any amount for up to 100% of all outstanding Warrants.

(f) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

14. Restriction on Sale.

The Holder shall not be entitled to sell, transfer or otherwise dispose of more than 4,000,000 Warrant Shares in any calendar month.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK,
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

NEMAURA MEDICAL INC

By: /s/ Dewan F H Chowdhury
Name: Dewan F H Chowdhury
Title: CEO

EXERCISE NOTICE
NEMAURA MEDICAL INC.
WARRANT DATED [ ], 2015

The undersigned Holder hereby irrevocably elects to purchase _____ shares of Common Stock pursuant to the above referenced Warrant. Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

(1) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(2) The holder shall pay the sum of $_____ to the Company in accordance with the terms of the Warrant.

(3) Pursuant to this Exercise Notice, the Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

(5) By its delivery of this Exercise Notice, the undersigned represents and warrants to the Company that (i) in giving effect to the exercise evidenced hereby the Holder will not beneficially own in excess of the number of shares of Common Stock (determined in accordance with Section 13(d) of the Securities Exchange Act of 1934) permitted to be owned under Section 11 of this Warrant to which this notice relates and (ii) it is an "accredited investor" as defined in Rule 501(a) under the Securities Act.

Dated: _____,

Name of Holder:

(Print) _____

By: _____
Name: _____
Title: _____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

NEMAURA MEDICAL INC.
WARRANT ORIGINALLY ISSUED [ ], 2015
WARRANT NO. [ ]

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the above-captioned Warrant to purchase _____ shares of Common Stock to which such Warrant relates and appoints _____ attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____, ____

_____
(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

_____
Address of Transferee

_____

_____

SIGNATURE GUARANTEED:

_____

[CERTAIN PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED BASED UPON A REQUEST FOR CONFIDENTIAL TREATMENT]

Exhibit 10.1

(1) DERMAL DIAGNOSTICS LIMITED
(2) DALLAS BURSTON PHARMA (JERSEY) LIMITED

LICENCE, SUPPLY AND DISTRIBUTION AGREEMENT
FINAL

LONDON u MILTON KEYNES

CONTENTS

THIS AGREEMENT IS MADE THE 26th DAY OF NOVEMBER , 2015

THE PARTIES

(1) DERMAL DIAGNOSTICS LIMITED incorporated and registered in England and Wales with company number 06795555 whose registered office is at ATIC Building, Holywell Park, Ashby Road, Loughborough, Leicestershire, LE11 3QF, England ("**Dermal**"); and

(2) DALLAS BURSTON PHARMA (JERSEY) LIMITED incorporated and registered in Jersey with company number 115335 whose registered office is at Lande a Geon, Le Vieux Beaumont, St Peter, Jersey JE3 7EA ("**DBJ**").

PURPOSE

(A) Dermal is engaged in the development, production and licensing of intellectual property rights regarding pharmaceutical products and medical devices, in particular the Products (as defined below). Dermal is also engaged in the manufacture of the Products.

(B) Pursuant to the original agreement between Dermal and DBJ, for the Exclusive Right to Market and Promote the Product, agreement dated 31 st March 2014, but not in any way connected to or capable of impacting upon any sum(s) paid by DBJ to Dermal pursuant to such agreement (such sum(s) being non-refundable), Dermal wishes to appoint DBJ as its exclusive licensee for the marketing, promotion and sale of the Products within the Territory (as defined below) and DBJ wishes to promote and sell the Products on the terms of this Agreement.

1 DEFINITIONS

1.1 The definitions and rules of interpretation in this clause 1 apply in this Agreement:

"Agreed Quality" shall have the meaning as defined in clause 7.10.

"Approved Facility" means the facility of Dermal at which Dermal manufactures the Products as at the Commencement Date and/or such other manufacturing facility of Dermal and/or of any of its subcontractors that is approved by the parties for the manufacture of the Products from time to time.

"Business Day" means a day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business.

"Commencement Date" means 26th November, 2015.

"Components of the Device" means the electronic components described in greater detail in Schedule 1 which have been developed and manufactured by Dermal under and in accordance with the Patents.

"Defect" or **"Defective"** shall mean the failure of any Product to conform to the Agreed Quality.

"Defective Claim" shall have the meaning as defined in clause 7.4.

"**Exit Payment**" means:

(a) a sum equal to [xxxxx] the EBIT valuation of DBJ where the EBIT valuation is determined using the latest approved set of audited accounts of DBJ prior to the date of the notice of termination; or if lower

(b) such amount as the parties agree upon or as may be determined by the Expert following referral in accordance with clause 24.

"**Expert"** has the meaning given in clause 24.1.

"Full Launch Date" means the date within 3 months after the HPELD.

"Good Manufacturing Practice" means that degree of skill, care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled, experienced and reputable manufacturer of consumer products engaged in the same type of undertaking as Dermal.

"Group" means in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company.

"**HPELD"** means the healthcare professional educational launch date being the beginning of the educational process area meetings which shall commence within 6 months of the grant of CE Mark and BSI Kite Mark (other such other date as the parties may agree in writing).

"Independent Adviser" shall have the meaning as defined in clause 7.7.

"Intellectual Property Rights" means all patents, rights to inventions, copyright and related rights, trade marks and services marks, trade names and domain names, rights in get-up, goodwill and the right to sue for passing off and unfair competition, rights in designs, rights in computer software, database rights, rights to preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, including all applications for (and rights to apply for and be granted), renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist, now or in the future, in any part of the world.

"Minimum Quantity" means [xxxx] Components of the Device and [xxxxxx] Patches.

"**Patches**" means the reverse iontophoresis transdermal sensor pads described in greater detail in Schedule 1 which have been developed and manufactured by Dermal under and in accordance with the Patents.

"**Patents"** means those patents which are listed in Schedule 3, and any future patents filed to support the reverse Iontophoretic continuous glucose measurement device described herein. .

"Products" means jointly and severally the Components of the Device and the Patches.

"Replacement Shipment" shall have the meaning as defined in clause 7.5.

"Term" means the term of this Agreement, as determined in accordance with clause 14.

"Territory" means those territories set out in Schedule 2.

[xxxx] Confidential information has been omitted and filed confidentially with the Securities and Exchange Commission.

"VAT" means value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement or additional tax.

2 INTERPRETATION

2.1 Clause, schedule and paragraph headings shall not affect the interpretation of this Agreement.

2.2 A "**person**" includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors or permitted assigns.

2.3 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.

2.4 A reference to a "**company**" shall include any company, corporation or other body corporate, wherever and however incorporated or established.

2.5 Words in the singular shall include the plural and vice versa.

2.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

2.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

2.8 A reference to "**writing**" or "**written**" does not include email.

2.9 Any words following the terms "**including**", "**include**", "**in particular**", "**for example**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

3 APPOINTMENT

3.1 With effect from the Commencement Date and throughout the Term, Dermal appoints DBJ and grants DBJ the right to act as its exclusive licensee and distributor to import (as necessary), market, promote and distribute Products which have been manufactured by Dermal under and in accordance with the Patents in the Territory on and subject to the terms of this Agreement. For the avoidance of doubt: (i) nothing in this Agreement provides either party with any right, title or interest in respect of the other party's Intellectual Property Rights (whether in or relating to the Products or otherwise) other than the right granted to DBJ under this clause 3.1; (ii) so far as Dermal is aware, the Patents and all other Intellectual Property Rights of Dermal in or relating to the Products are valid and the exercise by DBJ of the right granted under this clause 3.1 will not infringe the rights of any person; and (iii) so far as DBJ is aware, all Intellectual Property Rights of DBJ that it will use in relation to the Products will be valid and the use by DBJ of any of its Intellectual Property Rights in relation to the Products will not infringe the rights of any person.

3.2 The parties acknowledge and agree that the clinical trials for the Products in the Territory are still in progress and the applications for the CE Mark and BSI Kite Mark in respect of the Products have yet to be submitted by Dermal. Nothing in this Agreement shall constitute any representation or warranty that any such trial shall be successfully completed and/or that any such applications shall be successful. In the event that:

3.2.1 such clinical trials are not successfully completed and/or any such application is not successful, then: (i) Dermal shall, if reasonably possible, use its reasonable endeavours to make such changes to the Products as are required for successful completion of the clinical trials and successful application for the CE Mark in respect of the Products and shall resubmit the resulting changed Products for clinical trials and re-apply for the CE Mark as soon as reasonably practicable thereafter; or (ii) if such changes are not reasonably possible or prove not to be reasonably possible despite the use of such reasonable endeavours for five years following the signing of this Agreement, this Agreement shall automatically terminate at the point in time that Dermal provides DBJ in writing with objective evidence reasonably substantiating that position; or

3.2.2 such clinical trials are completed and all such applications are successful, then Dermal shall ensure that: (i) DBJ is promptly provided with a copy of each UK and EU approval for the marketing of medical devices in accordance with the CE Mark and BSI Kite Mark (where appropriate) granted pursuant to such successful applications for type 1 and type 2 diabetes and blood sugar monitoring as approved by final Product claims; (ii) the Products have and shall continue throughout the Term to have the benefit of the UK and EU approvals for the marketing of medical devices in accordance with the CE Mark granted pursuant to such successful applications for type 1 and type 2 diabetes and blood sugar monitoring as approved by final Product claims; and (iii) DBJ is entitled and remains entitled throughout the Term to exclusively use the CE Mark and BSI Kite Mark (in the Territory) as required in the course of exercising the right granted to DBJ under clause 3.1, provided that in the event of any regulatory change occurring that necessitates any change being made to the Products which results in the need to resubmit the resulting changed Products for clinical trials and to re-apply for the CE Mark and BSI Kite Mark in respect of the resulting changed Products:

3.2.2.1 Dermal shall, if reasonably possible, use its reasonable endeavours to make such changes to the Products as are required for successful completion of the clinical trials and successful application for the CE Mark and BSI Kite Mark in respect of the resulting Products and shall resubmit the resulting changed Products for clinical trials and re-apply for the CE Mark and the BSI Kite Mark as soon as reasonably practicable thereafter; or

3.2.2.2 if such changes are not reasonably possible or prove not to be reasonably possible despite the use of such reasonable endeavours for five years following the signing of this Agreement, this Agreement shall automatically terminate at the point in time that Dermal provides DBJ in writing with objective evidence reasonably substantiating that position.

3.3 DBJ shall throughout the Term purchase the Products only from Dermal, and shall not throughout the Term distribute, promote or manufacture any goods (other than the Products) which provide for the transdermal monitoring of blood glucose levels using reverse iontophoresis technology.

3.4 DBJ shall throughout the Term refrain from making active sales of the Products to: (i) customers or end users outside the Territory; and/or (ii) to any other persons outside the Territory for onward sale to customers, end users or any other persons outside the Territory. For these purposes, active sales shall be understood to mean actively approaching or soliciting custom, including the following actions: (i) visits; (ii) direct mail; (iii) advertising in media, on the internet or other promotions, where such advertising or promotion is specifically targeted at customers, end users or any other persons outside the Territory; (iv) online advertisements and other such efforts addressed to or to be found specifically by customers, end users or any other persons outside the Territory; and (v) advertising or promotion in any form, or translation of DBJ's website into a language other than an official language of any territory forming part of the Territory, that DBJ would not reasonably carry out but for the likelihood that it will reach customers, end users or any other persons outside the Territory.

3.5 Dermal shall use its reasonable endeavours throughout the Term to monitor and prevent other distributors of the Products outside of the Territory from making direct sales of the Products into the Territory themselves or through third parties (in particular pharmaceutical and medical device wholesalers and pharmacy retail owners), including person to person and online sales of the Products in the Territory, and where Dermal becomes aware of any such activity it shall use its reasonable endeavours to ensure that such activity is promptly ceased.

3.6 Subject to clause 3.4, DBJ shall throughout the Term promote, sell and supply the Products directly to hospitals, doctors and other healthcare professionals, to wholesale pharmaceutical distributors, to healthcare providers (whether private or Government sponsored) and to patients and potential patients (or those connected to patients or potential patients) in the Territory.

3.7 DBJ shall not: (i) represent itself as an agent of Dermal for any purpose; (ii) pledge Dermal's credit; (iii) give any condition or warranty on Dermal's behalf; (iv) make any representation on Dermal's behalf; (v) commit Dermal to any contracts; or (vi) otherwise incur any liability for or on behalf of Dermal.

3.8 Dermal shall not: (i) represent itself as an agent of DBJ for any purpose; (ii) pledge DBJ's credit; (iii) give any condition or warranty on DBJ's behalf; (iv) make any representation on DBJ's behalf; (v) commit DBJ to any contracts; or (vi) otherwise incur any liability for or on behalf of DBJ.

3.9 DBJ shall not, without Dermal's prior written consent, make any promises or guarantees about the Products beyond those contained in the UK and EU approvals for the marketing of medical devices in accordance with the CE Mark granted pursuant to Dermal's applications (if successful) for type 1 and type 2 diabetes and blood sugar monitoring as approved by final Product claims (subject to any change thereto under clause 3.2).

4 SUPPLY OF PRODUCTS, FORECASTING & ORDERS

4.1 No later than 4 months prior to the HPELD in the Territory, DBJ shall provide Dermal with a non-binding written forecast of its estimated requirements of the Products for the next 12 forthcoming calendar months and shall update such forecasts on quarterly basis.

4.2 Dermal undertakes (subject to the parties' agreement of the applicable price for the Products under clause 8.3) to meet all orders for the Products forwarded to it by DBJ in accordance with this Agreement to the extent that the orders do not exceed the corresponding forecast or quarterly updated forecast (as applicable) for the Products given under clause 4.1. DBJ shall buy the Products for its own account for resale under this Agreement.

4.3 In the event that DBJ's requirements exceed the corresponding forecast or quarterly updated forecast (as applicable) Dermal shall, subject to its manufacturing capabilities, use its reasonable endeavours to meet these requirements.

4.4 The parties agree that, when DBJ places an order for the Products with Dermal, the order shall not be subject to any additional or supplemental terms and conditions imposed by Dermal. The Products are supplied subject to the terms of this Agreement.

4.5 Quarterly updated forecasts shall be accompanied by a purchase order for the Products.

4.6 DBJ's purchase orders for the Products shall be submitted in writing, and shall include:

4.6.1 the quantity of the Products to be purchased by DBJ; and

4.6.2 the requested delivery date(s) of the Products ordered, provided that the delivery date(s) shall be at least 120 days from the date of DBJ's purchase order and Dermal shall use its reasonable endeavours to meet such delivery date(s).

4.7 Subject to clauses 4.2 and 4.3, Dermal shall confirm in writing its receipt and acceptance (whether wholly or in part) of DBJ's purchase orders within 10 Business Days from receipt of the relevant purchase order from DBJ.

5 DBJ'S UNDERTAKINGS

5.1 DBJ undertakes and agrees with Dermal that at all times during the Term it will:

5.1.1 use its reasonable endeavours to promote, distribute and sell the Products in the Territory;

5.1.2 submit written reports at regular intervals to Dermal as agreed by the parties, showing details of sales, service stock, outstanding customer orders and orders placed by DBJ with Dermal that are still outstanding, and any other information relating to the performance of its obligations under this Agreement that Dermal may reasonably require from time to time;

5.1.3 maintain, on its own account, an inventory of the Products at levels which are appropriate and adequate for DBJ to meet customer delivery requirements for the Products throughout the Territory;

5.1.4 insure at its own cost with a reputable insurance company all stocks of the Products as are held by it against all risks which would normally be insured against by a prudent businessman to at least their full replacement value and produce to Dermal on demand full particulars of that insurance and the receipt for the then current premium; and

5.1.5 be responsible for advertising, promoting and distributing the Products in the Territory.

5.2 DBJ shall give Dermal written notice as soon as possible of all life-threatening, serious or unexpected adverse events or adverse experience or product reaction reports filed with any regulatory authority in relation to any of the Products and promptly supply Dermal with copies of these reports.

5.3 Dermal shall supply any available technical and clinical data, information and support that DBJ reasonably requests to assist with the marketing and promotion of the Products in the Territory and/or the discharging of DBJ's duties under this Agreement properly and efficiently.

5.4 The parties acknowledge and agree that all data and information (whether personal data or otherwise) generated from the use of the Products by all customers and end users who purchase Products from DBJ in the Territory shall belong to and be under the control and ownership of DBJ. Dermal shall have no right or entitlement to access, use or process any such data and information.

5.5 DBJ will create and provide the artwork for Product packaging and the Product information leaflet for Product packages, with all such artwork and information leaflets being subject to Dermal's prior written approval (such approval not to be unreasonably withheld, conditioned or delayed) to ensure any regulatory requirements are met.

5.6 DBJ will (provided no such design or appearance in any way adversely effects or impacts on the Agreed Quality of the Products) create and provide its own design and the outward appearance of the DBJ range of devices using iontophoretic technology for glucose monitoring in the Territory using design studios or agents of its own choosing and at its own expense, with all such designs and outward appearances being subject to Dermal's prior written approval to ensure compliance with regulatory protocol, (such approval not to be unreasonably withheld, conditioned or delayed).

6 SPECIFICATIONS AND REGULATORY MATTERS

6.1 Dermal shall ensure that throughout the Term the Products comply with the specification contained in the UK and EU approvals for the marketing of medical devices in accordance with the CE Mark granted pursuant to Dermal's applications (if successful) for type 1 and type 2 diabetes and blood sugar monitoring as approved by final Product claims (subject to any change thereto under clause 3.2).

6.2 The parties agree that the Products shall be trialled in the UK from HPELD. From HPELD up to the Full Launch Date the Products shall be sold for educational purposes only to qualified medical practitioners including GPs and diabetic specialist nurses.

6.3 The parties agree that Products will go on sale in the Territory from the Full Launch Date to the purchaser base described in clause 3.6 provided that Dermal have delivered the appropriate amount (in DBJ's reasonable opinion) of marketable glucose monitoring devices and sensor patches to DBJ, which allows the promotion and distribution of the Product to insulin dependent diabetics.

6.4 For the 24-month period commencing with the Full Launch Date and for each successive 24-month period thereafter throughout the Term, DBJ shall ensure that it purchases the Minimum Quantity.

6.5 Subject to clause 6.6, Dermal may give notice in writing to DBJ immediately down-grading its exclusive distributor appointment under clause 3.1 to non-exclusive if DBJ fails in any applicable 24-month period to purchase the Minimum Quantity for that Year.

6.6 For the purposes of clause 6.5 only, if in any applicable 24-month period DBJ fails to purchase the Minimum Quantity, it may carry forward any excess purchases over the Minimum Quantity made in the previous 24-month period to make up the difference between the actual quantity purchased and the Minimum Quantity.

6.7 Each party shall at its own expense comply with all laws and regulations relating to its activities under this Agreement, as they may change from time to time, and with any conditions binding on it in any applicable licences, registrations, permits and approvals.

6.8 DBJ shall:

6.8.1 be responsible for obtaining any necessary import licences or permits required for the importation and entry of the Products into any part of the Territory;

6.8.2 be responsible for any customs duties, clearance charges, taxes, brokers' fees and other amounts payable in connection with the importation and entry of the Products into any part of the Territory; and

6.8.3 give Dermal as much advance notice as possible of any prospective or actual changes in laws and regulations applicable to the promotion and marketing of the Products in the Territory.

6.9 DBJ warrants to Dermal that (to the extent not already known by or to Dermal) it has informed Dermal of all laws and regulations affecting the manufacture, sale, packaging and labelling of the Products which are in force within the Territory or any part of it ("**Local Regulations**") at the Commencement Date. Dermal, in turn, warrants to DBJ that the Products comply with the Local Regulations in force at the Commencement Date. Each party shall give to the other party (to the extent not already known by or to the other party) as much advance notice as reasonably possible of any prospective changes in the Local Regulations and, on giving or receiving any such notification (as applicable), Dermal shall, if reasonably possible, use its reasonable endeavours to make such changes to the Products as are required to ensure that the Products comply with such changes in the Local Regulations by the date of implementation of such changes or as soon as is reasonably possible afterwards.

7 TITLE, RISK, SHIPMENT, DELIVERY AND ACCEPTANCE

7.1 Ownership of and title in the Products shall pass to DBJ immediately upon receipt by Dermal of payment in full and cleared funds from DBJ for the Products.

7.2 Dermal shall deliver the Products to a DBJ nominated wholesale warehouse as directed by DBJ in accordance with DDP as defined in INCOTERMS 2010. DBJ shall be entitled to insist that Patches and Components of the Device are delivered to the same location or to different locations.

7.3 DBJ shall perform a routine visual inspection of all delivered Products and release the Products to market in the Territory.

7.4 Any claims with respect hidden or latent Defects in a Product shall be submitted by DBJ to Dermal detailing the Defect in writing within 30 days from the date that DBJ becomes aware of the Defect ("**Defective Claim**").

7.5 Upon receipt of a Defective Claim, Dermal shall replace the Defective Product(s) with the same Product which meets the Agreed Quality as soon as possible, which in any event shall be within 45 business days from receiving a claim in respect of a Defective Product ("**Replacement Shipment**").

7.6 Dermal shall supply all Replacement Shipments at its own expense to the same location(s) as per the original defective shipment.

7.7 In the event the parties dispute whether a Product is Defective, the parties shall endeavour to settle such a dispute amicably and in good faith. In the event that the parties fail to reach an agreement within 4 weeks after deemed delivery of the notice of the Defective Claim to Dermal, a sample of the Defective Products shall be sent to an independent testing laboratory, as agreed by the parties, ("**Independent Adviser**") for independent determination. The decision of the independent testing laboratory shall be binding on both parties. Any cost resulting from such tests shall be borne by the party with whom the results of such tests proved to be incorrect.

7.8 If the Independent Adviser concludes that the Product(s) are Defective, Dermal shall at DBJ's option either provide a Replacement Shipment or reimburse DBJ, within 30 days of receiving the decision of the Independent Adviser, the full price paid by DBJ for the Defective Products. DBJ shall, at Dermal's expense and option, either return the Defective Products to Dermal or destroy the Defective Products.

7.9 In the event that the Independent Adviser concludes that the Product(s) are not Defective DBJ shall pay for the cost of any Replacement Shipment, if any was provided, within 30 days of receiving the decision of the Independent Adviser.

7.10 Dermal warrants and represents that:

7.10.1 in respect of the Patches, each delivery of Patches shall consist of a pack of Patches to provide 28 days of patient care;

7.10.2 in respect of each delivery of the Patches and the Components of the Device, at least ninety-five percent (95%) of the Patches and the Components of the Device contained within that delivery shall have at least 1 year of their specified shelf life remaining from the date of delivery;

7.10.3 the Products have been manufactured and packed only in an Approved Facility and in accordance with the current Good Manufacturing Practice;

7.10.4 the Products shall at the time of delivery and throughout their respective shelf-lives comply with the requirements of the specification referred to in clause 6.1 and with any approved labelling and packaging requirements, the certificate of analysis and all applicable laws and regulations in force from time to time; and

7.10.5 the Products shall at the time of delivery and throughout their respective shelf-lives be of good and saleable quality,

herein collectively referred to as the " **Agreed Quality**".

7.11 Dermal shall at its cost: (i) conduct ongoing post registration stability studies in accordance with applicable laws and regulations; and (ii) use its reasonable endeavours to conduct ongoing post registration stability studies each year as may be further required by the then current Good Manufacturing Practice guidelines and/or from time to time on or in relation to the Patches, including continuing stability studies which may be specifically requested for DBJ production batches during the period of manufacture. Dermal shall provide the result of these studies to DBJ on request and the studies must be able to demonstrate that the Products meet the Agreed Quality standards. The studies will endeavour to provide at least 2 years' worth of stability data or, if the Agreement has been in force less than 2 years, the total available stability data from the Commencement Date to the date of the request by DBJ.

7.12 Dermal shall at DBJ's cost conduct all routine product quality reviews for the Product required by applicable laws and regulations and provide DBJ with such reports for use for purposes of this Agreement.

7.13 Dermal shall provide DBJ together with each shipment of Products with laboratory test results for such Products (certificate of analysis), showing the Products' conformance with the Agreed Quality.

7.14 Either Party shall advise the other Party promptly as soon as it becomes aware that a Product may have any deficiencies or may cause or have caused any deaths, personal injuries or health risks.

7.15 Dermal shall not deliver Product which is not manufactured at an Approved Facility.

7.16 During the Term DBJ is entitled upon reasonable prior written notice and with reasonable frequency to visit Dermal and carry out reasonable audits at any Approved Facility of Dermal and/or any of its subcontractors, provided that Dermal cannot guarantee such access for such purposes to any Approved Facility of any of Dermal's subcontractors and in any such circumstances shall use its reasonable endeavours to afford DBJ such access as is reasonably possible to such Approved Facility, to verify Dermal's compliance with this Agreement. Such visits shall be arranged during normal working hours within 4 weeks from the date of DBJ's notice. For the purposes of any such audit, Dermal undertakes to co-operate in good faith with DBJ and provide DBJ with such information and documentation relating to the Product and the manufacture thereof, which DBJ may reasonably request.

7.17 Should DBJ (as a result of any audit carried out pursuant to clause 7.16) reasonably determine that an Approved Facility does not meet quality requirements set forth in applicable laws andregulations, DBJ shall be entitled to serve a written notice on Dermal and Dermal shall as soon as reasonably possible from the date of the said notice rectify the issues identified by DBJ and ensure that the quality requirements are met and continue thereafter to be achieved.

8 PRICES & PAYMENT

8.1 Subject to clause 8.3, the price to be paid by DBJ to Dermal for the Patches is to be calculated as set out in Schedule 4.

8.2 Subject to clause 8.3, the price to be paid by DBJ to Dermal for the Components of the Device will be a transparent invoiced cost as set out in Schedule 4 plus an evidenced delivery charge.

8.3 The prices for the Products shall be reviewed:

8.3.1 on each anniversary of the Commencement Date by the parties when they shall meet in good faith to discuss price reviews and the price(s) of the Products may be varied on the agreement of the parties (such agreement not to be unreasonably withheld, conditioned or delayed); or

8.3.2 if any applicable laws and/or regulations is or are passed which has or have (or is likely to have) the effect of increasing or decreasing the ultimate retail price of the Products whether purchased by the NHS or private individuals or clinics, in which case the parties shall meet in good faith to discuss the impact of such laws and/or regulations on the price of the Products and the price(s) of the Products may be varied on the agreement of the parties (such agreement not to be unreasonably withheld, conditioned or delayed).

Where the parties agree a change to the price of either the Components of the Device or the Patches as permitted in accordance with this clause 8.3, the price shall be reviewed with a pricing transparency mechanism using evidenced cost prices. When the parties agree to a revised price this shall be documented in writing and the revised price shall commence from the date agreed by the parties. Where no agreement is reached between the parties, the price of the Products shall remain as it was until such time as the matter is resolved by an Expert in accordance with clause 24, at which point depending upon what the Expert decides in terms of price revision(s) (if any) and the date from such revision(s) should have taken effect) such price revision(s) shall be deemed to have applied from such date and appropriate reimbursement shall be promptly made by the relevant party to the other party in accordance with the Expert's determination and this clause 8.

8.4 DBJ shall pay the full amount invoiced to it by Dermal in GBP Sterling within 30 calendar days of the month end in which the invoice is dated and Product delivered.

8.5 All sums payable under this Agreement, or otherwise payable by any party to any other party under this Agreement are exclusive of any VAT chargeable on the supplies for which such sums (or any part of them) are the whole or part of the consideration for VAT purposes.

8.6 If a party fails to make any payment due to the other party under this Agreement by the due date for payment, then the defaulting party shall pay interest on the overdue amount at the rate of 4% per annum above The Bank of England's base rate from time to time. In relation to payments disputed in good faith, interest under this clause 8.6 is payable only after the dispute is resolved, on sums found or agreed to be due, from the due date until payment.

9 LIMITATION OF LIABILITY

9.1 Nothing in this Agreement shall limit or exclude either party's liability for:

9.1.1 death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);

9.1.2 fraud or fraudulent misrepresentation; and

9.1.3 any matter in respect of which it would be unlawful to exclude or restrict liability.

9.2 Subject to clause 9.1:

9.2.1 neither party shall under any circumstances be liable to the other party, whether in contract, tort (including negligence), breach of statutory duty or otherwise, for any indirect or consequential loss or damage (including loss of profits, business, contracts, revenue, goodwill, reputation and/or anticipated savings); and

9.2.2 each party's total liability to the other party in respect of any direct loss and/or damage arising under or in connection with this Agreement, whether in contract, tort (including negligence), breach of statutory duty or otherwise, shall be limited to the actual proceeds received by the liable party under its relevant insurance policy or policies in respect of the liability in question.

10 FREEDOM TO CONTRACT

10.1 The parties declare that they each have the right, power and authority and have taken all action necessary to execute and deliver and to exercise their rights and perform their obligations under this Agreement, including the right, power and authority for Dermal to appoint DBJ and grant DBJ the right to act as its exclusive distributor under clause 3.1.

11 PRODUCT LIABILITY AND INSURANCE

11.1 Dermal shall indemnify and keep DBJ indemnified against any and all damages, losses, costs, expenses and liability incurred by DBJ in respect of damage to property, death or personal injury arising from any fault or defect in the Products for which Dermal is liable and any reasonable costs, claims, demands and expenses arising out of or in connection with that liability (**"Dermal Relevant Claim"**), except to the extent the liability arises as a result of the action or omission of DBJ.

11.2 DBJ shall, as soon as it becomes aware of a matter which may result in a Dermal Relevant Claim:

11.2.1 give Dermal written notice of the details of the matter;

11.2.2 give Dermal access to and allow copies to be taken of any materials, records or documents as Dermal may require to take action under clause 11.2.3;

11.2.3 allow Dermal the exclusive conduct of any proceedings and take any action that Dermal requires to defend or resist the matter, including using professional advisers nominated by Dermal; and

11.2.4 not admit liability or settle the matter without Dermal's written consent.

11.3 During the Term, Dermal shall maintain product liability insurance with a reputable insurer of no less than £1 million for any one occurrence and no less than £10 million in total in any one year for any and all liability (however arising) for a claim that the Products are faulty or defective. Dermal shall provide a copy of the insurance policy and proof of payment of the current premium to DBJ on request.

11.4 DBJ shall indemnify and keep Dermal indemnified against any and all damages, losses, costs, expenses and liability incurred by Dermal in respect of damage to property, death or personal injury arising from any fault or defect in the Products for which DBJ is liable and any reasonable costs, claims, demands and expenses arising out of or in connection with that liability (**"DBJ Relevant Claim"**), except to the extent the liability arises as a result of the action or omission of Dermal.

11.5 Dermal shall, as soon as it becomes aware of a matter which may result in a DBJ Relevant Claim:

11.5.1 give DBJ written notice of the details of the matter;

11.5.2 give DBJ access to and allow copies to be taken of any materials, records or documents as Dermal may require to take action under clause 11.5.3;

11.5.3 allow DBJ the exclusive conduct of any proceedings and take any action that DBJ requires to defend or resist the matter, including using professional advisers nominated by DBJ; and

11.5.4 not admit liability or settle the matter without DBJ's written consent.

11.6 During the Term, DBJ shall maintain product liability insurance with a reputable insurer of no less than £1 million for any one occurrence and no less than £10 million in total in any one year for any and all liability (however arising) for a claim that the Products are faulty or defective. DBJ shall provide a copy of the insurance policy and proof of payment of the current premium to DBJ on request.

11.7 DBJ undertakes to maintain appropriate, up-to-date and accurate records to enable the immediate recall of any Products or batches of Products from the retail or wholesale markets. These records shall include records of deliveries to customers (including batch numbers, delivery date, name and address of customer, telephone number, fax number and email address).

11.8 DBJ shall, at Dermal's cost, give any assistance that Dermal shall reasonably require to recall, as a matter of urgency, Products from the retail or wholesale market.

12 CONFIDENTIALITY

12.1 Each party undertakes that it shall not at any time during this Agreement and for a period of 4 years after termination of this Agreement, disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party except as provided by clause 12.2.

12.2 Each party may disclose the other party's confidential information:

12.2.1 to those of its employees, officers, representatives or advisers who need to know such information for the purpose of carrying out the party's obligations under this Agreement. Each party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other party's confidential information comply with this clause 12; and

12.2.2 as may be required by law, court order or any governmental or regulatory authority.

12.3 No party shall use any other party's confidential information for any purpose other than to perform its obligations under this Agreement.

13 FORCE MAJEURE

13.1 **"Force Majeure Event"** means any circumstance not within a party's reasonable control including, without limitation:

13.1.1 acts of God, flood, fire, explosion, drought, earthquake or other natural disaster;

13.1.2 terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;

13.1.3 collapse of buildings, fire, explosion or accident; and

13.1.4 interruption or failure of utility service.

13.2 Provided it has complied with clause 13.3, if a party is prevented, hindered or delayed in or from performing any of its obligations under this Agreement by a Force Majeure Event (**"Affected Party"**), the Affected Party shall not be in breach of this Agreement or otherwise liable for any such failure or delay in the performance of such obligations. The time for performance of such obligations shall be extended accordingly.

13.3 The Affected Party shall:

13.3.1 as soon as reasonably practicable after the start of the Force Majeure Event but no later than 5 Business Days from its start, notify the other party in writing of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under the Agreement; and

13.3.2 use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

13.4 If the Force Majeure Event prevents, hinders or delays the Affected Party's performance of its obligations for a continuous period of more than 3 months the party not affected by the Force Majeure Event may terminate this Agreement by giving 10 Business Days' written notice to the Affected Party.

14 DURATION

14.1 This Agreement takes effect on the Commencement Date and, subject to earlier termination under clause 3.2, clause 6.9, clause 13.4 or clause 15.1, shall continue for an initial term of 5 years and thereafter until terminated by either party giving at least 12 months' prior written notice to expire on or after the expiry date of the initial term subject to clause 14.2.

14.2 Where this Agreement is terminated by either party under clause 15.1.1 or terminated on notice in accordance with clause 14.1, the parties agree that the terminating party shall pay on demand to the other party a sum equal to the Exit Payment. The parties confirm that the Exit Payment represents a genuine pre-estimate of the non-terminating party's loss and damage arising from such termination and shall not be construed as a penalty.

14.3 Nothing in this Agreement is intended to breach any legislation or guidance in relation to UK and EU competition law, specifically the Competition Act 1998 and the Treaty on the Functioning of the European Union Articles 101 and 102.

15 TERMINATION AND RIGHTS UPON TERMINATION

15.1 Without affecting any other rights that it may be entitled to, either party may give notice in writing to the other terminating this Agreement immediately if:

15.1.1 the other party commits a material breach of any term of this Agreement and (if such breach is remediable) fails to remedy that breach within a period of 30 days of being notified in writing to do so; or

15.1.2 an order is made or a resolution is passed for the dissolution or winding-up of the other party or an order is made for the appointment of an administrator to manage the affairs, business and property of the other party or such an administrator is appointed or documents are filed with the court for the appointment of an administrator or notice of intention to appoint an administrator is given by the other party or its trustees, officers, directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a receiver and/or manager or administra-tive receiver is appointed in respect of all or any of the other party's assets or under-taking or circumstances arise which entitle the court or a creditor to appoint a receiver and/or manager or administrative receiver or which entitle the court to make a winding-up or bankruptcy order or the other party takes or suffers any similar or analogous action in consequence of debt.

15.2 Any provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this Agreement shall remain in full force and effect.

15.3 Termination or expiry of this Agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination or expiry.

15.4 On termination:

15.4.1 Dermal shall have the option to buy from DBJ any stocks of the Products at the same price DBJ paid for them. To exercise the option, Dermal must give notice to DBJ within 30 days of termination, stating the quantities of Products it wishes to buy. DBJ shall deliver such Products to Dermal within 30 days of receiving Dermal's notice, and Dermal shall pay for the Products in full within 30 days of their delivery. Dermal shall be responsible for the costs of packaging, insurance and carriage of the Products;

15.4.2 if Dermal chooses not to exercise its option to buy back the Products under clause 15.4.1, or purchases only part of DBJ's stocks of Products, DBJ may for a period of 12 months following termination of this Agreement sell and distribute any stocks of the Products that it may have in store or under its control at the time. At the end of this 12-month period DBJ shall promptly return all remaining stocks of the Products to Dermal at the expense of DBJ, or dispose of the stocks as Dermal directs;

15.4.3 if Dermal chooses to buy back the Products under clause 15.4.1, or when the 12-month period under clause 15.4.2 expires, DBJ shall at Dermal's option promptly destroy or return all samples, technical pamphlets, catalogues, advertising materials, specifications and other materials, documents or papers that relate to Dermal's business that DBJ may have in its possession or under its control (other than correspondence between the parties).

15.5 Subject to clause 15.4, all other rights of DBJ under this Agreement shall terminate on the termination date.

16 NOTICES

16.1 Any notice given to a party under or in connection with this Agreement shall be in writing and shall be:

16.1.1 delivered by hand or

16.1.2 by pre-paid first-class post (or airmail where the address is outside of the UK) or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case); or

16.1.3 sent by fax to its main fax number.

16.2 Any notice shall be deemed to have been received:

16.2.1 if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address;

16.2.2 if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service;

16.2.3 if sent by airmail, at 9.00am on the fifth Business Day after posting or at the time recorded by the delivery service; or

16.2.4 if sent by fax, at 9.00 am on the next Business Day after transmission.

16.3 This clause 16 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

17 ASSIGNMENT AND OTHER DEALINGS

17.1 This Agreement is personal to the parties and neither party shall (without the prior written consent of the other party) assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of its rights and obligations under this Agreement.

18 MODIFICATION AND WAIVER

18.1 No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

18.2 No amendment or variation of this Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

19 SEVERABILITY

19.1 If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible (or is not capable of modification because it is prohibited by UK or EU Competition Law) the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 19.1 shall not affect the validity and enforceability of the rest of this Agreement.

19.2 If one party gives notice to the other of the possibility that any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

20 ENTIRE AGREEMENT

20.1 This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

20.2 Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Agreement.

21 APPLICABLE LAW & VENUE

21.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

21.2 Subject to clause 7.7, clause 8.3 and clause 14.2, each party irrevocably agrees that the courts of England and Wales shall have non-exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

22 ANTI-BRIBERY COMPLIANCE

22.1 Both parties shall:

22.1.1 comply with all applicable laws, statutes, regulations relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010; and

22.1.2 not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK.

23 ADDITIONAL GENERAL TERMS

23.1 A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

23.2 Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.

23.3 Each party confirms it is acting on its own behalf and not for the benefit of any other person.

23.4 This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

24 EXPERT

24.1 Where the parties disagree on the amount of the Exit Payment or the applicable price for the Products under clause 8.3, this dispute shall be referred to the Expert for determination. The Expert shall be an accountant with at least 10 years professional qualification experience and in particular with experience resolving valuation disputes of this nature. If the parties are unable to agree on an Expert or the terms of his appointment within seven days of either party serving details of a suggested expert on the other, either party shall then be entitled to request that the President of the Institute of Chartered Accountants of England & Wales appoint an Expert accountant of repute with experience resolving valuation disputes of this nature ("**Expert**").

24.2 The Expert is required to prepare a written decision including reasons and give notice (including a copy) of the decision to the parties within a maximum of 3 months of the matter being referred to the Expert.

24.3 If the Expert dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time required by this clause 24 then:

24.3.1 either party may apply to the Institute of Chartered Accountants of England and Wales to discharge the Expert and to appoint a replacement Expert with the required expertise; and

24.3.2 this clause 24 shall apply to the new Expert as if he were the first Expert appointed.

24.4 All matters under this clause 24 must be conducted, and the Expert's decision shall be written, in the English language.

24.5 The parties are entitled to make submissions to the Expert and will provide (or procure that others provide) the Expert with such assistance and documents as the Expert reasonably requires for the purpose of reaching a decision.

24.6 To the extent not provided for by this clause 24, the Expert may in his reasonable discretion determine such other procedures to assist with the conduct of the determination as he considers just or appropriate including (to the extent he considers necessary) instructing professional advisers to assist him in reaching his determination.

24.7 Each party shall with reasonable promptness supply each other with all information and give each other access to all documentation and personnel and/or things as the other party may reasonably require to make a submission under this clause 24.

24.8 The Expert shall act as an expert and not as an arbitrator. The Expert shall determine the value of the Exit Payment or the applicable price for the Products under clause 8.3 (as applicable) which may include any issue involving the interpretation of any provision of this Agreement, his jurisdiction to determine the matters and issues referred to him and/or his terms of reference. The Expert's written decision on the matters referred to him shall be final and binding on the parties in the absence of manifest error or fraud. The parties agree that the valuation amount set out in sub-clause (a) of the definition of Exit Payment shall, in the absence of any determination by the Expert to the contrary, be presumed to be a genuine estimate of the loss suffered by the non-terminating party.

24.9 Each party shall bear its own costs in relation to the reference to the Expert.

24.10 All matters concerning the process and result of the determination by the Expert shall be kept confidential among the parties and the Expert.

SCHEDULE 1
THE PRODUCTS

The Products are as follows:

Components of the Device (i.e. any device using iontophoretic technology for glucose monitoring):

- The electronic components of the device including the circuit board, and software applications required for use and Bluetooth transmission antennae and software;
- The battery of the device;
- All electronic and operative components to enable the device to function fully and effectively;
- All components required for the receipt and transmission of data from smart devices and mobile devices;
- All other necessary hardware and software require for full and effective operation of the device;
- All of the above ready for assembly into the watch casing.

Patches:

- The reverse iontophoresis sensor pads for use with any device(s) using iontophoretic technology for glucose monitoring.

SCHEDULE 2
TERRITORY

1.1 United Kingdom;

1.2 Channel Islands;

1.3 Isle of Man; and

1.4 Republic of Ireland

SCHEDULE 3
THE PATENTS

Internal Standard concept - elimination of need for 'routine' finger-prick calibration

Country	Publication Number	Priority Date	Date granted	Title	Expiry Date
Europe	WO 03/000340	22/06/2001	Mar-13	Method for non-invasively determining the relative levels of Two Biological Substances	21/06/2021

Patches for Reverse Iontophoresis - Platform for non-invasive continuous analyte monitoring - IP covering core technology - device

Country	Publication Number	Priority Date	Date granted	Title	Expiry Date
Europe	977280.6	30/06/2008	18-May-12	Patches for Reverse Iontophoresis	29/06/2028

Algorithm to determine the concentration of an analyte - IP relating to broad algorithm method

Country	Publication Number	Priority Date	Date granted	Title	Expiry Date
UK	1208950.4	21/05/2012	pending	Cummulative Measurement of an analyte	20/05/2032
PCT, and all subsequent national filings	PCT/GB2013/051322	21/05/2012	pending	Cummulative Measurement of an analyte	20/05/2032

SCHEDULE 4
PRICES

Description	Units	Price
Patches	1 finished pack equal to 28 days monitoring requirements for the patients blood sugar at no less than 30 minute internals during a 12 hour period.	[xxxx] 28 day pack.
Components of the Device	The electronic components of the device including the circuit board, and software applications required for use and Bluetooth transmission antennae and software	At evidenced cost price
	The battery of the device	At evidenced cost price
	All electronic and operative components to enable the device to function fully and effectively	At evidenced cost price
	All components required for the receipt and transmission of data from smart devices and mobile devices	At evidenced cost price
	All other necessary hardware and software require for full and effective operation	At evidenced cost price
	All of the above ready for assembly into the watch casing.	At evidenced cost price

[xxxx] Confidential information has been omitted and filed confidentially with the Securities and Exchange Commission.

SIGNED by **DR FAZ CHOWDHURY** for and on behalf of **DERMAL DIAGNOSTICS LIMITED**)

/s/ Dr. D Faz Chowdhury
DR D F CHOWDHURY

SIGNED by **DR DALLAS JOHN BURSTON** for and on behalf of **DALLAS BURSTON PHARMA (JERSEY) LIMITED**)

/s/ Dr. Dallas John Burston
DR DALLAS JOHN BURSTON