

1. BIOMMUNE TECHNOLOGIES INC.

**Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015**

**(Expressed in Canadian Dollars)
Unaudited – Prepared by management**

Index

**Notice of No Auditor Review of Condensed Consolidated Interim Financial
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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the condensed consolidated interim financial statements for the six months ended May 31, 2016 and May 31, 2015.

bioMmune Technologies Inc.
Condensed Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	<i>Notes</i>	May 31, 2016	November 30, 2015
ASSETS		\$	\$
Current			
Cash and cash equivalents	4	389,326	998,158
Prepaid expenses		108,646	99,264
GST receivable		9,606	22,831
Total current assets		507,578	1,120,253
Non-current assets			
Computer equipment	6	3,372	1,802
Intangible assets	5	913,353	956,253
Total non-current assets		916,725	958,055
Total assets		1,424,303	2,078,308
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		76,938	131,146
Total liabilities		76,938	131,146
SHAREHOLDERS' EQUITY			
Equity attributable to shareholders			
Share capital	7	4,587,141	4,554,941
Reserves		504,553	371,878
Deficit		(3,744,329)	(2,979,657)
Total shareholders' equity		1,347,365	1,947,162
Total liabilities and shareholders' equity		1,424,303	2,078,308

Statement of compliance, basis of preparation of financial statements and going concern (Notes 1 and 2)

Events subsequent to the period (note 14)

Approved on behalf of the Board:

/s/Terry Pearson

/s/Patrick Gray

Director

Director

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

BioMmune Technologies Inc.
Condensed Consolidated Statements of Operation and
Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	<i>Notes</i>	Six months ended		Three months ended	
		May 31,		May 31,	
		2016	2015	2016	2015
		\$	\$	\$	\$
General and administrative expenses					
Accounting and audit fees		298	300	298	300
Administrative and general office		23,333	4,664	8,985	2,144
Amortization		43,724	42,220	21,862	21,204
Bank charges and interest		801	634	400	343
Consulting fees		193,885	170,500	92,750	70,091
Foreign exchange loss		38,968	40,904	12,878	43,108
Insurance		4,084	5,219	2,042	2,653
Investor relations and marketing		13,715	8,760	5,277	1,005
Legal fees		2,378	3,979	1,178	3,979
Research and development		264,478	147,598	164,100	18,545
Share-based payments		132,675	36,528	80,369	1,372
Travel and entertainment		36,724	4,604	17,655	2,646
Transfer agent, listing and filing fees		11,495	12,870	5,998	9,742
		(766,558)	(478,780)	(413,792)	(177,132)
Interest income		1,886	904	774	395
Net loss and comprehensive loss for the period		(764,672)	(477,876)	(413,018)	(177,527)
Loss per share, basic and diluted		(0.02)	(0.02)	(0.01)	(0.01)
Weighted average common shares outstanding - basic and diluted		31,855,618	24,673,417	31,898,417	24,673,417

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

bioMmune Technologies Inc.
Condensed Consolidated Statements of Shareholders' Equity
(Expressed in Canadian Dollars)

	Common Shares			Option Reserve	Deficit	Total Shareholders' Equity
	Number of Shares	Amount \$	Amount \$			
Balance, November 30, 2014	24,673,417	3,033,758	246,653	(1,833,910)	1,446,501	
Share-based payments	-	-	36,528	-	36,528	
Net loss for the period	-	-	-	(477,876)	(477,876)	
Balance, May 31, 2015	24,673,417	3,033,758	283,181	(2,311,786)	1,005,153	
Shares issued on private placement	7,000,000	1,600,000	-	-	1,600,000	
Share issuance costs	-	(78,817)	-	-	(78,817)	
Share-based payments	-	-	88,697	-	88,697	
Net loss for the period	-	-	-	(667,871)	(667,871)	
Balance, November 30, 2015	31,673,417	4,554,941	371,878	(2,979,657)	1,947,162	
Exercise of stock options	175,000	17,500	-	-	17,500	
Exercise of warrants	50,000	15,000	-	-	15,000	
Share issuance costs	-	(300)	-	-	(300)	
Share-based payments	-	-	132,675	-	76,804	
Net loss for the period	-	-	-	(764,672)	(764,672)	
Balance, May 31, 2016	31,898,417	4,587,141	504,553	(3,744,329)	1,347,365	

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

bioMmune Technologies Inc.
Condensed Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the six months ended	May 31, 2016	May 31, 2015
	\$	\$
Cash provided by (used in):		
Operating activities:		
Net loss for the period	(764,672)	(477,876)
Items not involving cash:		
Amortization	43,724	42,220
Share-based payments	132,675	36,528
Changes in non-cash working capital:		
Prepaid expenses	(9,382)	76,380
GST receivable	13,225	11,761
Accounts payable and accrued liabilities	(54,208)	(2,345)
	(638,638)	(313,332)
Investing activities:		
Purchase of computer equipment	(2,394)	(2,058)
	(2,394)	(2,058)
Financing activities:		
Shares issued for cash	31,900	-
Share issuance costs	300	-
	32,200	-
Net change in cash and cash equivalents	(608,832)	(315,390)
Cash and cash equivalents, beginning of period	998,158	394,711
Cash and cash equivalents, end of period	389,326	79,321

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

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

1. Nature of operations

bioMmune Technologies Inc. (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. (“BAT”), a private company (incorporated on July 5, 2012) 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. 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”.

The Company’s head office and registered and records office is 1780 - 400 Burrard Street, Vancouver, BC, Canada, V6C 3A6.

The Company has not generated any revenues and has incurred losses since inception. The Company expects to spend a significant amount of capital to fund research and development and on further laboratory and animal studies. As a result, the Company expects that its operating expenses will increase significantly, and consequently, will require significant revenues to become profitable. Even if the Company does become profitable, it may not be able to sustain or increase profitability on a quarterly or annual basis. The Company cannot predict when, if ever, it will be profitable. There can be no assurances that the intellectual property of the Company, or other technologies it may acquire, will meet applicable regulatory standards, obtain required regulatory approvals, be capable of being produced in commercial quantities at reasonable costs, or be successfully marketed. The Company plans to undertake additional laboratory and animal studies with respect to the intellectual property, and there can be no assurance that the results from such studies or trials will result in a commercially viable product or will not identify unwanted side effects.

These condensed consolidated interim financial statements have been prepared under the assumption of a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at May 31, 2016, the Company has an accumulated deficit of \$3,744,329 (November 30, 2015: \$2,979,657) and a working capital of \$430,640 (November 30, 2015: \$989,107). The Company’s ability to maintain its existence is dependent upon the continuing support of its creditors and its success in obtaining new equity financing for its ongoing operations. Financing options available to the Company include equity financings and loans. Realization values of the Company’s assets may be substantially different from carrying values, as shown in these condensed consolidated interim financial statements, should the Company be unable to continue as a going concern. The differences could be material.

These condensed consolidated interim financial statements of the Company were authorized for issue by the Board of Directors on July 29, 2016.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

2. Statement of compliance, basis of preparation

a) Statement of compliance

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and in accordance with the International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The accounting policies and methods of computation applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company’s annual financial statements as at and for the year ended November 30, 2015.

The condensed consolidated interim financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company’s annual financial statements as at and for the year ended November 30, 2015.

b) Basis of preparation

These condensed consolidated interim financial statements of the Company have been prepared on the accruals basis and are based on historical costs, modified where applicable. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

3. Summary of significant accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies described in Note 3 of the Company’s annual financial statements as at and for the year ended November 30, 2015. Accordingly, these condensed consolidated interim financial statements for the six months ended May 31, 2016 and May 31, 2015 should be read together with the annual financial statements as at, and for the year ended November 30, 2015.

4. Cash and cash equivalents

As at May 31, 2016, the Company had a GIC of \$337,000 convertible into cash, maturing June 7, 2016 with an annual interest rate of 2.00% (November 30, 2015: \$405,000 @ 2.00%). Included in the balance is accrued interest of \$1,225 (November 30, 2015: \$1,413). The amount of \$338,225 is classified as cash equivalents.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

5. Intangible assets

Cost	\$
Balance, November 30, 2014 and 2015	1,172,516
Accumulated Amortization	\$
Balance, November 30, 2014	130,463
Charge for the year	85,800
Balance, November 30, 2015	216,263
Charge for the period	42,900
Balance, May 31, 2016	237,713
Carrying Value	\$
Balance, November 30, 2015	956,253
Balance, May 31, 2016	913,353

Pursuant to the terms of the October 2012 patent assignment agreement with the University of British Columbia (“UBC”), the Company paid UBC an assignment fee of \$300,000 related to three technologies in the cancer protein projects of research. On May 24, 2013, the Company acquired BAT and the difference between the purchase considerations and the fair values of BAT’s net assets has been assigned to intangible assets, the amount of which is \$854,824.

The assets are amortized over their estimated useful lives, using the straight-line method. From the date of acquisition of the above patents, the estimated useful life is 13.7 years.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

6. Computer equipment

Cost	\$
Balance, November 30, 2014 and 2015	4,167
Additions	2,395
Balance, May 31, 2016	6,562
Accumulated Amortization	\$
Balance, November 30, 2014	1,421
Charge for the year	944
Balance, November 30, 2015	2,365
Charge for the period	825
Balance, May 31, 2016	3,190
Carrying Value	\$
Balance, November 30, 2015	1,802
Balance, May 31, 2016	3,372

7. Share capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) Common shares

During the six months ended May 31, 2016, the Company:

- Issued 175,000 common shares at \$0.10 per common share in relation to the exercise of 175,000 options; and
- Issued 50,000 common shares at \$0.30 per common share in relation to the exercise of warrants.

During the year ended November 30, 2015, the Company:

- Completed a non-brokered private placement for 5,000,000 units (each a “Unit”) at a price of \$0.20 per Unit. Each Unit consisted of one common share and one common share

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
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(Expressed in Canadian Dollars – Unaudited)

7. Share capital (Continued)

(b) Common shares (Continued)

purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.30 to 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 per share 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. Gross proceeds of \$1,000,000 less share issuance costs of \$76,102 resulted in net proceeds of \$923,898.

- Completed a non-brokered private placement for 2,000,000 units (each a "Unit") at a price of \$0.30 per Unit. Each Unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.40 to November 18, 2017, 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 per share 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. Gross proceeds of \$600,000 less share issuance costs of \$2,715 resulted in net proceeds of \$597,285.

(c) Escrowed shares

As at May 31, 2016, the Company had no (2015: 2,310,000) common shares held in escrow. 1,155,000 common shares were released from escrow on May 24, 2016.

(d) Stock options

During the year ended November 30, 2012, the Company adopted a stock option plan, which provides that the Board of Directors may from time to time, in its discretion, and all in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for five years from the date of grant.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

7. Share capital (Continued)
(d) Stock options (Continued)

A summary of the Company's outstanding stock options and changes as at May 31, 2016 is as follows:

	Quantity	Weighted Average Exercise Price (\$)
Outstanding, November 30, 2014	1,850,000	0.22
Granted	950,000	0.32
Expired	(200,000)	0.35
Outstanding, November 30, 2015	2,600,000	0.21
Exercised	(175,000)	0.10
Cancelled	(100,000)	0.35
Granted	820,000	0.36
Outstanding, May 31, 2016	3,145,000	0.25
Exercisable, May 31, 2016	1,918,750	0.25

On April 1, 2016, the Company granted 820,000 stock options to officers and directors of the Company. The options are exercisable at a price of \$0.36 per share for a period of five years and will vest quarterly over 12 months, beginning three months after the date of grant. The fair value of the stock options granted was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 0.69%; expected dividend rate of 0%; expected volatility of 71%; and forfeiture rate of 0%. The fair value of the options was calculated at \$171,378. The share-based payment expense recognized during the six months ended May 31, 2016 was \$58,687.

On January 12, 2016, 175,000 stock options were exercised at a price of \$0.10 per share.

On October 16, 2015, the Company granted 200,000 stock options to Investor Relations and consultants of the Company. 100,000 of these stock options were cancelled on January 15, 2016. The fair value of the cancelled options was estimated using the Black Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 0.49%; expected dividend rate of 0%; expected volatility of 64.36%; and expected life of one year. The fair value \$7,360 was recognized as share-based payment expense during the six months ended May 31, 2016. The remaining 100,000 options are exercisable at a price of \$0.35 per share for a period of one year. The stock options will vest quarterly over 12 months. The fair value of the stock options granted was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 0.49%; expected dividend rate of 0%; expected volatility of 64%; and expected life of one year. The fair value of the remaining options was calculated at \$10,500. The share-based payment expense recognized during the six months ended May 31, 2016 was \$8,146.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

7. Share capital (Continued)

(d) Stock options (Continued)

On August 4, 2015, the Company granted 750,000 stock options to officers and directors of the Company. The options are exercisable at a price of \$0.31 per share for a period of five years. 300,000 of the stock options will vest over 12 months, beginning three months after the date of grant, and 450,000 of the stock options will vest over 24 months, beginning three months after the date of grant. The fair value of the stock options granted was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 0.75%; expected dividend rate of 0%; expected volatility of 80%; and forfeiture rate of 0%. The fair value of the options was calculated at \$173,475. \$59,572 was recognized as share-based payment expense during the six months ended May 31, 2016.

The remaining \$3,182 of share-based payment expense recognized during the period ended May 31, 2016 relates to previously granted options.

Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of 0% in determining the expense recorded in the accompanying condensed consolidated interim statements of operations.

The expected volatility used in calculating the fair value of stock options granted is determined based on the historical share price of peer group companies over the estimated lives of the stock options.

The options outstanding at May 31, 2016 are as follows:

Number Outstanding	Weighted Average Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)
1,325,000	0.23	2.05
150,000	0.20	2.32
750,000	0.31	4.18
100,000	0.35	0.38
820,000	0.36	4.83
3,145,000	0.29	3.24

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

7. Share capital (Continued)

- (e) Share purchase warrants

A summary of the Company's outstanding share purchase warrants is as follows:

	Quantity	Weighted Average Exercise Price (\$)
Balance, November 30, 2015	-	-
Issued	7,000,000	0.30
Exercised	(50,000)	0.30
Balance, May 31, 2016	6,950,000	0.30

8. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of any identified business opportunities and to maintain a flexible capital structure for the benefit of its stakeholders.

The Company includes equity, comprised of issued share capital, reserves and deficit in the definition of capital.

The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture arrangements, acquire or dispose of assets, or adjust the amount of cash.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather promotes year over year sustainable growth. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the three months ended May 31, 2016.

9. Related party transactions

The following directors and/or senior officers transacted with the Company in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

9. Related party transactions (Continued)

The following is a summary of related party transactions that occurred during the six months ended May 31, 2016 and May 31, 2015:

Key management compensation:

Services provided by:	2016	2015
	\$	\$
Robin Hutchison (RBH Consulting Inc.) a)	5,885	40,000
Judi Dalling b)	32,500	32,500
Dr. Karoly Nikolich c)	-	7,556
Dr. Patrick Gray (MolaQule Inc.) c)	60,000	-
Jens Biertumpel d)	2,500	-
Dr. Reinhard Gabathuler (Cydweli Consultants Inc.) e)	48,000	40,000
Share-based payments	60,162	33,377
	209,047	97,730

- a) Robin Hutchison, a former director and officer of the Company 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.
- d) Dr. Patrick Gray, CEO, President and Chief Scientific Officer of the Company, provided consulting services to the Company (note 10).
- e) Jens Biertumpel, a director of the Company, provided consulting services to the Company.
- f) Dr. Reinhard Gabathuler, a director and officer of the Company, provided consulting services to the Company (note 10).

Other related party transactions include:

\$11,055 (2015: \$19,122) is included in accounts payable and accrued liabilities for disbursements and consulting fees payable to officers and directors of the Company.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

10. Commitments

Commitments over the next five years are as follows:

	\$
2016	198,917
2017	341,000
2018	341,000
2019	341,000
2020	341,000
2021	142,083
	1,705,000

The Company has entered into consulting agreements as follows:

- (a) Consulting agreement with Cydwell Consultants Inc., a privately held corporation controlled by Dr. Reinhard Gabathuler, VP Business Development, to provide consulting services to the Company for a fee of \$96,000 per year. (See also Note 9 “*Related party transactions*”);
- (b) Consulting agreement with Judi Dalling, CFO of the Company, to provide consulting services to the Company for a fee of \$65,000 per year (See also Note 9 “*Related party transactions*”);
- (c) Consulting agreement with 442668 BC Ltd. to provide consulting services to the Company for a fee of \$60,000 per year; and
- (d) Consulting agreement with MolaQule Inc., a privately held corporation controlled by Dr. Patrick W. Gray, CEO, President and Chief Scientific Officer of the Company, to provide consulting services to the Company for a fee of \$120,000 per year (See also Note 9 “*Related party transactions*”).

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.

11. Financial instruments

- (a) Fair values

Financial instruments recognized at fair value on the condensed consolidated interim 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;

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

11. Financial instruments (Continued)

(a) Fair values (Continued)

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 May 31, 2016 and May 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 with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Liquidity risk

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

At May 31, 2016, the Company had cash and cash equivalents of \$389,326 (November 30, 2015: \$998,158) available to apply against short-term business requirements and current liabilities of \$76,938 (November 30, 2015: \$131,146). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of May 31, 2016.

(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.

bioMmune Technologies Inc.
Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2016 and May 31, 2015
(Expressed in Canadian Dollars – Unaudited)

11. Financial instruments (Continued)

(d) Currency risk (Continued)

As at May 31, 2016 and May 31, 2015, the Company's net exposure to foreign currency risk is as follows:

US dollars	2016	2015
	\$	\$
Cash	10,576	-
Accounts payable	(43,974)	(24,639)
Net exposure to foreign currency risk	(33,398)	(24,639)
Canadian dollar equivalent	(43,621)	(30,702)

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.

12. Research and Development

During the six months ended May 31, 2016, the Company incurred \$264,478 (2015: \$147,598) in research and development expenditures. In fiscal 2015, the Company entered into three collaborative research agreements ("Research Agreements") with UBC to sponsor research work on three projects. The Company has paid \$100,000 under each Research Agreement to fund research activities and related administrative costs. Total payments made to UBC for the six months ended May 31, 2016 were \$150,000 (2015: \$nil). As at May 31, 2016, \$101,173 is included in prepaid expenses (2015: \$nil), representing the unused portion of funds paid.

13. Segmented information

The Company has one operating segment, biotechnology research and development, and all assets of the Company are located in Canada.

14. Events subsequent to the period

- a) On April 1, 2016, the Company granted 820,000 stock options to directors and officers of the Company. The stock options are exercisable at a price of \$0.36 per share for a period of five years and are subject to vesting.
- b) On June 30, 2016, 150,000 stock options exercisable at a price of \$0.23 per share expired, unexercised.