IMMUNOPRECISE ANTIBODIES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED OCTOBER 31, 2017

The following Management's Discussion and Analysis ("MD&A"), prepared as of December 29, 2017, should be read in conjunction with the unaudited condensed interim consolidated financial statements of ImmunoPrecise Antibodies Ltd. ("the Company" or "IPA") (formerly Tanqueray Exploration Ltd. or "Tanqueray") for the three and six months ended October 31, 2017, together with the audited financial statements of the Company for the year ended April 30, 2017 as well as the accompanying MD&A for the year then ended. This MD&A is the responsibility of management and has been reviewed and approved by the Board of Directors of IPA.

The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and as applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. Except as otherwise noted all dollar figures in this MD&A are stated in Canadian dollars which is the Company's reporting currency.

FORWARD-LOOKING STATEMENTS

The Company's financial statements for the three and six months ended October 31, 2017, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions.

Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements 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 statements.

GENERAL

The Company was incorporated under the laws of Alberta on November 22, 1983. The Company is listed on the TSX Venture Exchange (the "Exchange") as a Tier 2 life science issuer under the trading symbol "IPA". The Company's OTC symbol is "IPATF". The address of the Company's corporate office is 3204 – 4464 Markham Street, Victoria, BC V8Z 7X8.

REVERSE TAKEOVER TRANSACTION

On December 21, 2016, IPA completed a reverse takeover transaction (the "RTO") with 0496106 BC Ltd., pursuant to which IPA acquired all of the issued and outstanding common shares of 0496106 BC Ltd. Upon completion of the RTO, the consolidated entity (the "Resulting Issuer") has continued to carry on the business of 0496106 BC Ltd., which is as a supplier of custom hybridoma development services. As part of the RTO, the Company changed its name from Tanqueray Exploration Ltd. to ImmunoPrecise Antibodies Ltd. and commenced trading on the Exchange under the symbol "IPA" on December 29, 2016.

Under the terms of the RTO, IPA acquired all of the issued and outstanding common shares of 0496106 BC Ltd. and, in consideration of which, IPA (A) paid the principal shareholders of IPA $1,000,000 and (B) issued a total of 9,602,966 common shares to the shareholders of 0496106 BC Ltd. such that they hold 25% of the issued and outstanding shares of the Company on closing of the RTO and the concurrent private placement that closed at the same time.

As a result of the RTO, the former shareholders of 0496106 BC Ltd., for accounting purposes, were considered to have acquired control of Tanqueray. Accordingly, the acquisition of 0496106 BC Ltd. was accounted for as a reverse takeover that was not a business combination and effectively was a capital transaction of IPA. 0496106 BC Ltd. has been treated as the accounting parent company (legal subsidiary) and IPA has been treated as the accounting subsidiary (legal parent) in the Company's consolidated financial statements. As 0496106 BC Ltd. was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in the Company's consolidated financial statements at their historical carrying value. IPA's results have been included from December 21, 2016, the date of the RTO.

The cash consideration has been treated as a return of capital. Since IPA's operations do not constitute a business, the carrying value of the net assets of IPA has been credited to the share capital of the Resulting Issuer. Listing expense is expensed and is calculated by reference to the value of IPA shares issued in the concurrent financing.

The purchase price has been allocated as follows:

	$
13,275,639 common shares of the Company at $0.30 per share	3,982,692
Fair value of consideration	3,982,692
Cash	141,994
Amounts receivable	3,595
Prepaid expenses	5,000
Equipment and leasehold improvements	1,784
Accounts payable and accrued liabilities	(56,841)
Listing expense	3,887,160
	3,982,692

As part of the RTO, Tanqueray paid a finder's fee of $97,022.

As the transaction is accounted for as an RTO, the consideration paid by IPA to acquire 0496106 BC Ltd. is the fair value of the shares that remain with the previous shareholders of 0496106 BC Ltd. after the transaction is completed. In an RTO transaction, the acquirer's primary purpose for completing the transaction is to acquire the public listing held by the acquiree and therefore the residual value of the consideration above IPA's net asset value is considered a listing expense and needs to be recorded for accounting purposes. Since the net assets of IPA were valued at $95,532, the residual value of the consideration paid above the net asset value of $3,887,160 was recorded as a listing expense during the year ended April 30, 2017.

ACQUISITION OF U-PROTEIN EXPRESS BV

On August 22, 2017, the Company completed the acquisition of U-Protein Express BV ("U-Protein") whereby the Company has acquired all of the issued and outstanding shares of U-Protein for €6,830,000 on terms as follows:

- €2,734,732 (CAD$4,062,607) was paid in cash on closing;
- 3,030,503 common shares of the Company were issued on closing; and
- €2,047,634 (CAD$3,022,305) in deferred payments over a three-year period. The deferred payments can be made in cash or common shares of the Company at the election of U-Protein shareholders.

The transaction was accounted for as a business combination, as the operations of U-Protein meet the definition of a business. As the transaction was accounted for as a business combination, transaction costs of $17,717 were expensed.

The consideration transferred was allocated on a preliminary basis to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. Due to the timing of the acquisition, the fair values assigned to the net assets acquired are preliminary and may be revised by the Company as additional information is received. The Company has allocated the purchase price on a preliminary basis as follows:

	$
Cash	4,062,607
3,030,503 common shares of the Company at $1.15 per share	3,485,078
Fair value of deferred payments	2,103,792
Fair value of consideration	9,651,477

Cash	797,276
Amounts receivable	370,530
Unbilled revenue	112,815
Inventory	36,900
Investment	90,404
Equipment	216,161
Customer relationships	1,115,000
Licenses	2,221,000
Intellectual property	651,000
Goodwill	4,354,245
Accounts payable and accrued liabilities	(269,657)
Income taxes payable	(44,197)
	9,651,477

The operating results for U-Protein have been recognized in the Company's consolidated statement of comprehensive loss beginning on August 22, 2017, the effective date of control. During the period ended October 31, 2017 the Company recorded a net income of $373,245 related to the operations U-Protein.

DESCRIPTION OF BUSINESS

The Company is an integrated antibody solutions company that serves the life science industry as a single source provider of services across the full antibody discovery value chain (antigen design, hit generation, lead selection, lead optimization and lead characterization). The Company utilizes the full spectrum of antibody production methodologies (library based technologies, hybridoma methods, transgenic animal based platforms and single B cell based technology) with a growing focus on generating human antibodies.

The services offered to customers include the development of mouse and rat monoclonal and rabbit recombinant monoclonal antibodies against a wide spectrum of antigens, as well as polyclonal antibodies, immunologically based assays, and solutions to challenges faced by clients in antibody related research and development. In addition, cryopreservation services are provided for the storage of valuable biological materials including hybridoma clones, plasmid constructs, and cell lines. The antibodies produced by the company target a wide variety of environmental, diagnostic and research applications.

Antibodies are naturally occurring proteins capable of binding to specific target molecules, or antigens. They have been used very widely in research assays, diagnostics, purification and therapeutics. The target market for the Company's antibody and peptide products includes organizations in the academic, biological, diagnostic and pharmaceutical fields.

The Company operates from two state-of-the-art laboratory facilities in North America and Europe. The Company's facility at the Vancouver Island Technology Park in Victoria, British Columbia houses tissue culture and molecular facilities, an animal care unit, and cryo-preservation facilities. Its facility in Utrecht, The

Netherlands offers fast and large-scale production of (mammalian) recombinant proteins and antibodies for research and pre-clinical applications.

OUTLOOK

The Company's overarching goal is to aggressively expand its share of the USD$2.6 billion research and development antibody market by becoming a leading integrated antibody solutions company addressing all aspects of the antibody discovery value chain through the application of conventional, novel and advanced technologies. The Company is positioning its capabilities and services to become the preferred partner for drug developers globally. As of October 31, 2017, the Company had $3,374,437 in working capital to finance its growth initiatives.

To achieve its goal, the Company has been progressing on the 3 imperatives identified at the time of its RTO:

1. Strengthening and expanding its core business and building a significant presence in the huMAB market segment.
- In pursuit of this imperative, the Company has been deliberately shifting its antibody production facilities to higher margin RMAT and humanized antibody production. As of October 31, 2017 the company had in six months completed as many RMAT projects as it had during the entire previous fiscal year. In addition, during this period the Company secured contracts with two new clients for humanized antibody production projects and began negotiation with two others.
- Also, the Company has been working on transitioning its conventional hybridoma antibody production activities to high volume lower cost production facilities.
- The Company has planned a sales team expansion involving the addition of sales people and systems aimed at maximizing its opportunities in the EU market, and attendance at tradeshows and conferences by key scientific personnel in order to raise the Company's profile.

2. Growing revenues through strategic M&A and partnerships.
- The Company has been able to leverage its acquisition of U-Protein to expand its reach into the EU antibody discovery services market and identify new acquisition targets and partnership opportunities. The Company will continue to acquire or strategically partner with other European Contract Research Organizations to increase critical mass.
- These acquisitions will be leveraged and broadened to encompass more of the antibody discovery service value chain, including the addition of GMP certified production capabilities. As an example, by partnering with an EU research firm, the Company is planning a project involving in vivo testing. Building up its in vivo capacity will not only give the Company a new revenue source, but also serve as a solid step toward its establishment as a GMP production facility.

3. Build the Company's intellectual property estate and portfolio of proprietary methods through collaborations, joint ventures, acquisitions and in-licensing.
- The Company has been strategically investing in the development and licensing of antibody discovery platforms and related intellectual property assets.

In addition to being listed on the TSX-V currently, the Company is pursuing a listing of its securities on the Frankfurt Exchange and is strengthening its capital raising capabilities to help drive expansion.

During the six months ended October 31, 2017 the Company continued the implementation of measures to drive operational efficiency and improve gross margins, as well as new information systems and internet marketing and lead generation capabilities. SalesForce is now relied upon on to provide timely and up-to-date reporting on sales activities and results. Financial Force Accounting provides timely reporting of financial results and allows sales and operations staff to efficiently quote and invoice project work from a single integrated system. These efforts have proven enormously valuable and will facilitate the speedy and successful integration of future acquisitions.

The Company completed the expansion of its laboratory facilities and undertook research and development initiatives aimed at introducing new services for the development of humanized antibodies. To achieve the best

results from its investments the Company continued to add key scientific and management personnel to its team.

OVERALL PERFORMANCE

During the three months ended October, 2017 the Company achieved growth in revenues to $1,316,261 from $797,807 in 2016. During the six months ended October, 2017 the Company achieved growth in revenues to $1,907,319 from $1,525,232 in 2016. The increased revenue was mostly related to the acquisition of U-Protein and the Company's ability to expand its market share in Europe. The Company's total assets at October 31, 2017 increased to $13,253,609 from $3,928,989 at April 30, 2017 as a result of the acquisition of U-Protein. The acquisition of key assets such as customer relationships, licenses, intellectual property and goodwill will be key in helping the Company execute its growth in Europe.

The Company's new laboratory is now a fully operational antibody production facility that effectively doubles its revenue generating capacity. To drive the execution of its strategic and growth initiatives, the Company continues to focus on the recruitment of scientific and technical staff.

To support management and the Board of Directors in exercising oversight, the Company has adopted state-of-the-art information systems for marketing and sales automation and customer relationship management (Salesforce), as well as accounting and financial reporting, resource planning and project management (Financial Force). Starting in Q3, SalesForce will be implemented in all business units to provide better management information and improve coordination between supporting departments and business units. The Company will implement laboratory management software in the coming year to complete its technology infrastructure in 2018/19. Comprehensive operational and management reporting capabilities are being implemented with a view to effectively supporting a geographically dispersed organization.

With the aid of a third-party HR consulting firm, significant effort was applied to strengthening and aligning the Company's human resources by:

- *Stabilizing staffing for going forward sales* growth: Remuneration and incentive systems have been aligned with targeted revenue and gross profit performance, and operational roles and responsibilities have been focused on managing demand.
- *Leadership and operational alignment*: The Company has made changes and updates job descriptions, compensation plans, and other reward and recognition systems, and is implementing career planning and development mechanisms and job performance and quality measures.

RESULTS OF OPERATIONS

Three Months ended October 31, 2017

During the three months ended October 31, 2017 the Company increased revenues to $1,316,261 from $797,807 in 2016. This represents a 65% increase in revenue and stems from the acquisition of U-Protein and the Company's ability to grow its core business and expand its market share to Europe.

During the three months ended October 31, 2017 the Company increased its gross margin to $411,236 from $370,050 in 2016. Although the gross margin % decreased to 31% from 46% in 2016, the reduction resulted from investments made in anticipation of growth, and is expected to recover to former levels in future fiscal periods. These investments involved the Company increasing its staffing levels, making salary adjustments, and incurring one time integration costs and higher lab operating costs in order to accommodate anticipated future demand and growth in revenues. The Company's research and development costs also increased as the Company pursued its goal of broadening the breadth and value of its intellectual property assets and techniques inherent in the production of humanized antibodies.

The Company recorded a net loss of $903,252 during the three months ended October 31, 2017, compared to net income of $101,164 for the three months ended October 31, 2016. The net loss is mostly attributable to non-recurring costs in foundational growth-enabling investments made to pursue strategic initiatives as well as M&A expenses. The Company incurred consulting, travel and legal costs in order to complete its acquisition of U-Protein.

Variances of note in the Company's expenses include:

- Advertising expenses increased to $46,101 from $4,891 in 2016 due to the Company's investment in the development of a new website, participation in conferences and tradeshows, internet marketing initiatives, and lead generation.
- Consulting fees of $150,369 in 2017 (2016 - $3,684) were incurred to support initiatives focused on business development, operational efficiency training programs, and systems implementation.
- The insurance expense of $21,675 (2016 - $nil), management fees of $39,133 (2016 - $nil), office and general expense of $88,956 (2016 - $62,677), rent expense of $22,606 (2016 - $nil), and repairs and maintenance expense of $21,836 (2016 - $nil) were all higher compared to the comparable 2016 period due to the expansion of the Company's laboratory facilities, an increase in commercial activities and the acquisition of U-Protein.
- Professional fees of $233,373 (2016 - $11,101) increased as a result of the Company's increased regulatory filing requirements and in relation to the acquisition of U-Protein (e.g., auditing, third-party business valuation, closing costs, etc.).
- Salaries and benefits expense increased to $255,290 from $157,332 in 2016 due to the increased staffing levels needed to accommodate greater commercial activity and future growth.
- The Company recorded a share-based payments expense of $355,307 (2016 - $nil) as a result of the vesting of the 1,960,000 stock options granted during the April 30, 2017 fiscal year and the 1,750,000 stock options granted in September 2017. The option plan is aimed to align staff to the future company growth plans.
- The travel expense increased to $46,106 from $786 in 2016 due to an increase in marketing activities and in connection with the acquisition of U-Protein.as well as marketing related activities.

Six Months ended October 31, 2017

During the six months ended October 31, 2017 the Company experienced an increase in revenues to $1,907,319 from $1,525,232 in 2016. This result represents a 25% increase in revenue and stems from the acquisition of U-Protein, the Company's ability to grow its core business and expand its market share in Europe, and an increase in projects for the Molecular Lab (including projects from the famed Foundation for Innovative New Diagnostics (FIND) organization located in Geneva, Switzerland).

During the six months ended October 31, 2017 the Company's gross margin decreased to $338,326 from $741,135 in 2016. In percentage terms, the Company's gross margin decreased to 18% from 48% in 2016. Although the gross margin % decreased to 31% from 46% in 2016, the reduction resulted from investments made in anticipation of growth, and is expected to recover to former levels in future fiscal periods. These investments involved the Company increasing its staffing levels, making salary adjustments, one time integration costs, and higher lab operating costs in order to accommodate anticipated future demand and growth in revenues The Company's research and development costs also increased as the Company pursued its goal of broadening the breadth and value of its intellectual property assets in techniques inherent in the production of humanized antibodies through new working partnerships with several companies with leading transgenic platforms.

The Company recorded a net loss of $1,761,084 during the six months ended October 31, 2017, compared to net income of $250,103 for the six months ended October 31, 2016. The net loss is partly attributable to non-recurring growth-enabling investments made to pursue strategic initiatives. These included consulting and management fees and other one-time costs for items such as systems development, business development, and operational efficiency consulting aimed at configuring the Company for significant future growth. In addition, the Company incurred consulting, travel and legal costs to complete its acquisition of U-Protein.

Variances of note in the following expenses are:

- Advertising expenses increased to $79,102 from $8,893 in 2016 due to the Company's investment in the development of a new website, participation in conferences and tradeshows, internet marketing initiatives, and lead generation.

- Consulting fees of $251,056 in 2017 (2016 - $19,543) were incurred to support the Company's initiatives focused on business development, operational efficiency training programs, and systems implementation.
- The insurance expense of $21,675 (2016 - $nil), management fees of $39,133 (2016 - $nil), office and general expenses of $123,117 (2016 - $72,965), rent expense of $22,606 (2016 - $nil), and repairs and maintenance expense of $21,836 (2016 - $nil) were higher compared to the comparable 2016 period due to the expansion of the Company's laboratory facilities, an increase in commercial activities and the acquisition of U-Protein (e.g., auditing, third-party business valuation, closing costs, etc.).
- Professional fees of $321,759 (2016 - $22,966) increased due to the Company's increased regulatory filing requirements and also in relation to the acquisition of U-Protein.
- Salaries and benefits expense increased to $508,635 from $301,794 in 2016 due to increased staffing levels to accommodate greater commercial activity and future growth.
- The Company recorded a share-based payments expense of $513,570 (2016 - $nil) as a result of the vesting of the 1,960,000 stock options granted during the April 30, 2017 fiscal year and the 1,750,000 stock options granted in September 2017. The option plan is intended to help align staff to fulfil the Company's growth plans.
- The travel expense increased to $122,820 from $1,405 in 2016 due to an increase in business and marketing activities and in connection with the acquisition of U-Protein.

SUMMARY OF QUARTERLY RESULTS

The following table sets out financial information for the past eight quarters:

	Three Months Ended ($)			
	October 31, 2017	**July 31, 2017**	**April 30, 2017**	**January 31, 2017**
Total revenue	1,316,261	591,058	594,448	510,835
Net (loss) income	(903,252)	(857,832)	(1,196,462)	(4,437,461)
Basic and diluted loss per share*	(0.02)	(0.02)	(0.03)	(0.20)

	Three Months Ended ($)			
	October 31, 2016	**July 31, 2016**	**April 30, 2016**	**January 31, 2016**
Total revenue	797,807	727,425	695,862	413,021
Net income (loss)	101,164	148,939	356,339	(51,526)
Basic and diluted loss per share*	0.01	0.02	0.04	(0.01)

*The basic and fully diluted calculations result in the same value due to the anti-dilutive effect of outstanding stock options and warrants.

The loss for the quarter ended January 31, 2017 is greater than other quarters as the Company recorded a listing expense of $3,887,160 upon completion of the Transaction.

The losses for the quarters ended October 31, 2017, July 31, 2017 and April 30, 2017 are greater than other quarters as the Company invested heavily in growth enabling initiatives.

FINANCING ACTIVITIES

On August 16, 2017, the Company completed a non-brokered private placement, issuing 5,250,000 common shares at $1.00 per share for gross proceeds of $5,250,000. The Company issued 281,100 common shares and paid a total of $24,000 as finders' fees. The Company also incurred $5,669 of cash issue costs.

On August 22, 2017, the Company issued 3,030,503 common shares pursuant to the acquisition of U-Protein. The fair value of the 3,030,503 common shares issued ($3,485,078) was estimated using a fair value of $1.15 per share.

During the six months ended October 31, 2017, the Company issued 3,334 common shares pursuant to exercise of stock options for total gross proceeds of $1,000. A value of $757 was transferred from contributed surplus to share capital as a result.

LIQUIDITY AND CAPITAL RESOURCES

The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity. The capital structure of the Company consists of credit facilities and shareholders' equity.

The Company makes adjustments to its capital structure upon approval from its Board of Directors, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

As at October 31, 2017, the Company held cash of $2,257,494 (April 30, 2017 – $2,578,445) and had working capital of $3,374,437 (April 30, 2017 – $2,447,476). The increase in working capital resulted from the Company issuing 5,250,000 common shares at $1.00 per common share for gross proceeds of $5,250,000, offset by the net cash used by operating activities of $2,153,348 during the six months ended October 31, 2017. As part of the investing activities, the Company made equipment purchases of $164,326, paid cash of $4,062,607 to acquire U-Protein, and acquired cash of $797,276 pursuant to the acquisition of U-Protein.

As at October 31, 2017, the Company does not have any commitments for capital expenditures.

CAPITAL EXPENDITURES

The Company made equipment purchases of $164,326 and paid cash of $4,062,607 to acquire U-Protein during the six months ended October 31, 2017.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Key management consists of Thomas D'Orazio, former President and Chief Executive Officer, Robert Beecroft, Chief Executive Officer (Interim), Natasha Tsai, Chief Financial Officer, Reginald Beniac, Chief Operating Officer, and Directors of the Company. The compensation for key management is as follows:

	Three months ended October 31,		Six months ended October 31,	
	2017 $	2016 $	2017 $	2016 $
Consulting fees[(1)]	10,000	-	36,994	-
Professional fees[(2)]	18,407	-	30,108	-
Salaries and other short-term benefits[(3)]	96,924	86,338	192,829	173,676
Share-based payments	60,359	-	125,555	-
	185,690	86,338	385,486	173,676

(1) The charge includes consulting fees paid to Guy Champagne, a Director.
(2) The charge includes profefssional fees paid to Malaspina Consultants Inc. in which Natasha Tsai is an associate.
(3) The charge includes salaries and benefits paid to Thomas D'Orazio, Robert Beecroft, and Reginald Beniac.

At October 31, 2017, included in accounts payable and accrued liabilities is $5,173 (April 30, 2017 - $14,036) due to related parties.

During the three and six months ended October 31, 2017 and 2016, the spouse of the Chief Executive Officer provided administrative services for $12,738 and $25,476 (2016 – $12,500 and $20,833).

OUTSTANDING SHARE DATA

The Company's outstanding share information as at December 29, 2017 is as follows:

Security	Number	Exercise Price	Expiry date
Issued and outstanding common shares	47,143,459	NA	NA
Stock options	200,000	$1.24	March 15, 2019
Stock options	1,651,666	$0.30	December 20, 2021
Stock options	105,000	$1.24	March 15, 2022
Stock options	1,750,000	$1.01	September 18, 2022
Warrants	650,000	$0.30	March 17, 2018
Total	51,500,125		

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

COMMITMENTS

During the year ended April 30, 2017 the Company extended its existing operation lease agreements for rental of office and laboratory space to include one additional office space and for an additional term of 5 years. The new lease agreement commenced January 1, 2017 and terminates on December 31, 2021. The new lease is in the amount of $12,553 per month for all three spaces from January 1, 2017 to April 30, 2018 and $13,543 per month from May 1, 2018 to December 31, 2021. The Company also has two operating leases for laboratory equipment with commitments to August 2018.

The minimum annual payments under these leases, excluding operating costs, are as follows:

	$
2018	165,479
2019	163,358
2020	162,518
2021	162,518
2022	108,345
	762,218

SUBSEQUENT EVENTS

Acquisition of ModiQuest

On December 7, 2017, the Company announced that it has signed a binding letter of intent with ModiQuest Research BV ("ModiQuest") whereby the Company has agreed to acquire all of the issued and outstanding shares of ModiQuest for €7,000,000 on terms as follows:

- €2,500,000 (CAD$3,775,000) will be paid in cash on closing;
- 6,622,807 common shares of the Company will be issued on closing; and
- €2,000,000 (CAD$3,020,000) in deferred payments over a three-year period. The deferred payments will be made in three equal installments of cash and equity totaling €666,666 (CAD$1,006,665) on each anniversary date following closing of the transaction and will be prorated if the EBITDA of ModiQuest fails to equal the average EBITDA from the previous two years.

Completion of the transaction with ModiQuest is subject to a number of conditions, including but not limited to, completion of due diligence, negotiation of definitive agreements in respect of such a transaction, the availability of financing on terms acceptable to the Company, and receipt of any required regulatory and shareholder approvals.

Acquisition of Crossbeta

On December 22, 2017, the Company announced that it has signed a binding letter of intent with Crossbeta Biosciences B.V. ("Crossbeta") whereby the Company has agreed to acquire all of the issued and outstanding shares of Crossbeta for €8,500,000 by either (A) the issuance of common shares of the Company, or (B) the issuance of convertible notes that bear interest at a rate of 6% per annum (the"Notes") on closing of the transaction. The Notes will be convertible, at the option of the holder, into cash or shares of the Company in increments of 25% of their total value at 6, 18, 30 and 36 months after the date of closing. Notwithstanding the foregoing, the Company can repay the notes with cash at any time.

The letter of intent also sets forth the Company's commitment to fund Crossbeta, after being acquired by the Company, for a total of €15,000,000 (CAD$22,650,000) as follows: (A) €800,000 (CAD$1,208,000) on closing of the transaction, (B) €5,000,000 (CAD$7,550,000) upon commencement of preclinical trials, and (C) €9,200,000 (CAD$13,892,000) upon commencement of human clinical trials. The Company will also commit up to €800,000 (CAD$1,208,000) for gene therapy for the shark antibody.

Completion of the transaction with Crossbeta is subject to a number of conditions, including but not limited to, completion of due diligence, negotiation of definitive agreements in respect of such a transaction, the availability of financing on terms acceptable to the Company, and receipt of any required regulatory and shareholder approvals.

Acquisition of Preclinics

On December 28, 2017, the Company announced that it has signed a binding letter of intent with Preclinics GmbH (“Preclinics”) whereby the Company has agreed to acquire all of the issued and outstanding shares of Preclinics for €2,300,000 with 35% payable in cash and the remainder through the issuance of shares of the Company and an additional €750,000 payable based on continued profitability over 3 years with €250,000 paid in year one, €250,000 in year two and €250,000 in year three at the option of the Preclinics shareholders to receive payment in cash or equity.

Completion of the transaction with Preclinics is subject to a number of conditions, including but not limited to, completion of due diligence, negotiation of definitive agreements in respect of such a transaction, the availability of financing on terms acceptable to the Company, and receipt of any required regulatory and shareholder approvals.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with IFRS required estimates and judgments that affect the amounts reported in the financial statements. Actual results could differ from these estimates and judgments. Significant areas requiring the use of estimates and judgments are as follows:

Functional currency

The Company has used judgment in determining the currency of the primary economic environment in which the entity operates.

Amounts receivable

The Company monitors the financial stability of its customers and the environment in which they operate to make estimates regarding the likelihood that the individual trade receivable balances will be paid. Credit risks for outstanding customer receivables are regularly assessed and allowances are recorded for estimated losses.

Investment tax credit receivable

The investment tax credits are estimated by management based on quantitative and qualitative analysis and interpretation of various government programs, related restrictions, limitations, definitions, and eligibility conditions. Management involves its technical staff and external specialists in determining if the expenditures meet the requirements of the different tax credit claims.

Equipment
The Company has used estimates in the determination of the expected useful lives and amortization rates of equipment and leasehold improvements.

Revenue recognition
The percentage-of-completion method requires the use of estimates to determine the stage of completion which is used to determine the recorded amount of revenue, unbilled revenue and deferred revenue on uncompleted contracts. The determination of anticipated revenues includes the contractually agreed revenue and may also involve estimates of future revenues if such additional revenues can be reliably estimated and it is considered probable that they will be recovered. The determination of anticipated costs for completing a contract is based on estimates that can be affected by a variety of factors, including the cost of materials, labour, and sub-contractors. The determination of estimates is based on the Company's business practices as well as its historical experience. Estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following revised standards are effective for the annual periods noted with earlier application permitted. The Company has not completed its assessment of the impact that the new and amended standards will have on its financial statements. The Company also has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

Financial instruments
In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39") and all previous versions of IFRS 9. The new standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Company intends to adopt IFRS 9 in its financial statements for the fiscal year beginning May 1, 2018. The extent of the impact of adoption has not yet been determined.

Revenue recognition
In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15') establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company intends to adopt IFRS 15 in its financial statements for the fiscal year beginning May 1, 2018. The extent of the impact of adoption has not yet been determined.

Leases
In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. The Company intends to adopt IFRS 16 in its financial statements for the annual period beginning May 1, 2019. The extent of the impact of adoption has not yet been determined.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated financial statements for the six months ended October 31, 2017 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal

control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

FINANCIAL INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and deferred acquisition payments. Their carrying amounts approximate fair value due to their immediate or short-term maturity.

RISKS AND UNCERTAINTIES

Research and Development and Product Development

IPA is a life science company that makes customized antibodies and is engaged in the research and product development of new process, procedures and innovative approaches to the antibody production and new antibodies. The Company has been engaged in such research and development activities for over 20 years and has had significant success. Continued investment in retaining key scientific staff as well as an on-going commitment in research and development activities will continue to be a cornerstone in the Company's development of new services, processes, and competitive advantages such as Rapid Prime and its methods for the production of humanized antibodies. The Company realizes that such research and product development activities endeavour, but cannot assure, the production of new and innovative processes, procedures or innovative approaches to antibody production or new antibodies.

Custom Products

The Company is reliant on the development, marketing and sale of its current custom monoclonal and polyclonal antibodies. If it does not achieve sufficient market acceptance of its expansion of its commercialization of its products and services, it will be difficult for the Company to achieve consistent profitability. The Company's marketing and sales approach and external sales personnel continues to introduce a steady stream of new customers.

Obsolescence

Maintaining a competitive position requires constant growth, development and strategic marketing and planning. If the Company is unable to maintain a technological advantage, its ability to grow its business will be adversely affected and its products may become obsolete compared with other technologies. To mitigate this, the Company is making investments in new methods, technology and facilities.

Competition

IPA may face significant competition in selling its products and services. Many competitors may have substantial marketing, financial, development and personnel resources. To remain competitive, the Company believes that it must effectively and economically provide: (i) products and services that satisfy customer demands, (ii) superior customer service, (iii) high levels of quality and reliability, and (iv) dependable and efficient distribution networks. Increased competition may require the Company to reduce prices or increase spending on sales and marketing and customer support, which may have a material adverse effect on its financial condition and results of operations. Any decrease in the quality of IPA's products or level of service to customers or any occurrence of a price war among the Company's competitors may adversely affect the business and results of operations. Customer reach, service and on-time delivery will continue to be a hallmark of the Company's ability to compete with other market players. Further, the recent acquisitions translate to spreading the IPA footprint on two continents. In addition, the Company has deployed a sales team tasked with continually sourcing and providing market intelligence as part of its activities.

Intellectual Property Protection

Although IPA is developing its patent portfolio, IPA's intellectual property is still protected primarily through trade secrets and copyright protection. The Company takes steps to document and protect its trade secrets and authorship of works protectable by copyright. However, there is no guarantee that such steps protect against the disclosure of confidential information, rights of employees, or that legal actions would provide sufficient remedy for any breach. Additionally, IPA's trade secrets might otherwise become known or be independently developed by competitors. If the Company's internal information and knowledge cannot be protected, the business might be adversely affected.

Failure of Laboratory Facilities
The Company's operations could suffer as a result of a failure of its laboratory facilities. The Company's business is dependent upon a laboratory infrastructure to produce products and services. These systems and operations are vulnerable to damage and interruption from fires, earthquakes, telecommunications failures, and other events. Any such errors or inadequacies in the software that may be encountered could adversely affect operations, and such errors may be expensive or difficult to correct in a timely manner.

The production of monoclonal and polyclonal antibodies requires state of the art laboratory facilities and animal care standards and the success of these laboratory services depends on the recruitment and retention of highly qualified technical staff to maintain the level and quality standards that customers expect of the Company's products and services. There is no assurance that the Company will be able to expand and operate such state-of-the-art laboratory services and recruit and retain qualified staff.

The Company produces and supplies monoclonal and polyclonal antibodies and there is no guarantee that such production will be successful and produce the desired results. As a result, the Company continues to be exposed to potential liability that may exceed any insurance coverage that it may obtain in the future. As a result, the Company may incur significant liability exposure, which may exceed any insurance coverage that the Company may obtain in the future. If the Company elects to purchase such insurance in the future, the Company may not be able to maintain adequate levels of insurance at reasonable cost and/or reasonable terms. Excessive insurance costs or uninsured claims may result in an operating loss for the Company and affect the Company's financial condition.

Financial and Regulatory Risks
The Company is currently subject to financial and regulatory risks. The financial risk is derived from the uncertainty pertaining to the Company's ability to raise capital to continue operations. Regulatory risks include the possible delays in getting regulatory approval for the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings and the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

CORPORATE STRATEGY

The Company's overarching goal is to aggressively expand its share of the USD$2.6 billion research and development antibody market by becoming a leading integrated antibody solutions company addressing all aspects of the antibody discovery value chain by applying conventional, novel and advanced technologies. The Company is positioning its capabilities and services to become the preferred partner for drug developers globally.

Since October 31, 2017, the Company has continued to progress on its 3 imperatives: (1) strengthening and expanding its core business and to build significant presence in the humAB market; (2) growing revenues through strategic M&A and strategic partnerships; and (3) building the Company's intellectual property estate and its portfolio of proprietary methods through collaborations, joint ventures, acquisitions and in-licensing.

Progress on these initiatives is outlined below and will be reported in subsequent reports as advancements are made.

Strengthening and expanding its core business and building a significant presence in the huMAB market segment:

- In Q2 – Company entered into 5 projects with 4 new customers in higher margin RMAT and humanized antibody production
- In Q2 – Company undertook over 60 Projects including 10 RMAT, 2 humanized mAB R&D projects and about 50 Hybridoma projects

Extending Reach as Integrated Antibody Solutions Company and Growing revenues through strategic M&A and partnerships

As an integrated antibody solutions company, IPA is aggressively extending its reach across the antibody discovery and development value chain through its strategic acquisitions and investments in intellectual property assets. These initiatives allow the IPA group of companies to offer drug discovery companies a single source for antibody discovery and development. IPA is also making strategic investments in targeted antibody development focused on the therapeutic treatment of specific high-profile disease targets.

Each of the strategic acquisitions and investments outlined below demonstrates IPA's progress on the extension of its reach across the value chain and the expansion of its footprint in the European market.

Acquisition of ModiQuest

On December 7, 2017, as part of its strategy to be a one stop shop for the antibody discovery process, the Company announced that it has signed a binding letter of intent with ModiQuest whereby the Company has agreed to acquire all of the issued and outstanding shares of ModiQuest for €7,000,000 (CAD$10,570,000).

ModiQuest is a privately held company based in Oss, The Netherlands that specializes in the generation of monoclonal antibodies against difficult target antigens. ModiQuest applies proprietary technologies to all aspects of the antibody discovery process in research and development, diagnostic and therapeutic applications. Using its proprietary ModiFuse™ (hybridoma electrofusion), ModiSelect™ (B-cell selection) and ModiPhage™ (phage display) technologies, ModiQuest can generate very large panels of monoclonal antibodies from various backgrounds including mouse, rat, rabbit, chicken, llama and human, as well as transgenic animals harboring the human antibody gene repertoire. ModiQuest serves clients in Europe, the US, Asia and Russia.

The letter of intent also requires that Jos Raats, a principal of ModiQuest, to enter into a three-year management contract, which will include non-solicitation and non-competition clauses, and Mr. Raats will provide a minimum of 60% of full time employment to ModiQuest under the management contract. The Company has also agreed to appoint one of the principal shareholders of ModiQuest to its board of directors.

The parties will be entitled to carry out due diligence of each other until February 15, 2018. Upon the parties completing due diligence to their reasonable satisfaction, the parties will enter into the Definitive Agreement setting forth the terms and conditions of the Transaction by February 28, 2018. Completion of any transaction with ModiQuest is subject to a number of conditions, including but not limited to, completion of due diligence, negotiation of definitive agreements in respect of such a transaction, the availability of financing on terms acceptable to the Company, and receipt of any required regulatory and shareholder approvals. A transaction cannot be completed until these conditions are satisfied, and there can be no assurance that a transaction will be completed at all.

Acquisition of Crossbeta

On December 22, 2017, as part of its strategy to invest in targeted antibodies for the therapeutic treatment of diseases, the Company announced that it has signed a binding letter of intent with Crossbeta whereby the Company has agreed to acquire all of the issued and outstanding shares of Crossbeta for €8,500,000 (CAD$12,835,000).

The letter of intent also sets forth the Company's commitment to fund Crossbeta, after being acquired by the Company, for a total of €15,000,000 (CAD$22,650,000) as follows: (A) €800,000 (CAD$1,208,000) on closing of the transaction, (B) €5,000,000 (CAD$7,550,000) upon commencement of preclinical trials, and (C) €9,200,000 (CAD$13,892,000) upon commencement of human clinical trials. The Company will also commit up to €800,000 (CAD$1,208,000) for gene therapy for the shark antibody.

Crossbeta is a privately held company based in the Netherlands with a proprietary technology for efficient oligomer-based drug discovery, with applications in Alzheimer's, Parkinson's, ALS and Huntington's disease. Crossbeta's technology allows the generation of well-defined stable, pathobiologically functional, oligomers. Crossbeta's oligomers allow fast, de-risked drug candidate screening and the generation of antibodies with high affinity as well as high specificity. The capabilities of Crossbeta's technology have already yielded multiple antibodies with biomarker/diagnostic and therapeutic potential for Alzheimer's and Parkinson's disease.

Crossbeta offers its proprietary technology for strategic collaborative partnerships aimed at developing new oligomer targets and related screening assays and for therapeutic and diagnostic/biomarker assay development programs.

The CEO of Crossbeta will also enter into a three year management contract, which will include non-solicitation and non-competition clauses. The Company has also agreed to appoint one of the principal shareholders of Crossbeta to its board of directors.

The parties will be entitled to carry out due diligence of each other until January 15, 2018. Upon the parties completing due diligence to their reasonable satisfaction, the parties will enter into the Definitive Agreement setting forth the terms and conditions of the transaction by January 30, 2018. Completion of any transaction with Crossbeta is subject to a number of conditions, including but not limited to, completion of due diligence, negotiation of definitive agreements in respect of such a transaction, the availability of financing on terms acceptable to the Company, and receipt of any required regulatory and shareholder approvals. A transaction cannot be completed until these conditions are satisfied, and there can be no assurance that a transaction will be completed at all.

Acquisition of Preclinics

On December 27, 2017, as part of its strategy to invest in the development of intellectual property assets and extend its reach into the European antibody discovery process market, the Company announced that it has signed a binding letter of intent with Preclinics GmbH ("Preclinics") whereby the Company has agreed to acquire all of the issued and outstanding shares of Preclinics for €2,200,000 with 35% payable in cash and the remainder through the issuance of shares of the Company and an additional €750,000 payable based on continued profitability over 3 years with €250,000 paid in year one, €250,000 in year two and €250,000 in year three at the option of the Preclinics shareholders to receive payment in cash or equity.

Preclinics is a contract research organization that brings core competence in early drug development in the areas of pharmacokinetics, efficacy and potency, and drug tolerance through carrying out infection studies, huPBL models, imaging, and voluntary running programs in test subjects. Preclinics also operates state-of-the-art animal care facilities and provides contract immunization of Alpacas, Llamas, Sheep, Goats, Horses, Rabbits and Poultry, and offers blood sampling and Camelid VHH services. To support the research and development needs of clients Preclinics offers specialized research instruments as well as bulk production of Anti-Sera, Sera and Plasma of various species, and VHH-ligands.

The CEO of Preclinics will also enter into a three-year management contract, which will include non-solicitation and non-competition clauses.

The parties will be entitled to carry out due diligence of each other until January 31, 2018. Upon the parties completing due diligence to their reasonable satisfaction, the parties will enter into the Definitive Agreement setting forth the terms and conditions of the transaction by January 31, 2018. Completion of any transaction with Preclinics is subject to a number of conditions, including but not limited to, completion of due diligence, negotiation of definitive agreements in respect of such a transaction, the availability of financing on terms acceptable to the Company, and receipt of any required regulatory and shareholder approvals. A transaction cannot be completed until these conditions are satisfied, and there can be no assurance that a transaction will be completed at all.

Build the Company's intellectual property estate and its portfolio of proprietary methods through collaborations, joint ventures, acquisitions and in-licensing

As part of its commitment to strategically invest in the development and licensing of antibody discovery platforms and related intellectual property assets and initiatives, the Company is pursuing the following kinds of investment opportunities.

On December 28, 2017, as part of its investment in strategic IP initiatives, the Company announced a strategic investment and collaboration with SERPINx B.V., a Netherlands company to undertake animal studies at the Company's Vancouver Island facilities for the development of modified serpins for the treatment of bradykinin diseases.

FURTHER INFORMATION

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