

Immunotherapy approaches to breast cancer management

BriaCell Therapeutics Corp

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BriaCell Therapeutics Corp.

(formerly Ansell Capital Corp)

Management's Discussion and Analysis
For the Three Months Ended October 31, 2015

1. MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis is management's assessment of the results and financial condition of BriaCell Therapeutics Corp. (formerly Ansell Capital Corp.) (collectively, BriaCell" , "we" or the "Company") and it should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended October 31, 2015 and the audited consolidated financial statements for the year ended July 31, 2015, and the period from inception (April 3, 2014) to July 31, 2014 and the notes thereto. The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are in Canadian dollars, unless otherwise noted. The date of this management's discussion and analysis ("MD&A") is December 22, 2015. This MD&A and the related financial statements are available under the Company's issuer profile on SEDAR at www.sedar.com and on the Company's website at www.briacell.com.

The following information should be read in conjunction with in conjunction with the audited financial statements for the year ended July 31, 2015, and related notes to those financial statements.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation ("forward-looking information"). Such forward-looking information involves 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 any future results, performance or achievements expressed or implied by the forward-looking information. Readers are cautioned not to place undue reliance on these 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 below and as detailed under **RISKs AND UNCERTAINTIES** in this MD&A.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Risk factors affecting the Company include risks associated with the undertaking of a new business model; share dilution; a history of operating losses; early stages of development; ability to manage growth; unproven market; manufacturing, pharmaceutical development and marketing capability; pre-clinical studies and initial clinical trials are not necessarily predictive of future results; raw materials and product supply; the need for additional capital and access to capital markets; competition; intellectual property; litigation to protect the intellectual property; dependence upon management; governmental regulation and litigation risk the Company's ability to attract and retain skilled employees and contractors, and changes in foreign currency exchange rates.

2. DESCRIPTION OF BUSINESS

BriaCell was incorporated under the Business Corporations Act (British Columbia) on July 26, 2006 and is listed on the TSX Venture Exchange ("TSXV"). The address for the Company's registered office is located at Suite 300 – 235 West 15th Street, West Vancouver, British Columbia, V7T 2X1.

On November 27, 2014, BriaCell completed the acquisition of BriaCell Therapeutics Corp. ("BTC"), a private Delaware company, which was incorporated on April 3, 2014. The transaction was accounted for as a reverse takeover ("RTO"). In connection with the completion of the RTO,Ansell Capital Corp. amended its articles to change its name to BriaCell Therapeutics Corp, to distinguish its change of business. The Company's principal activity is research and development of cancer immunotherapy technology. The Company trades on the TSX Venture under the symbol "BCT.V"

3. REVERSE TAKEOVER

On November 27, 2014, BriaCell entered into a Share Exchange Agreement with BTC whereby the parties completed a share exchange and BriaCell acquired all the outstanding equity interests of BTC, in a transaction whereby the shareholders of BTC received common shares of BriaCell. As a result of the transaction BriaCell became the sole beneficial owner of all outstanding shares of BTC. Completion of the transaction resulted in a Reverse Takeover and Change of Business for BriaCell.

The terms of the RTO provided for BriaCell to consolidate its common shares on the basis of 3.25 old shares for 1 new share resulting in an aggregate of 17,703,856 shares being outstanding subsequent to consolidation. BriaCell then issued 53,111,568 post consolidation shares to the shareholders of BTC in exchange for 100% of the issued and outstanding share capital of BTC. The shares issued to BTC are subject to an Escrow Arrangement.

As a condition of closing of the RTO, a private placement (the "Financing") was conducted and 12,357,097 subscription units ("Units") were issued at $0.18 for gross proceeds of $2,224,277. Each Unit consists of one common share and one common share purchase warrant of BriaCell. Each warrant is exercisable into one common share of BriaCell at a price of $0.25 for a period of 12 months after closing of the RTO and a price of $0.35 for the subsequent 24 months after closing of the RTO, subject to accelerated exercise in certain circumstances (See section 9 of this MD&A) described below. The Company retained Sunel Securities Inc. and M Partners Inc. as Agents for the Financing.

The Agents received a corporate finance fee of $25,000, cash commission of $177,942 being 8% of the gross proceeds raised, 988,568 compensation warrants, being 8% of the number of units issued and reimbursement of Agent expenses. Finder's fees in the form of 200,000 common shares were also paid.

During July 2014, BriaCell and BTC came to an agreement with a St. Vincent's Medical Centre ("SVMC") whereby SVMC agreed to release BTC from a previously agreed royalty agreement. In consideration for the release SVMC received from Dr. Wiseman 875 shares of BTC, which were subsequently exchanged for 4,762,262 shares of BriaCell, and 833,333 post consolidation units of BriaCell. The units of BriaCell have the same terms and conditions as those issued pursuant to the Financing.

The condensed interim consolidated financial statements are issued under the legal parent BriaCell Therapeutic Corp., but are deemed to be a continuation of the legal subsidiary BTC.

The total purchase price for the acquisition of BriaCell by BTC is as follows:

Fair value of 17,703,856 common shares issued	$	2,250,330
Fair value of 92,308 stock options issued		1200
Total Purchase Price	**$**	**2,251,530**
Cash and cash equivalents	$	690,898
Advance		81,512
Amounts receivable		9,852
Prepaid expenses		255
Investments		27,765
Accounts payable and accrued liabilities		(158,240)
Listing costs expensed		1,599,488
Value attributed to purchase price	**$**	**2,251,530**

4. OPERATIONS REVIEW

The condensed interim consolidated statements of operations and cash flows of the Company comprise the results of operations of BTC and the results of operations of BriaCell from August 1, 2015 to July 31, 2015, but the comparative amounts disclosed for the statement of operations and cash flow statement comprise purely the results of BTC. The July 31, 2015 and October 31, 2015 consolidated statements of financial position includes the consolidated assets and liabilities of BTC and BriaCell.

As noted above these condensed interim consolidated financial statements are issued under the legal parent BriaCell Therapeutic Corp., but are deemed to be a continuation of the legal subsidiary BTC.

Overview

BriaCell is an immuno-oncology biotechnology company, with a strong focus on cancer immunotherapy. BriaCell owns the US patent to BriaVax™ an Immunotherapy Vaccine. (US Patent No.7674456) The Company is currently developing and advancing its patented BriaVax™ Immunotherapy Vaccine for patients with advanced breast cancer, and potentially other cancer types as well.

Immunotherapies have come to the forefront of the fight against cancer, because they harness the body's own immune system in recognizing and selectively destroying the cancer cells, sparing normal ones. Immunotherapies are believed to be a more targeted, less toxic approach to managing cancer. This approach is also more likely to prevent recurrence and is not expected to produce the serious side effects seen with chemotherapy.

The Company has demonstrated unique and unprecedented results, and is intent on building upon these results to further advance BriaVax™ through the FDA Clinical Trials in order to help cancer patients with no other options. The results of two FDA Phase I clinical trials have been encouraging in terms of both safety and efficacy in patients with advanced, stage-IV breast cancer. Most uniquely, BriaCell has achieved these results in patients who had prior failed other available therapies including various kinds of chemotherapy. In some cases, the lifespan was five times longer expected. The results were targeted, with little to no side effects, and were achieved rapidly, with regression occurring within 6 weeks.

In one patient, cancer regressed in all sites to which the cancer had spread, including lesions in the

considered an untouchable site in terms of cancer regression. Again, results were seen rapidly and with little to no adverse side effects.

Successful Phase-I Trials

BriaCell's original Phase-I Clinical Trial included 14 late stage cancer patients. Patients saw no adverse side effects, and the vaccine found to be safe. Amongst these 14 late-stage cancer patients, the median survival was 12 months, more than twice what would be expected for such patients. The Company was very pleased with the results, given the typical focus of Phase-I is only to demonstrate safety. The increase in overall survival was viewed as a substantial encouragement, given that for such patients every month of additional survival is generally a significant achievement. Indeed, technologies which have shown the ability to provide even a few months additional survival have been very successful.

BriaVax™ was therefore tested in another FDA approved clinical trial, the most recent Phase-I. This was a smaller clinical trial, but the results proved to be the most significant. Unique and possibly unprecedented results were achieved in a patient with advanced breast cancer whose tumor was resistant to other types of cancer treatment. In that particular patient, the observed regressions of the cancer occurred in all sites to which the cancer had spread, including the brain, an otherwise particularly difficult area to treat. Most uniquely, the cancers were shown to regress rapidly upon treatment, and when the 6 vaccines were completed, 90% of the cancers had regressed. When BriaCell received an exemption from the FDA to dose additional treatments, the remaining tumor (which, as expected, had grown since BriaVax™ was stopped), was shown to regress again, rapidly upon restarting the BriaVax™ treatment. The overall median survival time for this small BriaVax™ vaccine group was 35 months, which is 5 times longer than expected for such patients.

History of BriaVax™
Dr. Charles Wiseman originally developed BriaVax™ at St. Vincent Medical Center, Los Angeles. When Dr. Wiseman licensed BriaVax™ from the hospital, St. Vincent maintained a substantial royalty on any future revenues. Such royalties are common practice for technologies out-licensed from universities, hospitals, or other institutions. BriaCell, was successful in forming a partnership with St. Vincent in order to relinquish the royalty. The goal of this deal was to eliminate the royalty and better align both parties, leaving BriaCell in a far more favourable position with regards to attracting other potential partnerships and further investment in the future. The Company upon the completion of the reverse takeover became a public entity, with an unencumbered asset, comprising 100% ownership of all intellectual property pertaining to "BriaVax™ .

Mechanism of Action for BriaVax™

The Company is particularly interested in establishing a better understanding into the mode of action and research will be directed at this. By gaining an understanding how and why BriaVax™ has been successful in soliciting such promising results, the Company may be able to better target those who will have a greater chance of successful results through BriaVax™. As part of expanding the Research and Development efforts at the Company, Dr. Markus Lacher was hired as Senior Director of Research and Development, as announced in a press release dated July 15, 2015.

Development of Companion Diagnostic Test for BriaVax™

In a press release dated September 14, 2015, BriaCell announced the initiation of its key research and development program pertaining to BriaCell's novel companion diagnostic product, which is to be called BriaDx™. The Company's thesis is that a companion diagnostic such as BriaDx™ could maximize health outcomes and health economics by predicting which patients will most benefit from BriaVax™

BriaCell believes that the strategy of co-developing BriaDx™ in parallel with BriaVax™ will maximize the likelihood of clinical trial success.

The BriaDx™ program is currently focused on analyzing samples obtained from patients previously treated with BriaVax along with co-analysis of previously manufactured vaccine lots and will run in parallel with the Company's planned clinical trial. Testing is now underway, and includes a variety of cutting-edge including gene expression analysis, blood and tumor sampling, and proteomics. Upon initiation of the Company's planned Phase I/IIa trial, samples obtained from newly-enrolled patients will be subjected to similar analyses with the goal of devising a predictive test that determines BriaVax responsiveness based on the expression of specific biomarkers in patients.

Future Clinical Trials; Submission of Protocol to FDA and Potential Applicability to Other Cancer Types

On March 10, 2015, BriaCell submitted its protocol to the FDA, summarizing its plans to test up to 24 additional patients. The planned expanded clinical trial is to include up to 24 late-stage breast cancer patients. Additionally, the protocol has provision to allow testing the vaccine in selected patients with other cancers as well, including prostate, ovarian, pancreas, lung and bladder cancers among others. The Company stressed that the focus will indeed remain breast cancer, thus the majority of patients to be included in the upcoming trial will be primarily breast cancer patients. However, BriaCell decided to provision for the inclusion of select other cancer types so as to enable the Company to start establishing whether BriaVax™ has the potential to be applied to non-breast tumors as well.

On November 4, 2015, the Company received final FDA clearance to begin an expanded Phase-I/II clinical trial. Patient enrollment is expected to begin in late 2015 or early 2016, pending the approval by the Principal Investigator's Institutional Review Board (IRB) and the execution of a final Clinical Trial Agreement with the initial clinical trial site, as announced in a press release dated November 4, 2015.

cGMP Manufacturing with University of California, Davis

As a part of the upcoming clinical trial, BriaVax™ will be manufactured under a current Good Manufacturing Practice (cGMP) facility, the highest standard of manufacturing prescribed by the FDA. The Company signed a Definitive Agreement for manufacturing under cGMP on June 11, 2015, as a result of positive feedback from the FDA to the Company's response letter dated May 19, 2015. This deal was signed with the University of California, Davis. Under the terms of the Agreement for Services with the University of California, Davis Health System ("UC Davis"), the University's Institute for Regenerative Cures will provide a number of services to BriaCell, most notably the cGMP manufacture, quality control and release testing of sufficient amounts of BriaVax™ to support the upcoming clinical trial. In order to avoid scheduling delays, the Company has identified UC Davis as its primary manufacturing site for the current study; the Siteman Comprehensive Cancer Center of Washington University, St. Louis will serve as a backup site, if necessary. It is anticipated that manufacture of a fully qualified, clinical-grade BriaVax™ should be completed later in 2015.

Conference Attendance and Presentations

The Company presented at the 14th Annual BIO Investor Forum in San Francisco, California on October 20, 2015.

Dr. Joseph Wagner, BriaCell's President and Chief Executive Officer, provided an update on the manufacturing and clinical development of BriaCell's lead immuno-oncology product, BriaVax™. In addition to his presentation, Dr. Wagner attended numerous one-on-one meetings with representatives of large pharmaceutical companies and equity investment firms.

Stock Exchange Listings

In April 2015, BriaCell was successful in obtaining a listing on the Frankfurt Stock Exchange.("FSE") BriaCell trades under symbol under the symbol 8BT. The FSE is the world's third-largest trading centre for securities as measured by trading volume.

On June 24, 2015, BriaCell concluded it's application to list its common shares on the OTCQB® Marketplace in the United States under the symbol "ANCCF". Effective October 6, 2015, the OTCQB symbol was changed to "BCTXF". The Company will continue to trade on the Toronto Stock Exchange Venture under the symbol "BCT". Trading on the OTCQB enables us to introduce the company to a broader range of investors and retail brokers in the US.

Future Up-List

The Company has long believed that the optimal stock exchange for a mature biotech is the NASDAQ. Biotech companies have been shown to thrive on the NASDAQ, with access to institutional biotech investors. The Company believes that although BriaCell may not yet currently be ready to make this transition, upon executing successful near-term and possibly mid-term milestones, and creating organic value, an up-listing onto the NASDAQ could be a viable option in order to maximise shareholder value. The Company has been in continued discussions with those interested investment banks in the US in order to discuss the best approach forward.

Capital Spending

BriaCell strives to be extremely disciplined when it comes to capital spending. The Company is acutely aware of how easy it can be to overspend which can result in the dilution of current shareholders interests. BriaCell endeavours to be one of the more prudent companies, controlling costs while at the same time aggressively advancing its technologies. To that end, BriaCell has internal measures instituted through which all spending is monitored and is pre-approved towards the desired tasks, and spending is then reviewed on a monthly basis to ensure fiscal responsibility. BriaCell's team is working to create significant value with its current capital resources available, which should result in the Company being in a stronger position if and when it needs to raise additional capital.

Additional Information

The Company is extremely excited about its achievements to date and looks forward to keeping investors apprised of developments as they occur. The Company appreciates Biotech research is a long-term process, but comes with the potential for significant future value creation.

5. SELECTED ANNUAL FINANCIAL INFORMATION

The following financial data prepared in accordance with IFRS in Canadian dollars is presented for the year ended July 31, 2015 and the period from inception, April 3, 2014 to July 31, 2014

	Period From Inception

	July 31, 2015	July 31, 2014
Results of Operations		
Total revenue	$ -	$ -
Net loss for the period	$ (3,488,811)	$ (1,242)
Comprehensive loss for the period	$ (3,558,603)	$ -
Basic loss per share	$ (0.05)	$ (0.00)
Cash Dividends per share	$ -	$ -
Financial Position		
Working Capital Surplus (Deficiency)	1,468,408	(1,242)
Total Assets	1,660,288	$ 26,082
Total Long Term Liabilities	-	$ -
Total Shareholders' Equity (Deficiency)	1,507,863	$ (1,230)

6. RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED OCTOBER 31, 2015

	Three Months Ended October 31	
	2015	2014
Expenses		
Conferences	**7,168**	-
Consulting	**46,440**	6,951
Depreciation	**293**	-
Foreign exchange (gain)	**(2,624)**	(401)
General and Administrative	**18,549**	1,703
Professional fees	**16,587**	52,932
Regulatory, filing and transfer agent fees	**4,733**	-
Rent, net of recoveries	**27,061**	-
Research costs	**42,973**	-
Share-based compensation	**$ 16,584**	$ -
Shareholder communications	**20,236**	-
Travel	**12,805**	-
Wages and salaries, net of recoveries	**195,110**	-
Interest income	**(2,950)**	-
Loss For The Period	**(402,965)**	(61,185)
Items That Will Subsequently Be Reclassified To Profit Or Loss		
Foreign currency translation adjustment	**(8,059)**	-
Unrealized gain on available for sale investments	**28,403**	-
	20,344	-
Comprehensive Loss For The Period	**$ (382,621)**	$ (61,185)
Basic and Fully Diluted Loss Per Share	**$ (0.01)**	$ (0.00)
Weighted Average Number Of Shares Outstanding	**84,736,316**	53,111,568

The Company incurred a net loss of $402,965 and a comprehensive loss of $382,621 during the three months ended October 31, 2015, and incurred a $0.01 loss per share in the period. During the comparative three month period ending October 31, 2015 the Company incurred a loss and comprehensive loss of $61,185, and incurred a loss per share of $0.00.

The most significant expenses are discussed below:

Conferences - relates to all direct costs incurred by the Company for its representatives to attend conferences during the period.

Consulting fees - relates to fees charged by consultant staff and directors during the period. The amounts paid to directors are more completely detailed in section 12 of this MD&A.

Foreign exchange gain - the gain is predominantly the result of the change in valuation recorded by BriaCell on inter-company loans to BTC which are denominated in US Dollars. As BriaCell's functional currency is the Canadian dollar, when the exchange rate moves the actual amount repayable in Canadian equivalent dollars changes, resulting in unrealized exchange gains or losses which are recorded in BriaCell. If the US dollar strengthens relative to the Canadian dollar, exchange gains will continue to be recorded.

General and administrative costs - are predominantly the costs associated with the setting up of the offices in Beverly Hills USA, and the running cost of both administrative offices

Professional fees - relate to all legal and accounting costs incurred during the period predominantly as a result of the reverse takeover transaction. Such professional costs are not expected to be recurring in nature.

Regulatory, filing and transfer agent fees - relate to all regulatory filing costs incurred, and recurring costs for the maintenance of the Company's stock exchange listing together with recurring transfer agent fees.

Rent - represents amounts paid to maintain the offices of the Company in both Vancouver Canada, and in Beverly Hills California, together with the rental costs of laboratory facilities in Pasadena, California. The rent charges are net of amounts received from subtenants of Vancouver and Beverly hills properties. During the period the Company entered into a long term rental agreement for the Beverly Hills property, see Section 17" Commitments". As a result of the reverse takeover transaction the rental agreement in Vancouver was inherited. On July 31, 2015, the Company agreed to a rent settlement agreement with the landlord of the Vancouver property and was discharged from further liability pursuant to the lease agreement upon payment of a $15,000 settlement fee, which was paid subsequent to July 31, 2015.

Research costs - relate to all direct costs incurred by the Company for consultants undertaking research, the preparation of documentation for federal licensing and all costs incurred in the establishment and operation of the laboratory facilities, with the exception of rental charges.

Share-based compensation - relates to the fair value of stock options granted and vesting during the period as calculated using the Black-Scholes stock option pricing model. This expense is a non-cash expense. During the year ended July 31, 2015, the Company granted stock options to directors, officers and consultants. The charge in the current period relates to the valuation of options previous granted which are vesting over time.

Shareholder communications - relates to all direct costs incurred by the Company in communication with shareholders and business development activities during the period. The Company has engaged consultants in Germany and Canada to assist with shareholder communications.

Travel - relates to general business travel undertaken by directors, and consultants on corporate business.

Wages and Salaries - relate to all direct costs incurred by the Company pursuant to employment agreements and the wages incurred for administrative staff.

Interest income - relates to interest earned on the Company's cash and short term investment balances in the period.

Foreign currency translation adjustment - arises upon the translation of the accounting records of BTC who's functional currency is the US dollar into Canadian dollars for financial statement presentation purposes.

Unrealized gain (loss) on available for sale investments - represents the change in fair value of investments from November 27, 2014 to July 31, 2015, as the investments held by the Company are stated at fair value in the consolidated financial statements.

7. SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's quarterly results for the period from Inception on April 3, 2014 to October 31, 2015 reported in Canadian currency.

	QUARTER ENDED			
	October 31 2015	**July 31 2015**	**April 30 2015**	**January 31 2015**
Total revenue	$ -	$ -	$ -	$ -
Net loss before income taxes	$ (402,965)	$ (463,870)	$ (2,591,899)	$ (61,185)
Net income (loss) for the period	$ (402,965)	$ (463,870)	$ (2,591,899)	$ (61,185)
Basic income (loss) per share	$ (0.01)	$ (0.01)	$ (0.04)	$ (0.00)

	October 31 2014	**July 31 2014**	**April 30 2014**
Total revenue	$ -	$ -	$ -
Net loss before income taxes	$ (61,185)	$ (1,242)	$ -
Net income (loss) for the period	$ (61,185)	$ (1,242)	$ -
Basic income (loss) per share	$ (0.00)	$ (0.00)	$ -

8. LIQUIDITY

The Company has financed its operations to date primarily through the issuance of its common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

As at October 31, 2015, the Company has total assets of $1,279,338 (July 31, 2015 - $1,660,228) and working capital of $1,072,461 (July 31, 2015 – 1,468,408).

As at October 31, 2015, the assets of the Company comprise cash of $69,341 short term investments of $1,110,350, amounts receivable consisting of GST recoverable, rent and wage recoveries of $15,385, prepaid expenses of $14,897, investments with a market value of $35,297, security deposits on leased premises of $32,604, office equipment of $1,463 and intellectual property recorded at a nominal value of $1.

It is management's opinion that the Company will require additional funding, either through debt or equity issuances, in order to maintain its research and developmental activities. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

During the year ended July 31, 2015, the Company has completed the reverse takeover transaction where it acquired liquid assets comprising cash and cash equivalents of $690,898 advances of $81,512 and investments with a market value of $27,765 as part of the transaction.

Under the RTO accounting, BTC is considered to have issued 17,703,856 common shares and 92,308 stock options to acquire the net assets and public listing status of BriaCell.

The fair value of the 17,703,856 common shares issued of $2,250,330 was determined by reference to the fair value assigned to one common share in a concurrent private placement transaction noted below.

The fair value of the 92,308 stock options issued of $1,200 was determined using the Black Scholes option pricing model and the following weighted average assumptions: share price - $0.1271; exercise price - $0.38; expected life – 1.56 years; annualized volatility – 100%; dividend yield – 0%; risk free rate – 1.25%.

As a condition of closing of the RTO, the Financing was completed whereby 12,357,097 Units were issued at $0.18 for gross proceeds of $2,224,277. Each Unit consists of one common share and one common share purchase warrant of BriaCell. Each warrant is exercisable into one common share of BriaCell at a price of $0.25 for a period of 12 months after closing of the RTO and a price of $0.35 for the subsequent 24 months after closing of the RTO, subject to accelerated exercise.

In the event that the closing price of the shares on the TSX Venture Exchange is $0.50 or greater per share during any twenty (20) consecutive trading day period at any time after the initial 12 months following the closing transaction, the warrants will expire, at the sole discretion of BriaCell, on the 30th day after the date on which BriaCell provides notice of such fact to the subscribers of the financing.

The fair value of each common share purchase warrant was determined using the Black Scholes option pricing model and the following assumptions: share price - $0.1271; exercise price - $0.35; expected life – 3 years; annualized volatility – 100%; dividend yield – 0%; risk free rate – 1.25%. .

The share price was determined such that the sum of the share price and the resulting warrant value was equal to the $0.18 Unit price. Accordingly the resulting fair values of the common shares and the share purchase warrants are $0.1271 and $0.0529 respectively.

The Company retained Sunel Securities Inc. and M Partners Inc. as Agents for the Financing. The Agents received a finance fee of $25,000, an 8% cash commission of $177,942, and 988,568 compensation warrants and the issuance of 200,000 common shares valued at $25,422.

Each compensation warrant entitles the holder to acquire a Compensation Unit of BriaCell (with the same terms described above) at an exercise price of $0.18 for a period of 3 years following the closing of the transaction. The fair value of the compensation warrants was determined to be $68,800 using the

The net cash proceeds of the private placement of $2,021,335 were allocated proportionally to share capital (71% - $1,360,808) and warrant reserve (29% - $566,305) based on their relative fair values after consideration of the non-cash costs of $68,800 allocated to warrants reserve for the 988,568 compensation warrants and $25,422 to share capital for the 200,000 compensation shares.

During July 2014, BriaCell and BTC came to an agreement with St. Vincents Medical Centre ("SVMC") whereby SVMC agreed to release BTC from a royalty agreement relating to revenues generated on BTC's intellectual property. In consideration for the release, SVMC received personally from Dr. Wiseman 875 shares of BTC (which were subsequently exchanged for 4,647,262 shares of BriaCell pursuant to the RTO), and 833,333 Units of BriaCell. These units of BriaCell were issued on November 27, 2014 and have the same terms and conditions as those issued pursuant to the private placement financing described in Note 8(b)(iii) and have a fair value of $0.18 per unit ($150,000) with $105,921 assigned to the common shares and $44,079 assigned to the warrants based on the relative fair value of the common shares and share purchase warrants as noted above

On February 4, 2015, the Company issued 288,011 common shares and 288,011 compensation warrants for shareholder advisory services received. Each compensation warrant is exercisable at $0.18 into one common share and one share purchase warrant until February 4, 2017. Each resultant share purchase warrant acquired can be exercised into an addition commons share of BriaCell at $0.25 if exercised by February 4, 2016 and at $0.35 if exercised between February 5, 2016 and February 4, 2017, subject to accelerated exercise as detailed above.

The Company determined the fair value of the common shares on issuance was $57,602. The compensation warrants have a fair value of $27,300 calculated using the Black-Scholes option pricing model under the following assumptions: Current unit price - $0.18; Volatility - 100%; Exercise price - $0.18; Expected life – 3 years; Dividend yield – 0% risk free rate - 1.25%.

On April 29, 2015, 242,451 compensation warrants were exercised at $0.18 for aggregate cash proceeds of $43,641. Upon the exercise of the compensation warrant 242,451 units were issued. Each Unit comprises one common share and one common share purchase warrant exercisable into one common share of BriaCell at an exercise price of $0.25 for a period of 12 months following closing of the transaction and at $0.35 for the subsequent 24 months.

The value of the resulting units was determined to be $60,514 based on the proportionate value originally assigned to the compensation warrants of $16,873 plus $43,641 of cash proceeds. This $60,514 was allocated proportionally to share capital (79% - $47,688) and warrant reserve (21% - $12,826) based on their relative fair values.

The fair value of the common share purchase warrant was determined using the Black Scholes option pricing model and the following assumptions: share price - $0.33; exercise price - $0.35; expected life – 1.7 years; annualized volatility – 100%; dividend yield – 0%; risk free rate – 1.25%.

The exercise results in a net decrease to warrants reserve of $4,047 ($12,826 less $16,873) and an increase to share capital of $47,688.

The Company has also adopted a stock option plan under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of 5 years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the fair market value of the common shares at the time of grant.

On January 15, 2015, the Company granted 2,425,000 stock options exercisable into one common share of the Company at $0.22 until January 15, 2018. The Company has assigned a fair fair value of $331,100 calculated using the Black-Scholes option pricing model under the following assumptions: Current share price - $0.22; Volatility - 100%; Exercise price - $0.22; Expected life – 3 years; Dividend yield – 0% risk free rate - 1.25%. Of these options 2,075,000 were granted to the Company's directors and officers.

On April 8, 2015, the Company granted 750,000 stock options exercisable into one common share of the Company at $0.22 until April 8, 2018. The Company has assigned a fair fair value of $102,400 calculated using the Black-Scholes option pricing model under the following assumptions: Current share price - $0.22; Volatility - 100%; Exercise price - $0.22; Expected life – 3 years; Dividend yield – 0% risk free rate - 1.25%. Of the fair value $80,261 has been expensed as the proportion of the value of options having accrued to the consultant by July 31, 2015.

On May 4, 2015, the Company granted 175,000 stock options exercisable into one common share of the Company at $0.30 until May 4, 2018. The Company has assigned a fair fair value of $34,700 calculated using the Black-Scholes option pricing model under the following assumptions: Current share price - $0.30; Volatility - 100%; Exercise price - $0.30; Expected life – 3 years; Dividend yield – 0% risk free rate - 1.25%. Of the fair value $24,226 has been expensed as the proportion of the value of options having accrued to the consultant by July 31, 2015.

On July 7, 2015, the Company granted to a director 500,000 stock options exercisable into one common share of the Company at $0.26 until July 7, 2018. The Company has assigned a fair fair value of $80,700 calculated using the Black-Scholes option pricing model under the following assumptions: Current share price - $0.26; Volatility - 100%; Exercise price - $0.26; Expected life – 3 years; Dividend yield – 0% risk free rate - 1.25%.

On November 4, 2015, the Company issued 3,668,000 stock options under its stock option plan. The options are exercisable at $0.255 and have the following expiry dates:

i) 1,017,500 of the options expire on November 4, 2018;

ii) 1,200,500 of the options expire on November 4, 2020; 525,000 of these options were issued to the Company's officers;

iii) 1,450,000 of the options expire on November 4, 2025; all of these options were issued three of the Company's directors.

9. CAPITAL RESOURCES

At October 31, 2015, the Company's capital resources consist primarily of cash, short term investments amounts receivable, security deposits, investments and its intellectual property.

10. OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-Balance Sheet arrangements.

11. TRANSACTIONS BETWEEN RELATED PARTIES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's senior management, who are considered to be key management

Parties are also related if they are subject to common control or significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Transfer of Intellectual Property

On April 8, 2014, Dr. Charles Wiseman, the primary shareholder, assigned certain intellectual property (US Patent No. 7,674,456) (the "Patent") to the Company which has been recorded as contributed surplus and ascribed a nominal value of $1.

Surrender of Royalty Rights

The Patent has demonstrated encouraging Phase I safety and efficacy data in patients with advanced breast cancers. The Company is planning to advance its cancer immunotherapy technology in an approved FDA Phase I/II clinical trial with up to 24 breast cancer patients with advanced stages of solid tumors.

The FDA-approved protocol has provision to allow testing the vaccine in selected patients with other cancers as well, including prostate, ovarian, pancreas, lung and bladder cancers among others.

The Patent carried certain royalty provisions payable to the SVMC. On June 26, 2014, Dr. Wiseman and the Company entered into an agreement with SVMC pursuant to which SVMC surrendered its royalty rights on the intellectual property and in exchange received 875 of Dr. Wiseman's common shares in the Company (prior to the RTO) which were subsequently exchanged for 4,647,562 shares of BriaCell and 833,333 Units of BriaCell with a fair value of $150,000, with the same terms and conditions as the Subscription receipts described in section 9.

Employment Agreements

On November 27, 2014, the Company entered into a consulting arrangement with Dr. Charles Wiseman for a term of one year expiring November 26, 2015. Pursuant to the agreement, Dr. Charles Wiseman is to receive US$10,000 per month over the term of the agreement. The agreement also provides that Dr. Charles Wiseman may participate in the Company's Stock Option Plan. The agreement can be terminated by Dr. Charles Wiseman by giving 30 days written notice to the Company and by the Company delivering 90 days written notice to Dr. Charles Wiseman with no further compensation.

On May 20, 2015, the Company entered into an employment agreement with Dr. Joseph Wagner, which became effective on June 1, 2015. Dr. Joseph Wagner was appointed President and CEO of the Company. The agreement is for a term of one year expiring May 31, 2016, and will automatically renewed unless cancelled by either party. Pursuant to the agreement, Dr. Joseph Wagner will receive a base fee of US$200,000 over the initial term and be entitled to 500,000 stock options. The base fee may be adjusted to US$260,000 pending successful completion of a series of milestones. The agreement also provides for other milestone incentive bonuses which may increase the remuneration by an additional US$50,000. If the agreement is terminated by the Company, all amounts accrued under the agreement shall become due and a lump sum termination fee equal to the *pro rata* monthly salary times the number of months employed divided by 2 (subject to a maximum of 12) shall become payable. The agreement may be terminated by Joseph Wagner upon delivery of 30 days written notice.

Other Related Party Transactions

As at October 31, 2015, included in accounts payable and accrued liabilities are amounts owing to a

consulting fees; amounts owing to a company controlled by individual directors of $1,870 (July 31, 2014 – two companies controlled by individual directors - $4,082) for expenses and $4,131 (July 31, 2015 - $4,159) in aggregate owing to directors for expenses.

As at October 31, 2015, included in amounts recoverable is $10,112 (July 31, 2015 - $28,649) owing from companies with either a common director or officer for recharges of wages and salaries incurred, and $4,902 (July 31, 2015 - $nil) owing from a director for rents recharged.

During the three month periods ended October 31, 2015 and 2014 the Company also incurred the following expenses charged (or recoveries) by key management personnel or companies controlled by these individuals:

a) Received rent recoveries of $1,000 (three months ended October 31, 2014 - $nil) in aggregate from KJN Management Ltd, a company of whom Rahoul Sharan is a director.

b) Received or accrued rent recoveries of $8,222 (three months ended October 31, 2014 - $nil) in from Dr. Charles Wiseman a director.

c) Received wage recoveries of $6,382 (three months ended October 31, 2014 - $nil) in aggregate from Butterscotch Holdings Ltd, KJN Management Ltd, Tabasco Properties (2010) Ltd, RJRN Holdings LLC, Ambleside Properties LLLP, and Desert Palms Homes LLLC, all companies of whom Rahoul Sharan is a director.

d) Paid or accrued professional fees of $11,500 (three months ended October 31, 2014 - $nil) to a company controlled by Matthew G Wright, an officer of the Company.

e) Paid or accrued consulting fees of $16,500 (three months three months ended October 31, 2014 - $nil) to Vaal Capital Corporation, a Company controlled by Isaac Maresky, a director

f) Paid or accrued consulting fees of $12,000 (three months ended October 31, 2014 - $nil) to Angio Capital Corporation a company controlled by Saeid Babaei, a director.

g) Paid or accrued consulting fees of $12,000 (three months ended October 31, 2014 - $nil) to KJN Management Ltd, a company controlled by Rahoul Sharan, a director.

h) Paid or accrued wages pursuant to an employment contract of $65,775 (three months ended October 31, 2014 - $nil) to Dr Joseph Wagner, a director.

i) Paid or accrued consulting fees of $39,465 (three months ended October 31, 2014 - $nil) to Dr Charles Wiseman, a director.

These transactions were in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

12. FINANCIAL INSTRUMENTS AND FINANCIAL RISK EXPOSURES

The Company's financial instruments consist of cash, short term investments, amounts receivable, investments and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Management understands that the Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates as its research operations are located in the United States., and the Company's functional and presentation currency is the Canadian dollar. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management process. The overall objectives of the Board are to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The type of risk exposure and the way in which such exposure is managed is as follows:

a) Credit risk

The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments is remote.

The Company's cash and short term investments are primarily held in large Canadian financial institutions. The Company's amounts receivable consist of GST/HST receivable due from the Federal Government of Canada and salary recharges receivable. . Management believes that the credit risk concentration with respect to cash and short term investments and amounts receivable is remote.

b) Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account the Company's holdings of cash. The Company believes that its sources of financing will be sufficient to cover the expected short and long term cash requirements.

c) Market Risk

i) Interest rate risk

The Company has cash and short term investments and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

ii) Foreign currency risk

The Company is exposed to foreign exchange risk as its research operations are conducted primarily in the United States.

c) Fair Values

The carrying values of short term investments, amounts receivable, and accounts payable and accrued liabilities approximate their fair values due to their short terms to maturity.

The cash, short term investments and investments are valued using quoted market prices in

13. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the 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 also in future periods when the revision affects both current and future periods.

The critical judgments and significant estimates in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are:

i) The determination that the RTO constituted an asset acquisition and not a business combination

ii) The fair value of the share consideration deemed issued to acquire BriaCell

14. NEW ACCOUNTING POLICIES ADOPTED

During the three month period ended October 31, 2015 no new accounting policies were adopted.

15. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS 9 Financial Instruments ("IFRS 9") was issued by the IASB in its final form in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39").

IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

The Company currently intends to adopt the standard on its effective date and has not yet determined its impact on the consolidated financial statements.

16. COMMITMENTS

a) On November 27, 2014, the Company entered into a consulting arrangement with Dr. Charles Wiseman for a term of one year expiring November 26, 2015. Pursuant to the agreement, Dr. Charles Wiseman is to receive US$10,000 per month over the term of the agreement. The agreement also provides that Dr. Charles Wiseman may participate in the Company's Stock Option Plan. The agreement can be terminated by Dr. Charles Wiseman by giving 30 days written notice to the Company and by the Company delivering 90 days written notice to Dr. Charles Wiseman with no further compensation.

b) On March 1, 2015, the Company entered into a lease arrangement expiring February 28, 2018 for office premises. The annual leased rental is expected to be US$59,100 plus common area maintenance charges. The lease may be terminated at any time subsequent to August 31, 2015 at the option of the landlord by giving 90 days written notice.

17. SUBSEQUENT EVENTS

On November 4, 2015, the Company issued 3,668,000 stock options under the Plan. The options are exercisable at $0.255 and have the following expiry dates:

i) 1,017,500 of the options expire on November 4, 2018;

ii) 1,200,500 of the options expire on November 4, 2020; 525,000 of these options were issued to the Company's officers;

iii) 1,450,000 of the options expire on November 4, 2025; all of these options were issued three of the Company's directors.

18. OTHER INFORMATION

The following details the common shares, warrants, compensation warrants, and stock options, warrants outstanding as of the date of this MD&A.

Common Shares

	Number of Shares
Authorized	
Unlimited common shares, without par value	
Issued	
Balance at October 31, 2015 and December 22, 2015	84,736,316

Share Purchase Warrants

Number Of Share Purchase Warrants	Exercise Price	Number Exercisable At October 31, 2015	Expiry Date
13,432,881	$ 0.25	13,432,881	November 27, 2017

Compensation Warrants

Number Of Compensation Warrants	Exercise Price	Number Exercisable At October 31, 2015	Expiry Date
746,117	$ 0.18	746,117	November 27, 2017 (i)
288,011	0.18	288,011	February 4, 2017 (ii)

i) Each compensation warrant can be exercised at $0.18 into one common share of BriaCell and a share purchase warrant. Each resultant share purchase warrant acquired can be exercised into an additional common share of BriaCell at $0.25 if exercised before November 27, 2015, and at $0.35 if exercised between November 28, 2015 and November 27, 2017, subject to accelerated exercise.

ii) Each compensation warrant can be exercised at $0.18 into one common share of BriaCell and a share purchase warrant. Each resultant share purchase warrant acquired can be exercised into an additional common share of BriaCell at $0.25 if exercised before February 4, 2016, and at $0.35 if exercised between February 5, 2016 and February 4, 2017, subject to accelerated exercise.

Stock Options

Number Of Stock Options	Exercise Price	Number Exercisable At October 31, 2015	Expiry Date
2,325,000	$ 0.22	2,325,000	January 15, 2018
750,000	$ 0.22	562,500	April 8, 2015
175,000	$ 0.30	87,500	May 4, 2018
500,000	$ 0.26	500,000	July 7, 2018
1,017,500	$ 0.225	Nil	November 4, 2018
1,200,500	$ 0.225	Nil	November 4, 2020
1,450,000	$ 0.225	Nil	November 4, 2025

Shares Held In Escrow

The escrow agreement relating to the reverse takeover transaction provided for 54,282,952 shares to be held under an escrow agreement, Shares will be released from escrow equal to 10% of the initial shares subject to the agreement upon completion of the initial public offering or purchase agreement and listing on the Canadian Securities Exchange, the remaining shares will be released in 6 equal tranches (15%) every six months. On December 1, 2014, the Company received final approval of its change of business and trading of the Company's shares under the new name and ticker symbol commenced on December 3, 2014.

As of December 22, 2015, a total of 9,610,849 shares have been released and a total of 44,672,103 shares remain in escrow.

19. RISKS AND UNCERTAINTIES

History of Operating Losses

BriaCell is a start-up corporation that to date has not recorded any revenues from the sale of diagnostic or therapeutic products. Since incorporation, BriaCell has accumulated net losses and expects such losses to continue as it commences product and pre-clinical development and eventually enters into license agreements for its technology. Management expects to continue to incur substantial operating losses unless and until such time as product sales generate sufficient revenues to fund continuing operations. BriaCell 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.

Early Stage Development

The Company expects to spend a significant amount of capital to fund research and development. As a result, the Company expects that its operating expenses will increase significantly and, consequently, it will need to generate 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 BriaCell, 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 will be undertaking additional laboratory studies or trials with respect to the Intellectual Property of BriaCell, 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.

Ability to Manage Growth

Anticipated growth in all areas of BriaCell's business is expected to continue to place, a significant strain on its managerial, operational and technical resources. The Company expects operating expenses and staffing levels to increase in the future. To manage such growth, the Company must expand its operational and technical capabilities and manage its employee base while effectively administering multiple relationships with various third parties. There can be no assurance that the Company will be able to manage its expanding operations effectively. Any failure to implement cohesive management and operating systems, to add resources on a cost-effective basis or to properly manage the Company's expansion could have a material adverse effect on its business and results of operations.

Unproven Market

The Company believes that the anticipated market for its potential products and technologies if successfully developed will continue to exist and expand. These assumptions may prove to be incorrect for a variety of reasons, including competition from other products and the degree of commercial viability of the potential product.

Manufacturing, Pharmaceutical Development and Marketing Capability

The Company does not expect to have any in-house manufacturing, pharmaceutical development or marketing capability. To be successful, a product must be manufactured and packaged in commercial quantities in compliance with regulatory requirements and in reasonable time frames and at accepted costs. The Company intends to contract with third parties to develop its products. No assurance can be given that the Company or its suppliers will be able to meet the supply requirements in respect of the product development or commercial sales.

Production of therapeutic products may require raw materials for which the sources and amount of supply are limited, or may be hindered by quality or scheduling issues in respect of the third party suppliers over which the Company has limited control. An inability to obtain adequate supplies of raw materials could significantly delay the development, regulatory approval and marketing of a product. The Company has limited in-house personnel to internally manage all aspects of product development, including the management of multi-center clinical trials. The Resulting Issuer is significantly reliant on third party consultants and contractors to provide the requisite advice and management. There can be no assurance that the clinical trials and product development will not encounter delays which could adversely affect prospects for the Company's success.

To be successful, an approved product must also be successfully marketed. The market for the Company's product being developed by the Company may be large and will require substantial sales and marketing capability. At the present time, the Company has no any internal capability to market pharmaceutical products. The Resulting Issuer intends to enter into one or more strategic partnerships or collaborative arrangements with pharmaceutical companies or other companies with marketing and distribution expertise to address this need. If necessary, the Company will establish arrangements with various partners for geographical areas. There can be no assurance that the Company can market, or can enter into a satisfactory arrangement with a third party to market a product in a manner that would assure its acceptance in the market place. However, if a satisfactory arrangement with a third party to market and/or distribute a product is obtained; the Company will be dependent on the corporate collaborator(s) who may not devote sufficient time, resources and attention to the Company's programs, which may hinder efforts to market the products.

Should the Company not establish marketing and distribution strategic partnerships and collaborative arrangements on acceptable terms, and undertake some or all of those functions, the Company will require significant additional human and financial resources and expertise to undertake these activities, the availability of which is not guaranteed.

The Company will rely on third parties for the timely supply of raw materials, equipment, contract manufacturing, and formulation or packaging services. Although the Company intends to manage these third party relationships to ensure continuity and quality, some events beyond the Company's control could result in complete or partial failure of these goods and services. Any such failure could have a material adverse effect on the financial conditions and result of operation of the Company

Pre-Clinical Studies and Initial Clinical Trials are not Necessarily Predictive of Future Results

Pre-clinical tests and Phase I/II clinical trials are primarily designed to test safety, to study pharmacokinetics and pharmacodynamics and to understand the side effects of product candidates at various doses and schedules. Success in pre-clinical and early clinical trials does not ensure that later large-scale efficacy trials will be successful nor does it predict final results. Favorable results in early trials may not be repeated in later trials.

A number of companies in the life sciences industry have suffered significant setbacks in advanced clinical trials, even after positive results in earlier trials. Clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Negative or inconclusive results or adverse medical events during a clinical trial could cause a clinical trial to be delayed, repeated or terminated. Any pre-clinical data and the clinical results obtained for BriaCell's technology may not predict results from studies in larger numbers of subjects drawn from more diverse populations or in the commercial setting, and also may not predict the ability of our products to achieve their intended goals, or to do so safely.

Raw Materials and Product Supply

Raw materials and supplies are generally available in quantities to meet the needs of the Company's business. The Company will be dependent on third-party manufacturers for the pharmaceutical products that it markets. An inability to obtain raw materials or product supply could have a material adverse impact on the Company's business, financial condition and results of operations.

Liquidity and Need for Additional Capital and Access to Capital Markets

The Company anticipates that additional capital will be required to complete its current research and development programs. It is anticipated that future research, additional pre-clinical and toxicology studies and manufacturing initiatives, including that to prepare for market approval and successful product market launch will require additional funds. Further financing may dilute the current holdings of Shareholders and may thereby result in a loss for the shareholders. There can be no assurance that the Company will be able to obtain adequate financing, or financing on terms that are reasonable or acceptable for these or other purposes, or to fulfill the Company's obligations under various license agreements. Failure to obtain such additional financing could result in delay or indefinite postponement of further research and development of the Company's technologies with the possible loss of license rights to these technologies.

Although the Company's common shares are listed for trading on the TSXV, there can be no assurance that a liquid market will exist which may have an adverse effect on the market price of the Company's common shares.

Competition

The market for BriaCell's technology is highly competitive. The Company will compete 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 BriaCell's technologies or even render its technologies obsolete. Competition in BriaCell'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.

Intellectual Property

BriaCell's success depends to a significant degree upon its ability to develop, maintain and protect proprietary products and technologies. BriaCell files patent applications in the United States as part of its strategy to protect its Intellectual Property. However, patents provide only limited protection of BriaCell's Intellectual Property. The assertion of patent protection involves complex legal and factual determinations and is therefore uncertain and expensive. BriaCell 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. BriaCell's current patents could be successfully challenged, invalidated or circumvented. This could result in BriaCell'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 BriaCell considers significant could have a material adverse effect on the Company's business. The laws governing the scope of patent coverage in various countries continue to evolve. The laws of some foreign countries may not protect BriaCell's intellectual property rights to the same extent as the laws of United States. BriaCell holds patents only in selected countries. Therefore, third parties may be able to replicate BriaCell technologies covered by BriaCell's patents in countries in which it does not have patent protection.

Litigation to Protect the 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.

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 the Company's 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 Resulting Issuer.

Dependence upon Management

Although the Company is expected to have experienced senior management and personnel, the Company will be substantially dependent upon the services of a few key personnel, particularly Dr. Charles Wiseman and the professionals for the successful operation of its business. Phase I of the Company's research and development is planned to be completed by qualified professionals and is expected to concentrate on engaging the pharmaceutical companies for the licensing of the new vaccine candidates. 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. **Other legislation or regulatory proposals may affect the Company's revenues and profitability.**

Existing and proposed changes in the laws and regulations affecting public companies may cause the Company to incur increased costs as the Company evaluates the implications of new rules and responds to new requirements. Failure to comply with new rules and regulations could result in enforcement actions or the assessment of other penalties. New laws and regulations could make it more difficult to obtain certain types of insurance, including director's and officer's liability insurance, and the Company may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage, to the extent that such coverage remains available.

The impact of these events could also make it more difficult for the Company to attract and retain qualified persons to serve on the Company's board of directors, or as executive officers. The Company may be required to hire additional personnel and utilize additional outside legal, accounting and advisory services, all of which could cause the Company's general and administrative costs to increase beyond what the Company currently has planned. Although the Company evaluates and monitors developments with respect to new rules and laws, the Company cannot predict or estimate the amount of the additional costs the Company may incur or the timing of such costs with respect to such evaluations and/or compliance and cannot provide assurances that such additional costs will render the Company compliant with such new rules and laws.

If the Company experiences a data security breach and confidential information is disclosed, the Company may be subject to penalties and experience negative publicity

The Company and its customers could suffer harm if personal and health information were accessed by third parties due to a system security failure. The collection of data requires the Company to receive and store a large amount of personally identifiable data. Recently, data security breaches suffered by well known companies and institutions have attracted a substantial amount of media attention, prompting legislative proposals addressing data privacy and security. The Company may become exposed to potential liabilities with respect to the data that it collects, manages and processes, and may incur legal costs if information security policies and procedures are not effective or if the Company is required to defend its methods of collection, processing and storage of personal data. Future investigations, lawsuits or adverse publicity relating to its methods of handling such information could have a material adverse effect on the Company's business, financial condition and results of operations due to the costs and negative market reaction relating to such developments.

21. MD&A PREPARATION

This MD&A was prepared as of December 22, 2015. This MD&A should be read in conjunction with the condensed interim consolidated financial statements for the three months ended October 31, 2015 and the audited consolidated financial statements for the year ended July 31, 2015. This MD&A is intended to assist the reader's understanding of **BriaCell Therapeutics Corp**. and its' operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at www.sedar.com.

Also certain information, can be reviewed at the Company's website at "www.BriaCell.com" or its introductory video "www.youtube.com/watch?v=el-yFF1uHoQ"

Managements Responsibility for Financial Statements

The information provided in this report, is the responsibility of management. During the preparation of financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management maintains a system of internal controls to provide reasonable assurance that the company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

BriaCell's of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management quarterly to review the financial statement results, including the MD&A, and to discuss