

BIOVAXYS

BioVaxys Technology Corp.

**Condensed Consolidated Interim Financial Statements
For the Three and Six Months Ended April 30, 2024**

(Expressed in Canadian dollars)

(Unaudited)

NOTICE OF NO AUDIT OR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of BioVaxys Technology Corp. (the "Company") have been prepared by and are the responsibility of management. These condensed interim financial statements for the three and six months ended April 30, 2024, have not been reviewed or audited by the Company's independent auditors.

BioVaxys Technology Corp.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

As at	April 30, 2024	October 31, 2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 159,740	\$ 977
Goods and services tax receivable	139,301	87,525
Prepaid expenses	83,590	24,976
Total current assets	\$ 382,631	\$ 113,478
NON-CURRENT ASSETS		
Intellectual property (note 4)	1,383,619	-
TOTAL ASSETS	\$ 1,766,250	\$ 113,478
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	\$ 1,542,335	\$ 2,556,638
Accrued liabilities	127,035	72,015
Promissory note payable (note 6)	64,963	99,237
Due to related parties (note 8)	1,057,033	757,649
TOTAL LIABILITIES	2,791,366	3,485,539
SHAREHOLDERS' EQUITY (DEFICIT)		
Share capital (note 9)	24,144,240	21,992,835
Obligation to issue securities (note 9)	182,390	-
Reserves (note 9)	1,973,379	1,939,147
Accumulated other comprehensive income	(5,185)	(8,440)
Deficit	(27,319,940)	(27,295,603)
TOTAL SHAREHOLDERS' EQUITY	(1,025,116)	(3,372,061)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	\$ 1,766,250	\$ 113,478

Going concern (note 1)

Subsequent events (note 12)

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on July 10, 2024. They are signed on the Company's behalf by:

/s/ James Passin

Director & Chief Executive Officer

/s/ Anthony Dutton

Director

BioVaxys Technology Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended April 30, 2024	Three months ended April 30, 2023	Six months ended April 30, 2024	Six months ended April 30, 2023
OPERATING EXPENSES				
Advertising and promotion	\$ 45,320	\$ 13,677	\$ 53,539	\$ 13,677
General and administrative	27,428	29,955	46,998	99,619
Investor relations	33,707	235,677	42,389	444,377
Management and consulting fees (note 8)	226,953	300,473	408,576	673,067
Professional fees (note 8)	174,662	122,010	284,057	191,287
Research and development (note 7)	-	13,333	-	133,108
Share-based payments (notes 8)	11,777	46,534	34,232	111,442
Transfer agent, regulatory and listing fees	19,342	15,729	37,887	25,568
Travel and accommodation	-	5,412	2,215	5,723
	(538,189)	(782,800)	(909,893)	(1,697,868)
OTHER INCOME (LOSS)				
Gain on write-off of accounts payable	-	171,195	880,386	171,195
Impairment of intangible assets (note 4)	-	(947,464)	-	(947,464)
Foreign exchange gain (loss)	(3,197)	66,694	5,170	27,096
Accretion income (note 5)	-	3,197	-	6,247
Loss on settlement of debt (note 9)	-	-	-	(4,429)
Total other income (expenses)	(3,197)	(706,378)	885,556	(747,355)
NET LOSS FOR THE PERIOD	(542,386)	(1,489,178)	(24,337)	(2,445,223)
Other comprehensive loss				
Foreign currency translation adjustment	(8,676)	6,539	3,255	(804)
COMPREHENSIVE LOSS	\$ (551,062)	\$ (1,482,639)	\$ (21,082)	\$ (2,446,027)
Basic and diluted loss per share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.02)
Weighted average number of common shares outstanding	208,246,439	130,492,593	147,252,752	122,126,803

BioVaxys Technology Corp.
Condensed Consolidated Interim Statements of Shareholders' Equity
For the six months ended April 30, 2024 and 2023
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)

	Number of Shares	Share Capital	Contingent Consideration	Obligation to Issue Securities	Reserves	AOCI	Deficit	Total Shareholders' Equity
Balance, October 31, 2022	108,812,635	\$ 17,051,994	\$ -	\$ -	\$ 1,781,146	\$ 1,614	\$ (19,608,286)	\$ (773,532)
Shares issued in private placement (note 9 (b))	9,350,000	1,092,500	-	-	-	-	-	1,092,500
Share issuance costs	-	(25,400)	-	-	-	-	-	(25,400)
Finders warrants issued	-	(7,371)	-	-	7,371	-	-	-
Shares issued for service (note 9 (b))	3,174,422	40,000	-	-	-	-	-	40,000
Shares issued on settlement of debt	750,000	120,000	-	-	-	-	-	120,000
Acquisition of TAET Software Corp.	24,500,000	2,082,856	180,625	-	-	-	-	2,263,481
Exercise of warrants	1,427,000	513,500	-	-	-	-	-	513,500
Share-based payments (note 9 (c))	-	-	-	-	111,442	-	-	111,442
Foreign currency translation adjustment	-	-	-	-	-	804	-	804
Net loss for the period	-	-	-	-	-	-	(2,445,223)	(2,445,223)
Balance, April 30, 2023	148,014,057	\$ 20,868,079	\$ 180,625	\$ -	\$ 1,899,959	\$ 2,418	\$ (22,053,509)	\$ 897,572
Balance, October 31, 2023	145,111,821	\$ 21,992,835	\$ -	\$ -	\$ 1,939,147	\$ (8,440)	\$ (27,295,603)	\$ (3,372,061)
Shares issued in private placement (note 9 (b))	53,499,973	1,604,999	-	182,390	-	-	-	1,787,389
Share issuance costs (note 9 (b))	-	(103,349)	-	-	-	-	-	(103,349)
Shares issued on settlement of debt (note 9 (b))	7,166,666	322,500	-	-	-	-	-	322,500
Shares issued for acquisition of IMV asset (note 4, 9 (b))	5,034,701	327,255	-	-	-	-	-	327,255
Share-based payments (note 9 (c))	-	-	-	-	34,232	-	-	34,232
Foreign currency translation adjustment	-	-	-	-	-	3,255	-	3,255
Net loss for the period	-	-	-	-	-	-	(24,337)	(24,337)
Balance, April 30, 2024	210,813,161	\$ 24,144,240	\$ -	\$ 182,390	\$ 1,973,379	\$ (5,185)	\$ (27,319,940)	\$ (1,025,116)

BioVaxys Technology Corp.
Condensed Consolidated Interim Statements of Cash Flows
For the six months ended April 30, 2024 and 2023

(Expressed in Canadian dollars, unless otherwise noted)

(Unaudited)

For the six months ended	April 30, 2024	April 30, 2023
OPERATING ACTIVITIES		
Net loss for the period	\$ (24,337)	\$ (2,445,223)
Non-cash items		
Share-based payments	34,232	111,442
Shares issued for services	-	40,000
(Gain) loss on settlement of debt	(880,386)	4,429
Impairment of intangible asset	-	947,464
Foreign exchange gain – financial assets	(846)	(28,886)
Accretion income	-	(6,247)
Net changes in non-cash working capital items		
Goods and Services Tax receivable	(51,776)	(27,038)
Prepaid expenses	(58,736)	(522,672)
Accounts payable and accrued liabilities	247,915	740,904
Due to related parties	299,384	156,742
Cash used in operating activities	(434,550)	(1,029,085)
INVESTING ACTIVITIES		
Investment in technology	(1,056,363)	-
Cash used in investing activities	(1,056,363)	-
FINANCING ACTIVITIES		
Proceeds from shares issued in private placement, net	1,684,040	917,100
Repayment of promissory note payable	(33,429)	
Cash provided by financing activities	1,650,611	917,100
Effect of foreign exchange rate change on cash	(934)	(1,435)
Net change in cash	158,763	(113,420)
Cash, beginning of the period	977	141,898
Cash, end of the period	\$ 159,740	\$ 28,478

Supplemental disclosure of non-cash activity

Shares issued on settlement of debt	\$ 322,500	\$ 120,000
Shares issued to acquire intellectual property (IP)	\$ 327,255	\$ 2,082,856
Shares issued on exercise of warrants to settle debt	\$ -	\$ 513,500
Shares issued in private placements to settle debt	\$ -	\$ 150,000
Shares issued for services rendered	\$ -	\$ 40,000
Commitment to issue shares to acquire IP	\$ -	\$ 180,625

1. NATURE AND CONTINUANCE OF OPERATIONS

BioVaxys Technology Corp. (the "Company") was incorporated on April 25, 2018, pursuant to the provisions of the *Business Corporations Act* of British Columbia. The registered and records office is located at 25th Floor, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8, the Company's head office is located at 146 Thirtieth St., Suite 100, Etobicoke, Ontario, M8W 3D4.

BioVaxys Technology Corp. is a clinical stage biotechnology company developing viral and oncology vaccine platforms and immuno-diagnostics. The Company's shares are traded on the Canadian Securities Exchange under the symbol "BIOV" and on the OTCQB under the symbol "BVAXF."

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. As of April 30, 2024, the Company had a working capital deficit of \$2,408,735 and an accumulated deficit of \$27,295,603. The Company has not generated cash inflows from operations. The Company's ability to continue as a going concern and realize the carrying value of its assets is dependent on its ability to raise capital through equity and debt financing, the outcome of which cannot be predicted at this time.

These matters indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34 *Interim Financial Reporting*. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those of the previous financial year. The condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements for the years ended October 31, 2023, and 2022, which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

These condensed consolidated interim financial statements were approved and authorized by the Board of Directors on July 10, 2024.

(b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for the cash flow information. These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual consolidated financial statements for the years ended October 31, 2023 and 2022.

2. BASIS OF PREPARATION (continued)

(c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary. The financial statements of the subsidiary are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All intercompany transactions, balances, income and expenses are eliminated in full upon consolidation.

The legal subsidiary of the Company is as follows:

Name of Subsidiary	Place of Incorporation	Functional Currency	Ownership Interest	
			April 30, 2024	October 31, 2023
BioVaxys Inc.	USA	US dollar	100%	100%

(d) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. The functional currency of the Company's subsidiary is noted above, and the financial statement balances and transactions of the subsidiary are measured using that functional currency.

(e) Significant accounting estimates and judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These condensed consolidated interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements:

- (i) Management is required to assess the functional currency of the Company. In concluding that the Canadian dollar is the functional currency of the Company, management considered the currency that mainly influences the operating expenditures in the jurisdiction in which the Company operates.
- (ii) The Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.
- (iii) The determination of whether a set of assets acquired, and liabilities assumed in an acquisition constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits. The acquisition of BioVaxys was determined to constitute an asset acquisition.

2. BASIS OF PREPARATION (continued)

(e) Significant accounting estimates and judgments (continued)

- (iv) Impairment of intangible assets or cash-generating units (“CGU”) are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company’s intangible assets.
- (v) Agreements entered into for the acquisition of assets may involve contingent consideration. The estimates involved in assessing the value of the contingent consideration include the expected timing of payments, the expected settlement value, the likelihood of settlement and the probability of the assessed outcomes occurring.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the current and next fiscal financial years:

- (i) Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the consolidated statement of financial position could be impacted.
- (ii) The measurement of share-based payments is determined using the Black Scholes Option Pricing Model. This option pricing model requires the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

3. MATERIAL ACCOUNTING POLICY INFORMATION

These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s annual consolidated financial statements for the fiscal year ended October 31, 2023, unless noted below, and should be read in conjunction with those annual consolidated financial statements and notes thereto.

4. INTELLECTUAL PROPERTY

During the six months ended April 30, 2024

On February 11, 2024, the Company signed a definitive asset purchase agreement (the “Asset Purchase Agreement”) for the acquisition of a technology portfolio from HIMV LLC (“HIMV”). This acquisition did not constitute a business combination as the Company did not acquire any processes. The transaction met the definition of an acquisition of intangible assets under IAS 38. Pursuant to the agreement, the Company has agreed to the following consideration:

- USD\$750,000 plus the Reimbursable Maintenance Costs (“Cash Consideration”), payable immediately. This was paid on February 20, 2024.
- Shares of the Company’s common stock with a deemed value of USD\$250,000, calculated at a price per share equal to the volume-weighted average price of the common shares during the 20-trading day period immediately prior to closing. On February 16, 2024, the Company issued 5,034,701 common shares of the Company with a fair value of \$327,255 (note 9).
- Milestone Earn-Out Payments totaling \$1,775,000 based on the completion of specific clinical studies and the receipt of market approval in certain jurisdictions.
- Sale Earn-Out Payments, equal to 6% gross sales royalty on product sales.
- Licencing Earn-Out Payments, equal to 15% share in licence revenues.

BioVaxys Technology Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended April 30, 2024 and 2023
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)

4. INTELLECTUAL PROPERTY (continued)

During the six months ended April 30, 2023

On March 13, 2023, the Company acquired TAETSoftware Corp (“TAETCo”). TAETCo is a Vancouver-based clinical studies management company engaged in the development and commercialization of the Trial Adverse Events Tracker technology platform, a proprietary software application which will enable clinical study subjects to record and submit clinical trial Adverse Drug Events reports to study sponsors in real time. In exchange for all of the issued and outstanding shares of TAETCo, the Company issued the TAETCo shareholders 24,500,000 common shares, with an additional 2,500,000 common shares payable upon successful testing of the beta version of the application.

This acquisition did not constitute a business combination as TAETCo did not qualify as a business under IFRS 3 - Business Combinations. As such, this transaction has been accounted for as an acquisition of an asset, being the intellectual property of TAETCo.

The Bonus Shares have been classified as equity under IAS 32.16 as this contingent consideration arrangement would result in the issuance of a fixed number of shares if the target is met. This asset acquisition has therefore been measured as the fair value of the Consideration Shares issued for the transaction based on the closing market price of the Company’s publicly traded shares on the date of the agreement, plus the fair value of the contingent consideration, less the net assets of TAETCo as at the purchase date, as follows:

Fair Value of Acquisition of Intellectual Property

	Amount	Amount
	\$	\$
Value of Consideration		
Consideration shares: 24,500,000 common shares		2,082,500
Bonus shares: 2,500,000 common shares with 85% probability of target being met		180,625
Total Value of Consideration		2,263,125
Less: Net Assets (Liabilities) Acquired		
Bank overdraft	(5)	
Due to related parties	(351)	
Net assets (liabilities)	(356)	356
Value of assets acquired		2,263,481

Subsequent to April 30, 2023, the Company sold this intellectual property for consideration with estimated fair value of \$1,316,017. The sale price was used to estimate recoverable amount of the technology at the end of period. The value of the intellectual property has been written down to its recoverable amount, with a \$947,464 impairment expense recognized in the statement of loss and comprehensive loss.

BioVaxys Technology Corp.
Notes to the Condensed Consolidated Interim Financial Statements
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5. LOAN RECEIVABLE

	April 30, 2024	October 31, 2023
Balance, beginning of the period	\$ -	\$ 317,745
Accretion income	-	24,848
Foreign exchange loss	-	3,326
Derecognition of Loans Receivable	-	(345,919)
Balance, end of the period	-	-
Loans receivable, current portion	-	-
Loans receivable	\$ -	\$ -

On April 28, 2021, the Company entered into a binding term sheet (“MSA”) with Bio Elpida SAS (“B-E”), a vendor located in France, for the clinical grade bioproduction and aseptic packaging for its vaccine candidate for ovarian cancer. On June 21, 2021, the Company and the vendor signed a loan agreement, whereby the Company advanced \$369,700 (€250,000) to the vendor to finance the construction of the new specific GMP suite.

The loan could be repaid in whole or in part before September 30, 2025, and bore no interest. Repayment was to be made in four installments of \$83,945 (€62,500) each on the date of September 30 from 2022 to 2025, through offsetting with the future billings from this vendor.

The loan receivable was accounted for using the amortized cost method, discounted at an effective interest rate of 5.25% estimated for the vendor. During the three and six months ended April 30, 2024, accretion income of \$nil and \$nil (2023 - \$3,197 and \$6,247), respectively, was recorded in the consolidated statements of loss and comprehensive loss.

During the year ended October 31, 2023, the Company agreed to offset the Loan Receivable from B-E against the Accounts Payable balance with this vendor, and the loan receivable was derecognized accordingly. See note 6.

6. PROMISSORY NOTE PAYABLE

On October 2, 2023, the Company entered a Set Off and Satisfaction Agreement with B-E, pursuant to which the parties agreed to offset the Company’s Loan Receivable against the amounts payable to B-E. Pursuant to this agreement, the Company has offset the €317,545 payable to the vendor against the €250,000 loan receivable (note 5). A promissory note was issued for the remaining €67,545 payable by the Company to the vendor.

Pursuant to the Set Off and Satisfaction Agreement, the €67,545 was repayable in 6 monthly instalments of €11,257, beginning on September 30, 2023. As there was a delay in finalizing the agreement, the parties agreed to delay the first payment to February 26, 2024. On February 26, 2024, the Company paid €22,515 to B-E in partial settlement of the promissory note. No further payments have been made as at April 30, 2024.

As at April 30, 2024, there was an outstanding balance of \$64,963 on the promissory note payable (October 31, 2023 - \$99,237).

BioVaxys Technology Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the Three and Six Months Ended April 30, 2024 and 2023
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(Unaudited)

7. RESEARCH AND DEVELOPMENT

During the six months ended April 30, 2024 and 2023, the Company incurred the following research and development expenses:

For the six months ended	April 30, 2024	April 30, 2023
Consulting		
GMP manufacturing process development	\$ -	\$ 45,776
Sarbecovirus vaccine evaluation	-	21,357
Ovarian cancer vaccine research	-	52,642
Conference cost	-	13,333
	\$ -	\$ 133,108

The Company plans to finance its research and development activities through raising equity or debt capital financing. Through continued development of its product offering, the Company expects to earn revenues. These revenues will be used to eventually fund operating expenses.

Hapten-based Cancer Vaccines Development

Thomas Jefferson University License

The Company entered into an exclusive license agreement dated April 25, 2018 with TJU for four US patents (“TJU License”) related to a haptenized cancer vaccine using a single hapten vaccine technology (“Licensed Technology”). Pursuant to the agreement, BioVaxys was granted the exclusive right to use the TJU License to develop, make and sell products worldwide for the term from the agreement date to five years after the expiry of all patents on the Licensed Technology.

Under the agreement, the Company is also required to pay to TJU the following payments when achieving the corresponding milestones (“Milestone Payment”):

- US\$25,000 following enrollment of the first patient in a phase 3 clinical trial (or foreign equivalent if outside the US) for a product utilizing the Licensed Technology;
- US\$25,000 following US Food and Drug Administration allowance for a product utilizing the Licensed Technology; and
- US\$100,000 once the Company reaches US\$5,000,000 in net sales of a product utilizing the Licensed Technology.

In addition, the Company is required to pay to TJU a running royalty (“Royalty Payment”) based on 2% of net sales of products under the TJU License and 0.25% of net sales of such products during the period after the expiry of the patent.

Among the four patents under the TJU License, three have expired previously, with the remaining one to expire in 2026. As at April 30, 2024, the Company has not been required to make any payments towards either Milestone Payment or Royalty Payment.

BioVaxys Technology Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the Three and Six Months Ended April 30, 2024 and 2023
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(Unaudited)

8. RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management consists of the officers and directors who are responsible for planning, directing and controlling the activities of the Company. The following expenses were incurred by the Company's key management:

	Three months ended		Six months ended	
	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
	\$	\$	\$	\$
Management, consulting and director fees	178,291	156,498	321,814	329,496
Share issuance costs	5,000	-	10,000	-
Share-based payments	4,717	20,880	16,478	54,207
	188,008	177,378	348,292	383,703

- (i) During the three and six months ended April 30, 2024, the Company recognized \$56,500 and \$88,000 (2023 - \$31,500 and \$63,000) in management and directors' fees and \$nil and \$2,302 (2023 - \$2,710 and \$9,227) in share-based payments for services provided by the Chief Executive Officer ("CEO") of the Company. As of April 30, 2024, due to related parties balance included \$277,186 (October 31, 2023 - \$165,121) owing to the CEO. On January 29, 2024, the Company issued 2,500,000 common shares to the CEO to settle amounts owing to them (note 9 (b)).
- (ii) During the three and six months ended April 30, 2024, the Company recognized \$65,166 and \$125,664 (2023 - \$60,498 and \$120,996) in management fees and \$nil and \$2,302 (2023 - \$2,710 and \$9,227) in share-based payments for services provided by the Chief Operating Officer ("COO") and President of the Company. As of April 30, 2024, due to related parties balance included \$422,110 (October 31, 2023 - \$321,354) owing to the COO. On January 29, 2024, the Company issued 633,333 common shares to the COO to settle amounts owing to them (note 9 (b)).
- (iii) During the three and six months ended April 30, 2024, the Company expensed \$35,000 and \$65,000 (2023 - \$30,000 and \$60,000) in management fees and \$nil and \$2,302 (2023 - \$2,710 and \$9,227) in share-based payments for services provided by the Chief Medical Officer ("CMO") of the Company. As of April 30, 2024, due to related parties balance included \$195,000 (October 31, 2023 - \$130,000) owing to the CMO.
- (iv) During the three and six months ended April 30, 2024, the Company expensed \$1,500 and \$3,000 (2023 - \$12,000 and \$30,000) in management fees, \$1,754 and \$3,547 (2023 - \$5,809 and \$11,618) in share-based payments for services provided by a director of the Company, and \$5,000 and \$10,000 in share issuance costs (2023 - \$nil and \$nil) for services provided by a company controlled by this individual. As of April 30, 2024, due to related parties balance included \$32,600 (October 31, 2023 - \$28,700) owing to this director and the company controlled by them. This director was Chief Financial Officer ("CFO") of the Company until April 6, 2023.
- (v) During the three and six months ended April 30, 2024, the Company expensed \$1,500 and \$2,900 (2023 - \$1,500 and \$3,000) in directors' fees, \$2,963 and \$6,025 (2023 - \$6,399 and \$13,063) in share-based payments for services provided by a director of the Company, and \$18,625 and \$37,250 (2023 - \$nil and \$nil) in consulting fees for services provided by a company controlled by this director. As of April 30, 2024, due to related parties balance included \$130,125 (October 31, 2023 - \$89,975) owing to this director and the company controlled by this director.

BioVaxys Technology Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the Three and Six Months Ended April 30, 2024 and 2023
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)

8. RELATED PARTY TRANSACTIONS (continued)

(vi) During the three and six months ended April 30, 2024, the Company expensed \$nil and \$nil (2023 - \$21,000 and \$52,500) in management and directors' fees and \$nil and \$nil (2023 - \$542 and \$1,845) in share-based payments for services provided by a former director of the Company. As of April 30, 2024, due to related parties balance included \$22,500 (October 31, 2023 - \$22,500) owing to the former director.

As at April 30, 2024, the Company was indebted to the related parties for a total of \$1,057,021 (October 31, 2023 - \$757,649) for management and consulting fees, professional fees, share issuance costs and reimbursable expenses. The amounts are non-interest-bearing and have no terms of repayment.

9. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value are authorized for issue.

(b) Issued

As of April 30, 2024, the Company had 210,813,161 (October 31, 2023 – 145,111,821) shares outstanding.

Share capital activities for the six months ended April 30, 2024:

- (i) On January 29, 2024, the Company issued 7,166,666 common shares with a fair value of \$322,500 to settle amounts payable of \$215,000 to various vendors. Of these common shares issued, 2,500,000 and 633,333 common shares were issued to the CEO and COO of the Company, respectively, to settle amounts owing to them. The Company recognized a \$107,500 loss on settlement of debt.
- (ii) On January 31, 2024, the Company issued 36,783,334 units at a price of \$0.03 per unit for total gross proceeds of \$1,103,500, pursuant to closing the first tranche of a non-brokered private placement. Each unit consists of one common share and one whole common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.05 for a period of two years from the closing date. The Company recognized share issuance costs of \$68,133 in relation to this share issuance.
- (iii) On February 9, 2024, the Company issued 16,716,639 at a price of \$0.03 per unit for total gross proceeds of \$501,500, pursuant to closing the final tranche of a non-brokered private placement. Each unit consists of one common share and one whole common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.05 for a period of two years from the closing date. The Company recognized share issuance costs of \$35,216 in relation to this share issuance.
- (iv) On February 16, 2024, the Company issued 5,034,701 common shares with a fair value of \$327,255 pursuant to the Asset Purchase Agreement (note 4).
- (v) The Company received \$159,724 in advance of a private placement that closed on May 3, 2024, which involved the issuance of 5,126,574 units for total proceeds of \$333,227. Each unit consists of one common share and one whole common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.15 for a period of two years from the closing date.

Share capital activities for the six months ended April 30, 2023:

- (i) On November 8, 2022, the Company issued 750,000 common shares with a fair value of \$120,000 to settle amounts payable of \$150,000 to a vendor pursuant to a debt settlement agreement. The Company recognized a \$30,000 gain on settlement of debt.

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9. SHARE CAPITAL (continued)

(b) Issued (continued)

- (ii) On November 8, 2022, and February 8, 2023, the Company issued 49,382 and 222,804 common shares, respectively, pursuant to a consulting agreement with a director of the Company. The shares were issued in exchange for management services from October 2022 to January 2023 valued at \$40,000.
- (iii) On November 9, 2022, the Company issued 1,550,000 units for proceeds of \$155,000 pursuant to a private placement. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.20 per share for two years from the closing date. The Company has applied the residual method in valuing the shares and the share purchase warrants included in the units, therefore, these warrants have been recorded at \$nil value. The Company incurred total finder's fees of \$18,400.
- (iv) On November 9, 2022, the Company issued 1,500,000 under the same terms of the private placement financing on the same date and issued 1,427,000 common shares with exercise prices of \$513,500. In lieu of receiving cash for these share issuances, debt in the amount of \$629,071 was settled and a loss on the settlement of \$34,429 was recognized.
- (v) On November 28, 2022, the Company issued 940,000 units for proceeds of \$117,500 pursuant to a private placement. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.20 per share for two years from the closing date. The Company has applied the residual method in valuing the shares and the share purchase warrants included in the units, therefore, these warrants have been recorded at \$nil value.

The Company incurred total finder's fees of \$7,000 and issued 56,000 finders warrants with a fair value of \$7,371 in relation to this private placement. Each finder's warrant is exercisable at \$0.20 per share for three years from the closing date. The fair value of the finders' warrants was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 3-year expected life; share price at grant date of \$0.165; 149.73% volatility; risk-free interest rate of 3.91%; and a dividend yield of 0%.

- (vi) The Company issued 5,360,000 common shares for proceeds of \$670,000 pursuant to a non-brokered private placement.
- (vii) The Company issued 2,902,236 common shares to a vendor in consideration for past services rendered by the Company. These common shares were deemed to have a value of \$nil as both parties agreed to terminate the engagement of the vendor and shares were cancelled subsequent to the period end.
- (viii) Pursuant to the Share Purchase Agreement, the Company issued 24,500,000 shares with a fair value of \$2,082,856 to the shareholders of TAETCo. Additionally, the Company recognized a contingent consideration, which was fair valued at \$180,625.

(c) Stock options

The Company has a stock option plan (the "Plan") that permits the grant of share purchase options of up to 10% of the issued and outstanding common shares of the Company to directors, officers, key employees and consultants. Terms and pricing of options are determined at the date of grant in accordance with the Plan. Stock option transactions and the number of stock options outstanding are summarized below:

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9. SHARE CAPITAL (continued)

(c) Stock options (continued)

	Number of Options	Weighted Average Exercise Price (\$)
Balance, October 31, 2021	5,234,864	0.41
Granted	5,355,000	0.22
Forfeited	(200,000)	0.35
Expired	(84,864)	0.01
Cancelled	(350,000)	0.47
Balance, October 31, 2022, October 31, 2023, and April 30, 2024	9,955,000	0.32

No stock options were granted during the six months ended April 30, 2024 or 2023.

During the three and six months ended April 30, 2024, the Company recognized share-based payments of \$11,777 and \$34,232 (2023 - \$64,908 and \$111,442) in equity reserves, which pertains to the options granted to directors, officers and advisors of the Company in a prior fiscal year.

Additional information regarding stock options outstanding as at April 30, 2024 is as follows:

Expiry Date	Exercise Price (\$)	Number of Options Issued	Number of Options Exercisable
September 3, 2025	0.28	100,000	100,000
October 20, 2025	0.45	2,850,000	2,850,000
December 31, 2025	0.25	2,155,000	2,155,000
February 12, 2026	0.57	750,000	750,000
April 29, 2026	0.20	750,000	750,000
September 3, 2026	0.25	1,000,000	1,000,000
August 4, 2026	0.20	850,000	566,667
October 4, 2027	0.20	1,500,000	1,000,000
		9,955,000	9,171,667

As of April 30 2024, the weighted average remaining life for outstanding stock options was 2.03 years.

(d) Share purchase warrants

Share purchase warrants transactions and the number of share purchase warrants outstanding are summarized below:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, October 31, 2022	28,213,574	0.43
Granted	3,990,000	0.20
Exercised	(1,427,000)	0.36
Expired	(10,178,627)	0.50
Balance, October 31, 2023	20,597,947	0.35
Granted	53,499,973	0.05
Expired	(8,934,614)	0.50
Balance, April 30, 2024	65,163,306	0.08

During the six months ended April 30, 2024, 8,934,614 warrants with an exercise price of \$0.50 expired without being exercised.

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9. SHARE CAPITAL (continued)

(d) Share purchase warrants (continued)

Additional information regarding share purchase warrants outstanding as at April 30, 2024 is as follows:

Expiry Date	Exercise Price (\$)	Number of Warrants Issued and Exercisable
February 10, 2025	0.30	1,680,000
February 25, 2025	0.30	2,643,333
August 25, 2024	0.20	2,000,000
September 19, 2024	0.20	1,350,000
November 10, 2024	0.20	3,050,000
November 28, 2024	0.20	940,000
January 31, 2026	0.05	36,783,334
February 9, 2026	0.05	16,716,639
		65,163,306

(e) Brokers' warrants

Brokers' warrants transactions and the number of brokers' warrants outstanding are summarized below:

	Number of Brokers' Warrants	Weighted Average Exercise Price (\$)
Balance, October 31, 2022	-	-
Granted	56,000	0.20
Balance, October 31, 2023 and April 30, 2024	56,000	0.20

Additional information regarding brokers' warrants outstanding as at April 30, 2024, is as follows:

Expiry Date	Exercise Price (\$)	Number of Warrants Issued and Exercisable
November 28, 2025	0.20	56,000
		56,000

(f) Escrow shares

As at April 30, 2024, nil (October 31, 2023 – nil) shares were subject to escrow conditions.

(g) Reserves

The reserve records items recognized as share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

10. FINANCIAL INSTRUMENTS

Fair Value

As at April 30, 2024, the Company's financial instruments consist of cash, investments, promissory note, accounts payable and due to related parties. The fair values of these financial instruments approximate their carrying values due to their current nature.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization

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10. FINANCIAL INSTRUMENTS (continued)

within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable market data.

Fair value measurement hierarchy for financial instruments as at April 30, 2024:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		\$	\$	\$	\$
Assets measured at fair value:					
Investments (note 5)	October 31, 2023	-	-	-	-
Cash		159,740	159,740	-	-

The fair values of the investments being \$Nil have been estimated using Adjusted Net Asset and Market valuation approaches (Level 2). The valuation requires management to make certain assumptions about the net assets of XGC, marketability of XGC shares.

The Company is exposed in different degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

The Company is exposed to currency fluctuations. From time to time, the Company has US dollar balances in cash and accounts payable and euro dollar balance in loan receivable and is therefore exposed to gains or losses on foreign exchange. A significant change in the currency exchange rate between the Canadian dollar relative to the US dollar or euro dollar could have an effect on the Company's profit or loss, financial position and/or cash flows. The Company has not hedged its exposure to currency fluctuations during the six months ended April 30, 2024.

As at April 30, 2024, the Company had a net foreign currency cash balance of US\$8,224 and accounts payable and accrued liabilities of US\$453,170. A 10% change in the Canadian dollar versus the US dollar would give rise to a gain/loss of approximately \$61,000, based on the Company's current net exposure. Additionally, the Company had a promissory note of €45,030. A 10% change in the Canadian dollar versus the euro would give rise to a gain or loss of approximately \$6,000, based on the Company's net exposure. In practice, the actual results may differ from this sensitivity analysis, and the difference may be material. Management considers foreign exchange to be a moderate risk.

10. FINANCIAL INSTRUMENTS (continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing this instrument with institutions of high credit worthiness. The Company does not have significant exposure to credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As at April 30, 2024, the Company is not exposed to significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date.

As of April 30, 2024, the Company had cash of \$159,740 (October 31, 2023 - \$977), accounts payable of \$1,542,335 (October 31, 2023 - \$2,655,875), accrued liabilities of \$127,035 (October 31, 2023 - \$72,015), promissory note payable of \$64,963 (October 31, 2023 - \$Nil) and due to related parties of \$1,057,033 (October 31, 2023 - \$757,649). The Company's accounts payable and accrued liabilities are due within 90 days. Amounts due to related parties are due on demand. The Company addresses its liquidity through debt and equity financing obtained through the sale of common shares and the exercise of warrants and options. There is no assurance that it will be able to do so in the future. Liquidity risk is assessed as high.

11. CAPITAL MANAGEMENT

The Company includes equity in its definition of capital. The Company's objectives are to preserve its ability to continue its operation to ensure its sustainability and to provide an adequate return to its shareholders, and to ensure sufficient equity financing in a way that maximizes the shareholders' return given the assumed risks of its activities. The Company may issue new shares following approval by the Board of Directors.

The Company's objectives in terms of capital management have not changed during the six months ended April 30, 2024.

The Company is not subject to any external capital requirements as at April 30, 2024 beyond those imposed by the Canadian Securities Exchange.

12. SUBSEQUENT EVENTS

On May 3, 2024, the Company issued 5,126,574 units at a price of \$0.065 per unit for total gross proceeds of \$333,227, pursuant to closing the first tranche of a non-brokered private placement. Each unit consists of one common share and one whole common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.15 for a period of two years from the closing date. In connection with the closing of this tranche, the Company issued 60,000 finder's warrants. Each finder's warrant is convertible into an additional share at an exercise price of \$0.15 until May 3, 2026.

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12. SUBSEQUENT EVENTS (continued)

On May 10, 2024, the Company issued 4,301,923 units at a price of \$0.065 per unit for total gross proceeds of \$279,625, pursuant to closing the second tranche of a non-brokered private placement. Each unit consists of one common share and one whole common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.15 for a period of two years from the closing date. As at the date of these condensed consolidated interim financial statements, the Company has not yet received \$200,000 in relation to the issuance of 3,076,923 units from this private placement.