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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 6-K**

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of **August, 2018**

Commission File Number: **001-38480**

***IMV Inc.***

*(Name of registrant)*

**130 Eileen Stubbs Ave., Suite 19, Dartmouth, Nova Scotia, B3B 2C4, Canada**

*(New address of principal executive officers)*

**1344 Summer Street, Suite 412, Halifax, Nova Scotia, B3H 0A8, Canada**

*(Previous address of principal executive officers)*

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**IMV Inc.**

Date: August 8, 2018

By: /s/ Pierre Labbé

Name: Pierre Labbé

Title: Chief Financial Officer

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Form 6-K Exhibit Index

Exhibit Number	Document Description
99.1	<a href="#">Interim Financial Statements for the period ended June 30, 2018</a>
99.2	<a href="#">Management Discussion and Analysis for the period ended June 30, 2018</a>
99.3	<a href="#">CEO certification</a>
99.4	<a href="#">CFO certification</a>
99.5	<a href="#">News release dated August 8, 2018</a>

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Unaudited Interim Condensed Consolidated  
Financial Statements  
**June 30, 2018**

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August 8, 2018

**Management's Responsibility for Financial Reporting**

The accompanying unaudited interim condensed consolidated financial statements of IMV Inc. (the "Corporation", formerly "Immunovaccine Inc.") are the responsibility of management and have been approved by the Board of Directors. The unaudited interim condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. The unaudited interim condensed consolidated financial statements include certain amounts and assumptions that are based on management's best estimates and have been derived with careful judgement.

In fulfilling its responsibilities, management has developed and maintains a system of internal accounting controls. These controls are designed to ensure that the financial records are reliable for preparation of the unaudited interim condensed consolidated financial statements. The Audit Committee of the Board of Directors reviewed and approved the Corporation's unaudited interim condensed consolidated financial statements, and recommended their approval by the Board of Directors.

(signed) "*Frederic Ors*"  
Chief Executive Officer

(signed) "*Pierre Labbé*"  
Chief Financial Officer

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**IMV Inc. (formerly Immunovaccine Inc.)**

Unaudited Interim Condensed Consolidated Statements of Financial Position

**As at June 30, 2018 and December 31, 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	25,148	14,909
Amounts receivable	909	261
Prepaid expenses	1,742	838
Investment tax credits receivable	523	461
	<u>28,322</u>	<u>16,469</u>
<b>Property and equipment</b> (note 4)	<u>2,225</u>	<u>563</u>
	<u>30,547</u>	<u>17,032</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	4,248	2,760
Amounts due to directors	22	21
Current portion of long-term debt (note 6)	62	61
Current portion of lease obligation (note 4)	31	–
	<u>4,363</u>	<u>2,842</u>
<b>Lease obligation</b> (note 4)	1,355	–
<b>Deferred share units</b> (note 5)	1,292	1,371
<b>Long-term debt</b> (note 6)	<u>6,977</u>	<u>6,476</u>
	<u>13,987</u>	<u>10,689</u>
<b>Equity</b>	<u>16,560</u>	<u>6,343</u>
	<u>30,547</u>	<u>17,032</u>

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

**Approved on behalf of the Board of Directors**

(signed) "James W. Hall", Director

(signed) "Wayne Pisano", Director

**IMV Inc. (formerly Immunovaccine Inc.)**

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

**For the period ended June 30, 2018 and December 31, 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

	<b>Share Capital \$ (note 7)</b>	<b>Contributed Surplus \$ (note 8)</b>	<b>Warrants \$ (note 9)</b>	<b>Deficit \$</b>	<b>Total \$</b>
<b>Balance, December 31, 2016</b>	58,154	6,961	660	(58,792)	6,983
Net loss and comprehensive loss for the year	–	–	–	(12,027)	(12,027)
Issuance of shares in public offering	10,000	–	–	–	10,000
Share issuance costs	(1,197)	–	–	–	(1,197)
Issuance of broker warrants	–	–	208	–	208
Exercise of warrants	1,891	–	(194)	–	1,697
Employee share options:					
Value of services recognized	–	571	–	–	571
Exercise of options	1,265	(1,157)	–	–	108
<b>Balance, December 31, 2017</b>	70,113	6,375	674	(70,819)	6,343
Net loss and comprehensive loss for the year	–	–	–	(8,263)	(8,263)
Issuance of shares in public offering	14,375	–	–	–	14,375
Share issuance costs	(1,480)	–	–	–	(1,480)
Redemption of DSUs, net of applicable taxes	94	–	–	–	94
Issuance of broker warrants	–	–	332	–	332
Exercise of warrants	4,928	–	(451)	–	4,477
Employee share options:					
Value of services recognized	–	496	–	–	496
Exercise of options	1,062	(876)	–	–	186
<b>Balance, June 30, 2018</b>	89,092	5,995	555	(79,082)	16,560

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

**IMV Inc. (formerly Immunovaccine Inc.)**

Unaudited Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

	<b>Three months ended June 30,</b>		<b>Six months ended June 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>				
Subcontract revenue	17	–	45	–
Interest income	112	36	181	70
	<u>129</u>	<u>36</u>	<u>226</u>	<u>70</u>
<b>Expenses</b>				
Research and development	2,605	1,259	4,487	2,269
General and administrative	2,046	859	2,968	1,889
Business development and investor relations	594	454	962	725
Government assistance	(189)	(202)	(464)	(378)
Accreted interest	269	272	536	540
	<u>5,325</u>	<u>2,642</u>	<u>8,489</u>	<u>5,045</u>
<b>Net loss and comprehensive loss for the period</b>	<u>(5,196)</u>	<u>(2,606)</u>	<u>(8,263)</u>	<u>(4,975)</u>
<b>Basic and diluted loss per share</b>	<u>(0.12)</u>	<u>(0.07)</u>	<u>(0.19)</u>	<u>(0.13)</u>
<b>Weighted-average shares outstanding</b>	<u>43,001,620</u>	<u>37,657,361</u>	<u>42,539,304</u>	<u>37,310,192</u>

On May 2, 2018, the Corporation completed a share consolidation on the basis of one new common share for every 3.2 currently outstanding common shares. Per share amounts and numbers of outstanding common shares, stock options and deferred share units reflect the retrospective application of the share consolidation (see note 12).

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



**IMV Inc. (formerly Immunovaccine Inc.)**

Unaudited Interim Condensed Consolidated Statements of Cash Flows

**For the six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

	<b>Six months ended June 30,</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net loss and comprehensive loss for the period	(8,263)	(4,976)
Charges to operations not involving cash		
Interest on lease obligation	17	–
Depreciation of property and equipment	99	50
Accretion of long-term debt	536	540
Deferred share unit compensation	113	325
Stock-based compensation	496	400
	(7,002)	(3,661)
Net change in non-cash working capital balances related to operations		
Increase in amounts receivable	(101)	(84)
Increase in prepaid expenses	(904)	(273)
Increase in investment tax credits receivable	(62)	(57)
Increase in accounts payable and accrued liabilities	941	268
Increase (decrease) in amounts due to directors	1	(14)
	(7,127)	(3,821)
<b>Financing activities</b>		
Proceeds from public offering	14,375	10,000
Share issuance costs in public offering	(1,148)	(986)
Proceeds from the exercise of stock options	186	109
Proceeds from the exercise of warrants	4,477	775
Withholdings on redemption of DSUs	(97)	–
Repayment of long-term debt	(34)	–
Repayment of lease obligation	(9)	(41)
	17,750	9,857
<b>Investing activities</b>		
Acquisition of property and equipment	(733)	(310)
Incentive contribution from lessor	349	–
	(384)	(310)
<b>Net change in cash and cash equivalents during the period</b>	<b>10,239</b>	<b>5,726</b>
<b>Cash and cash equivalents – Beginning of period</b>	<b>14,909</b>	<b>13,547</b>
<b>Cash and cash equivalents – End of period</b>	<b>25,148</b>	<b>19,273</b>
<b>Supplementary cash flow information</b>		
Interest received	181	70

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

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**(Expressed in thousands of Canadian dollars except for per share amounts)

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**1 Nature of operations**

IMV Inc. (the “Corporation”, formerly “Immunovaccine Inc.”) is, through its 100% owned subsidiary, a clinical-stage company pioneering a new class of immunotherapies based on a disruptive drug delivery technology (“DPX”) with potential applications in multiple markets in cancer, infectious diseases and other therapeutic areas. The DPX platform is based on a novel mechanism of action (“MOA”) for targeted delivery of active ingredients to immune cells using a patented lipid nanoparticle technology. The Corporation leverages this MOA to generate a new generation of therapeutic capabilities with a primary focus on T cell therapies for cancer. The Corporation has research collaborations with companies and research organizations, including Merck, Incyte Corporation and Leidos Inc. in the U.S. The Corporation has licensed the delivery technology to Zoetis, formerly the animal health division of Pfizer, Inc., for the development of vaccines for livestock. The Corporation has one reportable and geographic segment. Incorporated under the Canada Business Corporations Act and domiciled in Halifax, Nova Scotia, the shares of the Corporation are listed on the Nasdaq Stock Market and the Toronto Stock Exchange under the symbol “IMV”. On May 1, 2018, the Corporation changed its name from Immunovaccine Inc. to IMV Inc. The address of its principal place of business is 130 Eileen Stubbs, Suite 19, Dartmouth, Nova Scotia, Canada.

**2 Basis of presentation**

The Corporation prepares its unaudited interim condensed consolidated financial statements in accordance with Canadian generally accepted accounting principles as set out in the Chartered Professional Accountants of Canada Handbook – Accounting Part I, which incorporates International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, International Accounting Standards 34, “*Interim Financial Reporting*”. Accordingly, certain information normally included in annual financial statements prepared in accordance with IFRS, as issued by the IASB, have been omitted or condensed. The unaudited interim condensed consolidated financial statements should be read in conjunction with the Corporation’s annual audited consolidated financial statements for the year ended December 31, 2017.

The policies applied in these unaudited interim condensed consolidated financial statements are based on IFRS issued and outstanding as of August 8, 2018, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Corporation’s annual consolidated financial statements for the year ending December 31, 2017 could result in restatement of these unaudited interim condensed consolidated financial statements.

**3 Significant accounting policies, judgments and estimation uncertainty**

These unaudited interim condensed consolidated financial statements have been prepared using the same policies and methods as the annual consolidated financial statements of the Corporation for the year ended December 31, 2017, except for the changes described below. Refer to note 3 of the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2017 for more information on accounting policies and methods applied.

(1)

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**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

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**3 Significant accounting policies, judgments and estimation uncertainty (continued)**

**IFRS 9, Financial Instruments**

Effective January 1, 2018, the Corporation was required to adopt IFRS 9. IFRS 9 replaces the provisions of International Accounting Standard 39, *Financial instruments: recognition and measurement* ("IAS 39") that relate to the recognition, classification, and measurement of financial assets and financial liabilities, derecognition of financial instruments and impairment of financial assets.

Prior to January 1, 2018, all of the Corporation's financial instruments were measured using the amortized cost model. At the date of adoption, the Corporation's financial assets consist of amounts receivable from collaborative partners for shared clinical costs, and financial liabilities consist of trade payables and long-term debt arrangements. There is no difference between the categorization of these financial assets and financial liabilities under IFRS 9 and IAS 39, and accordingly, all such assets and liabilities continue to be measured using the amortized cost model.

The Corporation was required to revise its impairment methodology for financial assets under IFRS 9, and now applies the simplified approach to measuring the new concept of expected credit losses, which uses lifetime expected loss allowance for all trade receivables. Management determined that the effect of applying this model to its financial assets is immaterial, and therefore no adjustment has been made to the loss allowance as at January 1, 2018.

There was no impact on the January 1, 2018 statement of financial position as a result of the adoption of this standard.

**IFRS 15, Revenue from contracts with customers**

The Corporation was required to adopt IFRS 15 effective January 1, 2018. The cumulative effect method was applied for transition to this standard, under which the cumulative impact of initially applying the standard is recognized as an adjustment to the opening balance of retained earnings. The Corporation also elected to apply the practical expedient whereby contracts that were completed at the beginning of the earliest period presented need not be considered for restatement. No adjustment to opening retained earnings was required as a result of the adoption of this standard based on management's analysis of the performance obligations related to existing contracts of the Corporation.

In general, revenues are recognized as the Corporation satisfies its performance obligations under the terms of the contract. Performance obligations are considered to be satisfied when the customer obtains control of the related asset. Current and expected future revenue streams include: (i) milestone payments generated upon entering into potential contractual partnerships and achieving development and sales milestones; (ii) future royalties generated from the eventual commercialization of the Corporation's products; and (iii) amounts generated for providing formulation and research support services related to existing licensing and research agreements with partners.

(2)

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**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

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**3 Significant accounting policies, judgments and estimation uncertainty (continued)**

Revenue resulting from formulation services is recognized in the accounting period in which the formulation is delivered to the customer. Typically, the customer does not have control of the asset while services are being performed, and therefore revenues are recognized at the time the Corporation has completed its obligation and the customer obtains control of the asset. Revenue resulting from research support services is recognized over time as the services are performed, as the customer benefits simultaneously from the service as the Corporation satisfies its performance obligation.

The Corporation does not generate material milestone or royalty revenues at this time.

**IFRS 16, Leases**

The Corporation also early adopted IFRS 16, *Leases* ("IFRS 16") effective January 1, 2018. IFRS 16 was applied using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at January 1, 2018. The details of the change in accounting policy are disclosed below.

**Policy applicable from January 1, 2018**

Previously, at the inception of a contract the Corporation determined whether an arrangement contains a lease under IAS 17. Under IFRS 16, the Corporation assesses whether a contract is or contains a lease based on the definition of a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation assesses whether:

- the contract involves the use of an identified asset, specified either explicitly or implicitly, that is physically distinct, and usage represents substantially all of the capacity of the asset;
- the Corporation has the right to obtain substantially all of the economic benefits from use of the asset; and
- the Corporation has the right to direct use of the asset, which is evidenced by decision-making rights to direct how and for what purpose the asset is used.

The Corporation recognizes an asset and a lease liability at the lease commencement date. The asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any incentives received. The asset is subsequently depreciated using the declining balance method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The estimated useful lives of leased assets are determined on the same basis as those of property and equipment. The carrying amount of the leased asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, if any.

The lease liability is initially measured at the present value of future lease payments, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate. Generally, the Corporation uses its incremental borrowing rate as the discount rate. The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured if the Corporation changes its assessment of whether it will exercise a purchase, extension, or termination option. If the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the leased asset, or is recorded in the unaudited interim condensed consolidated statement of loss and comprehensive loss if the carrying value of the leased asset is zero.

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

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(Expressed in thousands of Canadian dollars except for per share amounts)

**3 Significant accounting policies, judgments and estimation uncertainty (continued)**

The Corporation has elected not to recognize assets and lease liabilities for short-term leases with a term of 12 months or less, and leases of low value assets. The lease payments associated with these leases are recognized as an expense in the statement of loss and comprehensive loss over the lease term. Low value assets consist primarily of computers and IT equipment.

This policy is applied for contracts entered into, or changed, on or after January 1, 2018.

**Policy applicable before January 1, 2018**

For contracts entered into before January 1, 2018, the Corporation determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of specific assets; and
- the arrangement conveyed a right to use the asset. An arrangement conveyed the right to use the asset if the Corporation had the ability to control the asset physical access to the asset and how and for what purpose the asset was used.

Under IAS 17, leases that transferred substantially all the risks and rewards of ownership were classified as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The Corporation did not have any leases that were classified as finance leases under IAS 17.

All other leases were classified as operating leases and were not recognized in the Corporation's statement of financial position. Payments made under operating leases were recognized in the unaudited interim condensed consolidated statement of loss and comprehensive loss over the term of the lease.

**Application expedients and impact on financial statements**

On transition to IFRS 16, the Corporation elected to apply the practical expedient to grandfather the assessment of which transactions are leases. IFRS 16 was applied only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 were not reassessed for whether there is a lease.

The Corporation used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Applied the exemption not to recognize assets and lease liabilities for leases with less than 12 months of lease term remaining at the application date; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

On transition, the Corporation applied section C8(b)(ii) of the standard and recognized leased assets at an amount equal to the lease liability, adjusted for prepaid or accrued lease payments recognized before initial application, of which there were none. As a result, \$87 of leased assets in property and equipment and \$87 of lease liabilities were recognized at January 1, 2018. When measuring lease liabilities, the Corporation discounted lease payments using its incremental borrowing rate at the date of adoption. The rate applied is 11%.

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**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**3 Significant accounting policies, judgments and estimation uncertainty (continued)**

	\$
Operating lease commitment as at December 31, 2017 <sup>1</sup>	275
Recognition exemption for:	
Short-term leases	(131)
Leases of low value assests	(14)
Commitments attributable to non-lease components	(65)
Extension option reasonably certain to be recognized <sup>2</sup>	51
	116
Discounted using the incremental borrowing rate at January 1, 2018	(29)
Lease liability recognized at January 1, 2018	87

<sup>1</sup>Does not include \$2,262 related to new office space for which the lease commencement date was June 1, 2018.<sup>2</sup>The Corporation has applied the transitional provision of IFRS 16 that allows the use of hindsight in determining the lease term if the contract contains an option to extend the lease.

The leased assets and liabilities recognized are for the Corporation's office spaces that were previously classified as operating leases. These leases typically run for periods of five to 10 years, and include an option to renew the lease for an additional period. When reasonably certain that the Corporation will exercise the extension option, the lease payments for the extension have been included in determining the value of the leased asset and liability shown above. Some leases also provide for additional rent payments that relate to property taxes levied on the lessor and operating expense payments made by the lessor; these amounts are generally determined annually and are expensed through the unaudited interim condensed consolidated statement of loss and comprehensive loss.

(5)

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**Amount**  
**\$**

<b>Balance – December 31, 2017</b>	-
Leases recognized upon transition to IFRS 16	87
Additions	1,291
Repayment of lease obligation	(9)
Accreted interest	17
<b>Balance – June 30, 2018</b>	<b>1,386</b>
Less: Current portion	(31)
Non-current portion	<u>1,355</u>

**4 Lease obligation**

The Corporation recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the liability, discounted at an incremental borrowing rate of 11%, adjusted for any payments made before the commencement date, plus any initial direct costs, less any lease incentives received. During the six months ended June 30, 2018, the Corporation recognized \$1,417 (2017 - \$nil) in right-of-use assets in property, plant and equipment on the statements of financial position.

**5 Deferred share units (“DSUs”)**

The maximum number of common shares which the Corporation is entitled to issue from Treasury in connection with the redemption of DSUs granted under the DSU plan is 468,750 common shares. The number of DSUs disclosed below reflect the retrospective application of the share consolidation completed May 2, 2018 (see note 12).

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
	#	#
<b>Opening balance</b>	186,330	101,563
Granted	42,859	84,767
Redeemed	<u>(26,051)</u>	<u>-</u>
<b>Closing balance</b>	<u>203,138</u>	<u>186,330</u>

DSU activity for the period ended June 30, 2018 and the year ended December 31, 2017 are as follows:

At June 30, 2018, there were 203,138 (December 31, 2017 - 186,330) DSUs outstanding related to this Plan and the total carrying amount of the liability was \$1,292 (2017 - \$1,371). The compensation expense during the six-months ended June 30, 2018 was \$113 (six months ended 2017 - \$325) with the amortization of the cost over the vesting period. Vested DSUs cannot be redeemed until the holder is no longer a member of the Board. The redemption value of a DSU equals the market value of an IMV Inc. common share at the time of redemption. On an ongoing basis, the Corporation values the DSU obligation at the current market value of a corresponding number of IMV Inc. common shares and records any increase or decrease in the DSU obligation as an expense on the consolidated statements of loss and comprehensive loss.

(6)

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**6 Long-term debt**

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
	\$	\$
Atlantic Canada Opportunities Agency (“ACOA”) Atlantic Innovation Fund, interest-free loan with a maximum contribution of \$3,786. Annual repayments, commencing December 2008, are calculated as a percentage of gross revenue for the preceding fiscal year, at 2% when gross revenues are less than \$5,000 and 5% when gross revenues are greater than \$5,000. As at June 30, 2018, the amount drawn down on the loan, net of repayments, is \$3,747 (2017 - \$3,747).	891	758
ACOA Atlantic Innovation Fund, interest-free loan with a maximum contribution of \$3,000. Annual repayments, commencing December 2011, are calculated as a percentage of gross revenue for the preceding fiscal year, at 2% when gross revenues are less than \$5,000 and 5% when gross revenues are greater than \$5,000. As at June 30, 2018, the amount drawn down on the loan is \$2,997 (2017 - \$2,997).	766	651
ACOA Business Development Program, interest-free loan with a maximum contribution of \$395, repayable in monthly payments beginning October 2015 of \$3 until October 2017 and \$6 until September 2022. As at June 30, 2018, the amount drawn down on the loan is \$285 (2017 - \$318).	265	294
ACOA Atlantic Innovation Fund, interest-free loan with a maximum contribution of \$2,944, annual repayments commencing September 2014, are calculated as a percentage of gross revenue from the preceding fiscal year from specific product(s), at 5% for the first 5 years and 10%, thereafter. As at June 30, 2018, the amount drawn down on the loan is \$2,944 (2017 - \$2,944).	860	733
Province of Nova Scotia (the “Province”), secured loan with a maximum contribution of \$5,000, interest bearing at a rate equal to the Province’s cost of funds plus 1%, compounded semi-annually and payable monthly. The loan is made available in four equal installments based on the Corporation meeting certain milestones, and is repayable on the seventh anniversary date of the first disbursement. The Corporation and its subsidiary have provided a general security agreement granting a first security interest in favour of the Province in and to all the assets of the Corporation and its subsidiary, including the intellectual property. As at June 30, 2018, the amount drawn down on the loan is \$5,000 (2017 - \$5,000).	4,257	4,101
	7,039	6,537
Less: Current portion	62	61
	6,977	6,476

(7)



**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**6 Long-term debt (continued)**

Total contributions received less amounts that have been repaid as at June 30, 2018 is \$14,973 (December 31, 2017 - \$15,007).

Certain ACOA loans and the Province loan require approval by ACOA or the Minister for Province before the Corporation can pay management fees, bonuses, dividends or other distributions, or before there is any change of ownership of the Corporation. The Province loan requires the Corporation to obtain the written consent of the Province prior to the sale, disposal or abandon of possession of the intellectual property of the Corporation or its subsidiary. If during the term of the Province loan, the head office, research and development facilities or production facilities of the Corporation are moved from the Province, the Corporation is required to repay 40% of the outstanding principal of the loan.

The Province loan requires certain early repayments if the Corporation's subsidiary, or the Corporation on a consolidated basis, has cash flow from operations in excess of \$1,500. The Province loan also requires repayment of the loan under certain circumstances, such as changes of control, sale or liquidation of the Corporation or the sale of substantially all of the assets of the Corporation.

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
	\$	\$
<b>Balance – Beginning of period</b>	6,537	6,148
Accreted interest	536	966
Revaluation of long-term debt	–	(506)
Repayment of debt	(34)	(71)
<b>Balance – End of period</b>	7,039	6,537
Less: Current portion	62	61
Non-current portion	6,977	6,476

(8)

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**7 Share capital****Authorized**

Unlimited number of common shares and preferred shares, issuable in series, all without par value.

	Number of common shares #	Amount \$
<b>Issued and outstanding</b>		
<b>Balance – January 1, 2017</b>	36,817,328	58,154
Issued for cash consideration, net of issuance costs	2,403,846	8,803
Stock options exercised	316,538	1,265
Warrants exercised	782,229	1,891
<b>Balance – December 31, 2017</b>	40,319,941	70,113
Issued for cash consideration, net of issuance costs	2,246,094	12,895
Stock options exercised	384,514	1,062
Warrants exercised	1,924,986	4,928
DSUs redeemed	12,839	94
<b>Balance – June 30, 2018</b>	44,888,374	89,092

As at June 30, 2018, a total of 2,050,852 shares (December 31, 2017 - 3,771,968) are reserved to meet outstanding stock options, warrants and deferred share units.

On February 15, 2018, the Corporation completed a bought deal public offering of 2,246,094 common shares at a price of \$6.40 per common share, for aggregate proceeds of \$14,375. Total costs associated with the offering were \$1,480, including cash costs for commissions of \$863, professional fees and regulatory costs of \$285, and 134,766 compensation warrants issued as commissions to the agents valued at \$332. Each compensation warrant entitles the holder to acquire one common share of the Corporation at an exercise price of \$6.53 for a period of 24 months, expiring on February 15, 2020.

On June 21, 2017, the Corporation completed a bought deal public offering of 2,403,846 common shares at a price of \$4.16 per common share, for aggregate proceeds of \$10,000. Total costs associated with the offering were \$1,197, including cash costs for commissions of \$600, professional fees and regulatory costs of \$391, and 144,231 compensation warrants issued as commissions to the agents valued at \$208. Each compensation warrant entitles the holder to acquire one common share of the Corporation at an exercise price of \$4.22 for a period of 24 months, expiring on June 21, 2019.

The per share amounts disclosed above reflect the retrospective application of the share consolidation completed May 2, 2018 (see note 12).

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**8 Contributed surplus**

	\$
<b>Contributed surplus</b>	
<b>Balance – January 1, 2017</b>	6,961
Share-based compensation – stock options vested	571
Stock options exercised	–
Warrants expired	(1,157)
<b>Balance – December 31, 2017</b>	6,375
Share-based compensation – stock options vested	496
Stock options exercised	(876)
<b>Balance – June 30, 2018</b>	5,995

**Stock options**

The fair values of stock options are estimated using the Black-Scholes option pricing model. During the six months ended June 30, 2018, 589,505 stock options (2017 - 266,813), with a weighted average exercise price of \$6.61 (2017 - \$2.40) and a term of 5 years (2017 - 5 years), were granted to employees and consultants. The expected volatility of these stock options was determined using historical volatility rates. The value of these stock options has been estimated at \$2,260 (2017 - \$425), which is a weighted average grant date value per option of \$3.83 (2017 - \$1.60), using the Black-Scholes valuation model and the following weighted average assumptions:

	June 30, 2018	December 31, 2017
Risk-free interest rate	2.01%	2.70%
Expected volatility	77%	98%
Expected life (years)	4.2	4.4
Forfeiture rate	5%	4%

(10)

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**8 Contributed surplus (continued)**

Option activity for the three months ended June 30, 2018 and the year ended December 31, 2017 was as follows:

	June 30, 2018		December 31, 2017	
	Number #	Weighted average exercise price \$	Number #	Weighted average exercise price \$
<b>Outstanding – Beginning of period</b>	1,498,052	2.26	1,961,791	2.23
Granted	589,505	6.61	266,814	2.40
Exercised	(526,790) <sup>1</sup>	2.16	(627,256) <sup>1</sup>	2.21
Expired	(5,569)	1.80	(64,068)	2.19
Forfeited	(4,855)	2.40	(39,229)	2.37
<b>Outstanding – End of period</b>	<u>1,550,343</u>	3.95	<u>1,498,052</u>	2.26

<sup>1</sup> Of the 526,790 (2017 - 627,256) options exercised, 433,309 (2017 - 548,833) elected the cashless exercise, under which 291,032 shares (2017 - 238,130) were issued. These options would have otherwise been exercisable for proceeds of \$951 (2017 - \$1,227) on the exercise date.

The weighted average exercise price of options exercisable at June 30, 2018 is \$2.32 (2017 - \$2.25).

The maximum number of commons shares issuable under the Corporation's stock option plan shall not exceed 3,437,500 inclusive of all the shares presently reserved for issuance pursuant to previously granted stock options. The number of stock options disclosed above reflect the retrospective application of the share consolidation completed May 2, 2018 (see note 12).

**9 Warrants**

Warrant activity for the period ended June 30, 2018 and the year ended December 31, 2017 are as follows:

	June 30, 2018			December 31, 2017		
	Number #	Weighted average exercise price \$	Amount \$	Number #	Weighted average exercise price \$	Amount \$
<b>Opening balance</b>	2,087,598	2.46	674	2,725,596	2.27	660
Granted	134,766	6.53	332	144,231	4.22	208
Exercised	(1,924,992)	2.33	(451)	(782,229)	2.18	(194)
<b>Closing balance</b>	<u>297,372</u>		<u>555</u>	<u>2,087,598</u>		<u>674</u>

(11)

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

(Expressed in thousands of Canadian dollars except for per share amounts)

**9 Warrants (continued)**

The fair values of warrants are estimated using the Black-Scholes option pricing model. The weighted average grant date value per warrant of warrants issued in 2018 was \$2.47 (2017 - \$1.44), determined using the Black-Scholes valuation model and the following weighted average assumptions:

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
Risk-free interest rate	1.84%	2.70%
Expected volatility	68%	72%
Expected dividend yield	–	–
Expected life (years)	2	2

The number of warrants disclosed above reflect the retrospective application of the share consolidation completed May 2, 2018 (see note 12).

**10 Related party transactions**

During the three months ended June 30, 2018, there were no related party transactions.

**11 Financial instruments****Fair value of financial instruments**

Financial instruments are defined as a contractual right or obligation to receive or deliver cash on another financial asset. The following table sets out the approximate fair values of financial instruments as at the statement of financial position date with relevant comparatives:

	<b>June 30, 2018</b>		<b>December 31, 2017</b>	
	<b>Carrying value \$</b>	<b>Fair value \$</b>	<b>Carrying value \$</b>	<b>Fair value \$</b>
Cash and cash equivalents	25,148	25,148	14,909	14,909
Amounts receivable	730	730	110	110
Accounts payable and accrued liabilities	4,210	4,210	2,741	2,741
Amounts due to directors	22	22	21	21
Long-term debt	7,039	7,039	6,537	6,537

Assets and liabilities, such as commodity taxes, that are not contractual and that arise as a result of statutory requirements imposed by governments, do not meet the definition of financial assets or financial liabilities and are therefore excluded from amounts receivable and accounts payable.

Fair value of items, which are short-term in nature, have been deemed to approximate their carrying value. The above noted fair values, presented for information only, reflect conditions that existed only at June 30, 2018 and December 31, 2017 and do not necessarily reflect future value or amounts which the Corporation might receive if it were to sell some or all of its assets to a willing buyer in a free and open market.

**IMV Inc. (formerly Immunovaccine Inc.)**

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

**For the three and six months ended June 30, 2018 and 2017**

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(Expressed in thousands of Canadian dollars except for per share amounts)

**12 Share consolidation**

On May 2, 2018, the Corporation completed a share consolidation on the basis of one new common share for every 3.2 currently outstanding shares. Effective at the opening of trading on May 10, 2018, the Corporation's common shares commenced trading on a consolidated basis.

(13)

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**Management's Report on Financial Position and Operating Results**

**For the three and six-months ended June 30, 2018**

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## LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

During the second quarter of 2018, we attained milestones advancing IMV's ability to deliver novel immuno-oncology therapeutics. We listed our common shares on the Nasdaq market and adopted a new corporate name. In addition, we reported clinical data for the first time at the 2018 American Society for Clinical Oncology ("ASCO"), highlighting the strong efficacy signals of DPX-Survivac and provided clinical demonstration of the ability of DPX-Survivac to trigger the production of T cells that can infiltrate tumors and induce tumor regressions in hard-to-treat cancers.

Based on our current financial position and operational strategy, we look forward to delivering on several anticipated milestones over the next four quarters, including:

- Expansion of our clinical program with a new phase 2 basket trial;
- Topline data from the higher dosing cohort in our clinical trial with Incyte;
- Preliminary and topline data from our triple combination phase 2 trial with Merck in diffuse large B-cell lymphoma (DLBCL); and
- Preliminary and topline data from our second triple combination phase 2 trial with Merck, in ovarian cancer.

### DPX-Survivac clinical program update

#### *Ovarian Cancer*

- New positive data highlighted in an oral presentation at ASCO from the DECIDE1 (DPX-Survivac with low dose cyclophosphamide and Epcadostat) phase 1b/2 clinical trial in ovarian cancer with Incyte showed 7 tumor regressions, including 4 partial responses ("PR"), (defined as  $\geq 30\%$  decrease in tumor lesion size) in the first 18 evaluable patients.
- Mechanism of action (MOA) analysis from the ASCO data showed that DPX-Survivac generated survivin-specific T cell responses in 100% (10/10) of evaluated patients; an increase in T cell infiltration post treatment in 37% (3/8) analyzable tumor biopsies; and 2 of the 3 patients with T cell infiltration showed PRs with significant and durable tumor regressions lasting more than one year.

### Operational highlights of Q2 2018 to-date include:

- **Nasdaq listing and share consolidation:** IMV's common shares commenced trading on the Nasdaq Stock Market LLC on June 1, 2018. In connection with the listing, a consolidation of our outstanding common shares took place on the basis of one new common share for every 3.2 outstanding common shares on May 2, 2018.
- **Corporate name change:** Because the underlying mechanism of action of DPX-based therapies represents a new class of immunotherapies and is not consistent with vaccines, we decided to change our name from "Immunovaccine" to "IMV" to better reflect the true potential of its therapeutic candidates. The shareholders of the Corporation overwhelmingly voted in favour of this change at their last meeting.
- **Addition of Julia P. Gregory to the Corporation's Board of Directors:** Ms. Gregory is a seasoned biotechnology executive most recently serving as Chief Executive Officer and Board Member of ContraFect Corporation. She previously served Chief Executive Officer and board member of the immuno-oncology company Five Prime Therapeutics.
- **Cash position:** As of June 30, 2018, our cash and cash equivalents and short-term investments were \$25 million compared to \$15 million as of December 31, 2017.

We are still making great progress and are grateful for the continued support of our partners, Incyte and Merck, as well as our shareholders and investors, and look forward to another productive quarter.



Frederic Ors

Chief Executive Officer

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## MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)

The following analysis provides a review of the unaudited interim condensed consolidated results of operations, financial condition and cash flows for the three and six months period ended June 30, 2018 (“Q2 2018”), with information compared to the three and six-months period ended June 30, 2017 (“Q2 2017”), for IMV Inc. – formerly Immunovaccine Inc. (“IMV” or the “Corporation”). This analysis should also be read in conjunction with the information contained in the audited annual consolidated financial statements and related notes for the years ended December 31, 2017 and December 31, 2016.

The Corporation prepares its audited annual consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB). Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Corporation included in this report. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting. In furtherance of the foregoing, the Board of Directors has appointed an Audit Committee comprised of independent directors. The Audit Committee meets with management and the auditors in order to discuss results of operations and the financial condition of the Corporation prior to making recommendations and submitting the consolidated financial statements to the Board of Directors for its consideration and approval for issuance to shareholders. The information included in this MD&A is as at August 8, 2018, the date when the Board of Directors approved the Corporation’s unaudited interim condensed consolidated financial statements for the three and six months period ended June 30, 2018, on the recommendation of the Audit Committee.

Amounts presented in this MD&A are approximate and have been rounded to the nearest thousand except for per share data. Unless specified otherwise, all amounts are presented in Canadian dollars.

Additional information regarding the business of the Corporation, including the Annual Information Form of the Corporation for the year ended December 31, 2017 (the “AIF”) and included in the Corporation’s registration statement on Form 40-F filed with the U.S. Securities and Exchange Commission, is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

## FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this MD&A, such statements use such words as “will”, “may”, “could”, “intends”, “potential”, “plans”, “believes”, “expects”, “projects”, “estimates”, “anticipates”, “continue”, “potential”, “predicts” or “should” and other similar terminology. These statements reflect current expectations of management regarding future events and operating performance and speak only as of the date of this MD&A. Forward looking statements include, among others:

- the Corporation’s business strategy;
- statements with respect to the sufficiency of the Corporation’s financial resources to support its activities;
- potential sources of funding;
- the Corporation’s ability to obtain necessary funding on favorable terms or at all;
- the Corporation’s expected expenditures and accumulated deficit level;
- the Corporation’s expected outcomes from its ongoing and future research and research collaborations;
- the Corporation’s exploration of opportunities to maximize shareholder value as part of the ordinary course of its business through collaborations, strategic partnerships and other transactions with third parties,
- the Corporation’s plans for the research and development of certain product candidates;
- the Corporation’s strategy for protecting its intellectual property;
- the Corporation’s ability to identify licensable products or research suitable for licensing and commercialization;
- the Corporation’s ability to obtain licences on commercially reasonable terms;
- the Corporation’s plans for generating revenue;
- the Corporation’s plans for future clinical trials; and
- the Corporation’s hiring and retention of skilled staff.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed in the AIF, under the heading “Risk Factors and Uncertainties”. Although the forward-looking statements contained in this MD&A are based upon what management of the Corporation believes are reasonable assumptions, the

Corporation cannot provide any assurance to investors that actual results will be consistent with these forward-looking statements and should not be unduly relied upon by investors.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- obtaining additional funding on reasonable terms when necessary;
- positive results of pre-clinical studies and clinical trials;
- the Corporation's ability to successfully develop existing and new products;
- the Corporation's ability to hire and retain skilled staff;
- the products and technology offered by the Corporation's competitors;
- general business and economic conditions;
- the Corporation's ability to protect its intellectual property;
- the Corporation's ability to manufacture its products and to meet demand; and
- regulatory approvals.

These statements reflect management's current beliefs and are based on information currently available to management. The information contained herein is dated as of August 8, 2018, the date of the Board's approval of the Q2 2018 unaudited interim condensed consolidated financial statements and of the MD&A. For additional information on risks, uncertainties and assumptions, including a more detailed assessment of the risks that could cause actual results to materially differ from current expectations, please refer to the AIF of IMV filed on SEDAR at [www.sedar.com](http://www.sedar.com) and included in the registration statement on Form 40-F filed on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

## **CORPORATE OVERVIEW**

IMV is a clinical stage biopharmaceutical company dedicated to making immunotherapy more effective, more broadly applicable, and more widely available to people facing cancer and other serious diseases. IMV is pioneering a new class of immunotherapies based on the Corporation's proprietary drug delivery platform. This patented technology leverages a novel mechanism of action that enables the programming of immune cells in vivo, which are aimed at generating powerful new synthetic therapeutic capabilities.

The Corporation's first cancer immunotherapy uses survivin-based peptides licensed from Merck KGaA, on a world-wide exclusive basis, formulated in DPX. Survivin is a well characterized and recognized tumor associated antigen known to be expressed during fetal development and across most tumour cell types, but is rarely present in normal, non-malignant adult cells. It has been shown that survivin was expressed in all 60 different human tumour lines used in the National Cancer Institute's cancer drug-screening program.

DPX-Survivac is currently being tested in a co-funded phase 1b/2 clinical trial with Incyte Corporation ("Incyte"), which evaluates the combination of DPX-Survivac with Incyte's investigational oral indoleamine 2,3-dioxygenase 1 ("IDO1") inhibitor, epacadostat, in ovarian cancer patients. DPX-Survivac is also being tested in two investigator-sponsored phase 2 clinical trials in combination with checkpoint inhibitor Keytruda® (pembrolizumab) of Merck & Co Inc. ("Merck") in patients with recurrent, platinum-resistant and sensitive ovarian cancer and in patients with measurable or recurrent diffuse large B cell lymphoma ("DLBCL"). In infectious disease vaccine applications, the Corporation has completed a demonstration phase 1 clinical trial with a target against the respiratory syncytial virus ("RSV"). The Corporation also has a commercial licencing agreement with Zoetis for the development of two cattle vaccines and is also conducting several research and clinical collaborations, including a collaboration with the Dana-Farber Cancer Institute ("Dana-Farber") for Human Papillomavirus ("HPV") related cancers and with Leidos, Inc. ("Leidos") in the United States for the development of vaccine candidates for malaria and the Zika virus.

The common shares of the Corporation are listed on the Nasdaq Stock Market LLC ("Nasdaq") and the Toronto Stock Exchange under the symbol "IMV".

## **BUSINESS MODEL AND STRATEGY**

IMV is dedicated to making immunotherapy more effective, more broadly applicable and more widely available to people facing cancer. The Corporation's lead product, DPX-Survivac, has demonstrated the ability to induce prolonged T cell activation leading to tumor regressions in advanced ovarian cancer and is currently being used in clinical trials in combination with checkpoint inhibitors from the Corporation's collaborators, Incyte and Merck. The target of this T cell therapy is broadly applicable to many

different cancers. The novel mechanism of action of the underlying delivery platform, DPX, is to promote uptake and extend exposure of antigens to cells of the immune system, which enhances and sustains immune responses. This allows IMV to leverage this technology to become a preferred partner in combination trials in hard to treat cancers, and to explore additional immuno-oncology targets, such as HPV related cancers and neoepitopes.

IMV believes that the principles behind a successful cancer immunotherapy should include a targeted antigen and an effective formulation and delivery technology, combined with a complementary therapeutic strategy. Antigens used in DPX-Survivac are believed to specifically target tumor cells without harming normal, healthy cells. These antigens are combined with the Corporation's DPX platform in an effort to optimize the presentation of these antigens to the immune system, resulting in an enhanced immune response. To be successful against cancer, the Corporation believes antigens must be administered in the right therapeutic setting, which includes a combination of therapies that help target various aspects of cancer. IMV believes that the effect of the therapy may be enhanced if an immune modulator is used simultaneously to prevent a patient's immune system from overriding the positive response to the antigen. The Corporation's goal in immuno-oncology is to advance its proprietary therapies in combination trials with pharmaceutical and large biotechnology companies to establish strategic partnerships and support further development and commercialization.

In collaboration with commercial and academic partners, the Corporation is also expanding the application of DPX as a delivery platform for vaccines and other applications. Pre-clinical and clinical studies have indicated that the platform may allow for the development of enhanced vaccines for a wide range of infectious diseases by generating a stronger and more durable immune response more quickly than is possible with existing delivery methods.

The Corporation intends to be opportunistic in the development of products by exploring a variety of avenues, including co-development through potential collaborations, strategic partnerships or other transactions with third parties. The Corporation may seek additional equity and non-dilutive funding and partnerships to advance the development of its product candidates.

## **PLATFORM AND PRODUCTS IN DEVELOPMENT**

### ***Delivery Platform***

The DPX platform is a unique and patented formulation providing a new way to deliver active ingredients to the immune system. It relies on a no release mechanism of action ("MOA") forcing an active uptake by antigen presenting cells.

IMV is exploiting this MOA to pioneer a new class of immunotherapy that represents a paradigm shift from current approaches. By not releasing the active ingredients at the site of injection it bypasses the steps involved in conventional immune "native responses" such as vaccines, and enables access and program immune cells in-vivo to generate new "synthetic" therapeutic capabilities

The DPX platform is based on active ingredients formulated in lipid nanoparticles and, after freeze drying, suspended directly into oil. DPX-based products are stored in the dry format, which provides the added benefit of an extended shelf life. The formulation is designed to be easy to re-suspend and administer to patients.

The DPX platform forms the basis of all of IMV's product development programs.




The Corporation believes the novel mechanism of action of DPX makes the platform uniquely suitable for cancer immunotherapies, which are designed to target tumor cells. DPX can induce prolonged target-specific and polyfunctional T cell responses, which are postulated to be required for effective tumor control.

IMV already completed a phase 1 and phase 1b with its lead product candidate, DPX-Survivac, in 56 patients in Ovarian Cancer. Positive results from these first two clinical trials led to a significant expansion of the clinical pipeline now including four phase 2 combination trials with partners in six different cancer indications.

## IMMUNO-ONCOLOGY

### *DPX-Survivac*

#### *Pipeline*

Indication	Product	Trials	Status	Partners
Ovarian	DPX-Survivac + mCPA* + epacadostat	Phase 1b/2	Ongoing	
Ovarian	DPX-Survivac + mCPA + pembrolizumab	Phase 2	Ongoing	
DLBCL	DPX-Survivac + mCPA + pembrolizumab	Phase 2	Ongoing	
Solid Tumor 1		Phase 2		
Solid Tumor 2		Phase 2		
Solid Tumor 3	DPX-Survivac + mCPA + anti-PD-1	Phase 2	Start expected Q3	Undisclosed
Solid Tumor 4		Phase 2		
Solid Tumor 5		Phase 2		

#### *Product Overview*

DPX-Survivac uses survivin-based peptides licensed from Merck KGaA, on a world-wide exclusive basis, formulated in DPX. Survivin is a major tumor-associated antigen over-expressed in many cancers, making it a viable target for a broadly applicable immunotherapy. DPX delivers the survivin-based antigens in a lipid depot-based format designed to generate a strong and prolonged immune response.

Survivin is essential for the survival of cancer cells and functions as an inhibitor of cell death, known as apoptosis. The presence of high levels of survivin in cancer cells is believed to make them susceptible to a survivin-targeted therapy. The Corporation's survivin-based therapeutic candidate, DPX-Survivac, aims to train the immune system to recognize and kill survivin-containing cancer cells. This could provide a clinical benefit to patients by reducing tumor burden, delaying cancer progression and/or increasing overall survival. The United States National Cancer Institute has recognized survivin as a promising antigen for cancer treatment based on its specificity, over-expression in cancer cells and immunogenicity potential.

The Corporation believes DPX-Survivac could have broad commercial application as a cancer immunotherapy because it may be applicable for the treatment of multiple solid tumors and hematological cancers, including ovarian, glioblastoma, breast, pancreatic, multiple myeloma, B-cell lymphoma, and melanoma, among other cancers. The Corporation intends to continue the development of DPX-Survivac in a broader range of cancer indications to evaluate additional opportunity.

#### *Phase 1b/2 clinical trial in ovarian cancer with Incyte*

In June 2015, the Corporation announced it had entered into a non-exclusive clinical trial collaboration with Incyte to evaluate the combination of IMV's novel T cell activating immunotherapy, DPX-Survivac, with Incyte's investigational oral IDO1 inhibitor, epacadostat. IMV and Incyte are co-funding and conducting a multicenter, open-label, phase 1b study to evaluate the safety, tolerability and efficacy of the novel combination in platinum resistant or sensitive ovarian cancer patients who are at high risk of recurrence. All patients enrolled in the trial have recurrent ovarian cancer with evidence of progressive disease. The investigational new drug (IND) application for the study, which is testing the triple combination of DPX-Survivac, epacadostat and low dose oral cyclophosphamide, was approved by the U.S. Food and Drug Administration ("FDA") and Health Canada in January 2016. The study was initiated on September 8, 2016 and is anticipated to enroll up to 40 patients. The Corporation

announced in March 2017 the first interim data analysis from this clinical study. The analysis included the results of blood tests, tumor biopsies and CT scans to assess safety, disease progression and T cell response for the first four evaluable patients in the trial. Based on the interim analysis, the combination therapy appears to have an acceptable tolerable safety profile, with a single grade 3 and single grade 4 event reported and no serious adverse events (“SAEs”). At the time of the interim analysis, three of four patients exhibited stable disease, while a fourth patient progressed and exited the trial. In addition, researchers observed an increased T cell activity in tumors in three of the four patients based on RNA sequencing and indications of early tumor shrinkage in the patient who has been in trial for the longest duration thus far (based on CT scan at day 140).

In December 2017, the Corporation provided positive top-line clinical data. Initial results from 10 evaluable patients in the DPX-Survivac plus-100 milligrams epacadostat dosing cohort demonstrated a disease control rate of 70 per cent. This included partial responses (“PR”, defined as equal to 30-percent decrease in tumour lesion size) in 30 per cent of the patients (three out of 10). The combination also exhibited a well-tolerated safety profile, with the majority of adverse events (“AEs”) reported as Grade 1 and Grade 2 AE.

Blood tests indicated that the majority of treated patients exhibited targeted T cell activation. Tumour biopsies and analyses thus far have supported the reported MOA of this immunotherapy combination, with DPX-Survivac triggering T cell infiltration into the tumor. This T cell activation was also correlated with tumor regression.

At the time of data cut-off, there were also preliminary data on the first three evaluable patients in the second dosing cohort evaluating the combination of 300 mg BID epacadostat, DPX-Survivac, and low-dose cyclophosphamide. From the first three evaluable patients, two showed stable disease, with one of two patients showing tumor regression of approximately 25 per cent. The second dosing cohort is continuing and is expected to enrol 16 to 40 patients in total. If the results of this study were positive and if Incyte were to be in agreement, the Corporation would request a type C meeting with the FDA to discuss the possibility of conducting a registration trial for this combination. At this stage, it is not possible to determine if the FDA would agree; and, if they agree, what type of clinical trial design would be requested and what the cost would be.

On April 24, 2018, the Corporation announced that it has entered into an agreement with Incyte Corporation to expand their ongoing clinical trial collaboration. The Companies plan to add a phase 2 component to their ongoing Phase 1b combination study evaluating the safety and efficacy of IMV’s lead candidate, DXP-Survivac, in combination with Incyte’s IDO1 enzyme inhibitor epacadostat and low dose cyclophosphamide in advanced ovarian cancer patients.

The phase 2 component is a randomized, open label, efficacy study that will include up to 32 additional evaluable subjects. It will evaluate DPX-Survivac and low dose cyclophosphamide with, and without, epacadostat in patients with advanced recurrent ovarian cancer. In accordance with regulatory guidelines for combination trials, the goal of this part of the program is to evaluate the clinical contribution of each investigational drug in the combination regimen.

The phase 2 arm of the study will be conducted under an amendment to the existing collaboration, in which IMV and Incyte are co-funding the trial.

At ASCO in June 2018, IMV provided an update on the clinical trial. At the time of data cut-off, 39 patients were enrolled (including 25 new participants in the 300mg cohort with 8 evaluable from day 56 first CT scan). Data from the first 18 evaluable patients across both dosing cohorts showed:

- 7 tumor regressions, including 4 PPR reported so far; and
- Study participants were generally tolerating treatments well, with no related SAEs reported.

Data from the first 8 evaluable participants in the 300mg epacadostat dosing cohort at first CT scan included:

- 6 patients demonstrated stable disease (“SD”) at day 56, with 4 of these SDs still on trial at data cut-off; and
- 2 patients with tumor regressions observed so far, including one PR with a tumor regression ongoing for more than 9 months.

IMV plans to report updated results on these patients and others enrolled in the trial when data from at least 16 evaluable participants in the second dosing cohort are available.

Researchers also analyzed patient data to study the combination's MOA. They examined blood samples and tumor biopsies for the 10 evaluable patients treated in the first dosing cohort. These data showed:

- Survivin-specific T cell responses detected in 100% (10/10) of patients;
- Increase in T cell infiltration post treatment in 37% (3/8) of the analyzable tumor biopsies based on two complementary testing methodologies (RNA sequencing and immunohistochemistry);
- 2 of the 3 patients with T cell infiltration showed PRs with significant and durable tumor regressions lasting more than one year; and
- The third patient with T cell infiltration exhibited Progressive Disease ("PD") with evidence of down regulation of the major histocompatibility ("MHC") presentation pathway and significant increases in suppressive markers, both indicative of mechanisms of resistance.

The Corporation currently anticipates that, in addition to general clinical expenses which are distributed amongst its various clinical projects, its share of the cost (50%) to complete the phase 1b/2 clinical trial with Incyte will be approximately \$2,000,000 of which \$1,000,000 is expected to occur in 2018

#### *Phase 2 clinical trial in ovarian cancer with Merck*

In February 2017, the Corporation announced an Investigator-Sponsored phase 2 clinical trial in ovarian cancer in combination with Merck's checkpoint inhibitor pembrolizumab in patients with recurrent, platinum-resistant ovarian cancer. University Health Network's ("UHN") Princess Margaret Cancer Centre will conduct the phase 2 non-randomized, open-label trial designed to evaluate the potential anti-tumor activity of the combination of pembrolizumab, DPX-Survivac, and low-dose cyclophosphamide. It is expected to enroll 42 subjects with advanced epithelial ovarian, fallopian tube or primary peritoneal cancer. The study's primary objective is to assess overall response rate. Secondary study objectives include progression free survival rate, overall survival rate, and potential side effects, over a five-year period. At this stage, the Corporation has no specific plan on the next steps after this trial as it will have to be assessed with its partner based on the clinical trial results.

The Corporation expects to disclose preliminary results in 2018 once provided by the UHN Princess Margaret Cancer Centre and currently anticipates that, in addition to general clinical expenses which are distributed amongst the various clinical projects, its share of the costs to complete this study, that are expected to occur in 2018, will be approximately \$400,000.

#### *Phase 2 clinical trial in Diffuse large B-cell lymphoma ("DLBCL") with Merck*

On November 8, 2017, the Corporation announced that Health Canada had granted Sunnybrook Research Institute regulatory clearance to begin recruiting patients for its phase 2 clinical study of a triple-combination immunotherapy in patients with measurable or recurrent diffuse large B-cell lymphoma. This trial, announced initially in May 2017, is designed to evaluate the safety and efficacy of IMV's lead product candidate, DPX-Survivac, along with Merck's pembrolizumab and low-dose cyclophosphamide in this patient population. On March 28, 2018, the Corporation announced that the first patient has been treated.

Researchers conducting the investigator sponsored study are testing the novel immunotherapy combination in patients whose DLBCL expresses survivin, a tumor antigen highly expressed in 60 percent of DLBCL patients. DPX Survivac stimulates the immune system to produce T cell responses targeting survivin. The non-randomized, open label study is expected to enroll 25 evaluable participants at five centers in Canada. At this stage, the Corporation has no specific plan on the next steps after this trial as it will have to be discussed with its partner based on the clinical results.

The Corporation expects to disclose preliminary results in the third quarter and top-line results around the end of 2018 – or by early 2019 once provided by the Investigator. The Corporation currently anticipates that, in addition to general clinical expenses which are distributed amongst the various clinical projects, its share of the cost to complete this study will be approximately \$2,800,000 of which \$1,000,000 is expected to be spent in 2018.

#### *Orphan Drug Status and Fast Track Designation*

The Corporation announced in November 2016 that the European Medicines Agency (EMA) had granted orphan drug designation status to IMV's DPX-Survivac in ovarian cancer. In July 2015, the FDA also granted orphan drug status to DPX-Survivac for the treatment of ovarian cancer. This designation is valid for all applications of DPX-Survivac in ovarian cancer without restriction to a specific stage of disease.

IMV had previously received FDA fast track designation for DPX-Survivac. The designation is intended for patients with no measurable disease after their initial surgery and chemotherapy.

### ***DPX-E7***

On April 17, 2017, the Corporation announced that the first study participant had been treated in a phase 1b/2 clinical study evaluating IMV's investigational cancer vaccine, DPX-E7, in combination with low-dose cyclophosphamide in patients with incurable oropharyngeal, cervical and anal cancers related to HPV.

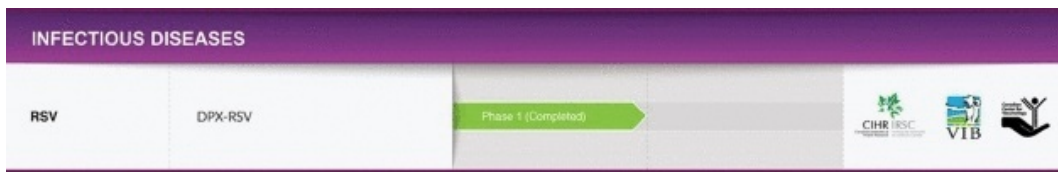
Dana-Farber is leading the DPX-E7 study through a \$1.5 million research grant from Stand Up To Cancer and the Farrah Fawcett Foundation to clinically evaluate collaborative translational research that addresses critical problems in HPV-related cancers.

The Dana-Farber study is a single center, open label, non-randomized clinical trial that will investigate the safety and clinical efficacy of DPX-E7 in combination with low-dose metronomic oral cyclophosphamide in a total of 44 treated participants. Its primary objectives are to evaluate changes in CD8+ T cells in peripheral blood and tumor tissue, and to evaluate the safety of DPX-E7 vaccination in HLA-A2 positive patients with incurable HPV-related head and neck, cervical or anal cancers. DPX-E7 targets an HPV viral protein known as E7. IMV has the option to produce the DPX-E7 vaccine if it proves successful in the clinical trials.

The Corporation expects to disclose preliminary results in 2018 once provided together with those by Dana-Farber.

### **INFECTIOUS DISEASES**

In infectious diseases, DPX-formulated vaccines have shown an ability to induce rapid and robust immune responses that may protect against disease agents with as little as one dose. The single-dose capability of the Corporation's technology could be a key factor for developing rapid response vaccines for pandemics and infectious disease outbreaks.



### ***DPX-RSV***

#### *Product Overview*

A component of the Corporation's business strategy is partnering the DPX platform within infectious and other diseases. The DPX platform has the potential to generate a rapid and robust immune response, often in a single dose. The unique vaccine enhancement and single-dose capability could prove to be beneficial in targeting difficult infectious and other disease candidates.

The Corporation has performed pre-clinical research activities for a vaccine targeting RSV, which is the second leading cause of respiratory illness in infants, the elderly and the immunosuppressed. Currently, there is no vaccine available for this virus and IMV is seeking to develop a novel vaccine formulation to be used in elderly and healthy adults, including women of child-bearing age. IMV has in-licensed the RSV antigen exclusively from VIB, a non-profit life sciences research institute funded by the Flemish government, to expand its pipeline of vaccine candidates. The novel RSV antigen being evaluated in DPX is based on the short hydrophobic protein present at low levels on the surface of the RSV virion but more importantly also present on the surface of RSV-infected cells. This vaccine has a unique mechanism of action, in that the resultant antibodies bind to and destroy infected cells rather than directly bind to and neutralize free virus.

#### *Phase 1 clinical trial in RSV*

A phase 1 clinical study has been conducted in Canada with the Corporation's RSV vaccine in healthy adults. The RSV vaccine is formulated in IMV's proprietary DPX platform and is initially being developed to protect the elderly population from infection.

The phase 1 study, which was the first clinical trial of a DPX-based vaccine in an infectious disease indication, has evaluated the safety and immune response profile of the RSV vaccine candidate in 40 healthy older adult volunteers (age 50-64 years) and two dose cohorts, with 20 subjects in each cohort.

In July 2016, the Corporation announced positive interim results from this trial. Investigators analyzed the safety and immune response data of all participants up to study day 84. The safety analysis indicates that the DPX-RSV was well tolerated among all study participants, with no SAEs recorded. Furthermore, immunogenicity data supported DPX-RSV's ability to generate a relevant immune response; the vaccine candidate obtained antigen-specific antibody responses in 75 percent of subjects vaccinated with the lower dose and 100 percent of those vaccinated with the higher dose.

In October 2016, the Corporation announced positive topline results from this trial. The report outlined that more than nine months after the last vaccination, 15 of 16 participants (93%) who received DPX-RSV demonstrated antigen-specific immune responses. The vaccine candidate also continued to have a positive safety profile and was well tolerated with no SAEs among all study participants.

On April 12, 2017, the Corporation announced additional positive data from an extended evaluation of patients in this trial. An amendment had been submitted to Health Canada to test subjects who received the higher dose of vaccine out to one year after the booster vaccination. In the 25µg dose cohort, which was the only dose tested out to one year, 100 percent of older adults (7/7 immune responders) vaccinated with DPX-RSV maintained the antigen-specific immune responses one year after receiving the booster dose. At one year, the antibody levels measured were still at peak with no sign of decrease.

IMV has exclusive worldwide licenses on applications that target the SH ectodomain antigen in RSV. The Corporation intends to explore opportunities to out-license this product to potential partners.



**Platform collaboration**

In collaboration with commercial and academic partners, the Corporation is also expanding the application of DPX as a delivery platform for other vaccines targeting infectious diseases. Pre-clinical and clinical studies have indicated that the DPX platform may allow for the development of enhanced vaccines for a wide range of infectious diseases by generating a stronger and more durable immune response more quickly than is possible with existing delivery methods. For vaccine targets that are poorly immunogenic, the platform may significantly reduce the number of immunizations required. The Corporation’s goal in infectious diseases is to out-license the DPX platform to selected partners. The Corporation is also exploring new applications of the DPX platform on its own and with partners.

Indication	Candidate	Progress	Partners
Malaria	Multiple antigens in DepoVax	Preclinical Ongoing	 
Zika	Peptides in DepoVax	Preclinical Ongoing	
BVDV	Antigens in DepoVax	Animal trials	
Contraceptive	Antigens in DepoVax	Animal trials	

**Malaria**

In 2016, IMV was awarded a subcontract by Leidos, a health, national security, and infrastructure solutions company, to evaluate IMV’s DPX™ platform for the development of peptide-based malaria vaccine targets. The subcontract is funded through Leidos’ prime contract from the U.S. Agency for International Development (“USAID”) to provide vaccine evaluations in the preclinical, clinical and field stages of malaria vaccine development.

In November 2017, an expansion of this collaboration was announced. Following the achievement of several preclinical milestones in the collaboration with USAID, Leidos and USAID selected the DPX-based platform as one of the preferred formulations for further development under a new contract extension. Under the new subcontract, the collaborators will conduct additional research that focuses on identifying the most promising target-formulation combinations.

**Zika Virus Vaccine Antigen**

IMV and Leidos, a health, national security and infrastructure solutions company, are collaborating on developing a vaccine against the mosquito-borne Zika virus and infection, which may be linked to neurological birth defects. This collaboration, amended on June 23, 2016, is the first to expand on IMV’s research project in which the Corporation will apply its DPX platform to development of a Zika virus vaccine candidate. Under the terms of the agreement, Leidos will utilize its Virtual Pharmaceutical Development Program to lead an antigen discovery and development team to identify the best candidate antigens for protecting against infection by the Zika virus. IMV will then formulate new antigens in its DPX delivery system for pre-clinical testing. The parties expect that this project could serve as a replicable model for expediting the development and manufacture of vaccines to address current and future health emergencies.

**Zoetis collaboration**

In August 2017, the Corporation announced the achievement of several milestones in its ongoing collaboration with global animal health company Zoetis to develop cattle vaccines. In recent controlled studies, the IMV formulations met efficacy and duration of

immunity end-points against two disease targets. These results will enable Zoetis to advance two IMV-formulated vaccine candidates into late-stage testing.

### ***Licensing Agreements***

While the Corporation is focused on developing a pipeline of cancer immunotherapies, it is also pursuing opportunities to license the Corporation's platform technology to other parties interested in creating enhanced vaccines on an application-by-application basis.

In April 2018, IMV signed a licensing agreement and granted SpayVac-for-Wildlife (SFW Inc.) a license to two of its proprietary delivery platforms. SFW Inc. has global exclusive rights to use both of these platforms to develop humane, immuno-contraceptive vaccines for control of overabundant, feral and invasive wildlife populations against royalties on sales.

### **MARKET OVERVIEW**

#### ***Cancer Immunotherapies***

Cancer is considered one of the most widespread and prevalent diseases globally. According to Global Cancer Facts & Figures, 3rd edition (released February 2015 by the American Cancer Society), it is predicted that new cancer cases will rise to 21.7 million and the number of cancer deaths to 13 million by 2030. Conventional cancer treatment involves surgery to remove the tumor when possible, as well as chemotherapy and radiation. Chemotherapies are widely used despite their associated toxicities because they interfere with the ability of cancer cells to grow and spread. However, tumors often develop resistance to chemotherapies, limiting their efficacy in preventing tumor recurrence. Despite recent advances, independent sources note a high unmet medical need in cancer therapy, noting the median survival rate remains poor. Cancer immunotherapies, including therapeutic cancer vaccines, may provide a new and effective treatment. According to a Market & Markets report released in January 2017, the global immunotherapy drugs market is projected to reach USD \$201.52 billion by 2021 from USD \$108.41 billion in 2016, growing at a compound annual growth rate ("CAGR") of 13.5% during the forecast period of 2016 to 2021. The major players operating in the immunotherapy drugs market include F. Hoffmann-La Roche AG (Switzerland), GlaxoSmithKline (U.K.), AbbVie, Inc. (U.S.), Amgen, Inc. (U.S.), Merck & Co., Inc. (U.S.), Bristol-Myers Squibb (U.S.), Novartis International AG (Switzerland), Eli Lilly and Corporation (U.S.), Johnson & Johnson (U.S.), and AstraZeneca plc (U.K.).

Cancer immunotherapy seeks to harness the immune system to assist in the destruction of tumors and to prevent their recurrence. There has been significant interest in the field of cancer immunotherapy stemming from recent clinical success in prolonging patient survival with novel compounds. The ability to apply these appropriately has resulted from a greater understanding of the immune dysfunction that is characteristic of cancer. One area in which there have been breakthroughs has been in the area of checkpoint inhibitors, compounds that target key regulatory molecules of the immune system. Yervoy (anti-CTLA-4, or ipilimumab, developed by Bristol-Myers Squibb) was the first compound in this class to be approved for use in advanced metastatic melanoma. In cancer, these regulators (CTLA-4, PD-1 and its ligand PD-L1) act to inhibit CD8 T cell mediated anti-tumor immune responses that are crucial for tumor control. Monoclonal antibodies that target PD-1 and PD-L1 have shown unusual efficacy in cancer patients, with a significant percentage of patients experiencing durable response to these therapies. Several of these compounds are in advanced clinical trials, with one compound, Merck's Keytruda (pembrolizumab), having received FDA approval in September 2014 for advanced melanoma patients who have stopped responding to other therapies. Bristol-Myers Squibb's compound nivolumab (Opdivo) has also been approved in the United States and Japan. These therapies have recently been approved for use in other advanced cancers including bladder cancer, non-small cell lung cancer, Hodgkin's Lymphoma, squamous cell carcinoma of the head and neck and stomach cancer. In addition, Keytruda in particular has been approved for use in cancers with a specific molecular indication irrelevant of cancer type, Keytruda was also approved in May for use to treat solid tumors having a biomarker for microsatellite instability (MSI-H), which is a defect in the DNA repair pathway. This represents about 5% of a number of different tumor types, including colorectal, breast, prostate and thyroid cancers.

Key opinion leaders in the field have indicated that the ideal combination, with checkpoint inhibitors, is likely to be a therapy that drives tumor specific immune responses. These include novel cancer vaccines and T cell-based therapies. These therapies fit well with checkpoint inhibition therapy because they simultaneously activate strong tumor specific immune responses, while releasing the brakes on immune suppression. The success of such combinations should allow pharmaceutical companies to significantly expand the market of their checkpoint inhibitors, which are currently effective in approximately 10% to 30% of patients.

The Corporation believes that T cell therapies will become an important component of these novel combination immunotherapies, with the potential of synergistic benefits to become an essential part of a multi-pronged approach for the treatment of cancer.

## INTELLECTUAL PROPERTY

The Corporation strives to protect its intellectual property in established, as well as emerging, markets around the world. The Corporation's intellectual property portfolio relating to its vaccine platform technology includes sixteen patent families, the first of which contains eight patents issued in five jurisdictions (United States, Europe, Canada, Japan and Australia). The fifteen other families collectively contain thirty-seven patents issued in ten jurisdictions (United States, Europe, Canada, Australia, Japan, India, Israel, Singapore, China and separately Hong Kong) and forty-eight pending patent applications in eleven jurisdictions. Taking into account the validations of the European patents, the Corporation's intellectual property portfolio includes seventy-three patents. More details on the Corporation intellectual property strategy and patents can be found in the AIF filed on SEDAR at [www.sedar.com](http://www.sedar.com).

The Corporation owns registered trademarks in the United States, Canada and Europe.

## RECENT AND QUARTERLY DEVELOPMENTS

### *Key developments and achievements*

The Corporation announced:

- On June 7, 2018, the addition of Julia P. Gregory to the Corporation's Board of Directors. Ms. Gregory is a seasoned biotechnology executive with Chief Executive Officer, Chief Financial Officer, Board and investment banking experience. She recently served as Chief Executive Officer and board member of ContraFect Corporation, a public biotechnology company developing innovative anti-infectives. She previously served as the Chief Executive Officer and board member of the immuno-oncology company Five Prime Therapeutics.
- On June 3, 2018, that investigators shared new positive data in an oral presentation for its DeCidE1 (DPX-Survivac with low dose Cyclophosphamide and Epcadostat) clinical study at the 2018 American Society for Clinical Oncology (ASCO) annual meeting. This data from the ongoing phase 1b/2 trial evaluated the safety and efficacy of the combination of IMV's lead candidate DPX-Survivac and low dose cyclophosphamide, with Incyte's IDO1 enzyme inhibitor epcadostat, in patients with advanced recurrent ovarian cancer.

At the time of data cut-off, 39 patients were enrolled (including 25 new participants in the 300mg cohort with 8 evaluable from day 56 first CT scan). Data from the first 18 evaluable patients across both dosing cohorts showed:

- 7 tumor regressions, including 4 Partial Responses (PR) reported so far (PR, defined as  $\geq 30\%$  decrease in tumor lesion size); and
- Study participants were generally tolerating treatments well, with no related SAEs reported.

Data from the first 8 evaluable participants in the 300mg epcadostat dosing cohort at first CT scan included:

- 6 patients demonstrated stable disease (SD) at day 56, with 4 of these SDs still on trial at data cut-off; and
- 2 patients with tumor regressions observed so far, including one PR with a tumor regression ongoing for more than 9 months.

IMV plans to report updated results on these patients and others enrolled in the trial when data from at least 16 evaluable participants in the second dosing cohort are available.

Researchers also analyzed patient data to study the combination's MOA. They examined blood samples and tumor biopsies for the 10 evaluable patients treated in the first dosing cohort. This data showed:

- Survivin-specific T cell responses detected in 100% (10/10) of patients;
- Increase in T cell infiltration post treatment in 37% (3/8) of the analyzable tumor biopsies based on two complementary testing methodologies (RNA sequencing and immunohistochemistry);
- 2 of the 3 patients with T cell infiltration showed PRs with significant and durable tumor regressions lasting more than one year; and

- The third patient with T cell infiltration exhibited Progressive Disease (PD) with evidence of down regulation of the major histocompatibility (MHC) presentation pathway and significant increases in suppressive markers, both indicative of mechanisms of resistance.
- On May 31, 2018, that its common shares have been approved for listing on the Nasdaq under the symbol “IMV”. Trading commenced on, June 1, 2018 and the common shares concurrently ceased to be traded on OTCQX. The Corporation retained its listing on the Toronto Stock Exchange under the symbol “IMV”.
- On May 3, 2018, that in connection with its planned U.S. listing, and as previously approved by its shareholders, the Corporation completed a consolidation of its outstanding common shares, and changed its name to IMV Inc.
- On April 24, 2018, that it has entered into an agreement with Incyte Corporation to expand their ongoing clinical trial collaboration. The companies plan to add a phase 2 component to their ongoing phase 1b combination study evaluating the safety and efficacy of IMV’s lead candidate, DPX-Survivac, in combination with Incyte’s IDO1 enzyme inhibitor epacadostat and low dose cyclophosphamide in advanced ovarian cancer patients.

The phase 2 component will be a randomized, open label, efficacy study that will include up to 32 additional evaluable subjects. It will evaluate DPX-Survivac and low dose cyclophosphamide with, or without, epacadostat in patients with advanced recurrent ovarian cancer. In accordance with regulatory guidelines for combination trials, the goal of this portion of the program is to evaluate the clinical contribution of each investigational drug in the combination regimen.

The phase 2 arm of the study will be conducted under an amendment to the existing collaboration, in which IMV and Incyte are co-funding the trial.

- On April 16, 2018, the presentation of new research on its T cell activating platform at the American Association for Cancer Research (AACR) annual meeting 2018. In collaboration with Incyte, researchers presented a poster supporting the enhanced anti-cancer immune responses from the combination of IMV’s proprietary T cell activating technology and Incyte’s IDO1 inhibitor program. A second poster analyzed the novel capability, as compared with other formulation technologies, of IMV’s delivery technology to combine a large range of anti-cancer peptides into a single formulation.

In the poster titled, “Combination of a T cell activating immunotherapy with immune modulators alters the tumour microenvironment and promotes more effective tumour control in preclinical models”, researchers presented new preclinical analysis on the combination of IMV’s DPX-based therapies, Incyte’s epacadostat and low-dose cyclophosphamide, in tumour models. As part of the analysis, researchers also examined the potential for heightened tumour response from T cell infiltration in the tumour microenvironment. The study indicated that the triple combination immunotherapy demonstrated a significant delay in tumour progression. Analysis of the T cells suggested that other immune modulating therapies, such as checkpoint inhibitors, could additionally enhance tumour control.

Related to IMV’s neoepitope program, researchers presented the poster, “A novel delivery platform containing up to 25 neoantigens can induce robust immune responses in a single formulation.” This study investigated the effects on immune response when formulating a broad range of peptides across multiple delivery technologies, including the Corporation’s proprietary formulation. The study indicated that IMV’s novel technology could incorporate at least 25 neoantigens into a single formulation, which generated strong CD8 and T cell responses, in excess of those induced by other formulations.

#### SELECTED FINANCIAL INFORMATION

	Three months ended June 30, 2018 \$	Three months ended June 30, 2017 \$	Six months ended June 30, 2018 \$	Six months ended June 30, 2017 \$
Loss for the period	(5,196,000)	(2,606,000)	(8,237,000)	(4,975,000)
Basic and diluted loss per share	(0.12)	(0.07)	(0.19)	(0.13)

	As at June 30, 2018 \$	As at December 31, 2017 \$
Cash and cash equivalents	25,148,000	14,909,000
Total assets	30,547,000	17,032,000
Lease obligations	1,355,000	--
Long term debt	6,977,000	6,476,000

**RESULTS FOR THE THREE AND SIX-MONTHS ENDED JUNE 30, 2018, COMPARED TO THE THREE AND SIX-MONTHS ENDED JUNE 30, 2017**

	Q2 2018 \$	Q2 2017 \$	Six Months ended June 30, 2018 \$	Six Months ended June 30, 2017 \$
Revenue	129,000	36,000	226,000	70,000
Research and development	2,605,000	1,259,000	4,487,000	2,269,000
General and administrative	2,046,000	859,000	2,968,000	1,889,000
Business development and investor relations	594,000	454,000	962,000	725,000
Government assistance	(189,000)	(202,000)	(464,000)	(378,000)
Accreted interest	269,000	272,000	536,000	540,000
<b>Net loss and comprehensive loss for the period</b>	<b>5,196,000</b>	<b>2,606,000</b>	<b>8,263,000</b>	<b>4,975,000</b>

**Revenue**

Revenue increased by \$93,000 in Q2 2018 and \$156,000 for the first six-months of 2018 in comparison with the corresponding periods in 2017. Interest revenue increased by \$76,000 in Q2 2018 and \$111,000 for the first six-months of 2018 compared to 2017 explained by higher cash balances since the beginning of 2018. The remainder of the increase during the quarter and since the beginning of 2018 is attributable to an increase in subcontract revenue.

**Operating expenses**

Overall operating expenses increased by \$2,683,000 to \$5,325,000 during Q2 2018 compared to Q2 2017 and by \$3,444,000 since the beginning of 2018. Explanations of the nature of costs incurred, along with explanations for those changes in costs are discussed below:

*Research and development expenses*

R&D expenses include salaries and benefits, expenses associated with the phase 1b and phase 2 clinical trials of DPX-Survivac, clinical research and manufacturing of DPX-RSV and DPX-Survivac, consulting fees paid to various independent contractors with specific expertise required by the Corporation, the cost of animal care facilities, laboratory supplies, peptides and other chemicals, rental of laboratory facilities, insurance, as well as other R&D related expenses.

The Corporation's R&D efforts and related expenses for Q2 2018 and for the six-months of 2018 included costs surrounding the Corporation's clinical trials of DPX-Survivac, namely the phase 1b/2 clinical trial collaboration with Incyte in ovarian cancer,

Phase 2 clinical trial collaboration with Merck in ovarian cancer, phase 2 clinical trial collaboration with Merck in DLBCL, the basket trial and costs related to the Corporation's ongoing R&D activities associated with the investigation, and analysis and evaluation of other potential product candidates and technologies.

Research and development expenses consist of the following:

	Q2 2018	Q2 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	\$	\$	\$	\$
General research and development expenses	526,000	324,000	1,013,000	537,000
DPX-Survivac preclinical and clinical expenses	1,227,000	390,000	1,881,000	658,000
Salaries and benefits	709,000	471,000	1,357,000	916,000
Stock-based compensation	118,000	58,000	187,000	127,000
Depreciation of equipment and amortization of intangible	25,000	16,000	49,000	30,000
<b>Total</b>	<b>2,605,000</b>	<b>1,259,000</b>	<b>4,487,000</b>	<b>2,269,000</b>

The increase in general R&D expenses from \$324,000 for Q2 2017 to \$526,000 in Q2 2018 is mainly attributable to a \$163,000 increase in professional fees and consulting for analysis of clinical results. Since the beginning of the year, the increase of \$476,000 is mainly explained by a \$191,000 increase in professional fees and consulting for analysis of clinical results, an \$80,000 increase in R&D travel and conferences and a \$70,000 increase in raw materials and supplies.

The increase of \$837,000 in Q2 2018 and \$1,223,000 since the beginning of 2018 in DPX-Survivac preclinical and clinical expenses is mainly attributable to higher enrollment in the phase 1b/2 Incyte trial in ovarian cancer compared with 2017 and milestone payments for the initiation of the phase 2 study in DLBCL and phase 2 study in ovarian cancer plus expenses related to the preparation of the upcoming basket trial.

The increase in R&D salaries in 2018 is mainly attributable to the hiring of new employees in the second half in 2017 and since the beginning of 2018 and annual salary increases.

*General and administrative expenses*

G&A expenses consist of the following:

	Q2 2018	Q2 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	\$	\$	\$	\$
General and administrative expenses, excluding salaries	1,225,000	402,000	1,797,000	727,000
Salaries and benefits	378,000	296,000	779,000	545,000
Stock-based and deferred share unit compensation	411,000	149,000	341,000	597,000
Depreciation of equipment	32,000	12,000	51,000	20,000
<b>Total</b>	<b>2,046,000</b>	<b>859,000</b>	<b>2,968,000</b>	<b>1,889,000</b>

For Q2 2018, G&A expenses, excluding salaries, increased by \$823,000. This is mainly explained by the various non-recurring expenses of \$490,000 related to the Nasdaq listing and share consolidation (legal, audit and consulting fees as well as listing fees) and the filing of a shelf prospectus, increase in patent legal expenses of \$115,000, recruiting fees of \$66,000 and an increase of insurance premium of \$52,000 mainly related to the Nasdaq listing. Since the beginning of the year, G&A expenses, excluding salaries, increased by \$1,070,000 mainly explained by the various non-recurring expenses of \$542,000 related to the Nasdaq listing, the share consolidation and the filing of a shelf prospectus, increase in patent legal expenses of \$97,000, increase in consulting and professional fees of \$87,000 related to benchmarking and the annual general meeting, recruiting fees of \$136,000 and an increase of insurance premium of \$56,000 following the Nasdaq listing.

Salaries and benefits increased by \$82,000 in Q2 2018 and \$234,000 since the beginning of 2018 due to an overall increase in compensation for the senior executive team, the fact that the CFO was there for the entire six months in 2018 compared to four months in 2017, and other hiring in the second half of 2017 and since the beginning of 2018.

The increase in stock-based and deferred share unit compensation in Q2 2018 is explained by an increase of \$102,000 in stock-based compensation as more stock options vested in Q2 2018 compared to Q2 2017 and an increase of \$151,000 in deferred share units (“DSU”) compensation. The increase in DSU compensation is mainly attributable to the increase in the fair value of the DSUs outstanding since the end of Q1 2018. Since the beginning of 2018, stock-based and deferred share unit compensation decreased by \$265,000 mainly explained by the decrease in the fair value of the DSUs of \$212,000. The Corporation values its DSU obligation at the current market value of a corresponding number of IMV Inc. common shares and records any fluctuation its the DSU obligation as an expense on the consolidated statements of loss and comprehensive loss.

#### *Government assistance*

Government assistance consists of the following:

	Q2 Fiscal 2018	Q2 Fiscal 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	\$	\$	\$	\$
Investment tax credits (“ITC”)	181,000	196,000	440,000	358,000
Government loans and assistance	8,000	6,000	24,000	20,000
<b>Total</b>	<b>189,000</b>	<b>202,000</b>	<b>464,000</b>	<b>378,000</b>

Government assistance for Q2 2018 is comparable to Q2 2017 even through R&D salaries increased during the quarter. This is explained by the fact that Q2 2017 includes an adjustment of \$65,000 to the 2016 estimate, and an adjustment in the Q1 2017 ITC receivable for changes in the expected recoverable amount. The increase in investment tax credit since the beginning of 2018 is explained by the increase in R&D salaries and also includes an adjustment of \$79,000 to the estimated 2017 ITC receivable for changes in the expected recoverable amount offset by adjustments in prior year for changes in the expected recoverable amount of the 2015 and 2016 claims.

#### *Business development and investor relations expenses*

The Corporation’s business development and investor relations activities increased in Q2 2018 by \$140,000, compared to Q2 2017, to a total of \$594,000. This variation is mainly explained by a \$119,000 and \$47,000 increase in salary and benefits and stock-based compensation, respectively, relating to the hiring of a Senior Vice President, Business Development in January 2018. The increase of \$237,000 in business development and investor relations since the beginning of the year is also mainly explained by this hiring. Salary and benefits and stock-based compensation, respectively increased by \$178,000 and \$80,000 during the first six months of 2018.

#### *Accreted Interest*

Accreted interest relates entirely to the valuation of low-interest bearing government loans which are repayable based on a percentage of future gross revenue and is comparable to 2017.

## Net loss and comprehensive loss

The net loss and comprehensive loss was \$5,196,000 or \$0.12 per basic and diluted share for Q2 2018, \$2,590,000 higher than the net loss and comprehensive loss of \$2,606,000 or \$0.07 per basic and diluted share for Q2 2017. For the six months ended June 30, 2018, the net loss and comprehensive loss was \$8,263,000 or \$0.19 per basic and diluted share compared to \$4,975,000 or \$0.13 per basic and diluted share for the six months ended June 30, 2017.

## CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2018, the Corporation had cash and cash equivalents of \$25,148,000 and working capital of \$23,959,000, compared to \$14,909,000 and \$13,627,000, respectively as at December 31, 2017.

Since the Corporation's inception, operations have been financed through the issuance of equity securities, debt, revenue from licenses, cost recoveries from collaborations, interest income on funds available for investment, government assistance and tax credits.

During the first six months of 2018, \$7,127,000 was used in operating activities. This included the reported net loss of \$8,263,000 prior to being decreased for non-cash DSU compensation, non-cash depreciation, non-cash accretion to long-term debt and lease obligations, and non-cash stock-based compensation. The Corporation had a net decrease of cash of \$125,000 as a result of changes in working capital balances.

Sources of cash included: \$14,375,000 raised through financing activities less cash issuance costs of \$1,148,000; and \$4,663,000 through the exercise of stock options and warrants. The Corporation used \$43,000 to repay long-term debt and lease obligations during the period and \$97,000 to pay taxes related to DSU redemption.

During the six-month period ended June 30, 2018, the Corporation purchased equipment and leasehold improvements for ongoing research and operating activities for an aggregate amount of \$732,000, offset by \$349,000 in incentive contributions from the Corporation's lessor.

The Corporation aims to maintain adequate cash and cash resources to support planned activities which include: the phase 1b/2 combination trial with DPX-Survivac and Incyte's IDO1 inhibitor epacadostat; initiation of the phase 2 investigator-sponsored combination trial with DPX-Survivac and Merck's checkpoint inhibitor, pembrolizumab; initiation of the investigator sponsored phase 2 triple combination clinical trial in patients with measurable or recurrent DLBCL; initiation of a basket trial in up to 5 new indications; and other research and development activities, business development efforts, administration costs, and intellectual property maintenance and expansion.

At June 30, 2018, the Corporation had approximately \$26.5 million of existing and identified potential sources of cash including:

- cash and equivalents of \$25.1 million; and
- amounts receivable and investment tax credits receivable of \$1.4 million.

For the first half of 2018, the Corporation's "cash burn rate" (defined as net loss for the period adjusted for operations not involving cash - interest on lease obligation, depreciation, accretion of long-term debt, stock-based compensation and DSU compensation) was \$7 million. Based on the current business plan and depending on the timing of certain clinical expenses, the Corporation forecasts the cash burn rate to be between \$3.5 million to \$4.5 million for each of the last two quarters of 2018, as it continues to execute: the Phase 1b/2 combination trial with DPX-Survivac and Incyte's IDO1 inhibitor epacadostat; the phase 2 investigator-sponsored combination trial in ovarian cancer with DPX-Survivac and Merck's checkpoint inhibitor pembrolizumab; the investigator sponsored phase 2 triple combination clinical trial in patients with measurable or recurrent DLBCL; and initiation of a phase 1b combination trial with DPX-Survivac and a checkpoint inhibitor in up to five indications (basket trial).

It is common for early-stage biotechnology companies to require additional funding to further develop product-candidates until successful commercialization of at least one product candidate. IMV's product candidates are still in the early-development stage of the product cycle and therefore are not generating revenue to fund operations. The Corporation continuously monitors its liquidity position, the status of its development programs including those of its partners, cash forecasts for completing various stages of development, the potential to license or co-develop each vaccine candidate, and continues to actively pursue alternatives to raise capital, including the sale of its equity securities, debt and non-dilutive funding.



Management believes that its cash resources of \$25.1 million and its additional potential cash resources of \$1.4 million as at June 30, 2018 will be sufficient to fund operations for the next twelve months while maintaining adequate working capital up to the fourth quarter of 2019. The Corporation continually reassesses the adequacy of its cash resources, evaluating existing clinical trials, research projects and/or potential collaboration opportunities, to determine when and how much additional funding is required.

#### JUNE 2017 EQUITY OFFERING AND USE OF PROCEEDS

On June 21, 2017, the Corporation completed a public offering, issuing 7,692,308 common shares pre-consolidation (2,403,846 post-consolidation) at a price of \$1.30 per share pre-consolidation (\$4.16 post-consolidation) for aggregate proceeds of \$10,000,000. The Corporation intends to use the net proceeds of this offering for the research and development and clinical advancement of its cancer and infectious disease vaccine candidates and for working capital and general corporate purposes. The table below provides the amount used to date and any variances (except for working capital and general corporate purposes).

Intended Use of Proceeds	Estimated amount \$	Amount to date \$	Variances
phase 2 clinical trial in DLBCL with Merck	2,400,000	608,000	No variances anticipated
phase 1 clinical trial for multiple indications	4,200,000	278,000	No variances anticipated

#### FEBRUARY 2018 EQUITY OFFERING AND USE OF PROCEEDS

On February 15, 2018, the Corporation completed a public offering, issuing 7,187,500 common shares pre-consolidation (2,246,094 post-consolidation) at a price of \$2.00 per share pre-consolidation (\$6.40 post-consolidation) for aggregate proceeds of \$14,375,000. The Corporation intends to use the net proceeds of this offering to continue to advance the Corporation's pipeline and conduct a phase 1 basket trial in up to five indications to be identified, for research and development, working capital, and for general corporate purposes. The table below provides the amount used to date and any variances (except for working capital and general corporate purposes).

Intended Use of Proceeds	Estimated amount \$	Amount to date \$	Variances
Clinical trials in 2019	4,800,000	Nil	No variances anticipated
Research & development in 2019	5,300,000	Nil	No variances anticipated

#### SUMMARY OF QUARTERLY RESULTS

The following consolidated quarterly data was drawn from the audited annual consolidated financial statements and the unaudited interim condensed consolidated financial statements. All values discussed below are rounded to the nearest thousand. The information is reported on an IFRS basis.

Quarter Ended In	Total Revenue \$	Total Expenses \$	Loss \$	Basic and Diluted Loss Per Share \$
Q2 – June 30, 2018	129,000	5,325,000	(5,196,000)	(0.12)
Q1 – March 31, 2018	96,000	3,163,000	(3,067,000)	(0.07)
Q4 - December 31, 2017	66,000	4,997,000	(4,931,000)	(0.13)
Q3 - September 30, 2017	53,000	2,175,000	(2,122,000)	(0.06)
Q2 – June 30, 2017	36,000	2,642,000	(2,606,000)	(0.06)

<b>Quarter Ended In</b>	<b>Total Revenue</b>	<b>Total Expenses</b>	<b>Loss</b>	<b>Basic and Diluted Loss Per Share</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Q1 – March 31, 2017	34,000	2,403,000	(2,369,000)	(0.06)
Q4 - December 31, 2016	21,000	3,762,000	(3,741,000)	(0.13)
Q3 - September 30, 2016	32,000	1,931,000	(1,899,000)	(0.06)

Revenues from quarter to quarter may vary significantly. Revenues are non-recurring by nature and are generated by license agreements as well as contract research agreements. It is also important to note that historical patterns of expenses cannot be taken as an indication of future expenses. The amount and timing of expenses and availability of capital resources vary substantially from quarter to quarter, depending on the level of R&D activities being undertaken at any time and the availability of funding from investors or collaboration partners.

#### **OUTLOOK FOR THE REMAINDER OF 2018**

The Corporation has many clinical studies ongoing and expects the following timing to disclose results for the following studies:

<b>Product/study</b>	<b>Partner</b>	<b>Indication</b>	<b>Type of results</b>	<b>Expected Timing</b>
DPX-Survivac – phase 1b/2	Incyte	Ovarian cancer	Top line clinical results 300mg cohort	End-2018
DPX-Survivac – phase 2	Merck	Ovarian cancer	Preliminary clinical results	2018
DPX-Survivac – phase 2	Merck	DLBCL	Preliminary clinical results	Summer2018
DPX-E7 – phase 1/phase 2	Dana-Farber	HPV related cancers	Preliminary clinical results	2018

The exact timing of disclosure of the above results could differ from our expectations but are currently management’s best estimate.

#### **RELATED PARTY TRANSACTIONS**

During Q2 2018, there were no related party transactions (Q1 2017 - \$nil).

#### **CONTRACTUAL OBLIGATIONS**

As of June 30, 2018, there is no material change in the contractual obligations of the Corporation since the beginning of the 2018 fiscal year. Details on the contractual obligations of the Corporation can be found in the in the audited annual consolidated financial statements and related notes for the year ended December 31, 2017.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

The Corporation was not party to any off-balance sheet arrangements as of June 30, 2018.

## **OUTSTANDING SECURITIES**

As of August 8, 2018, the number of issued and outstanding common shares was 44,893,344 and a total of 2,042,851 stock options, warrants, and deferred share units were outstanding.

## **RISKS AND UNCERTAINTIES**

The Corporation is a clinical-stage company that operates in an industry that is dependent on a number of factors that include the capacity to raise additional capital on reasonable terms, obtain positive results of clinical trials - including clinical trials on DPX-Survivac, obtain positive results of clinical trials without serious adverse or inappropriate side effects, and obtain market acceptance of its product by physicians, patients, healthcare payers and others in the medical community for commercial success, etc. An investment in the Corporation's common shares is subject to a number of risks and uncertainties. An investor should carefully consider the risks described in the Corporation's AIF and the registration statement on Form 40-F filed with the U.S. Securities and Exchange Commission, as well as the other information filed with the securities regulators before investing in the Corporation's common shares. If any of the such described risks occur, or if others occur, the Corporation's business, operating results and financial condition could be seriously harmed and investors may lose a significant proportion of their investment.

There are important risks which management believes could impact the Corporation's business. For information on risks and uncertainties, please also refer to the "Risk Factors" section of our most recent AIF filed on SEDAR at [www.sedar.com](http://www.sedar.com) and included in the registration statement on Form 40-F filed on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

## **DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING**

### Disclosure Controls and Procedures

The Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO") of the Company are responsible for establishing and maintaining the Company's disclosure controls and procedures ("DCP") including adherence to the Disclosure Policy adopted by the Company. The Disclosure Policy requires all staff to keep senior management fully apprised of all material information affecting the Company so that they may evaluate and discuss this information and determine the appropriateness and timing for public disclosure.

The Company maintains DCP designed to ensure that information required to be disclosed in reports filed under applicable securities laws, is recorded, processed, summarized and reported within the appropriate time periods and that such information is accumulated and communicated to the Company's management, including the CEO and CFO, to allow for timely decisions regarding required disclosure.

The CEO and CFO have evaluated whether there were changes to the DCP during the six months ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, the DCP. No such changes were identified through their evaluation.

In designing and evaluating DCP, the Company recognizes that any disclosure controls and procedures, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met, and management is required to exercise its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

### Internal Control over Financial Reporting

The Company's management, including the CEO and the CFO, are responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR") for the Company to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The fundamental issue is ensuring all transactions are properly authorized and identified and entered into a well-designed, robust and clearly understood accounting system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected.

The CEO and CFO have evaluated whether there were changes to the ICFR during the three months ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, the ICFR. No such changes were identified through their evaluation.

The Company's ICFR may not prevent or detect all misstatements because of inherent limitations. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because changes in conditions or deterioration in the degree of compliance with the Company's policies and procedures.

#### **BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared in accordance with the IFRS as issued by the IASB. The accounting policies, methods of computation and presentation applied in the consolidated financial statements are consistent with those of previous financial year except for the presentation of government assistance now presented as a separate item in the consolidated statements of loss and comprehensive loss and the interest revenue now presented as part of the revenue. Certain comparative figures have been reclassified to conform the presentation adopted in the current year for government assistance and interest revenue.

The significant accounting policies of IMV are detailed in the notes to the audited consolidated financial statements for the year ended December 31, 2017 filed on SEDAR [www.sedar.com](http://www.sedar.com) and included in the registration statement on Form 40-F filed on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

#### **CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Critical judgements in applying the Corporation's accounting policies are detailed in the audited annual consolidated financial statements for the year ended December 31, 2017 filed on SEDAR [www.sedar.com](http://www.sedar.com) and included in the registration statement on Form 40-F filed on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

#### **FINANCIAL INSTRUMENTS**

Financial instruments are defined as a contractual right or obligation to receive or deliver cash on another financial asset. The Corporation recognizes financial instruments based on their classification. Depending on the financial instrument's classification, changes in subsequent measurements are recognized in net loss or other comprehensive loss.

A description of the financial instruments, their fair value and risk management is included in the Corporation's audited annual consolidated financial statements for the year ended December 31, 2017 filed on SEDAR [www.sedar.com](http://www.sedar.com) and included in the registration statement on Form 40-F filed on EDGAR at [www.sec.gov/edgar](http://www.sec.gov/edgar).

*(Signed) Frédéric Ors*  
Frédéric Ors  
Chief Executive Officer

*(Signed) Pierre Labbé*  
Pierre Labbé  
Chief Financial Officer

**August 8, 2018**

FORM 52-109F2  
CERTIFICATION OF INTERIM FILINGS  
FULL CERTIFICATE

I, Frederic Ors, Chief Executive Officer of IMV Inc. (formerly Immunovaccine Inc.), certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of IMV Inc. (formerly Immunovaccine Inc.) (the “issuer”) for the interim period ended June 30, 2018.
  2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
  3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
  4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in *National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
  5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings:
    - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that:
      - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
      - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
    - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
  - 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is Internal Control – *Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.
-

5.2 **ICFR - material weakness relating to design:** N/A

5.3 **Limitation on scope of design:** N/A

6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on April 1, 2018 and ended on June 30, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: August 8, 2018

(signed) Frederic Ors  
Frederic Ors  
Chief Executive Officer

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**FORM 52-109F2**  
**CERTIFICATION OF INTERIM FILINGS**  
**FULL CERTIFICATE**

I, Pierre Labbé, Chief Financial Officer of IMV Inc. (formerly Immunovaccine Inc.), certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of IMV Inc. (formerly Immunovaccine Inc.) (the “issuer”) for the interim period ended June 30, 2018.
  2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
  3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
  4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in *National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
  5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings:
    - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that:
      - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
      - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
    - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
  - 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is Internal Control – *Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.
-

5.2 **ICFR - material weakness relating to design:** N/A

5.3 **Limitation on scope of design:** N/A

6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on April 1, 2018 and ended on June 30, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: August 8, 2018

(signed) Pierre Labbé

Pierre Labbé

Chief Financial Officer

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**FOR IMMEDIATE RELEASE****IMV Inc. Announces Q2 2018 Financial Results**

- *Initiated Trading of Common Shares on Nasdaq; Finalized Corporate Name Change*
- *Presented New Positive Data at ASCO on the DECIDE1 trial in Ovarian Cancer*
- *Advanced Ongoing Clinical Programs with Merck and Incyte*

**Halifax, Nova Scotia; August 8, 2018** – IMV Inc. (Nasdaq: IMV; TSX: IMV), a clinical stage immuno-oncology corporation, today released its financial and operational results for the three and six-month period ended June 30, 2018.

“During the second quarter of 2018, we attained milestones advancing IMV’s ability to deliver novel immuno-oncology therapeutics,” stated Frederic Ors, IMV Chief Executive Officer. “We listed our common shares on Nasdaq and adopted a new company name. In addition, we reported clinical data for the first time at the 2018 American Society for Clinical Oncology (“ASCO”) meeting, highlighting the strong efficacy signals of DPX-Survivac and provided clinical demonstration of the ability of DPX-Survivac to trigger the production of T cells that can infiltrate tumors and induce tumor regression in hard-to-treat cancers.

“Based on our current financial position and operational strategy, we look forward to delivering on several anticipated milestones over the next four quarters, including:

- Expansion of our clinical program with a new phase 2 basket trial;
- Topline data from the higher dosing cohort in our clinical trial with Incyte;
- Preliminary and topline data from our triple combination phase 2 trial with Merck in diffuse large B-cell lymphoma (DLBCL); and
- Preliminary and topline data from our second triple combination phase 2 trial with Merck, in ovarian cancer.

IMV will host a conference call and webcast today at 8 a.m. ET. The dial-in number for the conference call is (844) 461-9932 (U.S. and Canada) or (636) 812-6632 (international) with the conference ID: 6583235. Those interested can access the live audio webcast at this link: <https://edge.media-server.com/m6/p/xt8xgtjx>. The webcast will be recorded and available on the IMV website for 30 days following the call.

**Clinical Program Highlights – DPX-Survivac*****Ovarian Cancer***

- New positive data highlighted in an oral presentation at the 2018 ASCO meeting from the DECIDE1 (DPX-Survivac with low dose cyclophosphamide and Epacadostat) phase 1b/2 clinical trial in ovarian cancer with Incyte showed 7 tumor regressions, including 4 partial responses (PR, defined as  $\geq 30\%$  decrease in tumor lesion size) in the first 18 evaluable patients.

- **Mechanism of action (MOA) analysis** from the ASCO data showed that DPX-Survivac generated survivin-specific T cell responses in 100% (10/10) of evaluated patients; there was an increase in T cell infiltration post treatment in 37% (3/8) analyzable tumor biopsies; and 2 of the 3 patients with T cell infiltration showed PRs with significant and durable tumor regressions lasting more than one year.
- **Expansion of the ongoing clinical collaboration with Incyte Corporation** by adding a phase 2 cohort. This new portion of the program will evaluate DPX-Survivac and low dose cyclophosphamide with, or without, epacadostat in patients with advanced recurrent ovarian cancer. In accordance with regulatory guidelines for combination trials, the goal of this portion of the program is to evaluate the clinical contribution of each investigational drug in the combination regimen.

#### **Operational Highlights of Q2 2018:**

- **Nasdaq listing and share consolidation:** IMV's common shares commenced trading on the Nasdaq Stock Market LLC on June 1, 2018. In connection with the listing, a consolidation of its outstanding common shares took place on the basis of one new common share for every 3.2 outstanding common shares on May 2, 2018.
- **Corporate name change:** Because the underlying mechanism of action of DPX-based therapies represents a new class of immunotherapies and is not consistent with vaccines, the Corporation's leadership decided to change the name from Immunovaccine to IMV to better reflect the true potential of its therapeutic candidates. The shareholders of the Corporation overwhelmingly voted in favour of this change at their last meeting.
- **Addition of Julia P. Gregory to the Corporation's Board of Directors:** Ms. Gregory is a seasoned biotechnology executive most recently serving as Chief Executive Officer and Board Member of ContraFect Corporation. She previously served as the Chief Executive Officer and Board member of the immuno-oncology company Five Prime Therapeutics.
- **Cash position:** As of June 30, 2018, cash and cash equivalents and short-term investments were \$25 million compared to \$15 million as of December 31, 2017.

#### **Overview of Q2 2018 Financial Results**

The net loss and comprehensive loss of \$5,196,000 (\$0.12 per share) and \$8,263,000 (\$0.19 per share) for the three and six-month periods ended June 30, 2018 were \$2,590,000 and \$3,588,000 higher than the net loss and comprehensive loss for the three and six-month periods ended June 30, 2017.

Research and development expenses increased by \$1,346,000 and \$2,218,000 for the three and six-month periods ended June 30, 2018, respectively compared to 2017. These increases are mainly due to the two new phase 2 clinical trials collaboration with Merck in ovarian cancer and DLBCL started in 2018 and also costs related to the preparation of the upcoming basket trial.

General and administrative expenses increased by \$1,187,000 and \$1,079,000 for the three and six-month periods ended June 30, 2018, respectively compared to 2017. These increases are mainly due to the various expenses related to the Nasdaq listing (legal, audit and consulting fees and listing fees) that are non-recurring expenses, the filing of a shelf prospectus and an increase in patent fees.

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Business development and investor relations expenses increased by \$140,000 and \$237,000 for the three and six-month periods ended June 30, 2018, respectively compared to 2017. These increases are almost entirely due to the hiring of a Senior Vice President, Business Development in January 2018.

At June 30, 2018, the Corporation had cash and cash equivalents of \$25,148,000 and working capital of \$23,959,000, compared with \$14,909,000 and \$13,627,000, respectively at December 31, 2017. For the six-month period ended June 30, 2018, IMV's cash burn rate, defined as net loss for the period adjusted for operations not involving cash (interest on lease obligation, depreciation, accretion of long-term debt, stock-based compensation and DSU compensation), was \$7 million. Based on the current business plan, the Corporation forecasts the cash burn rate to be between \$3.5-million and \$4.5-million for each of the last two quarters of 2018 depending on the timing of certain clinical expenses.

As of August 8, 2018, the number of issued and outstanding common shares was 44,893,344 and a total of 2,042,851 stock options, warrants, and deferred share units were outstanding.

The Corporation's unaudited interim condensed consolidated results of operations, financial condition and cash flows for the three and six-months period ended June 30, 2018 and the related management's discussion and analysis (MD&A) are available on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **About IMV**

IMV Inc. is a clinical stage biopharmaceutical company dedicated to making immunotherapy more effective, more broadly applicable, and more widely available to people facing cancer and other serious diseases. IMV is pioneering a new class of immunotherapies based on the Corporation's proprietary drug delivery platform. This patented technology leverages a novel mechanism of action that enables the reprogramming of immune cells *in vivo*, which are aimed at generating powerful new synthetic therapeutic capabilities. IMV's lead candidate, DPX-Survivac, is a T cell activating immunotherapy that combines the utility of the platform with a target: survivin. IMV is currently conducting three phase 2 studies with Incyte and Merck assessing DPX-Survivac as a combination therapy in ovarian cancer and diffuse large B-cell lymphoma. Connect at [www.imv-inc.com](http://www.imv-inc.com).

#### **IMV Forward-Looking Statements**

*This press release contains forward-looking information under applicable securities law. All information that addresses activities or developments that we expect to occur in the future is forward-looking information. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made. However, they should not be regarded as a representation that any of the plans will be achieved. Actual results may differ materially from those set forth in this press release due to risks affecting the Corporation, including access to capital, the successful completion of clinical trials and receipt of all regulatory approvals. IMV Inc. assumes no responsibility to update forward-looking statements in this press release except as required by law.*

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#### **Contacts for IMV:**

##### **MEDIA**

**Mike Beyer, Sam Brown Inc.**

T: (312) 961-2502 E: [mikebeyer@sambrown.com](mailto:mikebeyer@sambrown.com)

##### **INVESTOR RELATIONS**

**Pierre Labbé, Chief Financial Officer**

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IMV INC.

Unaudited Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

(In thousands of Canadian dollars, except shares and per share amounts)

	Three-months ended June		Six-months ended June 30	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>Revenue</b>				
Subcontract revenue	17	--	45	--
Interest Income	112	36	181	70
Total revenue	129	36	226	70
<b>Expenses</b>				
Research and development	2,605	1,259	4,487	2,269
General and administrative	2,046	859	2,968	1,889
Business development and investor relations	594	454	962	725
Government assistance	(189)	(202)	(464)	(378)
Accreted interest	269	272	536	540
Total operating expenses	5,325	2,642	8,489	5,045
<b>Net loss and comprehensive loss</b>	<b>(5,196)</b>	<b>(2,606)</b>	<b>(8,263)</b>	<b>(4,975)</b>
<b>Basic and diluted loss per share</b>	<b>(0.12)</b>	<b>(0.07)</b>	<b>(0.19)</b>	<b>(0.13)</b>
Weighted-average shares outstanding	43,001,620	37,657,361	42,539,304	37,310,192

IMV INC.

Unaudited Interim Condensed Consolidated Statements of Financial Position

(Expressed in thousands of Canadian dollars except for per share amounts)

	June 30, 2018	December 31, 2017
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 25,148	\$ 14,909
Accounts receivable	909	261
Prepaid expenses	1,742	838
Investment tax credits receivable	523	461
Total current assets	28,322	16,469
Property and equipment	2,225	563
Total assets	\$ 30,547	\$ 17,032
<b>Liabilities and Equity</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 4,248	\$ 2,760
Amounts due to directors	22	21
Current portion of long-term debt	62	61
Current portion of lease obligations	31	--
Total current liabilities	4,363	2,842
Long-term portion of lease obligation	1,355	--
Deferred share units	1,292	1,371
Long-term debt	6,977	6,476
Total liabilities	13,987	10,689
Equity:		
Share Capital	89,092	70,113
Contributed Surplus	5,995	6,375
Warrants	555	674
Deficit	(79,082)	(70,819)
Total equity	16,560	6,343
Total liabilities and equity	\$ 30,547	\$ 17,032