

### **Notice to Reader**

These condensed interim consolidated financial statements of BriaCell Therapeutics Corp. (the “Company”) for the three and nine month periods ended April 30, 2020 are being amended and refiled to remove the Notice to Reader disclosure regarding notice of no auditor review of the financial statements and to update, to the date of re-filing, events after the reporting period as described in Note 16. The amended and re-filing occurred following a review of the Company’s condensed interim consolidated financial statements by the Company’s auditors. Except as described in this Notice, there have been no other material changes to the condensed interim consolidated financial statements as originally filed by the Company on June 29, 2020.

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# **Condensed Interim Consolidated Financial Statements**

For the Three and Nine Months Ended April 30, 2020

Expressed in Canadian Dollars

(Unaudited)

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# BriaCell Therapeutics Corp

Unaudited Condensed Interim Consolidated Statements of Financial Position  
As at April 30, 2020 and July 31, 2019  
(Expressed in Canadian Dollars)

	April 30, 2020	July 31, 2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 74,244	\$ 192,916
Amounts receivables	418	3,459
Prepaid expenses	210,459	10,667
<b>Total current assets</b>	<b>285,121</b>	<b>207,042</b>
Investments	2	2
Intellectual property (Note 5)	325,158	339,215
<b>Total Assets</b>	<b>\$ 610,281</b>	<b>\$ 546,259</b>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 10)	\$ 4,136,785	\$ 996,172
Short term loans (Note 6)	297,645	-
Unsecured convertible loan (Note 7)	-	396,224
<b>Total liabilities</b>	<b>4,434,430</b>	<b>1,392,396</b>
<b>Shareholders' equity</b>		
Share capital (Note 8(b))	15,065,961	13,651,217
Share-based payment reserve (Note 9)	739,193	877,089
Warrant reserve (Note 8(c))	2,271,911	2,870,442
Accumulated other comprehensive loss	(270,452)	(124,295)
Deficit	(21,630,762)	(18,120,590)
<b>Total shareholders' deficit</b>	<b>(3,824,149)</b>	<b>(846,137)</b>
<b>Total liabilities and shareholders' deficit</b>	<b>\$ 610,281</b>	<b>\$ 546,259</b>

**Nature of Operations and Going Concern** (Note 1)

**Commitments and Contingencies** (Note 15)

**Events After the Reporting Period** (Note 16)

These financial statements were approved and authorized for issue on behalf of the Board of Directors on September 17, 2020 by:

**On behalf of the Board:**

"Jamieson Bondarenko"

Director

"William Williams"

Director

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

# BriaCell Therapeutics Corp

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Expressed in Canadian Dollars)

	Three months ended April 30,		Nine months ended April 30,	
	2020	2019	2020	2019
	Unaudited		Unaudited	
<b>Expenses:</b>				
Research and development costs (Note 13)	\$ 281,677	\$ 1,056,154	\$ 2,502,374	\$ 3,605,429
General and administration costs (Note 14)	413,797	381,629	1,633,919	847,266
Share-based compensation (Note 9(v))	292	58,835	2,071	60,570
<b>Total Expenses</b>	<b>695,766</b>	1,496,618	<b>4,138,364</b>	4,513,265
<b>Operating Loss</b>	<b>(695,766)</b>	(1,496,618)	<b>(4,138,364)</b>	(4,513,265)
Interest income	-	672	-	11,999
Interest expense (Note 6,7)	(4,946)	(3,204)	(11,154)	(26,352)
Change in fair value of convertible debt (Note 7)	-	(63,398)	(79,119)	392,721
Foreign exchange income (loss)	63	39,902	(20,033)	39,902
	<b>(4,883)</b>	(26,028)	<b>(110,306)</b>	418,270
<b>Loss For The Period</b>	<b>(700,649)</b>	(1,522,646)	<b>(4,248,670)</b>	(4,094,995)
<b>Items That Will Subsequently Be Reclassified To Profit Or Loss</b>				
Foreign currency translation adjustment	(134,962)	(14,750)	(146,157)	8,589
	<b>(134,962)</b>	(14,750)	<b>(146,157)</b>	8,589
<b>Comprehensive Loss for the Period</b>	<b>(835,611)</b>	(1,537,396)	<b>\$ (4,394,827)</b>	\$ (4,086,406)
<b>Basic and Fully Diluted Loss Per Share</b>	<b>(1.16)</b>	(2.62)	<b>\$ (6.20)</b>	\$ (7.37)
<b>Weighted Average Number Of Shares Outstanding</b>	<b>721,962</b>	586,655	<b>708,572</b>	554,412

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

## BriaCell Therapeutics Corp

Condensed Interim Consolidated Statements of Cash Flows  
For the Three and Nine Months Ended April, 2020 and 2019  
(Expressed in Canadian Dollars)

	Nine months ended	
	April 31,	
	2020	2019
	Unaudited	
<b>Cash flow from operating activities</b>		
Net loss for the period	\$ (4,248,670)	\$ (4,094,995)
Items not affecting cash:		
Depreciation and amortization	14,057	14,057
Share-based compensation	2,071	60,570
Accrued interest expense	5,485	-
Change in fair value of convertible loan	79,119	(392,721)
Changes in non cash working capital:		
Amounts receivable	3,041	12,232
Prepaid expenses	(199,792)	2,390
Security deposits	-	(5,396)
Accounts payable and accrued liabilities	3,140,613	42,579
	(1,204,076)	(4,361,284)
<b>Cash flow from investing activities</b>		
Change in short-term investments	-	1,341,043
	-	1,341,043
<b>Cash flow from financing activities</b>		
Proceeds for private placements	1,414,744	2,845,784
Short term loan	292,110	-
Repayment of unsecured convertible loan	(477,599)	-
Proceeds from exercise of warrants	-	140,000
	1,229,255	2,985,784
<b>Increase (Decrease) in cash and cash equivalents</b>	25,179	(34,457)
Effect of changes in foreign exchange rates	(143,851)	34,941
Cash and cash equivalents, beginning of period	192,916	938,448
Cash and cash equivalents, end of period	\$ 74,244	\$ 938,932

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

**BriaCell Therapeutics Corp**  
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Expressed in Canadian Dollars)

	SHARE CAPITAL		SHARE-BASED PAYMENT RESERVE	WARRANT RESERVE	ACCUMULATED OTHER COMPREHENSIVE LOSS	ACCUMULATED DEFICIT	TOTAL SHAREHOLDERS' EQUITY (DEFICIT)	
	SHARES	AMOUNT						
<b>Balance, July 31, 2018</b>	\$	<b>529,655</b>	\$ <b>10,213,174</b>	\$ <b>905,257</b>	\$ <b>2,907,337</b>	\$ <b>(105,514)</b>	\$ <b>(12,688,964)</b>	\$ <b>1,231,290</b>
Issuance of shares and warrants on conversion of Convertible Notes (Note 9(b)(i))	22,488	408,119	-	266,526	-	-	674,645	
Private Placement (Note 9(b)(iii))	99,117	2,855,784	-	-	-	-	2,855,784	
Exercise of warrants (Note 9(b)(ii))	3,333	174,140	-	(34,140)	-	-	140,000	
Expiration of warrants (Note 9(c)(i))	-	-	-	(271,422)	-	271,422	-	
Share-based compensation (Note 10)	-	-	60,570	-	-	-	60,570	
Expiration of options	-	-	(88,754)	-	-	88,754	-	
Foreign exchange translation	-	-	-	-	8,589	-	8,589	
Loss for the period	-	-	-	-	-	(4,094,995)	(4,094,995)	
<b>Balance, April 30, 2019</b>		<b>654,593</b>	<b>13,651,217</b>	<b>877,073</b>	<b>2,868,301</b>	<b>(96,925)</b>	<b>(16,423,783)</b>	<b>875,883</b>
<b>Balance, July 31, 2019</b>		<b>654,593</b>	<b>13,651,217</b>	<b>877,089</b>	<b>2,870,442</b>	<b>(124,295)</b>	<b>(18,120,590)</b>	<b>(846,137)</b>
Private Placement (Note 8(b)(i))	40,300	846,300	-	-	-	-	846,300	
Private Placement (Note 8(b)(ii))	27,069	568,444	-	-	-	-	568,444	
Expiration of warrants (Note 8(c),(Note 8(d))	-	-	-	(598,531)	-	598,531	-	
Expiration of options (Note 9(ii-iv))	-	-	(139,967)	-	-	139,967	-	
Share-based compensation (Note 9(v))	-	-	2,071	-	-	-	2,071	
Foreign exchange translation	-	-	-	-	(146,157)	-	(146,157)	
Loss for the period	-	-	-	-	-	(4,248,670)	(4,248,670)	
<b>Balance, April 30, 2020</b>		<b>721,962</b>	<b>\$ 15,065,961</b>	<b>\$ 739,193</b>	<b>2,271,911</b>	<b>\$ (270,452)</b>	<b>\$ (21,630,762)</b>	<b>\$ (3,824,149)</b>

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

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Unaudited)  
(Expressed in Canadian Dollars)

## 1. Nature of Operations and Ability to Continue as a Going Concern

BriaCell Therapeutics Corp. (“BriaCell” or the “Company”) was incorporated under the Business Corporations Act (British Columbia) on July 26, 2006 and is listed on the TSX Venture Exchange (“TSXV”). The Company trades on the TSX Venture under the symbol “BCT.V”.

The Company’s head office is located at Suite 300 – 235 West 15th Street, West Vancouver, British Columbia, V7T 2X1.

BriaCell is an immuno-oncology biotechnology company. BriaCell owns the US patent to Bria-IMT™, a whole-cell cancer vaccine (US Patent No.7674456) (the “Patent”). The Company is currently advancing its immunotherapy program, Bria-IMT™, to complete a 24-subject Phase I/IIa clinical trial and by research activities in the context of BriaDx™, a companion diagnostic test to identify patients likely benefitting from Bria-IMT™.

The accompanying condensed interim consolidated financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business for the foreseeable future. The Company has incurred losses from inception of \$21,630,762 (July 31, 2019 - \$18,120,590) has negative working capital and negative cash flows from operating activities and is currently in the development stage and has not commenced commercial operations. The Company’s ability to continue as a going concern is dependent upon its ability to attain future profitable operations and to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. As at April 30, 2020, the Company had not yet completed the clinical development of or achieved regulatory approval to market Bria-IMT™, its lead product candidate and expects to incur further losses; the nature of a development stage immune-oncology company requires the raising of financial capital to support its clinical development programs and administrative costs. The uncertainty of the Company’s ability to raise such financial capital casts significant doubt on the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company not be able to continue as a going concern.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on September 17, 2020.

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Unaudited)  
(Expressed in Canadian Dollars)

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## 2. Basis of Presentation

### Statement of Compliance

The Company prepares its unaudited condensed consolidated interim financial statements in accordance with International Financial Reporting Standards (“IFRS”) using the accounting policies described herein as issued by International Accounting Standards Board (“IASB”) and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations. These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 Interim Financial Reporting. The unaudited condensed interim consolidated financial statements do not include all of the information required for annual consolidated financial statements and should be read in conjunction with the Company’s audited consolidated financial statements for the year ended July 31, 2019.

The policies applied in these condensed interim consolidated financial statements are based on IFRS effective as of April 30, 2020.

### Basis of Presentation

The condensed interim consolidated financial statements are prepared on a going concern basis and have been presented in Canadian dollars which is the Company’s reporting currency.

### Retroactive Adjustment for Reverse Stock Split

In December 2019, the Board and TSXV approved a 1-for-300 reverse stock split, or the Reverse Split, which was implemented effective January 2, 2020. Consequently, all share numbers, share prices, and exercise prices have been retroactively adjusted in these condensed interim consolidated financial statements for all periods presented.

### Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a going concern basis, under the historical cost basis, except for financial instruments that are required to be measured at fair value.

### Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of BriaCell and its wholly-owned US subsidiary BriaCell Therapeutics Corp. (“BTC”) and BTC’s wholly owned subsidiary – Sapiientia Pharmaceuticals, Inc. (“Sapiientia”). The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commenced until the date control ceases. Control exists when the Company has the power directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company applies the acquisition method to account for business combinations in accordance with IFRS 3.

All inter–company balances, and transactions, have been eliminated upon consolidation.

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Unaudited)  
(Expressed in Canadian Dollars)

## 3. Significant Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at July 31, 2019. The accompanying condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2019.

### **Accounting Standards Implemented as at August 1, 2019**

#### *IFRS 16 - Leases ("IFRS 16")*

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. It eliminates the distinction between operating and finance leases from the perspective of the lessee. All contracts that meet the definition of a lease will be recorded in the consolidated statements of financial position with a "right of use" asset and a corresponding liability. The asset is subsequently accounted for as property, plant and equipment or investment property and the liability is unwound using the interest rate inherent in the lease. The date of initial application of IFRS 16 was effective for fiscal years beginning on or after January 1, 2019. The Company elected to adopt IFRS 16 using the modified retrospective approach. Under this approach, the Company did not restate its comparative figures but will recognize the cumulative effect of adopting IFRS 16 as an adjustment to opening deficit at the beginning of the 2020 fiscal year. The Company leases its office and laboratory in the United States. The Company's current office lease extends to August 2020. On transition to IFRS 16, the Company has elected to apply the practical expedient to grandfather the assessment of which transactions are leases and apply IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 Leases have not been reassessed for whether a lease exists. The Company has elected to not recognize right-of-use assets and lease liabilities for leases that have a lease term of 12 months or less and for leases of low-value assets. The Company has accounted for leases for which the lease term ends within 12 months of the date of initial application as short-term leases. The Company has adopted IFRS 16 as of August 1, 2019, and has assessed no changes to the opening consolidated statements of financial position as a result of the adoption of this new standard.

#### *IFRIC 23 - Uncertainty over Income Tax Treatments ("IFRIC 23")*

The Company adopted IFRIC 23 on August 1, 2019 on a modified retrospective basis without restatement of comparative information. The interpretation requires an entity to assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings and to exercise judgment in determining whether each tax treatment should be considered independently or whether some tax treatments should be considered together. The decision should be based on which approach provides better predictions of the resolution of the uncertainty. An entity also has to consider whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, assuming that the taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so. The adoption of the new standard had no impact on the condensed interim consolidated financial statements as at April 30, 2020.

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
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## 3. Significant Accounting Policies (continued)

### Accounting Standards Issued but Not Yet Effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for future accounting periods. Many are not applicable to or do not have a significant impact on BriaCell and have been excluded from the list below. The following have not yet been adopted and are being evaluated to determine their impact on BriaCell.

#### *IFRS 3 - Business Combinations ("IFRS 3")*

In October 2018, the IASB issued an amendment to IFRS 3, effective for annual periods beginning on or after January 1, 2020 with early adoption permitted. The amendment clarifies that a business must include, at minimum, an input and a substantive process that together contribute to the ability to create outputs, and assists companies in determining whether an acquisition is a business combination or an acquisition of a group of assets by providing supplemental guidance for assessing whether an acquired process is substantive. The Company has decided to early adopt the amendments to IFRS 3 effective August 1, 2019 and shall apply the amended standard in assessing business combinations on a prospective basis. For acquisitions that are determined to be acquisitions of assets as opposed to business combinations, the Company allocates the transaction price to the individual identifiable assets acquired and liabilities assumed on the basis of their relative fair values, and no goodwill is recognized. Acquisitions that continue to meet the definition of a business combination are accounted for under the acquisition method, without any changes to the Company's accounting policy. There was no impact on the Company's unaudited condensed interim consolidated financial statements as at April 30, 2020.

#### *IFRS 17 – Insurance Contract ("IFRS 17")*

IFRS 17 was issued by the IASB in May 2017, which replaces IFRS 4 Insurance Contracts. IFRS 17 requires entities to measure insurance contract liabilities at their current fulfillment values using one of three measurement models, depending on the nature of the contract. IFRS 17 is effective for annual periods beginning on or after January 1, 2021. IFRS 17 will affect how the Company's accounts for its insurance contracts and how it reports its financial performance in our consolidated statements of operations. The Company has determined there will not be a significant impact to the consolidated financial statements as a result of the adoption of this standard.

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
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## 4. Significant Accounting Judgments and Estimates

The preparation of these condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated 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:

- The series of loans made to the subsidiary company are considered part of the parent company's net investment in a foreign operation as the Company does not plan to settle these balances in the foreseeable future. As a result of this assessment, the unrealized foreign exchange gains and losses on the intercompany loans are recorded through comprehensive loss. If the Company determined that settlement of these amounts was planned or likely in the foreseeable future, the resultant foreign exchange gains and losses would be recorded through profit or loss.
- The change in the fair value of the unsecured convertible loan is based on an estimate determined by the Black-Scholes Model.
- Preparation of the consolidated financial statement on going concern basis, which contemplates the realization of assets and payments of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Unaudited)  
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## 5. Intellectual Property

On July 24, 2017, the Company entered into a definitive share exchange agreement (the “Share Exchange Agreement”) through its wholly-owned subsidiary, BTC with Sapiientia and all the shareholders of Sapiientia. Sapiientia, is a biotechnology company based in Havertown, PA, that is developing novel targeted therapeutics for multiple indications including several cancers and fibrotic diseases.

The attributable intellectual property relates to Sapiientia’s various patents, which the Company is amortizing over 20 years, consistent with its accounting policy. During the nine months ended April 30, 2020, the Company recorded \$14,057 in amortization on intellectual property (2019 - \$14,057).

	Sapiientia
<b>Cost</b>	
As at July 31, 2018	\$ 374,852
Additions	-
<b>As at July 31, 2019 and April 30, 2020</b>	<b>\$ 374,852</b>
<b>Accumulated Amortization</b>	
As at July 31, 2018	\$ 16,894
Amortization	18,743
<b>As at July 31, 2019</b>	<b>35,637</b>
Amortization	14,057
<b>As at April 30, 2020</b>	<b>49,694</b>
<b>Net Book Value</b>	
As at July 31, 2019	339,215
<b>As at April 30, 2020</b>	<b>\$ 325,158</b>

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
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## 6. Short Term Loans

On December 3, 2019, the Company received an unsecured US\$100,000 loan from a third party, which bears interest at 2.5% annually. The loan was repayable on or before March 26, 2020, after which the interest rate increased to 15% annually.

On January 27, 2020, the Company received an unsecured US\$50,000 loan from a third party, which bears interest at 2.5% annually. The loan was repayable on or before March 26, 2020, after which the interest rate increased to 15% annually.

On February 20, 2020, the Company received an unsecured US\$50,000 loan from a third party, which bears interest at 2.5% annually. The loan was repayable on or before March 26, 2020, after which the interest rate increases to 15% annually.

On April 24, 2020, the Company received a \$40,000 loan from the Canada Emergency Business Account ("CEBA Loan"). The CEBA Loan bears 0% interest until December 31, 2022. If the balance is not paid by December 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest, paid monthly, effective January 1, 2023. The full balance must be repaid by no later than December 31, 2025. No principal payments required until December 31, 2022. Principal repayments can be voluntarily made at any time without fees or penalties. \$10,000 loan forgiveness is available, provided the outstanding balance is \$40,000 at December 31, 2020, and \$30,000 is paid back between January 1, 2021 and December 31, 2022.

Total interest expense in respect to the short term loans was \$4,946 and \$8,898 for three and nine months ended April 30, 2020 (\$nil and \$nil for the three and nine months ended April 30, 2019).

# BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
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## 7. Unsecured convertible loan

On March 16, 2018, concurrent with the non-brokered unit offering, the Company completed a non-brokered private placement for the purchase of 5.0% unsecured convertible notes (each, a "Convertible Note") in the principal amount of US\$885,000. Under the terms of securities purchase agreements between the Company and the purchasers of Convertible Notes (the "Noteholders"), each Convertible Note is convertible, at the option of the holder, into (i) common shares of BriaCell for so long as the Convertible Note is outstanding, at a fixed conversion price of \$30 per common share, for a period of nine months from the date of issuance, which may be extended by the applicable holder and (ii) for each common share issued as a result of conversion, one warrant. The warrants are valid for 36 months from their issuance date and each warrant is exercisable for one common share at an exercise price of \$42. On April 23, 2019, the Company revised the exercise price of these warrants from \$42 to \$36.

The original repayment date of the Convertible Notes was September 16, 2018. On September 17, 2018, the Company and the Noteholders agreed to extend the repayment date of the Convertible Notes to March 20, 2019 and on March 8, 2019, the Company and the Noteholders agreed to extend the repayment date of the Convertible Notes, to September 7, 2019.

During the year ended July 31, 2019, \$674,645 of Convertible Notes were converted and as such, the Company issued 22,488 shares and 22,488 warrants on conversion.

On September 10, 2019, the Company repaid the balance of the Convertible Notes in the total amount of \$477,599 (US\$ 362,819).

The Convertible Notes are denominated in US dollars and convertible into common shares and warrants based on the principal and interest balance translated to Canadian dollars. Management determined that the Convertible Notes represent a combined instrument that contains an embedded derivative, being the conversion option. As a result of the foreign exchange impact on the conversion factor, the conversion option does not meet the fixed for fixed criteria and therefore represents a derivative liability. In accordance with IFRS 9, the Company has designated the entire Unsecured Convertible Loan at fair value through profit or loss. The Unsecured Convertible Loan was initially recorded at fair value and re-valued at each reporting date with changes in fair value being charged to interest expenses in the consolidated statements of operations and comprehensive loss.

### **Fair value determination**

The fair value of the Convertible Notes, including any adjustments thereto, has been determined using a combination of the Black-Scholes option pricing model for the equity conversion portion and the discounted cash flow method for the loan portion.

## BriaCell Therapeutics Corp

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended April 30, 2020 and 2019  
(Unaudited)  
(Expressed in Canadian Dollars)

### 7. Unsecured convertible loan (continued)

The following assumptions were used to determine the fair value of the Convertible Notes:

	September 10, 2019 (at the repayment date)	July 31, 2019 (at year end)
Risk-free interest rate	1.6%	2.03%
Expected volatility	57%	76%
Share price	\$19.50	\$19.50
Expected dividend yield	0%	0%
Annual loan interest rate	5%	5%
CAD/USD rate	1.3153	1.3148

Total interest expense and loss due to the change in fair value, charged to the consolidated statements of operations and comprehensive loss for the three and nine months ended April 30, 2020 and April 30, 2019 are as follows:

	Three months ended April 30,		Nine months ended April 30,	
	2020	2019	2020	2019
Interest expense	-	3,204	2,256	26,352
Change in fair value	-	(63,398)	(79,119)	392,721

### 8. Share Capital and Warrant Reserve

#### a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares with no par value.

#### *Retroactive Adjustment for Reverse Stock Split*

In December 2019, the Board and TSX-V approved a 1-for-300 reverse stock split, or the Reverse Split, which was implemented effective January 2, 2020. Consequently, all share numbers, share prices, and exercise prices have been retroactively adjusted in these condensed interim consolidated financial statements for all periods presented.

#### b) Issued share capital

- i) On September 9, 2019, the Company completed a non brokered private placement of 40,300 common shares at a price of C\$21 per common share for gross proceeds of \$846,300.
- ii) On October 15, 2019, the Company completed non brokered private placement of 27,069 common shares at a price of \$21 per common share for gross proceeds of \$568,444.

## BriaCell Therapeutics Corp

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### 8. Share Capital and Warrant Reserve (continued)

#### c) Share Purchase Warrants

A summary of changes in share purchase warrants for the nine months period ending April 30, 2020 is presented below:

	Number of warrants	Weighted Average Exercise Price
Balance, July 31, 2019	210,266	\$ 54
Expired during the period (i and ii)	(31,738)	105
Balance, April 30, 2020	178,528	\$ 44

- i. On August 19, 2019, 28,333 warrants with a fair value of \$472,305 expired and the Company recorded a charge to the warrant reserve with a corresponding credit to accumulated deficit.
- ii. On December 21, 2019, 3,405 warrants with a fair value of \$61,021 expired and the Company recorded a charge to the warrant reserve with a corresponding credit to deficit.
- iii. As at April 30, 2020, warrants outstanding were as follows:

Number of Warrants	Exercise Price	Exercisable At April 30, 2020	Expiry Date
11,404	\$ 90	11,404	April 26, 2021
141,074	\$ 42	141,074	March 27, 2021
26,050	\$ 36	26,050	October 2020-July 2021
178,528		178,528	

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### 8. Share Capital and Warrant Reserve (continued)

#### d) Compensation Warrants

A summary of changes in compensation warrants for the nine months period ended April 30, 2020 is presented below:

	Number of warrants	Weighted Average Exercise Price
Balance, July 31, 2019	15,773	\$ 45
Expired during the period (i)	(1,983)	60
Balance, April 30, 2020	13,790	\$ 45

(i) August 19, 2019, 1,983 compensation warrants with a fair value of \$65,198 expired and the Company recorded a charge to the warrant reserve with a corresponding credit to accumulated deficit.

As at April 30, 2020, compensation warrants outstanding were as follows:

Number Of Compensation Warrants	Exercise Price	Exercisable at April 30, 2020	Expiry Date
912	\$ 90	912	April 26, 2021 (i)
4,167	\$ 42	4,167	March 27, 2021 (ii)
8,711	\$ 42	8,711	March 27, 2021 (ii)
13,790		13,790	

- i. Each compensation warrant can be exercised at \$90 into one unit of BriaCell comprising one common share and one share purchase warrant. Each resultant share purchase warrant acquired can be exercised into an additional common share of BriaCell at \$105 if exercised by April 26, 2021.
- ii. Each compensation warrant can be exercised at \$42 into one common share of BriaCell for a period of 36 months.

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### 9. Share-Based Compensation and Share-Based Payment Reserve

The Company has adopted a stock option plan (the "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.

A summary of changes in stock options for the nine months period ended April 30, 2020 is presented below:

	Number of options outstanding	Weighted average exercise price
<b>Balance, July 31, 2019</b>	<b>23,243</b>	<b>\$ 51</b>
Granted (i)	166	21
Expired during the period (ii - iv)	(3,440)	(62)
<b>Balance, April 30, 2020</b>	<b>19,969</b>	<b>\$ 49</b>

- i. On September 9, 2019, the Company issued a total of 166 stock options to a consultant, which vested immediately and expire on September 9, 2024. The fair value of the stock options was \$17,794. The fair value was estimated using the Black-Scholes option pricing model and the following weighted average assumptions: share price - \$16.50; exercise price - \$21; expected life - 5 years; annualized volatility - 88%; dividend yield - 0%; risk free rate - 1.4%
- ii. On November 1, 2019, 2,107 stock options with a fair value of \$84,981 expired and the Company recorded a charge to the share based payment reserve with a corresponding credit to accumulated deficit.
- iii. On February 14, 2020, 833 stock options with a fair value of \$34,290 expired and the Company recorded a charge to the share based payment reserve with a corresponding credit to accumulated deficit.
- iv. On March 22, 2020, 500 stock options with a fair value of \$20,696 expired and the Company recorded a charge to the share based payment reserve with a corresponding credit to accumulated deficit.
- v. The Company recognized stock based compensation expense of \$292 and \$2,071 for the three and nine months ended April 30, 2020, respectively, in relation to the vesting of options issued during the current period and in previous years (\$58,835 and \$60,570 for the three and nine months ended April 30, 2019, respectively).

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### 9. Share-Based Compensation and Share-Based Payment Reserve (continued)

- vi. As at April 30, 2020, stock options were outstanding for the purchase of common shares as follows:

<b>Number of Options</b>	<b>Exercise Price</b>	<b>Exercisable At April 30 ,2020</b>	<b>Expiry Date</b>
667	\$ 78	667	November 4, 2025
1,917	\$ 78	1,917	November 4, 2020
8,000	\$ 45	8,000	Mar 1, 2021
1,667	\$ 60	1,667	March 10, 2022
6,719	\$ 42	6,719	May 1, 2021
833	\$ 42	833	July 1, 2023
166	\$ 21	166	September 9, 2024
<u>19,969</u>		<u>19,969</u>	

- vii. As at April 30, 2020, stock options outstanding have a weighted average remaining contractual life of 1.73 years (April 30, 2019 – 2.35 years).

### 10. Related Party Transactions and Balances

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 personnel by the Company. 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.

As at April 30, 2020, included in accounts payable and accrued liabilities are amounts owing to a company controlled by an officer in the amount of \$38,500 (July 31, 2019 - \$7,000) for accounting fees; consulting fees and amounts owing to directors of \$529,345 (July 31, 2019 - \$26,200).

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## 10. Related Party Transactions and Balances (continued)

During the three and nine months period ended April 30, 2020 and 2019, the Company incurred the following expenses charged by directors and key management personnel or companies controlled by these individuals:

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2020	2019	2020	2019
a) Paid or accrued professional fees to a company controlled by an officer of the Company	<b>10,500</b>	10,500	\$ <b>31,500</b>	38,200
b) Paid or accrued consulting fees to companies controlled by individual directors.	<b>5,325</b>	7,250	\$ <b>25,425</b>	73,250
c) Paid or accrued wages and consulting fees to directors	<b>147,125</b>	61,724	\$ <b>432,671</b>	186,359

## 11. Capital Management

The Company's capital comprises share capital, share-based payment reserve, warrant reserve, and accumulated other comprehensive loss. The Company manages its capital structure, and makes adjustments to it, based on the funds available to the Company in order to support the Company's business activities. The Board of Directors does not establish quantitative return on capital criteria for management; it relies on the expertise of the Company's management to sustain future development of the business.

The intellectual property in which the Company currently has an interest is in the development stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned research and development and pay for administrative costs, the Company intends to raise additional amounts as needed.

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## 12. Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

**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.

**b) Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. As at April 30, 2020, the Company has a negative working capital balance of \$4,149,309 (July 31, 2019 – negative working capital of \$1,185,354). The Company has not yet achieved profitable operations and expects to incur further losses in the development of its products; these factors cast significant doubt about the Company's ability to continue as a going concern.

**Market Risk**

i. Interest rate risk

As the Company only has cash balances and limited interest-bearing debt, interest rate risk is remote.

ii. Price risk

As the Company has no revenues, price risk is remote.

iii. Exchange risk

The Company is exposed to foreign exchange risk as a portion of the Company's transactions occur in a foreign currency (mainly its research operations which are conducted primarily in the United States of America in US dollars) and, therefore, the Company is exposed to foreign currency risk at the end of the reporting period through its U.S. denominated accounts payable and cash. A 5% increase or decrease in the US dollar would not have a material impact of the financial statements.

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### 13. Research and Development Costs

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2020	2019	2020	2019
Wages and Salaries	\$ 236,203	254,694	749,630	653,661
Clinical Trials and Investigational drug costs	4,204	587,233	1,583,639	2,537,803
Office Rent	8,029	8,069	30,091	40,857
Licensing	-	91,999	77,325	209,300
Supplies	-	-	-	25,715
Insurance product	10,696	3,059	12,713	5,012
Patents	22,545	111,100	48,976	133,081
	<b>\$ 281,677</b>	<b>\$ 1,056,154</b>	<b>2,502,374</b>	<b>3,605,429</b>

### 14. General and Administration Costs

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2020	2019	2020	2019
Consulting (Note 10)	18,807	93,131	129,657	221,167
Insurance	5,333	22,667	13,333	22,667
Amortization	4,686	4,686	14,057	14,057
Professional fees (Note 10)	211,848	77,544	1,017,991	171,585
Regulatory, filing and transfer agent fees	94,991	37,985	123,097	43,591
Rent	2,667	3,896	10,624	11,600
Shareholder communications	25,818	115,984	126,199	247,488
Travel	1,272	8,386	7,282	31,980
Wages and salaries (Note 10)	47,107	6,960	110,502	45,922
Other	1,268	10,390	81,177	37,209
	<b>\$ 413,797</b>	<b>\$ 381,629</b>	<b>1,633,919</b>	<b>847,266</b>

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## 15. Commitments and Contingencies

The Company's lease arrangement for office space in Berkeley, California ends in August 2020 and the annual lease commitment is approximately \$30,000 plus common area maintenance charges.

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## 16. Events After the Reporting Period

- a) On May 1, 2020 the Company received US\$127,030 as a loan from the Paycheck Protection Program in the United States (the "Program") The terms of the Program provide that a portion of the loan may be forgiven, to the extent that the amounts spent during the eight week period following the first disbursement of the loan are incurred as follows: (i) payroll costs, (ii) interest payments on mortgages incurred before February 15, 2020, (iii) rent payments on leases in effect before February 15, 2020, and (iv) utility payments for which service began before February 15, 2020. The unforgiven part of the loan must be repaid within two years and bears interest at 1% per annum.
- b) On August 18, 2020, the Company issued 50,000 restricted common shares to Sichenzia Ross Ference LLP or certain members or employees of Sichenzia Ross Ference LLP as compensation for legal services. The shares were valued at \$7.48 per share.
- c) Since January 2020, the Coronavirus outbreak has dramatically expanded into a worldwide pandemic creating macro-economic uncertainty and disruption in the business and financial markets. Many countries around the world, including Canada and the United States have been taking measures designated to limit the continued spread of the Coronavirus, including the closure of workplaces, restricting travel, prohibiting assembling, closing international borders and quarantining populated areas. Such measures present concerns that may dramatically affect the Company's ability to conduct its business effectively, including, but not limited to, adverse effect relating to employees' welfare, slowdown and stoppage of manufacturing, commerce, shipping, delivery, work, travel and other activities which are essential and critical for maintaining on-going business activities. Given the uncertainty around the extent and timing of the future spread or mitigation of COVID-19 and around the imposition or relaxation of protective measures, the Company cannot reasonably estimate the impact to its future results of operations, cash flows or financial condition; infections may become more widespread and the limitation on the ability to work, travel and timely sell and distribute products, as well as any closures or supply disruptions, may be extended for longer periods of time and to other locations, all of which would have a negative impact on the Company's business, financial condition and operating results. In addition, the unknown scale and duration of these developments have macro and micro negative effects on the financial markets and global economy which could result in an economic downturn that could affect demand for the Company's products and have a material adverse effect on its operations and financial results, earnings, cash flow and financial condition.