
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 **November, 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 offices)

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

(Previous address of principal executive offices)

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):

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: November 2, 2018

By: /s/ Pierre Labbé
Name: Pierre Labbé
Title: Chief Financial Officer

Form 6-K Exhibit Index

Exhibit Number	Document Description
99.1	Interim Financial Statements for the period ended September 30, 2018
99.2	Management Discussion and Analysis for the period ended September 30, 2018
99.3	CEO certification
99.4	CFO certification



Unaudited Interim Condensed Consolidated
Financial Statements
September 30, 2018

November 2, 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

IMV Inc. (formerly Immunovaccine Inc.)

Unaudited Interim Condensed Consolidated Statements of Financial Position

As at September 30, 2018 and December 31, 2017

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

	September 30, 2018	December 31, 2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	20,271	14,909
Amounts receivable	657	261
Prepaid expenses	1,423	838
Investment tax credits receivable	920	461
	23,271	16,469
Property and equipment (note 4)	2,942	563
	26,213	17,032
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	4,565	2,760
Amounts due to directors	42	21
Current portion of long-term debt (note 6)	92	61
Current portion of lease obligation (note 4)	87	–
	4,786	2,842
Lease obligation (note 4)	1,332	–
Deferred share units (note 5)	1,584	1,371
Long-term debt (note 6)	7,401	6,476
	15,103	10,689
Equity	11,110	6,343
	26,213	17,032

*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 September 30, 2018 and December 31, 2017

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

	Share capital	Contributed surplus	Warrants	Deficit	Total
	\$	\$	\$	\$	\$
	(note 7)	(note 8)	(note 9)		
Balance, December 31, 2016	58,154	6,961	660	(58,792)	6,983
Net loss and comprehensive loss for the period	–	–	–	(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
Balance, December 31, 2017	70,113	6,375	674	(70,819)	6,343
Net loss and comprehensive loss for the period	–	–	–	(14,254)	(14,254)
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	–	835	–	–	835
Exercise of options	1,434	(1,046)	–	–	388
Balance, September 30, 2018	89,464	6,164	555	(85,073)	11,110

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 nine months ended September 30, 2018 and 2017

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

	Three months ended September 30,		Nine months ended September 30,	
	2018	2017	2018	2017
	\$	\$	\$	\$
Revenue				
Subcontract revenue	6	–	49	–
Interest income	119	53	300	123
	<u>125</u>	<u>53</u>	<u>349</u>	<u>123</u>
Expenses				
Research and development	3,897	1,341	8,384	3,610
General and administrative	1,923	942	4,892	2,833
Business development and investor relations	426	237	1,389	963
Government assistance	(404)	(624)	(868)	(1,003)
Accreted interest	270	279	806	819
	<u>6,112</u>	<u>2,175</u>	<u>14,603</u>	<u>7,222</u>
Net loss and comprehensive loss for the period	<u>(5,987)</u>	<u>(2,122)</u>	<u>(14,254)</u>	<u>(7,099)</u>
Basic and diluted loss per share	<u>(0.14)</u>	<u>(0.05)</u>	<u>(0.33)</u>	<u>(0.19)</u>
Weighted-average shares outstanding	<u>44,923,009</u>	<u>39,901,859</u>	<u>43,342,664</u>	<u>38,183,574</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 nine months ended September 30, 2018 and 2017

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

	Nine months ended September 30,	
	2018	2017
	\$	\$
Cash provided by (used in)		
Operating activities		
Net loss and comprehensive loss for the period	(14,254)	(7,099)
Charges to operations not involving cash		
Interest on lease obligation	55	–
Depreciation of property and equipment	205	93
Accretion of long-term debt	806	819
Deferred share unit compensation	405	395
Revaluation of long-term debt	–	(506)
Stock-based compensation	835	520
Loss on disposal of assets	8	–
	(11,940)	(5,778)
Net change in non-cash working capital balances related to operations		
Increase in amounts receivable	(396)	(64)
Increase in prepaid expenses	(585)	(207)
Increase in investment tax credits receivable	(459)	(170)
Increase (decrease) in accounts payable and accrued liabilities	1,146	(245)
Increase (decrease) in amounts due to directors	21	(21)
	(12,213)	(6,485)
Financing activities		
Proceeds from public offering	14,375	10,000
Share issuance costs in public offering	(1,148)	(990)
Proceeds from the exercise of stock options	388	108
Proceeds from the exercise of warrants	4,477	852
Incentive contribution from lessor	896	–
Proceeds from long-term debt	200	–
Withholdings on redemption of DSUs	(97)	–
Repayment of long-term debt	(50)	(55)
Repayment of lease obligation	(14)	–
	19,027	9,915
Investing activities		
Acquisition of property and equipment	(1,466)	(382)
Proceeds from sale of assets	14	–
	(1,452)	(382)
Net change in cash and cash equivalents during the period	5,362	3,048
Cash and cash equivalents – Beginning of period	14,909	13,547
Cash and cash equivalents – End of period	20,271	16,595
Supplementary cash flow information		
Interest received	300	123

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 nine months ended September 30, 2018 and 2017

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

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 Dartmouth, 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 International Accounting Standards (“IAS”) 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 November 2, 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.

IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 30, 2018 and 2017

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

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 IAS 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 consisted of amounts receivable from collaborative partners for shared clinical costs, and financial liabilities consisted 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 a 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.

IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 30, 2018 and 2017

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

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 nine months ended September 30, 2018 and 2017

(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%.

IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 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 ¹	275
Recognition exemption for:	
Short-term leases	(131)
Leases of low value assets	(14)
Commitments attributable to non-lease components	(65)
Extension option reasonably certain to be recognized ²	51
	116
Discounted using the incremental borrowing rate at January 1, 2018	(29)
Lease liability recognized at January 1, 2018	87

¹ Does not include \$2,262 related to new office space for which the lease commencement date was June 1, 2018.

² 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 ten 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.

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IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 30, 2018 and 2017

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

4 Lease obligation

	Amount \$
Balance – December 31, 2017	-
Leases recognized upon transition to IFRS 16	87
Additions	1,291
Repayment of lease obligation	(14)
Accreted interest	55
Balance – September 30, 2018	1,419
Less: Current portion	(87)
Non-current portion	1,332

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 nine months ended September 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).

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

	September 30, 2018	December 31, 2017
	#	#
Opening balance	186,330	101,563
Granted	64,089	84,767
Redeemed	(26,051)	-
Closing balance	224,368	186,330

At September 30, 2018, there were 224,368 (December 31, 2017 - 186,330) DSUs outstanding related to this Plan and the total carrying amount of the liability was \$1,584 (2017 - \$1,371). The compensation expense during the nine months ended September 30, 2018 was \$405 (nine 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.

IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 30, 2018 and 2017

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

6 Long-term debt

	September 30, 2018	December 31, 2017
	\$	\$
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 September 30, 2018, the amount drawn down on the loan, net of repayments, is \$3,747 (2017 - \$3,747).	957	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 September 30, 2018, the amount drawn down on the loan is \$2,997 (2017 - \$2,997).	823	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 September 30, 2018, the amount drawn down on the loan is \$268 (2017 - \$318).	252	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 September 30, 2018, the amount drawn down on the loan is \$2,944 (2017 - \$2,944).	925	733
TNC 120-140 Eileen Stubbs Ltd. (the “Landlord”), loan with a maximum contribution of \$300,000, bearing interest at 8% annum is repayable in monthly payments beginning upon receipt of the final installment of the loan until May 31, 2028. The loan is made available in three equal installments based on the Corporation meeting certain milestones. As at September 30, 2018, the amount drawn down on the loan is \$200,000 (2017 - \$nil).	200	–
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 September 30, 2018, the amount drawn down on the loan is \$5,000 (2017 - \$5,000).	4,336	4,101
	<u>7,493</u>	<u>6,537</u>
Less: Current portion	92	61
	<u>7,401</u>	<u>6,476</u>

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IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 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 September 30, 2018 is \$15,157 (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.

	September 30,	December 31,
	2018	2017
	\$	\$
Balance – Beginning of period	6,537	6,148
Accreted interest	806	966
Borrowings	200	–
Revaluation of long-term debt	–	(506)
Repayment of debt	(50)	(71)
Balance – End of period	7,493	6,537
Less: Current portion	92	61
Non-current portion	<u>7,401</u>	<u>6,476</u>

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IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 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 \$
Issued and outstanding		
Balance – January 1, 2017	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
Balance – December 31, 2017	40,319,941	70,113
Issued for cash consideration, net of issuance costs	2,246,094	12,895
Stock options exercised	477,567	1,434
Warrants exercised	1,924,986	4,928
DSUs redeemed	12,839	94
Balance – September 30, 2018	44,981,427	89,464

As at September 30, 2018, a total of 1,970,217 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 nine months ended September 30, 2018 and 2017

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

8 Contributed surplus

	\$
Contributed surplus	
Balance – January 1, 2017	6,961
Share-based compensation – stock options vested	571
Stock options exercised	–
Warrants expired	(1,157)
Balance – December 31, 2017	6,375
Share-based compensation – stock options vested	835
Stock options exercised	(1,046)
Balance – September 30, 2018	6,164

Stock options

The fair values of stock options are estimated using the Black-Scholes option pricing model. During the nine months ended September 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:

	September 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 nine months ended September 30, 2018 and 2017

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

8 Contributed surplus (continued)

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

	September 30, 2018		December 31, 2017	
	Number #	Weighted average exercise price \$	Number #	Weighted average exercise price \$
Outstanding – Beginning of period	1,498,052	2.26	1,961,791	2.23
Granted	589,505	6.61	266,814	2.40
Exercised	(622,874) ¹	2.18	(627,256) ¹	2.21
Expired	(5,569)	1.80	(64,068)	2.19
Forfeited	(10,636)	4.92	(39,229)	2.37
Outstanding – End of period	<u>1,448,478</u>	4.05	<u>1,498,052</u>	2.26

¹ Of the 622,874 (2017 - 627,256) options exercised, 441,310 (2017 - 548,833) elected the cashless exercise, under which 296,003 shares (2017 - 238,130) were issued. These options would have otherwise been exercisable for proceeds of \$969 (2017 - \$1,227) on the exercise date.

The weighted average exercise price of options exercisable at September 30, 2018 is \$2.33 (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 nine month period ended September 30, 2018 and the year ended December 31, 2017 are as follows:

	September 30, 2018			December 31, 2017		
	Number #	Weighted average exercise price \$	Amount \$	Number #	Weighted average exercise price \$	Amount \$
Opening balance	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)
Closing balance	<u>297,372</u>		<u>555</u>	<u>2,087,598</u>		<u>674</u>

IMV Inc. (formerly Immunovaccine Inc.)

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

For the three and nine months ended September 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:

	September 30, 2018	December 31, 2017
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 September 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:

	September 30, 2018		December 31, 2017	
	Carrying value	Fair value	Carrying value	Fair value
	\$	\$	\$	\$
Cash and cash equivalents	20,271	20,271	14,909	14,909
Amounts receivable	299	299	110	110
Accounts payable and accrued liabilities	4,552	4,552	2,741	2,741
Amounts due to directors	42	42	21	21
Long-term debt	7,493	7,493	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 September 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 nine months ended September 30, 2018 and 2017

(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)





Management's Report on Financial Position and Operating Results

For the three and nine-months ended September 30, 2018

LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

During the third quarter of 2018, we continued to demonstrate DPX-Survivac's ability to generate novel targeted anti-cancer T cell responses. We believe that this trend should be a key value driver for IMV and a potential cornerstone for future immunotherapy combinations. From the initial positive data in our lymphoma trial to our collaboration with Merck on a phase 2 trial in multiple indications, our clinical program is well positioned to expand the range of patients who may benefit from novel immunotherapies, particularly in underserved cancers.

We anticipate continued progress on several important milestones over the next year, which include:

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

DPX-Survivac clinical program update

Ovarian Cancer

Our DECIDE1 (DPX-Survivac with low dose cyclophosphamide and Epacadostat) phase 1b/2 clinical trial with Incyte reached two significant milestones: completion of enrollment of both phase 1b dosing cohorts; and treatment of the first patient in the phase 2 cohort. We expect to announce topline data from the Phase 1b portion of the trial in Q4 2018.

Diffuse large B-cell lymphoma (DLBCL)

IMV announced the first clinical data from the combination of DPX-Survivac and mCPA with a checkpoint inhibitor. The initial data came from the investigator-sponsored phase 2 trial evaluating DPX-Survivac, low dose cyclophosphamide, and Merck's Keytruda® (pembrolizumab) in patients with persistent or recurrent/refractory DLBCL. Significant anti-cancer activity was seen in three of the first four evaluable patients, along with a tolerable safety profile.

Merck Collaboration: Phase 2 Basket Trial

IMV announced a collaboration with Merck in a phase 2 trial that will evaluate the safety and efficacy of DPX-Survivac in combination with low-dose cyclophosphamide and Merck's Keytruda in patients with select advanced or recurrent solid tumors across five different indications (lung (NSCLC), bladder, liver (HCC), MSI-H, ovarian). In the fourth quarter of 2018, investigators plan to initiate enrollment of more than 200 patients at multiple centers across the U.S. and Canada.

Operational highlights of Q3 2018 to-date include:

- **Opening of new facility in Dartmouth, Nova Scotia:** The new premises features upgraded facilities and equipment as well as increased laboratory size and capacity. We have now nearly tripled our functional work space to allow for expanding business activities in the coming years.
- **Cash position:** As of September 30, 2018, cash and cash equivalents and short-term investments were \$20 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 employees. We look forward to another productive quarter.



Frederic Ors
Chief Executive Officer

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 nine-month period ended September 30, 2018 (“Q3 2018”), with information compared to the three and nine-month period ended September 30, 2017 (“Q3 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 unaudited interim condensed 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 November 1, 2018, the date when the Board of Directors approved the Corporation’s unaudited interim condensed consolidated financial statements for the three and nine-month period ended September 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 and on EDGAR at 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 November 1, 2018, the date of the Board's approval of the Q3 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 and included in the registration statement on Form 40-F filed on EDGAR at 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;
- 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"); and
- a phase 2 basket trial in combination with Merck's Keytruda® (pembrolizumab), in patients with select advanced or recurrent solid tumours in bladder, liver (hepatocellular carcinoma), ovarian or non-small-cell lung (NSCLC) cancers, as well as tumours shown to be positive for the microsatellite instability high (MSI-H) biomarker.

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 and on 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 develop next-generation immunotherapy treatments and become a preferred partner in combination trials in hard to treat cancers.

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 delivery of these antigens to the immune system, resulting in an enhanced immune activation. 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 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 programming of 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 MOA 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 of the Corporation, now including eight phase 2 combination trials with partners in six different cancer indications for DPX-Survivac.

IMMUNO-ONCOLOGY

DPX-Survivac

Pipeline

Indication	Product	Phase	Partners
Ovarian	DPX-Survivac + mCPA + epacadostat	Phase 1b	Incyte
Ovarian	DPX-Survivac + mCPA DPX-Survivac + mCPA + epacadostat	Phase 2	
Ovarian	DPX-Survivac + mCPA + pembrolizumab	Phase 2	UHN Princess Margaret Cancer Centre MERCK
DLBCL	DPX-Survivac + mCPA + pembrolizumab	Phase 2	Sunnybrook Health Sciences Centre MERCK
Lung (NSCLC)	DPX-Survivac + mCPA + pembrolizumab	Phase 2	MERCK
Bladder	DPX-Survivac + mCPA + pembrolizumab	Phase 2	
MSI-H	DPX-Survivac + mCPA + pembrolizumab	Phase 2	
Liver (HCC)	DPX-Survivac + mCPA + pembrolizumab	Phase 2	
Ovarian	DPX-Survivac + mCPA + pembrolizumab	Phase 2	
	DPX-Survivac + pembrolizumab		

 : Completed  : Ongoing

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 opportunities.

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, two doses of epacadostat (100 milligrams and 300 milligrams) 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 investigators have now completed enrolment with a total of 53 patients across the two dosing groups, as announced on August 9, 2018.

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", which is defined as equal to 30-per-cent 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 the two patients showing tumor regression of approximately 25 per cent.

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 is conducted under an amendment to the existing collaboration, in which IMV and Incyte are co-funding the trial, and on August 9, 2018, the Corporation announced that the first patient had been treated.

At the American Society for Clinical Oncology June 2018 meeting, 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 PR 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 with evidence of down regulation of the major histocompatibility presentation pathway and significant increases in suppressive markers, both indicative of mechanisms of resistance.

The Corporation has requested a type B meeting with the FDA to discuss the possibility of conducting a registration trial in ovarian cancer. 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 its cost would be.

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%) for 2018 will be approximately \$1,300,000, and a total of \$1,500,000 in 2019 and 2020 will be required to complete the phase 1b/2 clinical trial with Incyte.

Phase 2 clinical trial in ovarian cancer with Merck (investigator-sponsored)

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 be spent in 2018, will be approximately \$400,000.

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

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 had 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 with respect to the next steps after this trial as it will have to be discussed with its partner based on the outcome of clinical results.

On September 18, 2018, IMV announced details of the initial data from this clinical trial. The preliminary data included assessment of safety and clinical activity (based on modified Cheson criteria¹) for the first four evaluable patients who have completed their first CT scan after the start of treatment. The data showed that:

- Two of the first four evaluable participants showed tumor regressions at the first on-treatment CT scan:
 - The first enrolled participant demonstrated a tumor regression of 48% at first on-treatment scan; and
 - The second participant demonstrated a partial response (PR) via a tumor regression of 66% at first on-treatment scan.
- Preliminary data from the third participant demonstrated stable disease.
- The other participant had early disease progression less than two months following treatment initiation and was discontinued from the study.
- The combination therapy appears to demonstrate an acceptable safety profile, with no serious adverse events reported to date.

¹ Cheson, B.D., Pfistner, B., Juweid, M.E., Gascoyne, R.D., Specht, L., Horning, S.J. and Diehl, V. (2007). Revised Response Criteria for Malignant Lymphoma. *Journal of Clinical Oncology*, 25(5) DOI: 10.1200/JCO.2006.09.2403

The Corporation expects to disclose top-line results around the end of 2018 or in 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.

Phase 2 basket trial in 5 indications with Merck

On September 11, 2018, the Corporation announced the expansion of its clinical program with a Phase 2 basket trial in collaboration with Merck evaluating its lead candidate, DPX-Survivac, in combination with low dose cyclophosphamide and Merck's anti-PD-1 therapy, KEYTRUDA® (pembrolizumab) in patients with select advanced or recurrent solid tumors.

The open-label, multicenter, Phase 2 basket study will evaluate the safety and efficacy of the immunotherapeutic combination agents in patients with bladder, liver (hepatocellular carcinoma), ovarian, or non-small cell lung (NSCLC) cancers as well as tumors shown to be positive for the microsatellite instability high (MSI-H) biomarker. Investigators plan to enroll more than 200 patients across five indications at multiple medical centers in Canada and the United States. IMV expects to initiate trial enrollment in the 4th quarter of 2018.

The American Society of Clinical Oncology (ASCO) defines a basket clinical study as a trial that investigates the effects of a drug regimen in multiple tumor types that share a common molecular target, regardless of where the disease originated.

This is the third clinical trial evaluating the combination of DPX-Survivac, low dose cyclophosphamide, and pembrolizumab in advanced recurrent cancers.

The Corporation currently anticipates that, in addition to general clinical expenses which are distributed amongst the various clinical projects, \$3,600,000 is expected to be spent in 2018 and \$5,000,000 in 2019 for the safety lead-in for this trial.

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.

Other Programs

In collaboration with commercial and academic partners, the Corporation is also expanding the application of DPX as a delivery platform. Pre-clinical and clinical studies have indicated that the DPX platform may allow for the development of a wide range of applications by generating a stronger and more durable immune activation. The Corporation's goal is to expand new applications of the DPX platform on its own and with partners.

HPV related cancers

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 when provided by Dana-Farber.

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 MOA, 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 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.

On September 27, 2018, IMV announced results of ongoing research to further explore the novel MOA of its vaccine candidate. New data from a preclinical study highlighted the effects of two potential approaches to preventing RSV, comparing a single dose bovine version of DPX-RSV to a two-dose conventional investigational bovine RSV vaccine. Researchers found that IMV's vaccine candidate yielded strong antigen-specific immune responses and a protective effect on disease pathology. The degree of protection was comparable between the two vaccine candidates.

In this study, researchers compared the effects of both the IMV and conventional RSV vaccine approaches among bovines with known RSV infections (the bovine animal model is considered an optimal model of RSV infection). Researchers administered one dose of DPX-bRSV to one cohort; the second received two doses of a subunit RSV bovine vaccine. Researchers measured immune response with an antibody titer test, and assessed disease pathology with a lung lesion score and other clinical parameters (such as body temperature changes).

They found SH antibodies in 14 of the 15 subjects that received DPX-bRSV, and the improvements observed in disease pathology were comparable between the two cohorts. These were the first bovine animal health data to directly correlate the vaccine-induced immune response against IMV's novel RSV target - the SH viral protein- with measures of disease protection.

Conventional RSV vaccine candidates target either the F or G proteins of the virus providing protection by neutralizing the RSV virus. Clinical measures of efficacy focus on the amount of neutralizing antibodies in the bloodstream. DPX-RSV works differently; it targets the SH viral ectodomain of the RSV virus, and, instead of neutralizing the virus, it enables the immune system to recognize and destroy infected cells. Because there are no neutralizing antibodies resulting from the DPX-RSV MOA, a different clinical assessment is required to determine the vaccine candidate's protective effect. 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.

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.

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 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 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 fifty pending patent applications in eleven jurisdictions. Taking into account the validations of the European patents, the Corporation's intellectual property portfolio includes seventy-five patents. More details on the Corporation intellectual property strategy and patents can be found in the AIF filed on SEDAR at 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 September 27, 2018, results of ongoing research to further explore the novel MOA of its vaccine candidate. New data from a preclinical study highlighted the effects of two potential approaches to preventing RSV, comparing a single dose bovine version of DPX-RSV to a two-dose conventional investigational bovine RSV vaccine. Researchers found that IMV's vaccine candidate yielded strong antigen-specific immune responses and a protective effect on disease pathology. The degree of protection was comparable between the two vaccine candidates.

In this study, researchers compared the effects of both the IMV and conventional RSV vaccine approaches among bovines with known RSV infections (the bovine animal model is considered an optimal model of RSV infection). Researchers administered one dose of DPX-bRSV to one cohort; the second received two doses of a subunit RSV bovine vaccine. Researchers measured immune response with an antibody titer test, and assessed disease pathology with a lung lesion score and other clinical parameters (such as body temperature changes).

They found SH antibodies in 14 of the 15 animals that received DPX-bRSV, and the improvements observed in disease pathology were comparable between the two cohorts. These were the first bovine animal health data to directly correlate the vaccine-induced immune response against IMV's novel RSV target - the SH viral protein- with measures of disease protection.

- On September 18, 2018, details of the initial data from its ongoing investigator-sponsored Phase 2 clinical trial in DLBCL. In the study, investigators are evaluating IMV's lead candidate, DPX-Survivac, in combination with low dose cyclophosphamide and Merck's checkpoint inhibitor Keytruda® (pembrolizumab), in patients with persistent or recurrent/refractory DLBCL.

The preliminary data included assessment of safety and clinical activity (based on modified Cheson criteria¹) for the first four evaluable patients who have completed their first CT scan after the start of treatment. The data showed that:

- Two of the first four evaluable participants showed tumor regressions at the first on-treatment CT scan:
 - The first enrolled participant demonstrated a tumor regression of 48% at first on-treatment scan; and
 - The second participant demonstrated a partial response (PR) via a tumor regression of 66% at first on- treatment scan.
- Preliminary data from the third participant demonstrated stable disease.
- The other participant had early disease progression less than two months following treatment initiation and was discontinued from the study.
- The combination therapy appears to demonstrate an acceptable safety profile, with no serious adverse events reported to date.

¹ Cheson, B.D., Pfistner, B., Juweid, M.E., Gascoyne, R.D., Specht, L., Horning, S.J. and Diehl, V. (2007). Revised Response Criteria for Malignant Lymphoma. *Journal of Clinical Oncology*, 25(5) DOI: 10.1200/JCO.2006.09.2403

- On September 11, 2018, an expansion of its clinical program with a phase 2 basket trial in collaboration with Merck evaluating its lead candidate, DPX-Survivac, in combination with low-dose cyclophosphamide and Merck's anti-PD-1 therapy, Keytruda (pembrolizumab), in patients with select advanced or recurrent solid tumours across five indications.

The open-label, multicentre, phase 2 basket study will evaluate the safety and efficacy of the immunotherapeutic combination agents in patients with bladder, liver (hepatocellular carcinoma), ovarian or non-small-cell lung (NSCLC) cancers, as well as tumours shown to be positive for the microsatellite instability high (MSI-H) biomarker. Investigators plan to enroll more than 200 patients across five indications at multiple medical centres in Canada and the United States. IMV expects to initiate enrolment for this trial in the fourth quarter of 2018.

- On August 9, 2018, IMV reached two important milestones in its continuing clinical trial collaboration with Incyte Corp. Investigators have completed enrolment for both phase 1b dosing cohorts and have treated the first patient in the phase 2 component of the combination trial, which is evaluating the safety and efficacy of IMV's lead candidate, DPX-Survivac, and low-dose cyclophosphamide with (and without) epacadostat in patients with advanced ovarian cancer.

Investigators have completed enrolment in the phase 1b cohorts of the study, with a total of 50 patients across the two dosing groups. The phase 1b study is evaluating the safety and efficacy of combining DPX-Survivac, 100 milligrams or 300 milligrams of epacadostat, and low-dose cyclophosphamide in individuals with advanced, platinum-sensitive and resistant ovarian cancer.

SELECTED FINANCIAL INFORMATION

	Three months ended September 30, 2018 \$	Three months ended September 30, 2017 \$	Nine months ended September 30, 2018 \$	Nine months ended September 30, 2017 \$
Loss for the period	(5,987,000)	(2,122,000)	(14,254,000)	(7,099,000)
Basic and diluted loss per share	(0.14)	(0.06)	(0.33)	(0.18)

	As at September 30, 2018 \$	As at December 31, 2017 \$
Cash and cash equivalents	20,271,000	14,909,000
Total assets	26,213,000	17,032,000
Lease obligations	1,332,000	–
Long term debt	7,401,000	6,476,000

RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018, COMPARED TO THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017

	Q3 2018 \$	Q3 2017 \$	Nine Months ended September 30, 2018 \$	Nine Months ended September 30, 2017 \$
Revenue	125,000	53,000	349,000	123,000
Research and development	3,897,000	1,341,000	8,384,000	3,610,000
General and administrative	1,923,000	942,000	4,892,000	2,833,000
Business development and investor relations	426,000	237,000	1,389,000	963,000
Government assistance	(404,000)	(624,000)	(868,000)	(1,003,000)
Accreted interest	270,000	279,000	806,000	819,000
Net loss and comprehensive loss for the period	(5,987,000)	(2,122,000)	(14,254,000)	(7,099,000)

Revenue

Revenue increased by \$72,000 in Q3 2018 and \$226,000 for the first nine-months of 2018 in comparison with the corresponding periods in 2017. Interest revenue increased by \$66,000 in Q3 2018 and \$177,000 for the first nine-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 \$3,937,000 to \$6,112,000 during Q3 2018 compared to Q3 2017 and by \$7,381,000 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 Q3 2018 and for the nine-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, basket trial start up costs 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:

	Q3 2018	Q3 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
	\$	\$	\$	\$
General research and development expenses	678,000	397,000	1,613,000	1,153,000
DPX-Survivac preclinical and clinical expenses	2,214,000	338,000	4,171,000	778,000
Salaries and benefits	872,000	545,000	2,230,000	1,461,000
Stock-based compensation	103,000	35,000	291,000	162,000
Depreciation	30,000	26,000	79,000	56,000
Total	3,897,000	1,341,000	8,384,000	3,610,000

The increase in general R&D expenses from \$397,000 for Q3 2017 to \$678,000 in Q3 2018 is mainly attributable to a \$196,000 increase in regulatory consulting, a \$30,000 increase in raw materials and supplies and a \$37,000 increase in professional development. Since the beginning of the year, the increase of \$460,000 is mainly explained by a \$200,000 increase in regulatory consulting, a \$144,000 increase in professional fees and consulting for analysis of clinical results and a \$111,000 increase in R&D travel and conferences.

The increase of \$1,885,000 in Q3 2018 and \$3,393,000 since the beginning of 2018 in DPX-Survivac preclinical and clinical expenses is mainly attributable to increased clinical activity including: higher enrollment in the phase 1b/2 Incyte trial in ovarian cancer compared with 2017; milestone payments for phase 2 study in DLBCL and phase 2 study in ovarian cancer; and expenses related to the preparation for the beginning of basket trial. The increase is also attributable to manufacturing activities to support the increased clinical activity including purchasing of raw materials and contract manufacturing organization costs.

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.

General and administrative expenses

G&A expenses consist of the following:

	Q3 2018	Q3 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
	\$	\$	\$	\$
General and administrative expenses, excluding salaries	980,000	473,000	2,778,000	1,200,000
Salaries and benefits	386,000	299,000	1,165,000	844,000
Stock-based and deferred share unit compensation	482,000	155,000	823,000	752,000
Depreciation	75,000	17,000	126,000	37,000
Total	1,923,000	942,000	4,892,000	2,833,000

For Q3 2018, G&A expenses, excluding salaries, increased by \$508,000. This is mainly explained by an increase of insurance premium of \$157,000 mainly related to the Nasdaq listing, a \$87,000 increase in legal fees, a \$52,000 increase in travel, a \$86,000 increase related to relocating to the new facility and an increase of \$45,000 in professional and regulatory fees. Since the beginning of the year, G&A expenses, excluding salaries, increased by \$1,578,000 mainly explained by: the various non-recurring expenses of \$542,000 related to the Nasdaq listing; \$105,000 related to the new facility relocation; the share consolidation and the filing of a shelf prospectus; increase in patent legal expenses of \$110,000; increase in other legal expenses of \$73,000; increase in consulting and professional fees of \$194,000 related mainly to benchmarking and recruiting; an increase of \$74,000 in regulatory fees; and a \$220,000 increase in insurance premium following the Nasdaq listing.

Salaries and benefits increased by \$87,000 in Q3 2018, and \$321,000 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 nine months in 2018 compared to seven 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 Q3 2018 is explained by an increase of \$105,000 in stock-based compensation as more stock options vested in Q3 2018 compared to Q3 2017 and an increase of \$222,000 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 Q2 2018 as well as new DSUs issued during the quarter. 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:

	Q3 Fiscal 2018	Q3 Fiscal 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
	\$	\$	\$	\$
Investment tax credits ("ITC")	(396,000)	(113,000)	(836,000)	(472,000)
Government loans and assistance	(8,000)	(511,000)	(32,000)	(531,000)
Total	(404,000)	(624,000)	(868,000)	(1,003,000)

The increase in investment tax credit in Q3 2018 and since the beginning of 2018 is explained by the increase in R&D salaries as well as increased clinical trial activity being performed in Canada. The decrease in government loans and assistance is explained

by a \$506,000 revaluation of the low-interest bearing government loan from the Province of Nova Scotia upon the receipt of the two-year extension in Q3 2017.

Business development and investor relations expenses

The Corporation's business development and investor relations activities increased in Q3 2018 by \$189,000, compared to Q3 2017, to a total of \$426,000. This variation is mainly explained by a \$100,000 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 \$426,000 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 \$277,000 and \$126,000 during the first nine 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 \$5,987,000 or \$0.14 per basic and diluted share for Q3 2018, \$3,875,000 higher than the net loss and comprehensive loss of \$2,112,000 or \$0.05 per basic and diluted share for Q3 2017. For the nine months ended September 30, 2018, the net loss and comprehensive loss was \$14,254,000 or \$0.33 per basic and diluted share compared to \$7,099,000 or \$0.19 per basic and diluted share for the nine months ended September 30, 2017.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2018, the Corporation had cash and cash equivalents of \$20,271,000 and working capital of \$18,486,000, 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 nine months of 2018, \$12,213,000 was used in operating activities. This included the reported net loss of \$14,254,000 prior to being decreased for non-cash expenses including DSU compensation, depreciation, accretion of long-term debt and lease obligations, loss on disposal of assets and stock-based compensation. The Corporation had a net decrease of cash of \$273,000 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 \$4,865,000 through the exercise of stock options and warrants. The Corporation received \$896,000 in incentive contributions from its lessor and borrowed \$200,000 from its lessor to fund leasehold improvements at the new facility in Dartmouth. The Corporation used \$64,000 to repay long-term debt and lease obligations during the period and \$97,000 to pay taxes related to DSU redemption.

During the nine-month period ended September 30, 2018, the Corporation purchased equipment and leasehold improvements for ongoing research and operating activities for an aggregate amount of \$1,466,000. The Corporation raised \$14,000 in proceeds from the sale of used furniture at its former Halifax facility.

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; the two phase 2 investigator-sponsored combination trials with DPX-Survivac and Merck's checkpoint inhibitor, pembrolizumab in ovarian cancer and DLBCL; initiation of the basket trial in 5 indications with DPX-Survivac and Merck's checkpoint inhibitor, pembrolizumab; and other research and development activities, business development efforts, administration costs, and intellectual property maintenance and expansion.

At September 30, 2018, the Corporation had approximately \$21.9 million of existing and identified potential sources of cash including:

- cash and equivalents of \$20.3 million; and
- amounts receivable and investment tax credits receivable of \$1.6 million.

For the first nine months 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 \$11.9 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 \$4.0 million to \$4.5 million for the last quarter of 2018, as it continues to execute its clinical plan.

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 \$20.2 million and its additional potential cash resources of \$1.6 million as at September 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	1,089,000	No variances anticipated
phase 1 clinical trial for multiple indications	4,200,000	636,000	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
	\$	\$	\$	\$
Q3 - September 30, 2018	125,000	6,112,000	(5,987,000)	(0.14)
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)
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)

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:

Product/study	Partner	Indication	Type of results	Expected Timing
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	End - 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 Q3 2018, there were no related party transactions (Q3 2017 - \$nil).

CONTRACTUAL OBLIGATIONS

As of September 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 September 30, 2018.

OUTSTANDING SECURITIES

As of November 1, 2018, the number of issued and outstanding common shares was 44,999,802 and a total of 1,951,842 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 and included in the registration statement on Form 40-F filed on EDGAR at 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 nine months ended September 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 September 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 and included in the registration statement on Form 40-F filed on EDGAR at 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 and included in the registration statement on Form 40-F filed on EDGAR at 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 and included in the registration statement on Form 40-F filed on EDGAR at www.sec.gov/edgar.

(Signed) Frédéric Ors

Frédéric Ors
Chief Executive Officer

(Signed) Pierre Labbé

Pierre Labbé
Chief Financial Officer

November 1, 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 September 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: November 2, 2018

(signed) Frederic Ors
Frederic Ors
Chief Executive Officer

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 September 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.
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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: November 2, 2018

(signed) Pierre Labbé

Pierre Labbé
Chief Financial Officer
