BIOMMUNE TECHNOLOGIES INC.
Suite 1780 – 400 Burrard Street, Vancouver, BC, Canada

Form 51-102F1

Management's Discussion & Analysis of Financial Condition and Results of Operations for the Financial Nine Months Ended August 31, 2015

Date: October 29, 2015

Management's Discussion and Analysis

The following management discussion and analysis (MD&A) of the financial information of bioMmune Technologies Inc. (formerly MC Partners Inc.) (the "Company") and results of operations should be read in conjunction with the Company's condensed consolidated interim financial statements for the nine months ended August 31, 2015 and 2014 and the audited consolidated financial statements and accompanying notes for the year ended November 30, 2014. These documents are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to future performance. The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and include the operating results of the Company.

This MD&A was and approved and authorized for issue by the Audit Committee on October 29, 2015. The information contained within this MD&A is current to October 29, 2015.

The Company's critical accounting estimates, significant accounting policies and risk factors have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. All amounts are expressed in Canadian Dollars unless noted otherwise.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These forward-looking statements can generally be identified as such because of the context of the statements, including such words as "believes", "anticipates", "expects", "plans", "may", "estimates", or words of a similar nature. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from anticipated future results and/or achievements expressed or implied by such forward-looking statements, which speak only as of the date the statements were made. Readers are therefore advised to consider the risks associated with any such forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth herein.

Overview

The Company was incorporated on January 28, 2011 pursuant to the *Business Corporations Act*, British Columbia, under the name MC Partners Inc. as a capital pool company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange"). On May 24, 2013, the Company acquired all of the issued and outstanding shares of bioMmune Advanced Technologies Inc. (formerly bioMmune Technologies Inc.) ("BAT"), a private company formed to commercially exploit a number of patents and patent applications that surround three technologies. The acquisition constituted the Company's Qualifying Transaction pursuant to the CPC Policy of the Exchange. On May 22, 2013, the Company changed its name to bioMmune Technologies Inc. and BAT changed its name to bioMmune Advanced Technologies Inc. The Company is a Tier 2 Research and Development Issuer engaged in the research and development of products for the treatment of cancers, and for improvement of the immune system, trading on the Exchange under the trading symbol "IMU".

Additional information relating to the Company can be found on the SEDAR website at www.sedar.com.

Overall Performance

Investor Relations

Effective September 15, 2015, the Company engaged Envoy Strategic Partners ("Envoy") to provide strategic investor relations and financial communications services. Under the terms of the contract, the Company will pay Envoy a monthly retainer of $3,500 for a term of three months. The contract will automatically renew for further three-month periods and may be cancelled by the Company by providing notice to Envoy 14 days prior to the end of any three-month period.

Stock Options

In December, 2014, the Board of Directors passed a resolution to immediately vest 1,325,000 stock options granted to directors and officers of the Company. The fair value of options vested during the period was calculated at $35,156, which has been recognized as share-based payments.

On March 31, 2015, 200,000 stock options granted to Hamza Thindal Capital Corp., exercisable at a price of $0.25 per share expired unexercised.

On August 4, 2015, the Company granted incentive stock options to officers and directors of the Company to purchase an aggregate of 750,000 common shares of the Company, exercisable at a price of $0.31 per share for a period of five years and subject to vesting.

On October 18, 2015, the Company granted 200,000 incentive stock options to consultants of the Company, priced at $0.35 with a term of one year and subject to vesting.

Private Placements

On June 8, 2015, the Company closed a non-brokered private placement announced on May 3, 2015. The Company issued 5,000,000 units (each a “Unit”) at a price of $0.20 per Unit, for gross proceeds of $1,000,000. Each Unit consists of one common share and one full common share purchase warrant (each a “Warrant”). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of $0.30 per share for a period of 18 months up to and including December 8, 2016, subject to an exercise acceleration clause. Under the exercise acceleration clause, which the Company may exercise once the Units are free of resale restrictions and if the Company’s shares are trading at or above a volume weighted average price of $0.50 for 10 consecutive trading days, the Warrants will expire upon 30 days from the date the Company provides notice in writing to the Warrant holders via a news release. Cash finders’ fees of $70,400 were paid on a portion of the financing. All securities issued are subject to a hold period of four months and one day and as such may not be traded until October 9, 2015. The net proceeds from the sale of Units have been added to working capital in furtherance of the Company’s business. Following the closing of the private placement, the Company has 29,673,417 commons shared issued and outstanding.

On October 10, 2015 the Company announced a non-brokered private placement of up to 2,000,000 units (each a “Unit”) at a price of $0.30 per Unit for gross proceeds of up to $600,000. Each Unit will consist of one common share and one common share purchase warrant (each a “Warrant”). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of $0.40 per share for a period of 24 months form the date of closing, subject to an exercise acceleration clause. Under the exercise acceleration clause, which the Company may exercise once the Units are free of resale restrictions and if the Company’s shares are trading at or above a volume weighted average price of $0.60 for 10 consecutive trading, the Warrants will expire upon 30 days from the date the Company provides notice in writing to the Warrant holders via a news release. The net proceeds from the sale of Units will be added to working capital in furtherance of the Company’s business.

Board of Directors

On June 23rd, 2015, Mr. Craig Thomas resigned from his position as a director and was replaced by Mr. Jens Biertumpel. Mr. Biertumpel is managing director and co-founder of Mont Blanc Capital Management AG, a FINMA regulated asset management firm in Zurich, Switzerland. Over the past 8 years, he grew the asset management business from Europe into Asia and created the Lipper award winning Mont Blanc China Opportunity Fund. He is also a director with Bight Petroleum, a privately held offshore exploration company. Previously, he was a director with Astrum Capital a Hong Kong and Cayman-based hedge fund advisor. Prior to that, Mr. Biertumpel operated his own capital company and held positions with different TSXV listed companies. He graduated with a Bachelor of Arts from Simon Fraser University.

Financial Position

The consolidated statement of financial position as at August 31, 2015 indicates a cash position of $664,158 (November 30, 2014: $394,711). Other current assets are comprised of prepaid expenses of $107,715 (November 30, 2014: $77,678) and GST receivable of $15,395 (November 30, 2014: $22,165). Non-current assets at August 31, 2015 comprise computer equipment of $2,368 (November 30, 2014: $687) and intangible assets of $1,000,211 (November 30, 2014: $1,042,053).

Current liabilities at August 31, 2015 total $34,240 (November 30, 2014: $90,793) comprising audit fees of $nil (November 30, 2014: $17,000), research and development fees of $23,607 (November 30, 2014: $55,416), legal fees of $nil (November 30, 2014: $2,150), investor relations and marketing of $nil (November 30, 2014: $7,875), consulting fees of $4,725 (November 30, 2014: $2,625) and general administrative expenses of $5,888 (November 30, 2014: $5,727).

Shareholders' equity is comprised of share capital of $3,957,656 (November 30, 2014: $3,033,758) (refer to "*Private Placements*" above), reserves of $284,166 (November 30, 2014: $246,653) and a deficit of $2,507,418 (November 30, 2014: $1,833,910).

Option reserves increased $37,513 in connection with options vesting during the period.

As at August 31, 2015, the Company had working capital of $753,027 (November 30, 2014: $403,761).

The weighted average number of common shares outstanding as at August 31, 2015 is 26,218,872 (November 30, 2014: 24,102,538).

Intangible Assets

Intangible assets consist of intellectual property surrounding the following three technologies:

1. Novel Histone Deacetylase Inhibitors (HDACis) that are able to increase antigen expression on the surface of tumour cells, making them more visible to the immune system. These HDACis will be useful as cancer therapeutics by harnessing the power of the immune system to attack and eliminate cancers.

   Many cancer cells, including those that are metastatic, escape immune recognition and elimination after selection by immune editing whereby tumour antigens are not properly displayed on the cell surface. These escape variants have deficiencies in the endogenous Antigen Processing Pathway (APP) and do not express sufficient Major Histocompatibility Complex I (MHC I) molecules and their associated tumour antigen peptides at the cell surface. Thus these tumour cells evade recognition by host immune surveillance mechanisms, making them resistant to immunotherapeutic approaches to elimination of cancer. We showed that by restoring the function of the Transporter of Antigen Processing 1 (TAP1) molecule in the APP, the presentation of tumour antigens at the cancer cell surface was restored and immune responses were enhanced in metastatic disease. Research revealed that the mechanism leading to the TAP1 defect and poor antigen presentation is not regulated by mutations in the TAP-1 gene, but that it is epigenetically regulated and can be restored by treatment with HDACis. By developing a high-throughput screening assay and using a novel pharmacological assay from deep-sea sponge extracts, BioMmune has identified several unique HDACis that induce antigen presentation in metastatic prostate and lung carcinomas.

   In February, 2014, the Company entered into an agreement with UBC whereby UBC conducted research to identify compounds that increase the expression of the TAP1 protein, a part of the APP and thus MHC 1 molecules on the surface of metastatic tumour cells, thereby increasing tumour antigen expression and rendering them visible to the immune system. During fiscal 2014, the Company paid UBC an aggregate of $130,000 to cover the cost of the research under the agreement, which terminated on January 31, 2015. On August 12, 2015, the Company entered into a collaborative research agreement with UBC to further this research and paid UBC $50,000 to cover the scope of this research.

   Much of the initial screening process has been completed and positive hits from the screening of the library of marine extracts were obtained. Preliminary results showed that several extracts increased TAP-1 and MHC I expression. From these extracts, new chemical structures that exhibit efficient restoration of the APP were identified. Screening of additional extracts and purified compounds was performed and several more active compounds were identified. One compound, curcuphenol, was identified as a single active compound. Curcuphenol and four new analogues have been synthesized and shown to induce high expression of MHC 1. These analogues are being produced in sufficient quantities to start animal testing.

   One of the analogues of curcuphenol named PC-02-113 has already been tested *in vivo* and did not show any apparent acute toxicity, nor did it appear to have any cumulative, chronic toxicity over the course of the treatment. PC-02-113 appeared to be as effective as another well-known HDAC inhibitor, Trichostatin A (TSA) in inhibiting the growth of tumours. TSA is an organic compound that serves as an antifungal antibiotic and selectively inhibits the class I and II mammalian histone deacetylase (HDAC) families of enzymes, Further work in 2015 will involve testing the other 3 curcuphenol analogs, curcuphenol, and newly identified HDACis for anti-tumor activity *in vivo*.

2. Regulation of immune system activity involved in diseases such as allergy, autoimmunity and cancer by antibody-mediated modulation of selected calcium channel activity.

In January, 2014, the Company entered into an agreement with UBC whereby UBC conducted research to derive monoclonal antibodies (mAbs) that modulate the activation of specific calcium channels which are associated with the proliferation and induction of cells of the immune system. These antibodies are being selected for their ability to modulate the function of white blood cells (lymphocytes) that are involved in animal models of a variety of human diseases and in transplantation of tissues and organs. The calcium channels on lymphocytes are a multi-member family comprised of more than 10 different proteins. The activity of these channels is regulated to control intracellular concentrations of calcium (Ca) which determines the proliferation and activity of cells involved in immune responses. Antibodies generated against different forms of the calcium channels may act as new calcium channel regulators and in some cases have been shown to inhibit the proliferation and functional differentiation of lymphocytes. Such antibodies may allow modulation of the immune system to combat cancers and infections and to control autoimmune diseases, allergy and transplantation responses. A large number of mAbs have been derived against specific external domains of voltage-dependent calcium channel isoforms Cav 1-1, Cav1-2, Cav1-3 and Cav1-4. These mAbs were measured and evaluated for binding to Jurkat cells in culture. Several mAbs were identified and characterized by their ability to bind to Jurkat cells and for their effect in the inhibition of Jurkat cell growth. Further efficacy against the inhibition of Jurkat cell growth will be measured *in vivo*. Also these same mAbs will be used *in vivo* to determine their effect on modulation of immune responses, including anti-cancer activity.

During fiscal 2014, the Company paid UBC $130,000 to cover the scope of this research. In June 2015, an additional service agreement was finalized with UBC. The Company will pay a total of $100,000 to UBC to continue research to identify very active anti-Cav1-4 mAbs for use in the treatment of leukaemias or for the modulation of the immune reaction in auto-immune disorders. $50,000 was paid to UBC in June, 2015 with a final payment of $50,000 payable in January 2016.

In addition, the Company has been very active on the patent "Methods and compositions for modulating voltage-gated calcium channel function" and has initiated worldwide patent application for this technology.

3. Use of CD74 protein to control antigen presentation for regulation of the immune system.

CD74 is a protein that is centrally involved in initiation of immune responses. The use of mechanisms or compounds that regulate CD74 activity will allow modulation of the immune system to combat cancers and infections and to control allergy, autoimmune diseases and graft rejection.

Dendritic cells are part of the innate immune system and are the principal antigen-presenting cells that initiate adaptive immune responses. Dendritic cells take up dead cells and cellular debris containing antigenic proteins and process these exogenously derived antigens for ultimate display on the cell surface in the Major Histocompatibility Complex class I (MHC I) molecules. This process is essential for induction of immune responses against cancers and infectious organisms and its down-regulation will allow dampening of immune responses in autoimmune diseases, in allergic reactions and in transplantation. The discovery that CD74 mediates trafficking of MHC I to compartments for loading with peptides from exogenously derived antigens offers new avenues for controlling this activity, for example by engineering of hybrid molecules composed of CD74 and antigenic molecules for enhancing vaccine efficacy.

Recombinant cloning of the CD74 chaperone protein by genetic engineering have been achieved. CD74 gene constructs including DNA encoding peptides from viruses such as HIV and Influenza were made and introduced into adenovirus vectors which will be used to infect and produce proteins in dendritic cells (the supreme antigen presenting cells). Expression of ovalbumin with CD74 increases the expression of MHC class I with a specific antigenic peptide at the cell surface of dendritic cells. These first data confirm that expression of antigenic proteins with CD74 should increase the immune reaction against viral infection *in vivo*. These antigen-presenting cells will be used to test their effect on increased immune responses *in vivo.* This approach may lead to the development of more efficient and better vaccines.

During fiscal 2014, the Company paid UBC $130,000 to cover the scope of this research. In June 2015, an additional service agreement was finalized between with UBC. In August 2015, an additional service agreement was finalized with UBC. The Company will pay a total of $100,000 to UBC to continue research to develop new, more efficient vaccines against viral infections. $50,000 was paid to UBC in June, 2015 with a final payment of $50,000 payable on January 1, 2016.

During the nine months ended August 31, 2015, the Company incurred research and development costs of $191,519 (2014: $258,232) comprising lab work of UBC of $71,161 (2014: $150,322) pursuant to research agreements as described above and legal fees of $120,358 (2014: $107,910) associated with filing patent continuities as well as maintaining protection of patent applications currently owned by the Company.

Results of Operations

During the nine months ended August 31, 2015, the Company reported a net loss of $673,508 ($0.03 basic and diluted loss per share) compared to a net loss of $893,315 ($0.03 basic and diluted loss per share for the same period in Fiscal 2014).

Summary of Quarterly Results

The following table presents selected quarterly financial information of the Company for the eight most recently completed quarters of operation prepared in accordance with IFRS and expressed in Canadian Dollars.

	2015			***2014***				**2013**
	Qtr 3	**Qtr 2**	**Qtr 1**	**Qtr 4**	**Qtr 3**	**Qtr 2**	**Qtr 1**	**Qtr 4**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	-	-	-	-	-	-	-	-
Net Loss	195,632	176,737	301,139	342,839	280,782	168,872	443,661	53,251
Basic and diluted Loss per share	0.01	0.01	0.01	0.02	0.01	0.00	0.02	0.00

Share-based compensation expense impacts expenses and net and comprehensive loss as follows: Q3 2015: $985 Q2 2015: $1,372, Q1 2015: $35,156 Q4 2014: $9,182, Q3 2014: $30,606, Q2, 2014: $36,632, Q1 2014: $44,389, Q4, 2013: $(148,550).

Subsequent to the completion of the Qualifying Transaction in Quarter 2 of 2013, the Company began actively moving forward with research and development.

The Company's significant accounting policies are set out in Note 3 of the audited annual financial statements as at and for the year ended November 30, 2014.

Analysis of Quarterly Results

		Nine months ended 31-Aug-15		**Three months ended 31-Aug-15**	
	Notes	**2015**	**2014**	**2015**	**2014**
				$	**$**
General and administrative expenses					
Accounting and audit fees		300	300	-	-
Administrative and general office		7,161	12,383	2,497	7,878
Amortization		63,424	64,387	21,204	21,837
Bank charges and interest		868	1,540	234	597
Consulting fees	a)	272,250	219,750	101,750	79,250
Foreign exchange loss/(gain)	b)	55,337	17,813	14,433	4,840
Insurance		8,074	7,857	2,855	2,589
Investor relations and marketing	c)	9,383	54,086	623	21,002
Legal fees		3,979	5,539	-	2,461
Research and development	d)	191,519	363,480	43,921	105,248
Share-based payments	e)	37,513	111,627	985	30,606
Travel and entertainment	f)	9,809	26,059	5,205	3,330
Transfer agent, listing and filing fees		16,101	15,894	3,231	3,195

a) Consulting fees – effective June 1, 2014, the consulting agreement with Cydweli Consultants Inc., a privately held corporation controlled by Dr. Reinhard Gabathuler, President and CEO of the Company, was amended to increase the monthly fee from $5,000 to $8,000. During the nine months ended August 31, 2015, the Company paid director's fees of US$6,000 to a director of the Company and $35,500 to a consultant to assist the Company with corporate communications.

b) Foreign exchange – foreign exchange on legal fees pertaining to patents (research and development) (paid in US dollars).

c) Investor relations and marketing- effective December 31, 2014, the Company cancelled agreements with marketing consultants totalling in aggregate $7,500 a month.

d) Research and development – during the nine months ended August 31, 2014, the Company incurred research and development expenditures of $219,912 to UBC pursuant to research agreements compared to $71,161 during the nine months ended August 31, 2015.

e) Share-based payments – less options vested during Fiscal 2015 compared to the same period in Fiscal 2014.

f) Travel and accommodation during fiscal 2014 included trips to Europe and the United States to attend industry conferences and present the Company's technology to potential industry partners.

Liquidity & Capital Resources

The Company has financed its operations to date through the issuance of common shares.

	August 31, 2015	November 30, 2014
Working capital	$ 652,393	$ 403,761
Deficit	$ 2,507,418	$ 1,833,910

During the nine months ended August 31, 2015, net cash used in operating activities was $313,332 (2014: $893,315), comprising a loss of $673,508 (2014: $893,315) net of amortization expense of $63,424 (2014: $64,387) and share-based payments of $37,513 (2014: $111,627), a decrease in prepaid expenses of $30,037 (2014: $170,824), an increase in GST receivable of $6,770 (2014: $5,133) and a decrease in accounts payable and accrued liabilities of $56,556 (2014: $63,663).

Cash from investing activities was $(2,058) (2014: $321,268).

Cash from financing activities was $923,898 (2014: $328,142).

The Company does not expect its current capital resources to be sufficient to cover its operating costs and future research and development expenditures through the next twelve months. As such, the Company will seek to raise additional capital and believes it will be able to do so, but recognizes the uncertainty attached thereto. If the Company is unable to obtain additional financing, management may be required to further curtail certain discretionary expenses. Funding requirements may vary from those planned due to a number of factors, including the progress on research and development initiatives.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that would potentially affect current or future operations or the financial condition of the Company.

Related Party Transactions

The following is a summary of related party transactions that occurred during the nine months ended August 31, 2015 and 2014:

Key management compensation:

Services provided by:		**2015**	**2014**
RBH Consulting Inc.	a)	$ 64,000	$ 72,000
Judi Dalling	b)	48,750	48,750
Dr. Karoly Nikolich	c)	7,556	-
Cydweli Consultants Inc.	d)	64,000	54,000
Share-based payments		33,377	73,340
		$217,683	$ 249,090

a) RBH Consulting Inc. is a privately held corporation controlled by Robin Hutchison, a director and Executive Chairman of the Company, who provided consulting services to the Company (note 10).

b) Judi Dalling, the CFO of the Company, provided consulting services to the Company (note 10).

c) Dr. Karoly Nikolich was paid US$6,000 for his services as a director of the Company.

c) Cydweli Consultants Inc. is a privately held corporation controlled by Dr. Reinhard Gabathuler, President and CEO of the Company, who provided consulting services to the Company (note 10).

Other related party transactions include:

$16,800 is included in accounts payable and accrued liabilities for consulting services payable to directors and officers of the Company.

$3,926 is included in accounts payable and accrued liabilities for disbursements payable to an officer of the Company.

Proposed Transactions

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the condensed consolidated interim financial statements for the nine months ended August 31, 2015 and 2014.

Commitments over the next five years are as follows:

2015	$ 158,500
2016	417,000
2017	317,000
2018	317,000
2019	317,000
2020	199,000
	$ 1,725,500

Effective September 1, 2014, the Company entered into consulting agreements as follows:

i. Consulting agreement with John Davenport to provide advisory services for a fee of $2,000 per month for a period of 12 months. This agreement was amended to a fee of $3,000 per month effective April 1, 2015.

ii. Consulting agreement with 551943 Alberta Ltd. to provide advisory services for a fee of $2,500 per month for a period of 12 months.

Effective June 1, 2013, the Company entered into consulting agreements as follows:

i Consulting agreement with RBH Consulting Inc., a company fully owned by a director and officer of the Company, to provide consulting services to the Company for a fee of $96,000 per year (note 11);

ii. Consulting agreement with Cydweli Consultants Inc., a company fully owned by an officer of the Company, to provide consulting services to the Company for a fee of $60,000 per year. On June 1, 2014, the Company increased the fee to $96,000 per year (note 11);

iii. Consulting agreement with Judi Dalling, CFO of the Company, to provide consulting services to the Company for a fee of $65,000 per year (note 11); and

iv. Consulting agreement with 442668 BC Ltd. to provide consulting services to the Company for a fee of $60,000 per year.

Each of these agreements includes an automatic renewal clause, unless notification is provided by either party. In addition to the fees set forth above, incentive bonuses may be granted at the discretion of the Board of Directors.

Accounting standards not yet implemented

The following standards have been issued but are not yet effective. They may result in future changes to accounting policies and other note disclosures.

Certain new standards, interpretations and amendments to existing standards are not yet effective as of August 31, 2015 and have not been applied in preparing these consolidated financial statements. The Company is assessing the impact of these standards on its consolidated financial statements:

IFRS 9 Financial Instruments (2014)

This is a finalized version of IFRS 9, which contains accounting requirements for financial instruments, replacing IAS 39 *Financial Instruments: Recognition and Measurement*. The standard contains requirements in the following areas:

- Classification and measurement. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a "fair value through other comprehensive income" category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39; however, there are differences in the requirements applying to the measurement of an entity's own credit risk.
- Impairment. The 2014 version of IFRS 9 introduces an "expected credit loss" model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.
- Hedge accounting. Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- Derecognition. The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

Applicable to the Company's annual periods beginning on December 1, 2018.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

Amends IAS 32 *Financial Instruments: Presentation* to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of “currently has a legally enforceable right of set-off”
- the application of simultaneous realization and settlement
- the offsetting of collateral amounts
- the unit of account for applying the offsetting requirements.

Applicable to the Company's annual periods beginning on December 1, 2014.

Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)

Amends IAS 36 *Impairment of Assets* to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.

Applicable to the Company's annual period beginning on December 1, 2014.

Financial Instruments & Other Instruments

(a) Fair values

Financial instruments recognized at fair value on the consolidated statements of financial position must be classified in one of the following three fair value hierarchy levels:

Level 1 – measurement based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;

Level 2 – measurement based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability; or

Level 3 – measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

As at August 31, 2015, the Company's financial instruments are comprised of cash and cash equivalents, short-term investments, and accounts payable and accrued liabilities. With the exception of cash and cash equivalents and short-term investments, all financial instruments held by the Company are measured at amortized cost.

(b) Credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents and short-term investments. The Company limits its exposure to credit loss by placing its cash and cash equivalents and short-term investments with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

		August 31, 2015		**August 31, 2014**
Cash and cash equivalents	$	664,158	$	39,484
Short-term investments		-		491,500
	$	664,158	$	530,984

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

At August 31, 2015, the Company had cash and cash equivalents of $664,158 (2014: $39,484) and short-term investments of $nil (2014: $491,500) available to apply against short-term business requirements and current liabilities of $34,240 (2014: $9,807). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of August 31, 2015 and 2014.

(d) Currency risk

The Company is exposed to currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than the Canadian dollar. The Company does not manage currency risks through hedging or other currency management tools.

As at August 31, 2015 and 2014, the Company's net exposure to foreign currency risk is as follows:

US dollars		2015		2014
Cash	$	6,009	$	2,243
Accounts payable		23,607		4,878
Net exposure to foreign currency risk		29,616		7,121
Canadian dollar equivalent	$	39,087	$	7,742

Based on the above net foreign currency exposure, and assuming all other variables remain constant, a 7% weakening or strengthening of the Canadian dollar against the US dollar would not have a material effect on the Company's net loss and comprehensive loss.

(e) Other price risk

Other price risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

Changes in Accounting Policies

The Company has not made any changes to accounting policies during the nine months ended August 31, 2015. Refer to note 3 in the consolidated financial statements for the year ended November 30, 2014 for the Company's significant accounting policies. Certain pronouncements were issued by the IASB that are mandatory for annual years beginning after January 1, 2015. The changes have not been early adopted are being evaluated to determine if there will be an impact on the Company.

Risks and Uncertainties

Overview

An investment the Company'shares should be considered highly speculative due to the nature of the the Company's business and the present stage of its development. In evaluating the company and its business, shareholders should carefully consider, in addition to the other information contained in this management discussion and analysis, the following risk factors. These risk factors are not a definitive list of all risk factors associated with the Company. It is believed that these are the factors that could cause actual results to be different from expected and historical results. Investors should not rely upon forward-looking statements as a prediction of future results.

Competition

The market for the Company's technology is highly competitive. The Company competes with other research teams who are also examining potential therapeutics with regards to autoimmune diseases and disorders. Many of its competitors have greater financial and operational resources and more experience in research and development than the Company. These and other companies may have developed or could in the future develop new technologies that compete with the Company's technologies or even render its technologies obsolete.

Competition in the Company's markets is primarily driven by:

- timing of technological introductions;
- ability to develop, maintain and protect proprietary products and technologies; and
- expertise of research and development team.

Litigation to Protect Company's Intellectual Property

The Company's future success and competitive position depends in part upon its ability to maintain its intellectual property portfolio. There can be no assurance that any patents will be issued on any existing or future patent applications. Even if such patents are issued, there can be no assurance that any patents issued or licensed to the Company will not be challenged. The Company's ability to establish and maintain a competitive position may be achieved in part by prosecuting claims against others who it believes to be infringing its rights. In addition, enforcement of the Company's patents in foreign jurisdictions will depend on the legal procedures in those jurisdictions. Even if such claims are found to be invalid, the Company's involvement in intellectual property litigation could have a material adverse effect on its ability to distribute any products that are the subject of such litigation. In addition, the Company's involvement in intellectual property litigation could result in significant expense, which could materially adversely affect the use responsibilities, whether or not such litigation is resolved in the Company's favour.

Clinical testing and Regulatory approval

Since the Company's success is dependent on the successful completion of a third party pre-clinical trials, regulatory approval and introduction of its technology into the market, and since the Company has completed none of the tasks at this time, the Company does not know if it will be able to complete them.

The actual timing of these events can vary dramatically due to factors such as delays or failures in the Company's clinical trials and the uncertainties inherent in the regulatory approval process. The Company might not be able to obtain the necessary results from its pre-clinical trials or to gain regulatory approval necessary for licensing its technology. The Company's failure to achieve these objectives will mean that an investor will not be able to recoup their investment or to receive a profit on their investment.

Intellectual Property

The Company's success depends to a significant degree upon its ability to develop, maintain and protect proprietary products and technologies. The Company files patent applications in the United States, Canada, Europe, and selectively in other foreign countries as part of its strategy to protect its proprietary products and technologies. However, patents provide only limited protection of the Company's intellectual property. The assertion of patent protection involves complex legal and factual determinations and is therefore uncertain and expensive. The Company cannot provide assurances that patents will be granted with respect to any of its pending patent applications, that the scope of any of its patents will be sufficiently broad to offer meaningful protection, or that it will develop additional proprietary technologies that are patentable. The Company's current patents could be successfully challenged, invalidated or circumvented. This could result in the Company's patent rights failing to create an effective competitive barrier. Losing a significant patent or failing to get a patent to issue from a pending patent application that the Company considers significant could have a material adverse effect on its business. The laws governing the scope of patent coverage in various countries continue to evolve. The laws of some foreign countries may not protect the Company's intellectual property rights to the same extent as the laws of Canada and the United States. The Company holds patents only in selected countries. Therefore, third parties may be able to replicate technologies covered by the Company's patents in countries in which it does not have patent protection.

Legal Proceedings

In the course of the Company's business, the Company may from time to time have access to confidential or proprietary information of third parties, and these parties could bring a claim against the Company asserting that it has misappropriated their technologies and had improperly incorporated such technologies into its products. Due to these factors, there remains a constant risk of intellectual property litigation affecting the Company's business. In the future, the Company may be made a party to litigation involving intellectual property matters and such actions, if determined adversely, could have a material adverse effect on the Company.

Dependence upon Management

Although the Company Issuer is expected to have experienced senior management and personnel, it will be substantially dependent upon the services of a few key personnel, particularly Robin Hutchison, Wilfred Jefferies and Reinhard Gabathuler, for the successful operation of its business. The loss of the services of any of these personnel could have a material adverse effect on the business of the Company. The Company may not be able to attract and retain personnel on acceptable terms given the intense competition for such personnel among high technology enterprises, including biotechnology, and healthcare companies, universities and non-profit research institutions. If it loses any of these persons, or is unable to attract and retain qualified personnel, its business, financial condition and results of operations may be materially and adversely affected.

Going Concern

The ability of the Company to continue as a going concern is dependent on its ability to generate future profitable operations and to obtain additional debt or equity financing. There can be no assurance that the Company's operations will achieve profitability in the future or that the the Company will be able to successfully obtain financing on commercially reasonable terms or at all.

Substantial Capital Requirements and Liquidity
Substantial additional funds for the Company's research and development programs will be required. No assurances can be given that the the Company will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, or even cease its operations.

Reliance on Third Parties
The Company is relying on a third party to assist it in conducting both pre-clinical and clinical trials. If this third party does not successfully carry out their contractual duties or meet expected deadlines, the Company may not be able to obtain regulatory approval for or commercialize its technology.

Unproven market
The Company believes that there will be many different applications for its technologies and that the anticipated market for these technologies will continue to expand. However, no assurance can be given that these beliefs will be correct owing, in particular, to competition from existing technologies or new technologies and the yet to be established replication of the Company's pre-clinical results.

Limited Operating History
The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to pay dividends or enjoy earnings in the immediate or foreseeable future.

Conflicts of Interest
Certain of the directors and officers of the Company are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including research and development companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The *Business Corporations Act*, (British Columbia) ("BCBCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Market risk
The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations
In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Other MD&A requirements

Information available on SEDAR
As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website – www.sedar.com.

Disclosure by venture issuer

An analysis of the material components of the Company's general and administrative expenses is disclosed in the financial statements to which this MD&A relates.

Outstanding share data

Common shares issued and outstanding as at August 31, 2015 are described in detail in Note 7 to the condensed consolidated interim financial statements for the nine months ended August 31, 2015 and 2014.

As at the date of this document, October 29, 2015 the Company had the following number of securities outstanding:

	Number of shares	$	Number of options	Exercise price	Expiry date
Issued and outstanding	29,673,417	3,957,656	175,000	$0.10	May 3, 2017
			1,325,000	$0.23	June 19, 2018
			150,000	$0.20	September 24, 2018
			750,000	$0.31	August 4. 2020
			200,000	$0.35	October 18, 2016
			Number of Share purchase warrants		
			5,000,000	$0.30	December 18, 2016