August 12, 2015

Immunovaccine Announces Financial Results for Quarter Ended June 30, 2015

HALIFAX, Nova Scotia--(BUSINESS WIRE)-- Immunovaccine Inc. (“Immunovaccine” or the “Company”) (TSX: IMV; OTCQX: IMMVF), a clinical-stage vaccine and immunotherapy company, today released its financial and operational results for the second quarter ended June 30, 2015.

“In the second quarter and recent weeks, Immunovaccine continued to strengthen and advance its growing presence in immuno-oncology, which is a key priority in our multi-pronged growth strategy. In April, we presented data at the 2015 Annual Meeting of the American Association for Cancer Research that provided a strong rationale for combining our DepoVax™-based cancer immunotherapies with checkpoint inhibitors to modulate the tumor environment. In June, we entered into a non-exclusive clinical trial collaboration with Incyte Corporation to evaluate the combination of DPX-Survivac with an investigational oral Incyte drug candidate in ovarian cancer. Clinical trial results recently published in *Oncoimmunology* showed that the combination immunotherapy of the DPX-Survivac vaccine and metronomic cyclophosphamide was immunogenic in individuals with high-risk ovarian cancer. We also received an Orphan Drug Designation from the U.S. Food and Drug Administration (FDA) in July for DPX-Survivac across all of its applications in ovarian cancer,” said Marc Mansour, Ph.D., Chief Executive Officer of Immunovaccine.

“Importantly, we also have delivered on key development milestones for our proprietary vaccine adjuvanting platform technology DepoVax™,” he added. “We recently signed an exclusive worldwide license agreement with PharmAthene, Inc. to develop and commercialize an anthrax vaccine using DepoVax™, which is the first step in our strategy to accelerate deployment of this platform across multiple vaccine applications. And, in June, we initiated a Phase 1 clinical trial with our DPX respiratory syncytial virus (RSV) vaccine to evaluate its safety and immune response profile in healthy adults.”

Highlights of the Second Quarter 2015 and Subsequent to Quarter End:

- **Announced Collaboration with Incyte to Evaluate Novel Immunotherapy Combination for Patients with Platinum-Sensitive Ovarian Cancer:** The Company entered into a non-exclusive clinical trial collaboration with Incyte Corporation to evaluate the combination of Immunovaccine’s novel T cell activating immunotherapy, DPX-Survivac, with Incyte’s investigational oral indoleamine 2,3-dioxygenase 1 (IDO1) inhibitor, epacadostat (INCB24360). Immunovaccine and Incyte will co-fund and conduct a multicenter, open-label Phase 1B study to evaluate the safety, tolerability and efficacy of the novel combination in platinum-sensitive ovarian cancer patients who are at high risk of recurrence.
- **Signed Exclusive Worldwide License Agreement with PharmAthene, Inc. to Develop and Commercialize an Anthrax Vaccine Formulated in DepoVax™:**

PharmAthene, Inc. will work exclusively with Immunovaccine to develop an adjuvanted non-alum based Recombinant Protective Antigen Anthrax vaccine (rPA) candidate. Immunovaccine has granted PharmAthene, Inc. exclusive worldwide rights to use DepoVax™ for the development and commercialization of this novel single dose anthrax vaccine.

- **Received FDA Orphan Drug Designation for DPX-Survivac for the Treatment of Ovarian Cancer:** The FDA has 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.
- **Published Clinical Results with DPX-Survivac in Combination with an Immune-Modulating Compound:** Data from Immunovaccine's completed Phase 1 clinical trial published in the peer-reviewed journal *Oncoimmunology* showed that DPX-Survivac was highly immunogenic in individuals with high-risk ovarian cancer. Almost all study participants receiving the therapy produced robust T cell responses, and the combination of DPX-Survivac and oral cyclophosphamide was generally well tolerated with no significant systemic adverse events.
- **Presented Data at AACR:** A poster highlighting the combination of Immunovaccine's DepoVax™-based vaccines with an anti-PD-1 monoclonal antibody was presented at the 2015 Annual Meeting of the American Association for Cancer Research (AACR) in April. Data presented showed that DepoVax™-based vaccines, when combined with anti-PD-1 therapy, lead to stronger anti-tumor activity than the anti-PD-1 therapy alone in multiple animal models The results provide a strong rationale for combining DepoVax™-based cancer immunotherapies with checkpoint inhibitors that can modulate the tumor environment.
- **Initiated Clinical Trial with DPX-RSV Vaccine:** The first healthy adult volunteer has been enrolled in a Phase 1 clinical study of Immunovaccine's respiratory syncytial virus (RSV) vaccine. The Phase 1 study will evaluate the safety and immune response profile of the DPX-RSV vaccine candidate in healthy adults.
- **Joined OTCQX Marketplace in the U.S.:** Immunovaccine began trading on the OTCQX® Best Marketplace in the United States under the symbol "IMMVF." The Company continues to trade on the Toronto Stock Exchange under the symbol "IMV." The OTCQX is an established marketplace for global and growth companies with high financial standards. With trading on the OTCQX, Immunovaccine can increase awareness among a broader range of investors and retail brokers in the U.S., at a time when the immunotherapy sector has emerged as one of the most promising in cancer therapy.
- **Hired Fred Ors as Chief Business Officer:** Frederic Ors joined Immunovaccine's senior management team in the newly created position of Chief Business Officer. Previously, Mr. Ors spent 13 years at Medicago Inc. in Quebec, most recently as Vice President of Business Development and Strategic Planning. He was an integral part of Medicago Inc.'s success in securing multiple non-dilutive funding opportunities, leading to an acquisition by Mitsubishi Tanabe Pharma Corporation in 2013 for a total enterprise value of $357 million.

Q2 2015 Financial Results

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

The Company's net loss and comprehensive loss of $2,553,000 for Q2 Fiscal 2015 was $1,233,000 higher than the net loss and comprehensive loss for Q2 Fiscal 2014. This relates mainly to the $587,000 increase in research and development costs, $433,000 increase in general and administrative expenses, and $179,000 increase in business development expenses, offset by a decrease of $25,000 in accreted interest.

For the quarter ended June 30, 2015, the Company reported total R&D expenses of $1,449,000, net of government loans and assistance of $23,000 and investment tax credits of $104,000. This represented a $587,000 increase of net research and development expenses over the three months ended June 30, 2014. General and administrative expenses of $621,000 were reported for Q2 Fiscal 2015 compared to $188,000 for the three months ended June 30, 2014. The significant increase in general and administrative expenses of $433,000 is due to an accounting adjustment made for the recording of the government assistance in June 30, 2014 of $463,000. Total business development expenses of $404,000 in Q2 Fiscal 2015 represented an increase of $179,000 compared to the three months ended June 30, 2014.

At June 30, 2015, Immunovaccine had cash and cash equivalents of $6.9 million and working capital of $7.0 million as compared to $8.6 million in cash and $9.1 million in working capital at March 31, 2015.

As of June 30, 2015, the number of issued and outstanding common shares was 91,799,002. On June 30, 2015, the number of stock options outstanding was 6,128,050 and the number of outstanding warrants was 5,777,446.

Immunovaccine's unaudited interim condensed consolidated financial statements for June 30, 2015, filed in accordance with IFRS, and the management discussion and analysis (MD&A), will be available at www.sedar.com.

About Immunovaccine

Immunovaccine Inc. develops cancer immunotherapies and infectious disease vaccines based on the Company's DepoVax™ platform, a patented formulation that provides controlled and prolonged exposure of antigens and adjuvant to the immune system. Immunovaccine has advanced two T cell activation therapies for cancer through Phase 1 human clinical trials and is currently conducting a Phase 2 study with its lead cancer vaccine therapy, DPX-Survivac, in recurrent lymphoma. DPX-Survivac is expected to enter additional Phase 2 clinical studies in ovarian cancer and glioblastoma (brain cancer). The Company is also advancing an infectious disease pipeline including innovative vaccines for respiratory syncytial virus (RSV) and anthrax.

Connect at www.imvaccine.com

Forward-looking Statement

This press release contains forward-looking information under applicable securities law. All information that addresses activities or developments that we expect to occur in the future, is forward-looking information. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made. However, they should not be regarded as a representation that any of the plans will be achieved. Actual results may differ materially from those set forth in this press release due to risks affecting the Company, including access to capital, the successful completion of clinical trials and receipt of all regulatory approvals and the matters discussed under "Risk Factors and Uncertainties" in Immunovaccine's Annual Information Form filed on March 20, 2015. Immunovaccine Inc. assumes no responsibility to update forward-looking statements in this press release except as required by law.

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