ANTIBE THERAPEUTICS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JUNE 30, 2015

(expressed in Canadian dollars)

(UNAUDITED)

NOTE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Antibe Therapeutics Inc. for the three months ended June 30, 2015 have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ANTIBE THERAPEUTICS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(expressed in Canadian dollars)
(UNAUDITED)

A S S E T S

	June 30, 2015	March 31, 2015
CURRENT		
Cash and cash equivalents	**1,191,915**	397,086
Term deposits	**25,000**	25,000
Harmonized sales tax recoverable	**38,687**	50,577
Due from Antibe Holdings Inc. (note 3b)	**215,029**	213,073
Prepaid expenses	**52,712**	42,898
	1,523,343	728,634
OTHER		
Deferred share issuance costs	**15,489**	60,689
TOTAL ASSETS	**1,538,832**	789,323

L I A B I L I T I E S

	June 30, 2015	March 31, 2015
CURRENT		
Accounts payable and accrued liabilities	**390,583**	427,132
Deposit received	**-**	25,000
TOTAL LIABILITIES	**390,583**	452,132

S H A R E H O L D E R S' E Q U I T Y

	June 30, 2015	March 31, 2015
SHARE CAPITAL (note 4b)	**8,735,213**	8,237,721
COMMON SHARE PURCHASE WARRANTS (note 4d)	**1,364,198**	826,148
CONTRIBUTED SURPLUS	**2,402,892**	2,248,471
ACCUMULATED DEFICIT	**(11,354,054)**	(10,975,149)
TOTAL SHAREHOLDERS' EQUITY	**1,148,249**	337,191
	1,538,832	789,323

COMMITMENTS (note 6)

Approved and authorized for issue by the Company's Board of Directors on August 18, 2015

Daniel Legault, Director

John Wallace, Director

See accompanying notes to the condensed interim consolidated financial statements

ANTIBE THERAPEUTICS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED JUNE 30, 2015 AND 2014
(expressed in Canadian dollars)
(UNAUDITED)

	Three months ended June 30, 2015	Three months ended June 30, 2014
EXPENSES		
Research and development	**123,173**	980,877
Salaries and wages (note 3c)	**112,104**	148,995
Stock-based compensation (note 4c)	**41,409**	67,361
Consulting fees	**35,134**	50,400
Professional fees	**19,583**	115,427
Rent	**13,487**	15,750
Dues and subscriptions	**12,891**	3,751
Office and sundry	**8,340**	16,268
Advertising and promotion	**5,433**	27,379
Travel	**4,394**	24,120
Telephone	**2,711**	3,124
Insurance	**1,700**	2,340
Licensing fees (note 3b)	**-**	150,000
	380,359	1,605,792
LOSS FROM OPERATIONS	**(380,359)**	(1,605,792)
INTEREST INCOME	**1,453**	5,688
NET LOSS AND COMPREHENSIVE LOSS	**(378,906)**	(1,600,104)
Loss per share:		
Basic and fully diluted	**(0.01)**	(0.04)
Weighted average number of common shares outstanding:		
Basic and fully diluted	**49,052,236**	36,717,607

See accompanying notes to the condensed interim consolidated financial statements.

ANTIBE THERAPEUTICS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED JUNE 30, 2015 AND 2014
(expressed in Canadian dollars)
(UNAUDITED)

	Three months ended June 30, 2015	Three months ended June 30, 2014
CASH FLOWS FROM OPERATIONS		
Net loss and comprehensive loss	**(378,906)**	(1,600,104)
Income statement items not affecting cash:		
Stock-based compensation (note 4c)	**41,409**	67,361
	(337,495)	(1,532,742)
Net changes in non-cash working capital items:		
Net changes to prepaid expenses	**(9,813)**	23,920
Net changes to harmonized sales tax recoverable	**11,890**	188,798
Net changes to A/P and accrued liabilities	**(36,549)**	(302,955)
	(34,473)	(90,237)
Cash flows from operating activities	**(371,969)**	(1,622,980)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of term deposits	**-**	(1,693,488)
Cash flows from investing activities	**-**	(1,693,488)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net changes to Due from Antibe Holdings Inc.	**(1,956)**	152,730
Conversion of debt to equity	**35,000**	-
Issuances:		
Gross proceeds from shares / warrants (note 4b)	**1,250,000**	1,019,560
Finder fees	**(78,480)**	(113,856)
Other cash issuance expenses	**(57,967)**	(2,876)
Deferred expenses	**45,200**	**-**
Prepaid proceeds	**(25,000)**	**-**
Cash flows from financing activities	**1,166,797**	1,055,558
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	**794,828**	(2,260,910)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	**397,086**	3,104,862
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	**1,191,915**	843,952

See accompanying notes to the condensed interim consolidated financial statements.

ANTIBE THERAPEUTICS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED JUNE 30, 2015 AND 2014
(expressed in Canadian dollars)
(UNAUDITED)

	Number of common shares	Share capital	Common share purchase warrants	Contributed surplus	Deficit	Total
Balance, March 31, 2014	**34,931,591**	**7,205,614**	**826,148**	**1,860,857**	**(6,573,979)**	**(3,318,640)**
Shares and warrants issued from private placements	2,074,267	1,244,560	-	-	-	1,244,560
Share issuance costs from private placements	-	(212,453)	-	95,721	-	(116,732)
Stock-based compensation	-	-	-	67,361	-	67,361
Net loss and comprehensive loss	-	-	-	-	(1,600,104)	(1,600,104)
Balance, June 30, 2014	**37,005,858**	**8,237,721**	**826,148**	**2,023,939**	**(8,174,083)**	**2,913,725**
Balance, March 31, 2015	**37,005,858**	**8,237,721**	**826,148**	**2,248,471**	**(10,975,149)**	**337,191**
Shares and warrants issued from private placements	12,500,000	711,950	538,050	-	-	1,250,000
Share issuance costs from private placements	-	(249,458)	-	113,011	-	(136,447)
Shares issued for debt	148,936	35,000	-	-	-	35,000
Stock-based compensation	-	-	-	41,409	-	41,409
Net loss and comprehensive loss	-	-	-	-	(378,906)	(378,905)
Balance, June 30, 2015	**49,654,794**	**8,735,213**	**1,364,198**	**2,402,892**	**(11,354,053)**	**1,148,248**

See accompanying notes to the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Antibe Therapeutics Inc. (the "Company") was incorporated under the Business Corporation Act (Ontario) on May 5, 2009 as a private company. The Company was originally established under the legal name 2205405 Ontario Inc. On December 16, 2009, the Company changed its name to Antibe Therapeutics Inc. On June 18, 2013, the Company completed its initial public offering ("IPO") and was listed on the TSX Venture Exchange.

The Company originates, develops, and out-licenses patent-protected new pharmaceuticals that are improved versions of existing drugs. Antibe's lead compound, ATB-346, combines hydrogen sulfide with naproxen, an approved, marketed and off-patent non-steroidal anti-inflammatory drug. The Company's main objective is to develop ATB-346 to the end of Phase II, a possible strategic exit point, by satisfying the requirements of the relevant drug regulatory authorities while also satisfying the commercial licensing objectives of prospective global partners. Antibe has established a development plan for the drug through to the end of Phase III human clinical studies for regulatory discussion purposes. The Company intends to move through this development program quickly and efficiently. Additionally, the Company continues to investigate other assets in its pipeline as well as additional development opportunities to which it has access.

The address of the Company's registered office and principal place of business is 15 Prince Arthur Avenue, Toronto, Ontario, Canada, M5R 1B2.

Approximately 30.2% of the Company's common shares are held by Antibe Holdings Inc. ("AHI").

2. BASIS OF PRESENTATION

(a) General

The Company adopted International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") upon incorporation on May 5, 2009. These condensed interim consolidated financial statements were prepared in accordance with IAS 34, "Interim Financial Reporting". The accounting policies used in these condensed interim consolidated financial statements are the same policies that were adopted in the most recent annual financial statements. The notes presented in these condensed interim consolidated financial statements include only significant changes and transactions occurring since the Company's last year-end and are not fully inclusive of all disclosures required by IFRS for annual financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements, including the notes thereto, for the year ended March 31, 2015.

(b) Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Antibe Terapiya Rus LLC, which was incorporated by the Company on April 24, 2012. All significant intercompany accounts and transactions have been eliminated on consolidation.

(c) Going concern

These condensed interim consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As at June 30, 2015, the Company had a working capital surplus of $1,132,760 ($2,913,726 as at June 30, 2014). The Company incurred a loss of $378,906 for the three months ended June 30, 2015 and had negative cash flows from operations of $371,969 for the same period.

All of the factors above raise substantial doubt about the Company's ability to continue as a going concern. Management's plans to address these issues involve actively seeking capital investment and to generate revenue and profit from the commercialization of its products. The Company's ability to continue as a going concern is subject to management's ability to successfully implement this plan. Failure to implement this plan could have a material adverse effect on the Company's financial condition and financial performance.

Until such time as the Company's products are patented and approved for sale, the Company's liquidity requirements are dependent on its ability to raise additional capital by selling additional equity, from proceeds from the exercise of stock options and common share warrants, or by obtaining credit facilities. The Company's future capital requirements will depend on many factors, including, but not limited to, the market acceptance of its products and services. No assurance can be given that any such additional funding will be available or that, if available, it can be obtained on terms favourable to the Company.

If the going concern assumption was not appropriate for these condensed interim consolidated financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses, and the classifications used in the statement of financial position. These condensed interim consolidated financial statements do not include adjustments that would be necessary if the going concern assumption was not appropriate.

(d) **Basis of measurement**

These condensed interim consolidated financial statements are prepared on a historical cost basis, except for certain financial instruments and stock-based compensation that are measured on a fair value basis.

(e) **Use of estimates**

The preparation of condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the condensed interim consolidated financial statements, and the reported amount of revenue and expenses during the period. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which such adjustments become known.

The significant estimates in these condensed interim consolidated financial statements include deferred income tax valuations, determination of eligible expenditures for investment tax credits ("ITC") purposes, and inputs related to the calculation of the fair value of stock-based compensation and warrants.

(f) **Cash and Cash Equivalents**

All references to cash and cash equivalents in these financial statements refer to the Canadian dollar equivalents of any unrestricted bank account balances and any unrestricted funds invested in short term investment vehicles, including but not limited to Guaranteed Investment Certificates, with terms to maturity of 90 days or less when acquired.

(g) **New IFRS standards and interpretations not applied**

At the date of approval of these financial statements, the following standards and interpretations which may be applicable to the Company, but have not yet been applied in these financial statements, were in issue but not yet effective:

(i) Financial Instruments

IFRS 9, Financial Instruments ("IFRS 9") was issued in 2010 and is to replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. In addition, under IFRS 9 the same impairment model is applied to all financial instruments that are subject to impairment accounting. The current impairment model is replaced with an expected credit loss model which means that a loss event will no longer need to occur before an impairment allowance is recognized. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Management is currently evaluating the impact of IFRS 9 on its financial statements.

(ii) Revenue

IFRS 15, Revenue from Contracts with Customers provides a single, principles-based, five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

1. Identify the contract with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction rice to the performance obligations in the contract
5. Recognize revenue when (or as) the entity satisfies a performance obligation

Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. This standard is effective for annual periods beginning on or after January 1, 2017. Management is currently evaluating the impact of IFRS 15 on its financial statements.

(iii) Presentation and disclosure

In December 2014, the IASB issued amendments to IAS 1 to improve the effectiveness of presentation and disclosure in financial reports with the objective of reducing immaterial note disclosure. The amendments are effective for annual periods beginning on or after January 1, 2015 with early adoption permitted. Management does not anticipate that the application of these amendments will have a material impact on the financial statements.

3. RELATED PARTIES

Transactions and balances with related parties

(a) On March 26, 2013, (the "Effective Date"), the Company entered into a Forbearance Agreement with AltaPharm International Ltd. ("AltaPharm") whereby AltaPharm agreed not to enforce, for a period of 24 months from the date thereof, its right to receive earned but unpaid compensation pursuant to the terms of its "CSO Agreement" with the Company. The Forbearance Agreement was terminated on March 30, 2014 as the Company triggered a termination clause by completing equity financing yielding cumulative gross proceeds of greater than $5,000,000. On April 10, 2014, the balance of AltaPharm's accounts payable was retired.

On March 1, 2014, the Company terminated its CSO Agreement with AltaPharm and entered into an employment agreement with Dr. John Wallace. The terms and conditions of the employment agreement reflect, where applicable, the terms and conditions of the terminated CSO Agreement. This change was undertaken to make Dr. Wallace an employee of the Company.

On the Effective Date, the Company entered into a Forbearance Agreement with Schmed Enterprises Inc. ("Schmed") whereby Schmed agreed not to enforce, for a period of 24 months from the date thereof, its right to receive earned but unpaid compensation pursuant to the terms of its "CEO Agreement" with the Company. The Forbearance Agreement was terminated on March 30, 2014 as the Company triggered a termination clause by completing equity financing yielding cumulative gross proceeds of greater than $5,000,000. On April 10, 2014, the balance of Schmed's accounts payable was retired.

On September 1, 2013, the Company terminated its CEO Agreement with Schmed and entered into an employment agreement with Mr. Dan Legault. The terms and conditions of the employment agreement reflect, where applicable, the terms and conditions of the terminated CEO Agreement. This change was undertaken to make Mr. Legault an employee of the Company.

(b) On June 26, 2014, with the enrolment of the first patient in a Phase I clinical trial, the Company triggered a milestone payment of $150,000 to AHI as detailed in a Licensing Agreement between the two companies entered into on December 22, 2009 (see Note 6a).

During the three months ended June 30, 2015, the Company advanced a net of $1,956 to AHI ($4,770 during the three months ended June 30, 2014). As at June 30, 2015, $215,029 was receivable from AHI ($9,978 payable to AHI as at June 30, 2014). This balance bears no interest and is payable on demand.

(c) The aggregate compensation of the directors and officers of the Company paid directly or indirectly for the three months ended June 30, 2015 was $207,549 ($269,639 during the three months ended June 30, 2014).

4. SHARE CAPITAL

(a) Authorized

The Company has an unlimited number of authorized common shares.

(b) Common shares

(i) Summary of common shares outstanding

	Three months ended June 30, 2015 Common Shares	Year ended March 31, 2015 Common Shares
Balance, beginning of the period	**37,005,858**	34,931,591
Issued during the period	**12,648,936**	2,074,267
Balance, end of the period	**49,654,794**	37,005,858

(ii) Summary of share capital issued from private placements during the three months ended June 30, 2015

Raise	Date	# of Shares	# o f Warrants	Gross Proceeds	Finder Fees	Net Proceeds	Agent Options / Finder Warrants
PP3a	April 1, 2015	7,860,000	3,930,000	$ 786,000	$ 57,680	$ 728,320	576,800
PP3b	April 9, 2015	4,640,000	2,320,000	$ 464,000	$ 20,800	$ 443,200	208,000
Q3 2015 Total		**12,500,000**	**6,250,000**	**$ 1,250,000**	**$ 78,480**	**$ 1,171,520**	**784,800**

(iii) Non-brokered private placements

On April 7, 2014 (the "PP2b Closing Date"), the Company successfully completed the second closing (the "PP2b") of the non-brokered private placement that first closed on March 31, 2014. Pursuant to the PP2b, the Company sold 1,516,600 Common Shares of the Corporation resulting in raising gross proceeds of $909,960. After the Company incurred and paid $81,396 in finder fees, the net proceeds of PP2b were $828,564.

On April 28, 2014 (the "PP2c Closing Date"), the Company successfully completed the second closing (the "PP2c") of the non-brokered private placement that first closed on March 31, 2014. Pursuant to the PP2c, the Company sold 557,667 Common Shares of the Corporation resulting in raising gross proceeds of $334,600. As at March 31, 2014, $225,000 of these proceeds were held in escrow pending the successful closing of PP2c. After the Company incurred and paid $32,460 in finder fees, the net proceeds of PP2b were $302,140.

Issuance expenses incurred for PP2b and PP2c (including $113,856 of finders' fees) totaled $212,453 of which $95,721 was a non-cash expense resulting from the issuance of finder warrants. All issuance expenses were offset against share capital at the PP2b and PP2c Closing Dates.

On April 1, 2015 (the "PP3a Closing Date"), the Company successfully completed a non-brokered private placement (the "PP3a"). Pursuant to the PP3a, the Company sold 7,860,000 units (the "Units") at a price of $0.10 per Unit wherein each Unit comprised one common share and one-half common share purchase warrant. Each full common share purchase warrant ("PP3a Warrants") entitles the bearer to purchase one common share for a price of $0.15 and expires three years from the date of issuance, i.e. the PP3a Warrants expire on April 1, 2018. The PP3a resulted in gross proceeds of $786,000. After the company incurred and paid $57,680 in finder fees, the net proceeds of the PP3a were $728,320.

The $786,000 gross proceeds were allocated into share capital and PP3a Warrants using the residual method. The 3,930,000 PP3a Warrants were valued using the Black-Scholes Options Pricing Model ("BSOPM") which resulted in allocating $338,313 to PP3a Warrants and $447,687 to share capital.

On April 9, 2015 (the "PP3b Closing Date"), the Company successfully completed a non-brokered private placement (the "PP3b"). Pursuant to the PP3b, the Company sold 4,640,000 units (the "Units") at a price of $0.10 per Unit wherein each Unit comprised one common share and one-half common share purchase warrant. Each full common share purchase warrant ("PP3b Warrants") entitles the bearer to purchase one common share for a price of $0.15 and expires three years from the date of issuance, i.e. the PP3b Warrants expire on April 9, 2018. The PP3b resulted in gross proceeds of $464,000. After the company incurred and paid $20,800 in finder fees, the net proceeds of the PP3a were $443,200.

The $464,000 gross proceeds were allocated into share capital and PP3b Warrants using the residual method. The 2,320,000 PP3b Warrants were valued using the Black-Scholes Options Pricing Model ("BSOPM") which resulted in allocating $199,737 to PP3b Warrants and $264,263 to share capital.

Issuance expenses incurred for PP3a and PP3b (including $78,480 of finders' fees) totaled $249,458 of which $113,011 was a non-cash expense resulting from the issuance of finder warrants. All issuance expenses were offset against share capital at the PP3a and PP3b Closing Dates.

(iv) Settlement

On May 5, 2015, the Company granted a previous officer 148,936 common shares at the May 4, 2015 closing market price of $0.235 per common share for a total value of $35,000. The grant was made in exchange for the officer waiving a portion of the cash component of the officer's severance package.

(c) **Stock options**

The Company has established a stock option plan that provides a limited issuance of options, capped at 5,527,576 common shares. The plan is to encourage ownership of common shares by its directors, senior officers, other employees, and consultants. The fair value of the options is measured as of the grant date, using the Black-Scholes-Merton Options Pricing Model (BSM), and is recognized over the vesting period. The fair value is recognized as an expense or netted against share capital with a corresponding increase in contributed surplus. The amount recognized as expense reflects the number of share options that vest or are expected to vest in each period.

Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock and the expected life of the option. Changes in the subjective input assumptions can materially affect the fair value estimate. There is no cash cost to the Company related to these options.

(i) Share options granted in three months ended June 30, 2015

On May 5, 2015, the Company granted Hamza Thindal Capital Corporation ("HTCC") options in exchange for consulting services to be provided by HTCC under the terms of a consulting agreement. The options give HTCC the right to purchase a total of 300,000 common shares pursuant to the Company's stock option plan. These options bear an exercise price of $0.235, the closing price of the Company's shares on May 4, 2014, and an expiry date of May 5, 2018. The fair value of these options was determined to be, as at the grant date and using the BSM, $62,417. These options will be expensed to stock-based compensation evenly over four quarters starting in fiscal Q1 2016.

(ii) Summary of options outstanding

The changes to the number of options granted by the Company during three months ended June 30, 2015 and year ended March 31, 2015, and their weighted average exercise price are as follows:

	Three months ended June 30, 2015			**Year ended March 31, 2015**		
	Options		**Weighted average exercise price**	**Options**		**Weighted average exercise price**
Balance, beginning of the period	**4,802,654**	**$**	**0.44**	4,838,654	$	0.44
Granted during the period	**300,000**		**0.24**	274,000		0.57
Expired during the period	**(405,000)**		**0.55**	(310,000)		0.58
Balance, end of the period	**4,697,654**	**$**	**0.42**	4,802,654	$	0.44

(iii) Details of options issued and outstanding as at June 30, 2015

Number of Options	Exercise Price	Expiry date
109,600	$0.55	August 14, 2015
49,054	$0.55	August 22, 2015
24,000	$0.52	October 31, 2017
300,000	$0.24	May 5, 2018
2,700,000	$0.33	January 25, 2020
300,000	$0.42	December 1, 2022
150,000	$0.55	October 22, 2023
990,000	$0.66	March 4, 2024
75,000	$0.54	May 9, 2024
4,697,654	**$0.42**	

(iv) BSM assumptions – options

The assumptions used in the BSM to determine the fair value of options are summarized in the table below.

	3 months ended June 30, 2015	**3 months ended June 30, 2014**
Risk free interest rate	0.47%-2.49%	2.49%
Expected volatility	180%	180%
Expected dividend yield	0.00%	0.00%
Expected life of stock options	2-10 years	2-10 years

The Company has determined the forfeiture rate to be nil. The expected volatility was determined in reference to other similar listed entities. The Government of Canada's zero-coupon bond yield was used as the risk free interest rate.

(d) **Common share purchase warrants**

(i) Warrants issued in connection with non-brokered private placements

In connection with PP3a, the Company granted 576,800 common share purchase warrants to finders (the "PP3a Finder Warrants"). Each PP3a Finder Warrant entitles the bearer to purchase one common share for a price of $0.10 and expires two years from the date of issuance. Using the BSOPM, these PP3a Finder Warrants were valued at $83,059, recognized as share issuance costs in the current fiscal quarter (Q1 2016), and netted against share capital.

In connection with PP3b, the Company granted 208,000 common share purchase warrants to finders (the "PP3b Finder Warrants"). Each PP3b Finder Warrant entitles the bearer to purchase one common share for a price of $0.10 and expires two years from the date of issuance. Using the BSOPM, these PP3b Finder Warrants were valued at $29,952, recognized as share issuance costs in the current fiscal quarter (Q1 2016), and netted against share capital.

Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock and the expected life of the option. Changes in the subjective input assumptions can materially affect the fair value estimate. There is no cash cost to the Company related to issuing these warrants.

The following is a summary of the common share purchase warrants outstanding as at December 31, 2014 as well as details on exercise prices and expiry dates:

(ii) Summary of common share purchase warrants outstanding

The changes to the number of warrants granted by the Company during three months ended June 30, 2015 and year ended March 31, 2015, and their weighted average exercise price are as follows:

	Three months ended June 30, 2015			**Year ended March 31, 2015**		
	Warrants		**Weighted average exercise price**	**Warrants**		**Weighted average exercise price**
Balance, beginning of the period	**3,872,239**	**$**	**0.73**	3,682,479	$	0.74
Issued during the period	**7,034,800**		**0.14**	189,760		0.60
Balance, end of the period	**10,907,039**	**$**	**0.35**	3,872,239	$	0.73

(iii) Details of common share purchase warrants issued and outstanding as at June 30, 2015

Number of warrants	Exercise Price	Expiry date
139,444	$0.55	December 30, 2015
51,450	$0.55	January 28, 2016
494,565	$0.60	March 31, 2016
135,660	$0.60	April 4, 2016
54,100	$0.60	April 28, 2016
817,676	$0.80	December 30, 2016
316,344	$0.80	January 28, 2017
576,800	$0.10	April 1, 2017
208,000	$0.10	April 9, 2017
787,500	$0.67	December 1, 2017
3,930,000	$0.15	April 1, 2018
2,320,000	$0.15	April 9, 2018
168,000	$0.83	December 1, 2018
907,500	$0.83	June 1, 2019
10,907,039	**$0.35**	

(iv) BSM assumptions - warrants

The assumptions used in the BSM to determine the fair value of finder warrants are summarized in the table below.

	3 months ended June 30, 2015	3 months ended June 30, 2014
Risk free interest rate	0.47%	2.49%
Expected volatility	180%	180%
Expected dividend yield	0%	0%
Expected life of warrants	2-3 years	2-3 years

The Company has determined the forfeiture rate to be nil. The expected volatility was determined in reference to other similar listed entities. The Government of Canada's zero coupon bond yield was used as the risk free interest rate.

5. BANK FACILITY

The Company holds a corporate credit card facility, administered by the Royal Bank. The facility has a $25,000 limit and the bank holds $25,000 of funds in-trust as collateral. The Company will continue its practice of paying all outstanding balances on the corporate credit card in full monthly.

6. COMMITMENTS

(a) **Royalty and milestone commitment**

On December 22, 2009, the Company entered into a License Agreement with AHI that provided for the exclusive right and license to research, develop, and commercialize various patents. Pursuant to the agreement, the Company paid an upfront non-refundable license fee of $157,500 to obtain exclusive right to the patents. The agreement requires the Company to pay royalties of 4% of all net sales upon the first commercial sale or, if the Company sublicenses the patents, the Company will pay a 15% royalty on royalty revenue earned. Additionally, the Company is required to make milestone payments to AHI at various stages of development, namely the greater of a $150,000 payment upon enrolment of the first patient in a Phase I clinical trial or 10% of any milestone payment received from a sublicense relation thereto; the greater of a $150,000 payment upon enrolment of the first patient in the first Phase II clinical trial or 10% of any milestone payment received from a sublicense relation thereto; the greater of a $150,000 payment upon enrolment of the first patient in the first Phase III clinical trial or 10% of any milestone payment received from a sublicense relation thereto; the greater of a $250,000 payment upon the first filing of a new drug application or 10% of any milestone payment received from a sublicense relation thereto; and the greater of a $750,000 payment upon receipt of the first regulatory approval from any relevant registration authority or 10% of any milestone payment received from a sublicense relation thereto.

(b) **Office lease commitment**

The Company renewed its office lease agreement with 15 Prince Arthur Corp. on March 1, 2015 committing the Company to monthly rent payments of $3,858 until February 28, 2016. The rent payment includes utilities, taxes, maintenance and insurance. Termination requires six month's notice.

7. SUBSEQUENT EVENTS

(a) On July 3, 2015, the Company announced that its CFO had resigned to be replaced by Samira Sakhia, a member of the Company's board of directors, on an interim basis.

(b) On July 3, 2015, the Company granted its management team options to purchase a total of 610,000 common shares pursuant to the Corporation's stock option plan. Each option bears an exercise price of

$0.14, being the closing price of Antibe shares on July 10, 2015, and an expiry date of July 13, 2025. Twenty-five percent of the granted options vest on the grant date and 1/36th of the remaining options vest in each of the subsequent 36 months. The fair value of these options was determined to be, as at the grant date and using the BSM, $85,031.