# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE QUARTERLY PERIOD ENDED OCTOBER 31, 2015**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE TRANSITION PERIOD FROM TO**

**COMMISSION FILE NO. 000-54318**

# ONCOSEC MEDICAL INCORPORATED
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

| | |
|---|---|
| **NEVADA**<br>(State or other jurisdiction of incorporation or organization) | **98-0573252**<br>(I.R.S. Employer Identification No.) |
| **5820 NANCY RIDGE DRIVE**<br>**SAN DIEGO, CA**<br>(Address of principal executive offices) | **92121**<br>(Zip Code) |
| **9810 Summers Ridge Road, Suite 110**<br>**SAN DIEGO, CA**<br>(Former Address of principal executive offices) | **92121**<br>(Former Zip Code) |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☒ |
| Non-accelerated filer | ☐ (Do not check if a smaller reporting company) | Smaller reporting company | ☐ |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The number of shares outstanding of the Registrant's Common Stock, $0.0001 par value, was 16,971,214 as of December 1, 2015.

Table of Contents

**OncoSec Medical Incorporated**

**Form 10-Q**

**for the Quarterly Period Ended October 31, 2015**





Table of Contents

**OncoSec Medical Incorporated**
**Condensed Balance Sheets**

| | (unaudited) October 31, 2015 | July 31, 2015 |
|---|---|---|
| **Assets** | | |
| Current assets | | |
| Cash and cash equivalents | $ 26,896,369 | $ 32,035,264 |
| Prepaid expenses and other current assets | 1,091,048 | 1,532,717 |
| Total Current Assets | 27,987,417 | 33,567,981 |
| Property and equipment, net | 2,223,391 | 1,807,982 |
| Other long-term assets | 187,442 | 214,127 |
| Total Assets | $ 30,398,250 | $ 35,590,090 |
| | | |
| **Liabilities and Stockholders' Equity** | | |
| | | |
| **Liabilities** | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | $ 2,909,725 | $ 2,360,505 |
| Accrued other | 268,229 | 533,964 |
| Total Liabilities | 3,177,954 | 2,894,469 |
| | | |
| **Commitments and Contingencies** | | |
| | | |
| **Stockholders' Equity** | | |
| Common stock authorized - 160,000,000 common shares with a par value of $0.0001, common stock issued and outstanding — 14,828,354 and 14,820,854 common shares as of October 31, 2015 and July 31, 2015, respectively | 24,948 | 24,947 |
| Additional paid-in capital | 73,134,779 | 71,572,714 |
| Warrants issued and outstanding — 1,895,102 warrants as of October 31, 2015 and July 31, 2015 | 7,704,103 | 7,704,103 |
| Accumulated deficit | (53,643,534) | (46,606,143) |
| Total Stockholders' Equity | 27,220,296 | 32,695,621 |
| Total Liabilities and Stockholders' Equity | $ 30,398,250 | $ 35,590,090 |

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

Table of Contents

**OncoSec Medical Incorporated**
**Condensed Statements of Operations (unaudited)**

| | Three Months Ended October 31, 2015 | Three Months Ended October 31, 2014 |
|---|---|---|
| Revenue | $ — | $ — |
| Expenses: | | |
| Research and development | 3,659,313 | 2,501,268 |
| General and administrative | 3,375,906 | 1,558,938 |
| Net loss before income taxes | (7,035,219) | (4,060,206) |
| Provision for income taxes | 2,172 | 910 |
| Net loss, net of tax | $ (7,037,391) | $ (4,061,116) |
| Basic and diluted net loss per common share (1) | $ (0.47) | $ (0.33) |
| Weighted average shares used in computing basic and diluted net loss per common share (1) | 14,826,887 | 12,231,554 |

(1) See Note 1, “Reverse Stock Split”

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



Table of Contents

**OncoSec Medical Incorporated**
**Condensed Statements of Cash Flows (unaudited)**

| | Three Months Ended October 31, 2015 | Three Months Ended October 31, 2014 |
|---|---|---|
| *Operating activities* | | |
| Net loss | $ (7,037,391) | $ (4,061,116) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 65,125 | 211,347 |
| Loss on disposal of fixed assets | 572 | 2,635 |
| Stock-based compensation | 1,562,066 | 611,240 |
| Changes in operating assets and liabilities: | | |
| Decrease in prepaid expenses and other current assets | 441,669 | 30,324 |
| Decrease in long-term assets | 26,685 | — |
| Increase (decrease) in accounts payable and accrued liabilities | 549,221 | (188,667) |
| Decrease in accrued other and taxes | (265,735) | (35,445) |
| Net cash used in operating activities | (4,657,788) | (3,429,682) |
| *Investing activities* | | |
| Purchases of property and equipment | (481,107) | (433,415) |
| Net cash used in investing activities | (481,107) | (433,415) |
| Net decrease in cash and cash equivalents | (5,138,895) | (3,863,097) |
| Cash and cash equivalents, at beginning of period | 32,035,264 | 37,852,694 |
| Cash and cash equivalents, at end of period | $ 26,896,369 | $ 33,989,597 |
| | | |
| Supplemental disclosure for cash flow information: | | |
| Cash paid during the period for: | | |
| Interest | $ — | $ — |
| Income taxes | $ 2,172 | $ 910 |
| Noncash investing and financing transaction: | | |
| Issuance of common stock in connection with a contractual agreement | $ 55,500 | $ — |

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



Table of Contents

**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**(Unaudited)**

**Note 1—Nature of Operations and Basis of Presentation**

OncoSec Medical Incorporated (the "Company") was incorporated in the State of Nevada on February 8, 2008 under the name of Netventory Solutions Inc. The Company began its operations as a biotechnology company in March 2011, following its completion of the acquisition of certain technology and related assets from Inovio Pharmaceuticals, Inc. ("Inovio") pursuant to an Asset Purchase Agreement (the "Asset Purchase Agreement") dated March 14, 2011. The Company has not produced any revenues, nor has it commenced planned principal operations. The Company's technology includes intellectual property relating to certain delivery technologies including ImmunoPulse™, an electroporation delivery device that is used in combination with the Company's therapeutic product candidates, including DNA plasmids that encode for immunologically active agents, to deliver the therapeutic directly into the tumor and promote an inflammatory response against the cancer. The Company has no subsidiaries.

During the quarter, the Company continued to enroll patients in its clinical programs: ImmunoPulse™ IL-12 monotherapy in patients with metastatic melanoma; ImmunoPulse™ IL-12 with pembrolizumab combination trial in patients with advanced, metastatic melanoma; head and neck squamous cell carcinoma; and, a triple negative breast cancer pilot study. In addition, the Company made further advancements toward prototypes of its next generation electroporation devices and continued its efforts in discovery research related to identifying and developing new immune-targeting agents for use with the ImmunoPulse™ platform. The Company is planning to continue these program but focus its current and future efforts on developing clinically relevant data in breast cancer and additional combination trials. The Company's ImmunoPulse™ product candidates are based on the Company's proprietary DNA-based immunotherapy technology, which is designed to stimulate the human immune system, resulting in systemic anti-tumor immune responses.

The accompanying unaudited condensed financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The condensed balance sheet as of October 31, 2015, condensed statements of operations for the three months ended October 31, 2015 and 2014 and the condensed statements of cash flow for the three months ended October 31, 2015 and 2014, are unaudited, but include all adjustments (consisting of normal recurring adjustments) that the Company considers necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented. The results of operations for the three months ended October 31, 2015 shown herein are not necessarily indicative of the results that may be expected for the year ending July 31, 2016, or for any other period. These financial statements, and notes thereto, should be read in conjunction with the audited financial statements for the year ended July 31, 2015, included in the Company's Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on October 14, 2015. The balance sheet at July 31, 2015 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

Effective May 18, 2015, the Company implemented a reverse stock split pursuant to which each 20 shares of issued and outstanding common stock held by each stockholder were combined into and became one share of common stock, with such resulting shares rounded up to the next whole share. No fractional shares were issued. All options, warrants and other convertible securities outstanding immediately prior to the reverse split were adjusted by dividing the number of shares of common stock into which the options, warrants and other convertible securities are exercisable or convertible by 20 and multiplying the exercise or conversion price by 20, all in accordance with the terms of the agreements governing such options, warrants and other convertible securities. The accompanying financial statements and related disclosures give retroactive effect to the reverse stock split for all periods presented.

**Note 2—Significant Accounting Policies**

*Segment Reporting*

The Company operates in a single industry segment — the discovery and development of novel immunotherapeutic product candidates to improve treatment options for patients and physicians, intended to treat a wide range of oncology indications.



Table of Contents

*Concentrations and Credit Risk*

The Company maintains cash balances at a small number of financial institutions and such balance commonly exceeds the $250,000 amount insured by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts and management believes that the Company does not have significant credit risk with respect to such cash and cash equivalents.

*Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the financial statements and disclosures made in the accompanying notes to the financial statements. The Company's significant estimates pertain to stock-based compensation expense — see Footnote 8. Actual results could differ materially from the estimates.

*Recent Accounting Pronouncements*

Recent pronouncements that are not anticipated to have an impact on or are unrelated to the Company's financial condition, results of operations, or related disclosures are not discussed.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, which is intended to define management's responsibility to evaluate whether there is substantial doubt about an organization's ability to continue as a going concern and to provide related footnote disclosures. This ASU provides guidance to an organization's management, with principles and definitions that are intended to reduce diversity in the timing and content of disclosures that are commonly provided by organizations today in the financial statement footnotes. The amendments are effective for annual periods ending after December 15, 2016, and interim periods within annual periods beginning after December 15, 2016. Early application is permitted for annual or interim reporting periods for which the financial statements have not previously been issued. The Company does not intend to early adopt this standard. The adoption of this standard will not have an impact on the financial condition of the Company.

**Note 3—Cash and Cash Equivalents and Liquidity**

The Company considers all liquid investments with maturities of ninety days or less when purchased to be cash equivalents. As of October 31, 2015 and July 31, 2014, cash and cash equivalents were primarily comprised of cash in checking accounts.

The Company's activities to date have been supported by equity financing. It has sustained losses in previous reporting periods with an inception to date loss of $53.6 million as of October 31, 2015.

As of October 31, 2015, the Company had cash and cash equivalents of approximately $26.9 million. The Company believes based on its projected fiscal year 2016 cash requirements and the funds raised in the November 2015 Public Offering (see footnote 11 below for further information) that its cash resources are sufficient to meet its anticipated needs at least through the next twelve months from the date of this filing. The Company will require additional financing to fund its future planned operations, including research and development and clinical trials and commercialization of its product candidate. In addition, the Company will require additional financing in order to seek to license or acquire new assets, research and develop any potential patents and the related compounds, and obtain any further intellectual property that the Company may seek to acquire. Additional financing may not be available to the Company when needed or, if available, it may not be obtained on commercially reasonable terms. If the Company is not able to obtain the necessary additional financing on a timely basis, the Company will be forced to delay or scale down some or all of its development activities or perhaps even cease the operation of its business. Historically, the Company has funded its operations primarily through equity financings and it expects that it will continue to fund its operations through equity and debt financing. If the Company secures additional financing by issuing equity securities, its existing stockholders' ownership will be diluted. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments. The Company also expects to pursue non-dilutive financing sources. However, obtaining such financing would require significant efforts by the Company's management team, and such financing may not be available, and if available, could take a long period of time to obtain.

**Note 4—Stockholders' Equity**

A summary of the changes in stockholders' equity is provided below:

| | October 31, 2015 | October 31, 2014 |
|---|---|---|
| Stockholders' equity at beginning of period | $ 32,695,621 | $ 38,068,058 |
| Net loss | (7,037,391) | (4,061,116) |
| Stock-based compensation | 1,562,066 | 611,240 |
| Stockholders' equity at end of period | $ 27,220,296 | $ 34,618,182 |



Table of Contents

**Note 5—Intangible Asset Acquisition and Cross License Agreement**

On March 14, 2011, the Company entered into the Asset Purchase Agreement with Inovio, whereby the Company agreed to purchase certain assets of Inovio related to certain non-DNA vaccine and selective electrochemical tumor ablation ("SECTA") technology, including, among other things: (a) certain patents, including patent applications, and trademarks related to the SECTA technology; (b) certain equipment, machinery, inventory and other tangible assets related to the technology; (c) certain engineering and quality documentation related to the technology; and (d) the assignment of certain contracts related to the technology. In return, the Company agreed to pay Inovio $3,000,000 in scheduled payments and a royalty on commercial product sales related to the SECTA technology. The transaction closed on March 24, 2011. The Asset Purchase Agreement has been amended by the parties to modify the schedule of payments to Inovio (see Note 6).

In connection with the closing of the Asset Purchase Agreement, the Company entered into a cross-license agreement with Inovio. Under the terms of the agreement, the Company granted Inovio a fully paid-up, exclusive, worldwide license to certain of the acquired SECTA technology patents in the field of use of electroporation. No consideration was received by the Company, nor will Inovio be liable for future royalty fees related to this arrangement. Inovio also granted the Company a non-exclusive, worldwide license to certain non-SECTA technology patents held by it in consideration for the following: (a) a fee for any sublicense of the Inovio technology, not to exceed 10%; (b) a royalty on net sales of any business the Company develops with the Inovio technology, not to exceed 1.5%; and (c) payment to Inovio of any amount Inovio pays to one licensor of the Inovio technology that is a direct result of the license.

In addition, the Company agreed not to transfer this non-exclusive license apart from the assigned intellectual property.

The purchase price was allocated to the identified tangible and intangible assets acquired based on their relative fair values, which were derived from their individual estimated fair values of $38,000 and $3,000,000, respectively. Included in the estimated fair value of the intangible assets is the value associated with the engineering and quality documentation acquired, which was determined to have no stand-alone value apart from the patents. The relative fair value of the intangible assets of $2,962,000 was reduced by a discount of approximately $174,000 recorded for the acquisition obligation. The relative fair value of the tangible assets of $38,000 was expensed to research and development as of the acquisition date.

As of July 31, 2015, the patents are fully amortized. Amortization expense for the three-month period ended October 31, 2015 and 2014 were approximately $0 and $174,000, respectively. In addition, during the three-month period ended October 31, 2015 and 2014, no impairment was recorded.

**Note 6—Acquisition Obligation**

On March 24, 2011, the Company recorded an acquisition obligation for amounts due to Inovio in accordance with the Asset Purchase Agreement (see Note 5). On September 28, 2011, the Company entered into a First Amendment to Asset Purchase Agreement (the "First Amendment"). The First Amendment modified the payment of $750,000 due to Inovio by September 24, 2011, requiring the Company to make a payment of $100,000 to Inovio on September 30, 2011, with the remaining $650,000 to be paid to Inovio on or before March 31, 2012. On March 24, 2012, the Company entered into a Second Amendment to Asset Purchase Agreement (the "Second Amendment"). The Second Amendment further modified the



Table of Contents

payment terms for the $1,150,000 scheduled payments due to Inovio in March 2012 by requiring the Company to make a payment of $150,000 on March 31, 2012, with the remaining $1,000,000 to be paid to Inovio on December 31, 2013. As consideration for the First Amendment, the Company issued to Inovio a warrant to purchase 50,000 shares of common stock. As consideration for the Second Amendment, the Company issued to Inovio a warrant to purchase 150,000 shares of common stock.

The scheduled payments for the $3,000,000 obligation under this arrangement, as amended, were as follows:

- $ 250,000 - Upon the closing of the Asset Purchase Agreement
- $ 100,000 - September 30, 2011
- $ 150,000 - March 31, 2012
- $ 500,000 - September 24, 2012
- $ 1,000,000 - March 31, 2013
- $ 1,000,000 - December 31, 2013

The Company has made all scheduled payments under this arrangement.

**Note 7— Recent Other Equity and Common Stock Transactions**

At October 31, 2015, the Company had outstanding warrants to purchase 1,895,102 shares of common stock, with exercise prices ranging from $5.20 to $24.00, all of which were classified as equity instruments. These warrants expire at various times between March 2016 and June 2019.

The Company has not adopted any policy regarding payment of dividends. No dividends have been declared or paid during the periods presented.

**Note 8— Stock-Based Compensation**

The Company recognizes compensation expense for stock option awards on a straight-line basis over the applicable service period of the award. The service period is generally the vesting period, with the exception of options granted subject to a consulting agreement, whereby the option vesting period and the service period are defined pursuant to the terms of the consulting agreement. Stock-based compensation expense for awards granted during the three-month periods ended October 31, 2015 and 2014, were based on the grant date fair value estimated using the Black-Scholes Option Pricing Model. Share-based compensation expense related to stock option grants to consultants, in which the grant was not entirely vested at the grant date, are marked-to-market generally each month. The Company's expected volatility is derived from the historical daily change in the market price of its common stock since it exited shell status and became available for trading, as well as the historical daily changes in the market price for the peer group as determined by the Company. The Company uses the simplified method to calculate the expected term of options issued to employees and directors. The Company's estimation of the expected term for stock options granted to parties other than employees or directors is the contractual term of the option award. The risk-free interest rate used in the Black-Scholes calculation is based on the prevailing U.S. Treasury yield in effect at the time of grant, commensurate with the expected term. Stock-based compensation expense recognized in the Company's condensed statements of operations is based on awards ultimately expected to vest, reduced for estimated forfeitures. Authoritative guidance requires forfeitures to be estimated at the time of grant, and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Because the Company records stock-based compensation monthly and utilizes cliff vesting and/or monthly vesting, the Company has estimated the forfeiture rate of its outstanding stock options as zero since the Company can adjust stock-based compensation due to terminations in the month of termination. The Company has never paid any dividends on its common stock and does not anticipate paying dividends on its common stock in the foreseeable future.

During the three months ended October 31, 2015, the Company granted options to purchase 1,982,500, and 61,000 shares of the Company's common stock to employees and directors, and consultants under the Company's 2011 Stock Incentive Plan ( as



Table of Contents

amended, the "2011 Plan"), respectively. The options issued to employees and directors have a ten-year term, vest over a range of one to three years, and have exercise prices ranging from $4.15 to $6.21. The options issued to consultants have three-year terms, vest in accordance with the terms of the applicable agreement, and have an exercise price of $5.76 per share.

During the three months ended October 31, 2014, the Company granted options to purchase 107,500 and 25,000 shares of the Company's common stock to employees and consultants under the 2011 Plan, respectively. The options issued to employees have a ten-year term, vest over a range of two to three years, and have exercise prices ranging from $8.80 to $10.40. The options issued to consultants have one- to three-year terms, vest in accordance with the terms of the applicable consulting agreement, and have exercise prices ranging from $7.80 to $8.60.

The following assumptions were used to calculate the fair value of stock-based compensation during the three months ended October 31, 2015 and 2014:

| | October 31, 2015 | October 31, 2014 |
|---|---|---|
| Expected volatility | 88.96% - 89.70% | 88.82%-92.83% |
| Risk-free interest rate | 0.86% - 1.74% | 0.36%-2.13% |
| Expected forfeiture rate | 0.00% | 0.00% |
| Expected dividend yield | — | — |
| Expected term | 2.8 – 6.5 years | 2 - 7 years |

Stock-based compensation expense recorded in the Company's condensed statement of operations for the three months ended October 31, 2015 resulting from stock-based compensation awarded to the Company's employees, directors and consultants was approximately $1.5 million. Of this balance, $0.3 million was recorded to research and development, and $1.2 million was recorded in general and administrative in the Company's condensed statement of operations for the period ended October 31, 2015.

Stock-based compensation expense recorded in the Company's condensed statement of operations for the three months ended October 31, 2014 resulting from stock-based compensation awarded to the Company's employees, directors and consultants was approximately $0.6 million. Of this balance, $0.3 million was recorded to research and development, and $0.3 million was recorded in general and administrative in the Company's condensed statement of operations for the period ended October 31, 2014.

The weighted-average grant date fair value of stock options granted during the three months ended October 31, 2015 and 2014 were $4.15 and $7.20, respectively.

**Note 9—Commitments and Contingencies**

In the ordinary course of business, the Company may become a party to lawsuits involving various matters. The Company is unaware of any such lawsuits presently pending against it which individually or in the aggregate, are deemed to be material to the Company's financial condition or results of operations.

On December 31, 2014, the Company entered into a lease agreement for approximately 33,928 rentable square feet located at 5820 Nancy Ridge Drive, San Diego, California to serve as the Company's new corporate headquarters and research and development laboratory. The lease term commenced on October 19, 2015 and expires 120 months after commencement. The Company has an option to extend the lease for an additional 5 years, if notice is given within 12 months prior to the expiration of the lease term. The Company also has the right to terminate the lease after the expiration of the 84th month after the lease commencement so long as the Company delivers to the landlord a written notice of its election to exercise its termination right no less than 12 months in advance. The lease agreement provides for base rent at $2.65 per rentable square feet, subject to a 3% rate increase on each annual anniversary of the first day of the first full month during the term of the lease agreement. Upon commencement of the lease, 12 months of rent abatement is provided. The lease also provides for a tenant improvement ("TI") fund of $6,107,040, which the landlord is solely responsible for and covers base building improvements. An additional TI allowance up to $508,920 was available to the Company, in the form of TI rent; however, the Company did not use it. The Company's corporate relocation completed in October 2015 and it's research and development lab relocation was completed in November 2015. In addition, the Company is required to share in certain operating expenses of the premises. In December 2014, pursuant to the lease agreement, the Company delivered a security deposit of approximately $90,000.

**Note 10—Related Party Transactions**

The Company's Chairman of the Board of Directors is also a director and the Chairman (formerly Executive Chairman) of Inovio. The Company's Chairman abstained from all discussions and voting related to negotiations of the Asset Purchase Agreement



Table of Contents

disclosed in Note 5 and the amendments (and related warrants) disclosed in Note 6, while performing his duties as Executive Chairman of Inovio.

**Note 11 — Subsequent Events**

*November 2015 Public Offering*

On November 3, 2015, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with certain accredited investors (collectively, the "Purchasers") pursuant to which the Company has agreed to issue and sell to the Purchasers in a registered public offering (the "November 2015 Public Offering") an aggregate of 2,142,860 shares of the Company's Common Stock (collectively, the "Shares") and warrants to purchase an aggregate of 1,071,430 shares of the Company's Common Stock (collectively, the "Warrants" and the shares issuable upon exercise of the Warrants, collectively, the "Warrant Shares") at a purchase price of $3.50 per unit, for aggregate expected gross proceeds of approximately $7.5 million. Net proceeds, after deducting the Placement Agent Fee (described below) and other estimated offering expenses payable by the Company, are expected to be approximately $6.9 million. The November 2015 Public Offering closed on November 9, 2015. The Company intends to use the net proceeds from the November 2015 Public Offering for general corporate purposes, including clinical trial expenses and research and development expenses.

Pursuant to the terms of the Securities Purchase Agreement, at the closing each Purchaser will be issued a Warrant to purchase up to a number of shares of the Company's Common Stock equal to 50% of the shares issued to such Purchaser. The Warrants have an exercise price of $4.50 per share, are exercisable six months after issuance and have a term of exercise equal to five and one-half years from the date of issuance of the Warrants.

Pursuant to a Placement Agent Agreement (the "Placement Agent Agreement"), dated November 3, 2015, by and between the Company and Wainwright, Wainwright agreed to act as the Company's placement agent in connection with the November 2015 Public Offering. Pursuant to the Placement Agent Agreement, the Company agreed to pay an aggregate cash fee for placement agent and financial advisory services equal to 6.0% of the gross proceeds of the November 2015 Public Offering (the "Placement Agent Fee"), as well as a non-accountable expense allowance equal to 1% of the gross proceeds of the November 2015 Financing and certain other expense reimbursements. In addition, the Company agreed to issue warrants to purchase an aggregate of up to 5% of the aggregate number of shares of Common Stock sold in the November 2015 Public Offering to the placement agent or its designees (the "Placement Agent Warrants"). Placement Agent Warrants shall have substantially the same terms as the Warrants to be issued to the Purchasers in the November 2015 Financing, except that such warrants shall have an exercise price of $4.375 and shall expire on the fifth anniversary of the closing date of the November 2015 Public Offering.



Table of Contents

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

**Cautionary Statement**

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Unaudited Condensed Financial Statements and the related notes thereto contained in Part I, Item 1 of this Report. The information contained in this Quarterly Report on Form 10-Q is not a complete description of our business or the risks associated with an investment in our common stock. We urge you to carefully review and consider the various disclosures made by us in this Report and in our other reports filed with the Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K for the fiscal year ended July 31, 2015, our subsequent quarterly reports on Form 10-Q and our subsequent reports on Form 8-K, which discuss our business in greater detail.*

*This quarterly report on Form 10-Q contains forward-looking statements that involve risks, uncertainties and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, our results could differ materially from those expressed or implied by such forward-looking statements and assumptions. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. All statements made in this Form 10-Q other than statements of historical fact are statements that could be deemed forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" in Part II, Item IA of this Quarterly Report on Form 10-Q, and similar discussions in our other SEC filings. Risks that could cause actual results to differ from those contained in the forward-looking statements include but are not limited to risks related to: our ability to continue as a going concern; our need to raise additional capital and our ability to obtain financing; uncertainties inherent in pre-clinical studies and clinical trials and our ability to commercialize our products; our expected reliance on third parties; general economic and business conditions; our limited operating history; our ability to recruit and retain qualified personnel; competition we face within our industry; our ability to manage future growth; our ability to develop our planned products; our ability to protect our intellectual property; and various risks related to our common stock. These forward-looking statements speak only as of the date of this Form 10-Q, except as required by applicable law, we do not intend to update any of these forward-looking statements.*

*As used in this quarterly report on Form 10-Q and unless otherwise indicated, the terms "the Company", "we", "us" and "our" refer to OncoSec Medical Incorporated.*

**Company Overview**

As a biotechnology company, our mission is to focus on the advancement of immune system-stimulating treatments, with a focus on discovering and developing novel immuno-oncology therapies. Our portfolio includes biologic immunology therapeutic product candidates intended to treat a wide range of tumor types. Our technology also includes intellectual property relating to our ImmunoPulse™ delivery technology. ImmunoPulse™ is an electroporation delivery device that we use in combination with our therapeutic product candidates, including DNA plasmids that encode for immunologically active agents, to deliver the therapeutic directly into the tumor and promote an inflammatory response against the cancer. This unique therapeutic modality is intended to reverse the immunosuppressive microenvironment in the tumor and engender a systemic anti-tumor response against untreated tumors in other parts of the body. Our electroporation devices consist of an electrical pulse generator and disposable applicators, which can be adapted to treat different tumor types.

In August 2015, we enrolled the first patient into the Phase II investigator sponsored clinical trial led by the University of California, San Francisco to assess the anti-tumor activity, safety, and tolerability of the combination of ImmunoPulse™ IL-12, and Merck's approved anti-PD-1 agent, KEYTRUDA® (pembrolizumab), in patients with unresectable metastatic melanoma. The primary endpoint is the best Overall Response Rate (bORR) of the combination regimen in patients whose tumors are characterized by low numbers of tumor-infiltrating lymphocytes. In September 2015, we announced the results from a Phase II clinical trial of ImmunoPulise™ IL-12 in patients with Merkel cell carcinoma ("MCC"). In the MCC study led by the University of Washington, 79% of patients (11/14) showed an increase in IL-12 protein levels in tumor biopsy samples obtained approximately 22 days after treatment compared to baseline, indicating that ImmunoPulse™ IL-12 leads to successful DNA transfection and sustained protein expression within the tumor microenvironment. ImmunoPulse™ IL-12 was well-tolerated, with no treatment-related adverse events above Grade 2 and no treatment-related serious adverse events. The most common adverse event was Grade 1 transient pain associated with the treatment procedure. Toward the end of October 2015, we enrolled the first patient in our biomarker-focused pilot study of ImmunoPulse™ IL-12 in patients with triple negative breast cancer ("TNBC"). We anticipate enrolling approximately 10 patients in



Table of Contents

the TNBC pilot study, led by Stanford University, with the primary objective of the study to evaluate the potential of ImmunoPulse™ IL-12 to promote a pro-inflammatory molecular and histological signature in tumor samples and the secondary objectives include the evaluation of safety and tolerability; evaluation of local ablation effect (% of necrosis) and description of other evidence of anti-tumor activity. In addition to ImmunoPulse™ IL-12, we continue our research programs to identify and develop new immune-targeting agents for use with the ImmunoPulse™ platform.

**Recent Events**

*November 2015 Public Offering*

On November 9, 2015, we closed a registered direct offering with two healthcare focused funds for the purchase of 2,142,860 shares of our common stock at a price of $3.50 and warrants to purchase up to an aggregate of 1,071,430 shares of common stock. The warrants have an exercise price of $4.50 per share, a term of 5.5 years and become exercisable after 6 months. The gross proceeds of the offering were approximately $7.5 million. Net proceeds, after deducting the placement agent's fee and other estimated offering expenses payable by us, were approximately $6.9 million. On November 9, the placement agents were also issued warrants to purchase an aggregate of up to 5% of the aggregate number of shares of common stock sold in this offering. The placement agent warrants have an exercise price of $4.375, are exercisable after 6 months of issuance and expire on November 9, 2020. We intend to use proceeds from the offering for general corporate purposes, including clinical trial expenses and research and development expenses.

**Critical Accounting Policies**

Accounting for Long-Lived Assets / Intangible Assets

We assess the impairment of long-lived assets, consisting of property and equipment, and finite-lived intangible assets, whenever events or circumstances indicate that the carrying value may not be recoverable. Examples of such circumstances include: (1) loss of legal ownership or title to an asset; (2) significant changes in our strategic business objectives and utilization of the assets; and (3) the impact of significant negative industry or economic trends.

Recoverability of assets to be held and used in operations is measured by a comparison of the carrying amount of an asset to the future net cash flows expected to be generated by the assets. The factors used to evaluate the future net cash flows, while reasonable, require a high degree of judgment and the results could vary if the actual results are materially different than the forecasts. In addition, we base useful lives and amortization or depreciation expense on our subjective estimate of the period that the assets will generate revenue or otherwise be used by us. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less selling costs.

We also periodically review the lives assigned to our intangible assets to ensure that our initial estimates do not exceed any revised estimated periods from which we expect to realize cash flows from the technologies. If a change were to occur in any of the above-mentioned factors or estimates, the likelihood of a material change in our reported results would increase.

Stock-Based Compensation

We grant equity-based awards under our stock-based compensation plan. We estimate the fair value of stock-based payment awards using the Black-Scholes option valuation model. This fair value is then amortized over the requisite service periods of the awards.

The Black-Scholes option valuation model requires the input of subjective assumptions, including price volatility of the underlying stock, risk-free interest rate, dividend yield, and expected life of the option. Stock-based compensation expense is based on awards ultimately expected to vest, and therefore is reduced by expected forfeitures. Stock-based compensation expense related to stock option grants issued to consultants not entirely vested at grant date are marked-to-market generally each month. Changes in assumptions used under the Black-Scholes option valuation model could materially affect our net loss and net loss per share.

**Results of Operations for the Three Months Ended October 31, 2015 Compared to the Three Months Ended October 31, 2014**

The unaudited financial data for the three-month periods ended October 31, 2015 and October 31, 2014 is presented in the following table and the results of these two periods are included in the discussion thereafter.

| | October 31, 2015 ($) | October 31, 2014 ($) | Increase/ (Decrease) ($) | Increase/ (Decrease) % |
|---|---|---|---|---|
| **Revenue** | — | — | — | — |
| **Operating expenses** | | | | |
| Research and development | 3,659,313 | 2,501,268 | 1,158,045 | 46 |
| General and administrative | 3,375,906 | 1,558,938 | 1,816,968 | ** |
| **Net loss before income taxes** | (7,035,219) | (4,060,206) | 2,975,013 | 73 |
| **Tax provision** | 2,172 | 910 | 1,262 | ** |
| **Net loss** | (7,037,391) | (4,061,116) | 2,976,275 | 73 |

** Percentage increase/(decrease) is greater than 100%.



Table of Contents

Operational Milestones and Research and Development Expenses

Our research and development expenses primarily include expenses related to the development of our therapeutic product candidates and electroporation technologies. These expenses also include certain clinical study expenses, intellectual property prosecution and maintenance costs, and quality assurance expenses. The expenses primarily consisted of salaries, benefits, stock-based compensation costs, outside design and consulting services, laboratory supplies, contract research organization expenses and clinical study supplies. We expense all research and development costs in the periods in which they are incurred.

The $1.2 million increase in research and development expenses for the three-month period ended October 31, 2015, as compared to the three-month period ended October 31, 2014, is primarily the result of an increase of $0.7 million in other outside services to assist with the development of next-generation electroporation device prototypes, novel electroporation technologies and combination studies, an increase of $0.1 million in engineering and lab supplies primarily for discovery research, an increase of $0.1 million in salary related costs and an increase of $0.3 million in additional R&D related expenses consisting primarily of rent, conference fees and travel.

We expect to use our working capital for the advancement of our operational milestones. Our significant milestones currently include generating clinically relevant data in triple negative breast cancer and our current combination trial, designing additional combination trials, continuing our discovery research, but, on a more focused scale and continuing the advancement of our novel electroporation technologies by leveraging internal capabilities to analyze and test our next generation electroporation device prototypes.

Activities related to the above milestones are primarily conducted by our Engineering, Clinical and R&D departments. We estimate we may incur engineering costs of $3.3 million, clinical costs of $3.1 million and R&D costs of $5.1 million, in each case exclusive of personnel costs, stock-based compensation and depreciation, during our current fiscal year ending July 31, 2016 (“Fiscal 2016”).

General and Administrative

Our general and administrative expenses include expenses related to our executive, accounting and finance, compliance, information technology, legal, facilities, human resources, administrative and corporate communications activities. These expenses consist primarily of salaries, benefits, stock-based compensation costs, independent auditor costs, legal fees, consultants, travel, insurance, and public company expenses, such as stock transfer agent fees and listing fees in connection with listing on a national exchange.

The $1.8 million increase in general and administrative expenses for the three-month period ended October 31, 2015, as compared to the three-month period ended October 31, 2014, was primarily the result of an increase of $1.5 million in salary related costs, inclusive of stock-based compensation, an increase of $0.2 million in audit and legal fees primarily related to internal controls attestation and an increase of $0.1 million in outside services primarily related to corporate communications.

We expect our general and administrative expenses related to outside services to decrease in the near-term, as we leverage internal capabilities and increase productivity.

**Liquidity and Capital Resources**

*Working Capital*

Our working capital as of October 31, 2015 and July 31, 2015 is summarized as follows:

| | At October 31, 2015 ($) | At July 31, 2015 ($) |
|---|---|---|
| Current assets | 27,987,417 | 33,567,981 |
| Current liabilities | 3,177,954 | 2,894,469 |
| Working capital | 24,809,463 | 30,673,512 |

Current Assets

Current assets as of October 31, 2015 decreased to approximately $28.0 million, in comparison to current assets of approximately $33.6 million as of July 31, 2015. This decrease in our current assets was primarily due to a decrease in cash from $32.0 million as of July 31, 2015, to $26.9 million as of October 31, 2015, which is attributable to the cash used in operations during the three-month period ended October 31, 2015.



Table of Contents

Current Liabilities

Current liabilities as of October 31, 2015 increased to approximately $3.2 million, in comparison to our approximate current liabilities of $2.9 million as of July 31, 2015. This increase was primarily due to an increase in audit fees related to our fiscal year-end 2015 internal controls attestation and an increase is accrued expenses related to patient treatment costs for our on-going clinical studies.

*Cash Flow*

Cash Used in Operating Activities

Cash used in operating activities for the three-month period ended October 31, 2015 was $4.7 million, as compared to $3.4 million for the three-month period ended October 31, 2014. This increase was primarily related to research and development efforts related to next-generation electroporation devices, novel electroporation technologies and combination studies, and an increase in salary related expenses as a result of hiring additional personnel to support the growth in our operations and our corporate infrastructure.

Cash Used in Investing Activities

Cash used in investing activities for the three-month period ended October 31, 2015 was $0.5 million, as compared to $0.4 million for the three-month period ended October 31, 2014. Investing activities in the current quarter relate to the purchase of property and equipment for our new corporate headquarters.

Cash Flow Provided by Financing Activities

There were no exercises of stock options, exercise of warrants or financings completed during the three-month period ended October 31, 2015.

*Recent Equity Financings*

*November 2015 Public Offering*

On November 9, 2015, we closed a registered direct offering of an aggregate of 2,142,860 shares of our common stock at a purchase price of $3.50 per share and warrants to purchase an aggregate of 1,071,430 shares of our common stock (the “November 2015 Public Offering”). The warrants have an exercise price of $4.50 per share, a term of 5.5 years and become exercisable after 6 months. The gross proceeds to us from the November 2015 Public Offering was approximately $7.5 million. After deducting for fees and expenses, the aggregate net proceeds from the sale of the common stock in the November 2015 Public Offering were approximately $6.9 million. In connection with the November 2015 Public Offering, we paid placement agent fees consisting of (i) a cash fee equal to 6% of the gross proceeds of the offering, as well as a non-accountable expense allowance equal to 1% of the gross proceeds, and (ii) warrants to purchase up to an aggregate of 5% of the aggregate number of shares of common stock sold in the offering, or 107,143 shares of our common stock. The warrants issued to the placement agent are exercisable at an exercise price of $4.375 per, have a term of 5 years and become exercisable after 6 months. We intend to use the net proceeds from the November 2015 Public Offering for general corporate purposes, including clinical trials and research and development expenses.

*June 2015 Public Offering*

On June 8, 2015, we closed a registered direct public offering of an aggregate of 2,469,091 shares of our common stock at a purchase price of $5.50 per share, for gross proceeds to us of approximately $13.6 million (the “June 2015 Public Offering”). After deducting for fees and expenses, the aggregate net proceeds from the sale of the common stock in the June 2015 Public Offering were approximately $12.5 million. In connection with the June 2015 Public Offering, we paid placement agent fees consisting of (i) a cash fee equal to 6% of the gross proceeds of the offering, as well as a non-accountable expense allowance equal to 1% of the gross proceeds, and

(ii) warrants to purchase up to an aggregate of 5% of the aggregate number of shares of common stock sold in the offering, or 123,455 shares of our common stock. The warrants issued to the placement agent are exercisable at an exercise price of $6.88 per share, are exercisable beginning December 8, 2015 and will expire on May 12, 2019. These warrants were classified as equity with a fair market value of $571,868 recorded in our balance sheet. We intend to use the net proceeds from the June 2015 Public Offering for general corporate purposes, including clinical trials and research and development expenses.



Table of Contents

*Cash Requirements*

Our primary objectives for the next twelve-month period are to continue the advancement of our ImmunoPulse™ platform, while fine-tuning our focus on discovery research of new, novel immune-oncology products and optimizing our clinical programs. In addition, we expect to pursue raising sufficient capital to fund our operations and to acquire and develop additional assets and technology consistent with our focus on innovative gene therapies, therapeutics and proprietary medical approaches to stimulate and guide an anti-tumor immune response for the treatment of cancer.

As we continue to focus on reducing expenses through leveraging our in-house capabilities and increasing productivity to reduce reliance on consultants and outside service providers, we currently estimate our operating expenses and working capital requirements for Fiscal 2016 to be approximately $22.6 million, although we may modify or deviate from our estimates and it is likely that our actual results for certain categories of operating expenses and working capital requirements will vary from the estimates as set forth in the table below (in millions).

| Cash Requirements | Amount |
|---|---|
| Product development | $ 11.5 |
| Employee compensation | 7.7 |
| General and administration | 2.5 |
| Professional services fees | 0.9 |
| | $ 22.6 |

During the three-month period ended October 31, 2015, our operating cash outflow was approximately $4.7 million. Based on our current operating costs and our operational goals, we expect our monthly cash outflows for the remainder of Fiscal 2016 to range from approximately $1.8 million to $2.2 million per month. In general, our cash outflows for future periods may increase as we expand our business, increase our headcount and further our development activities. We expect our current funds, coupled with the cash raised in the November 2015 Public Offering, to be sufficient to allow us to continue to operate our business for at least the next twelve months from the date of filing these financial statements.

During the first quarter of Fiscal 2016, there were no exercises of warrants previously issued to investors of our equity securities. If the holders of warrants to purchase our common stock were to exercise their remaining outstanding warrants in full on a cash basis, we would receive an aggregate of approximately $21.7 million in proceeds. However, the warrant holders may choose not to exercise any of the warrants they hold, may choose to net exercise their warrants as provided in such warrants under certain limited circumstances, or may choose to exercise only a portion of the warrants issued. As a result, we may never receive proceeds from the exercise of such warrants.

Since the inception of our current business in March 2011, we have funded our operations primarily through equity financings and we expect to continue to pursue capital-raising transactions in future periods. If we obtain additional financing by issuing equity securities, our existing stockholders' ownership will be diluted. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments and may subject us to financial covenants and other restrictions applicable to our business. We may be unable to maintain operations at a level sufficient for investors to obtain a return on their investments in our common stock. Further, we may continue to be unprofitable.

**Off-Balance Sheet Arrangements**

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not Applicable.



Table of Contents

**ITEM 4. CONTROLS AND PROCEDURES**

**Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our

Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, or SEC, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

As required by Rule 13a-15(b) under the Exchange Act, our management conducted an evaluation, under the supervision and with the participation of our Chief Executive Officer (our principal executive officer) and our Chief Financial Officer (our principal financial officer), of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on the foregoing evaluation, our Chief Executive Officer and our Chief Financial Officer, in their capacities as our principal executive officer and our principal financial officer, concluded that as of the end of the period covered by this report our disclosure controls and procedures were effective.

**Changes in Our Controls**

There were no changes in our internal controls over financial reporting during our fiscal quarter ended October 31, 2015 that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.



Table of Contents

## PART II—OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. The impact and outcome of litigation, if any, is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are not currently a party to any proceedings the adverse outcome of which, individually or in the aggregate, would have a material adverse effect on our financial position or results of operations.

### ITEM 1A. RISK FACTORS

You should carefully consider the following information about risks and uncertainties that may affect us or our business, together with the other information appearing elsewhere in this Quarterly Report on Form 10-Q. If any of the following events, risks or uncertainties actually occur, either alone or taken together, our business, financial condition, results of operations and future growth prospects would likely be materially and adversely affected. These Risk Factors may be important to understanding any statement in this Form 10-Q or elsewhere. The following information should be read in conjunction with the condensed consolidated financial statements and related notes in Part I, Item 1, “Financial Statements” and Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Form 10-Q.

***We will need to raise additional capital in future periods to continue operating our business, and such additional funds may not be available on acceptable terms or at all.***

We do not generate any cash from operations and will need to raise additional funds in future periods in order to continue operating our business. We estimate our cash requirements for the next 12 months to be approximately $22.6 million. As of October 31, 2015, we had cash and cash equivalents of approximately $26.9 million.

We have a history of raising funds through offerings of our common stock, and we may in the future raise additional funds through public or private equity offerings, debt financings, or corporate collaborations and licensing arrangements. We expect to continue to fund our operations primarily through equity and debt financings in the near future. If additional capital is not available, we may not be able to continue to operate our business or we may have to significantly change our business plan or discontinue our operations entirely.

We will require additional financing to fund our planned operations, including developing and commercializing our intellectual property, seeking to license or acquire new assets, researching and developing any potential patents, related compounds and other intellectual property, funding potential acquisitions, and supporting clinical trials and seeking regulatory approval relating to our assets and any assets we may acquire in the future. Additional financing may not be available to us when needed or, if available, may not be available on commercially reasonable terms. If we issue equity or convertible debt securities to raise additional funds, our existing stockholders may experience substantial dilution, and the new equity or debt securities may have rights, preferences and privileges senior to those of our existing stockholders. If we incur debt, it may increase our leverage relative to our earnings or to our equity capitalization, requiring us to pay additional interest expenses. Obtaining commercial loans, assuming those loans would be available, would increase our liabilities and future cash commitments.

We may not be able to obtain additional financing if the volatile conditions in the capital and financial markets, and more particularly the market for early-development-stage biotechnology company stocks, persist. Weak economic and capital markets conditions could result in increased difficulties in raising capital for our operations. We may not be able to raise money through the sale of our equity securities or through borrowing funds on terms we find acceptable. If we cannot raise the funds that we need, we will be unable to continue our operations, and our stockholders could lose their entire investment in our Company.

***Our success depends in large part on our ability to protect our intellectual property using a combination of patents, trade secrets, and confidentiality agreements. Certain of our patents will expire in the near future, and we may have difficulties protecting our***

***proprietary rights and technology and we may not be able to ensure their protection.***

Our commercial success will depend in large part on obtaining and maintaining patent, trademark, and trade secret protection of our product candidates and their respective components, including devices, formulations, manufacturing methods, and methods of treatment, as well as successfully defending these patents against third-party challenges. Our ability to stop third parties from making,



Table of Contents

using, selling, offering to sell, or importing our product candidates is dependent upon the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities. We have patent protection for components of our ImmunoPulse™ product candidates. Our current device portfolio includes US6,014,584, US6,055,453, US6,068,050, US6,181,964, US6,216,034, US6,233,482, US6,241,701,US6,516,233, US7,412,284, and EP999867, which cover our current clinical device. These patents will expire between 2017 and 2018, at which point we can no longer enforce these against third parties to prevent them from making, using, selling, offering to sell, or importing our current clinical device. This could expose us to substantially more competition and have a material adverse impact on our business and our ability to commercialize or license our technology and products.

In addition, the coverage claimed in a patent application typically is significantly reduced before a patent is issued, either in the United States or abroad. Consequently, any of our pending or future patent applications may not result in the issuance of patents and any patents issued may be subjected to further proceedings limiting their scope and may in any event not contain claims broad enough to provide meaningful protection. Any patents that are issued to us or our future collaborators may not provide significant proprietary protection or competitive advantage and may be circumvented or invalidated. In addition, unpatented proprietary rights, including trade secrets and know-how, can be difficult to protect and may lose their value if they are independently developed by a third party or if their secrecy is lost. Further, because development and commercialization of our potential product candidates can be subject to substantial delays, our patents may expire or provide only a short period of protection, if any, following any future commercialization of products. Moreover, obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by government patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements. If any of our patents are found to be invalid or unenforceable, or if we are otherwise unable to adequately protect our rights, it could have a material adverse impact on our business and our ability to commercialize or license our technology and products.

***We have never generated, and may never generate, profit from our operations.***

We have not generated any revenue from operations since our inception. During the quarter ended October 31, 2015, we incurred a net loss of approximately $7.0 million. From inception through October 31, 2015, we have incurred an aggregate net loss of approximately $53.6 million. We expect that our operating expenses will continue to increase as we expand our current headcount, further our development activities, and continue to pursue FDA approval for our product candidates.

Because of the numerous risks and uncertainties associated with our product development and commercialization efforts, we are unable to predict the extent of our future losses or when or if we will become profitable, and it is possible we will never commercialize any of our product candidates or become profitable. Our failure to obtain regulatory approval and successfully commercialize any of our product candidates would have a material adverse effect on our business, results of operations, financial condition, and prospects and could result in our inability to continue operations.

***Regulatory authorities may not approve our product candidates or the approvals we secure may be too limited for us to earn sufficient revenues.***

The research, testing, manufacturing, labeling, approval, selling, marketing and distribution of our product candidates are subject to extensive regulation by the FDA and other regulatory authorities in the United States and other countries, which regulations differ from country to country. The FDA and other foreign regulatory agencies can delay approval of or refuse to approve our product candidates for a variety of reasons, including failure to meet safety and efficacy endpoints in our clinical trials. Our product candidates may not be approved even if they achieve their endpoints in clinical trials. Regulatory agencies, including the FDA, may disagree with our or our partners' trial design and our interpretation of data from preclinical studies and clinical trials. Clinical trials of our product candidates may not demonstrate that they are safe and effective to the extent necessary to obtain regulatory approvals. We have initiated five clinical trials to assess our ImmunoPulse™ IL-12 single-agent therapy in patients with metastatic melanoma, Merkel cell carcinoma, cutaneous T-cell lymphoma, squamous cell carcinoma of the head and neck, and triple negative breast cancer. In addition, a Phase 2 clinical trial has been initiated by researchers at the University of California San Francisco to assess the combination of ImmunoPulse IL-12 and Merck's anti-PD-1 antibody, KEYTRUDA. If we cannot adequately demonstrate through the clinical trial process that a therapeutic product we are developing is safe and effective, regulatory approval of that product would be delayed or prevented, which would impair our reputation, increase our costs and prevent us from earning revenues. Even if a product candidate is approved, it may be approved for fewer or more limited indications than requested or the approval may be subject to the performance of significant post-marketing studies. In addition, regulatory agencies may not approve the labeling claims that are necessary or desirable for the successful commercialization of our product candidates. Any limitation, condition or denial of approval would have an adverse effect on our business, reputation and results of operations.



Table of Contents

***Delays in the commencement or completion of clinical testing for product candidates based on our technology could result in increased costs to us and delay or limit our ability to pursue regulatory approval or generate revenues.***

Clinical trials are very expensive, time-consuming, and difficult to design and implement. Even if the results of our proposed clinical trials are favorable, clinical trials for product candidates based on our technology will continue for several years and may take significantly longer than expected to complete.

Delays in the commencement or completion of clinical testing could significantly affect our product development costs and business plan. We do not know whether our Phase 2 clinical trials will be completed on schedule, if at all. In addition, we do not know whether any other pre-clinical or clinical trials will begin on time or be completed on schedule, if at all. The commencement and completion of clinical trials can be delayed for a number of reasons, including delays related to:

- obtaining clearance from the FDA or respective international regulatory body equivalents to commence a clinical trial;
- reaching agreement on acceptable terms with prospective clinical research organizations, or CROs, clinical investigators, and trial sites;
- obtaining institutional review board, or IRB, approval to initiate and conduct a clinical trial at a prospective site;
- identifying, recruiting and training suitable clinical investigators;
- identifying, recruiting and enrolling subjects to participate in clinical trials for a variety of reasons, including competition from other clinical trial programs for similar indications; and
- retaining patients who have initiated a clinical trial but may be prone to withdraw due to side effects from the therapy, lack of efficacy, personal issues, death or for any other reason they choose, or who are lost to further follow-up.

We believe that we have planned and designed an adequate development strategy for our electroporation technology. However, the FDA could determine that it is not satisfied with our plan or the details of our pivotal clinical trial protocols and designs.

Additionally, changes in applicable regulatory requirements and guidance may occur and we may need to amend clinical trial protocols to reflect these changes. Amendments may require us to resubmit our clinical trial protocols to IRBs for reexamination, which may impact the costs, timing or successful completion of a clinical trial. If we experience delays in completion of, or if we terminate, any of our clinical trials, the commercial prospects for our product candidates may be harmed, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

***We may be unable to successfully develop and commercialize the assets we have acquired or develop and commercialize new assets and product candidates.***

Our future results of operations will depend to a significant extent upon our ability to successfully develop and commercialize our product candidates, including the assets we acquired from Inovio, encompassing certain non-DNA vaccine technology and intellectual property relating to solid tumor treatments. In addition, we plan to expand our clinical pipeline and to build our product portfolio through the acquisition or licensing of new assets, product candidates or approved products. There are numerous difficulties inherent in acquiring, developing and commercializing new products and product candidates, including difficulties related to:

- successfully identifying potential product candidates;
- developing potential product candidates;
- conducting or completing clinical trials, including receiving incomplete, unconvincing, or equivocal clinical trials data;
- obtaining requisite regulatory approvals for such products in a timely manner or at all;
- acquiring, developing, testing, and manufacturing products in compliance with regulatory standards in a timely manner or at all;
- being subject to legal actions brought by our competitors, which may delay or prevent the development and commercialization of new products;
- significant and unpredictable changes in the payor landscape, coverage, and reimbursement for any products we successfully develop and commercialize; and
- delays or unanticipated costs, including those related to the foregoing.

As a result of these and other difficulties, we may be unable to develop potential product candidates using our intellectual property, and our potential products in development may not receive regulatory approvals in a timely manner or at all. If we do not acquire or develop product candidates, if any of our product candidates are not approved in a timely manner or at all, or if any of our product candidates, when acquired or developed and approved, cannot be successfully manufactured and commercialized, our operating results would be adversely affected. In addition, we may not recoup our investment in developing products, even if we are successful in commercializing those products. Our business expenditures may not result in the successful acquisition, development, or commercialization of products that will prove to be commercially successful or result in the long-term profitability of our business.



Table of Contents

***We are an early-stage, pre-commercial company with a limited operating history, which may hinder our ability to successfully generate revenues and meet our objectives.***

We are an early-stage, pre-commercial company with only a limited operating history upon which to base an evaluation of our current business and future prospects and how we will respond to competitive, financial, or technological challenges. Although we plan to investigate licensing and partnering opportunities, we are not currently planning on generating any significant near term revenue; therefore, the income potential of our business is unproven. In addition, because of our limited operating history, we have limited insight into trends that may emerge and affect our business. Errors may be made in predicting and reacting to relevant business trends and we will

be subject to the risks, uncertainties, and difficulties frequently encountered by early-stage companies in evolving markets. We may not be able to successfully address any or all of these risks and uncertainties. Failure to adequately do so could cause our business, results of operations, and financial condition to suffer or fail.

We have not commercialized any of our product candidates. Our ability to generate revenues from any of our product candidates will depend on a number of factors, including our ability to successfully complete clinical trials, obtain necessary regulatory approvals, and negotiate arrangements with third parties to help finance the development of, and market and distribute, any product candidate that receives regulatory approval. In addition, even if we achieve regulatory approval for one or more of our product candidates, we will be subject to the risk that the marketplace may not accept our products in sufficient levels for us to achieve profitability, or at all.

***Our failure to successfully develop, acquire, and market additional product candidates or approved products would impair our ability to grow.***

Our business plan includes the expansion of our clinical pipeline and our product portfolio through the acquisition, in-license, development and/or marketing of additional products and product candidates. The success of our efforts to expand our clinical pipeline and to build our product portfolio will depend in significant part on our ability to successfully identify, select and acquire promising product candidates and products.

The process of proposing, negotiating and implementing a license or acquisition of a product candidate or approved product can be lengthy and complex. Other companies, including many of our competitors with substantially greater financial, marketing and sales resources, may compete with us for the license or acquisition of product candidates and approved products. Our experience in making acquisitions, entering collaborations and in-licensing product candidates is limited, and we have limited resources to identify and execute the acquisition or in-licensing of third-party products, businesses and technologies and integrate them into our current infrastructure. We may incorrectly judge the value or worth of an acquired or in-licensed product candidate, approved product or other asset. Moreover, we may devote resources to potential acquisitions or in-licensing opportunities that are never completed, or we may fail to realize the anticipated benefits of such efforts. We may not be able to acquire the rights to additional product candidates on terms that we find acceptable, or at all.

In addition, future acquisitions may entail numerous operational and financial risks, including:

- exposure to unknown liabilities;
- disruption of our business and diversion of our management's time and attention to manage the acquisition and develop acquired products or technologies;
- incurrence of substantial debt or dilutive issuances of securities to pay for acquisitions;
- higher than expected acquisition and integration costs;
- increased amortization expenses;
- difficulty and cost in combining the operations and personnel of any acquired business with our operations and personnel;
- impairment of relationships with key suppliers or customers of any acquired business due to changes in management and ownership; and
- inability to retain key employees of any acquired business.

***Any collaboration arrangement that we have entered into or may enter into in the future may not be successful, which could adversely affect our ability to develop and commercialize our current and potential future product candidates.***

We may seek collaboration arrangements with pharmaceutical or biotechnology companies for the development or commercialization of our current and potential future product candidates, including our pursuit of combination trials to develop and commercialize our product candidates as combination products. Drug/device combination products are particularly complex, expensive and time-consuming to develop due to the number of variables involved in the final product design, including ease of patient and doctor use, maintenance of clinical efficacy, reliability and cost of manufacturing, regulatory approval requirements and



Table of Contents

standards and other important factors. Thereafter, such products face continued risk and uncertainty related to manufacturing and supply until the commercial supply chain is validated and proven.

We will face, to the extent that we decide to enter into collaboration agreements, significant competition in seeking appropriate collaborators. Moreover, collaboration arrangements are complex and time-consuming to negotiate, document and implement. We may not be successful in our efforts to establish and implement collaborations or other alternative arrangements should we choose to enter into such arrangements, or the terms of such arrangements may not be favorable to us. If and when we collaborate with a third party for development and commercialization of a product candidate, we can expect to relinquish some or all of the control over the future success of that product candidate to the third party. The success of our collaboration arrangements will depend heavily on the efforts and activities of our collaborators, who would likely have significant discretion in determining the efforts and resources that they will apply to these collaborations.

Disagreements between parties to a collaboration arrangement regarding clinical development and commercialization matters can lead to delays in the development process or commercializing the applicable product candidate and, in some cases, termination of the collaboration arrangement. These disagreements can be difficult to resolve if neither party has final decision-making authority. Collaborations with third parties often are terminated or allowed to expire by the third party, which would adversely affect us financially and could harm our business reputation.

***Future growth could strain our resources, and if we are unable to manage our growth, we may not be able to successfully implement our business plan.***

Our business plan includes the continued growth of our operations, which could place a significant strain on our management, administrative, operational, and financial infrastructure. Our future success will depend, in part, upon the ability of our executive officers to manage growth effectively. This will require that we hire and train additional personnel to support our expanding operations. In addition, we must continue to improve our operational, financial, and management controls and our reporting systems and procedures. If we fail to successfully manage our growth, we may be unable to execute upon our business plan.

***If we are unable to successfully recruit and retain qualified personnel, we may not successfully grow or maintain our business.***

In order to successfully implement and manage our business plan, we will depend upon, among other things, successfully recruiting and retaining qualified executives, managers and other employees having relevant experience in the biotechnology industry. Competition for qualified individuals is intense, particularly in our geographical location where there are several larger, more established biotechnology companies that compete with us for talent. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to support us. If we are not able to find, attract, and retain qualified personnel on acceptable terms and in a timely manner to coincide with our growth, we may not be able to successful grow or maintain our business and our business operations and prospects could suffer.

Additionally, although we have employment agreements with each of our executive officers, these agreements are terminable by them at will and we may not be able to retain any one or more of our executives. The loss of the services of any one or more members of our senior management team could (i) disrupt or divert our focus from pursuing our business plan while we seek to recruit other executives, (ii) impact the perceptions of our employees, partners and investors regarding our business and prospects, and (iii) delay or prevent the development and commercialization of our product candidates. These and other potential consequences could cause significant harm to our business, especially to the extent that we are not able to recruit suitable replacements in a timely manner.

***We must rely on third parties to conduct our clinical trials. If these third parties do not successfully carry out their duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.***

We have entered into, and expect to continue to enter into, agreements with third-party clinical research organizations, or CROs, to conduct our clinical trials. We currently rely on these parties for the execution of our clinical and pre-clinical studies, and control only certain aspects of their activities. We, and our CROs, are required to comply with the current FDA Code of Federal Regulations for Conducting Clinical Trials and Good Clinical Practice, or GCP, and International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use, or ICH, guidelines. The FDA enforces these GCP regulations through periodic inspections of trial sponsors, principal investigators, CRO trial sites, laboratories, and any entity having to do with the completion of the study protocol and processing of data. If we, or our CROs, fail to comply with applicable GCP regulations, the data generated in our clinical trials may be deemed unreliable and the FDA may require us to perform additional



Table of Contents

clinical trials before approving our marketing applications. Upon inspection, the FDA and similar foreign regulators may determine that our clinical trials are not compliant with GCP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

If any of our relationships with third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs on commercially reasonable terms, on a timely basis, or at all. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. As a result, our results of operations and the commercial prospects for our product candidates could be harmed, our costs could increase and our ability to generate additional revenues could be delayed.

***We may incur liability if our promotions of product candidates are determined, or are perceived to be inconsistent with regulatory guidelines.***

The FDA provides guidelines with respect to appropriate product promotion and continuing medical and health education activities. Although we endeavor to follow these guidelines, the FDA or the Office of the Inspector General: U.S. Department of Health and Human Services may disagree, and we may be subject to significant liability, including civil and administrative remedies as well as criminal sanctions. In addition, management’s attention could be diverted and our reputation could be damaged.

***If we and the contract manufacturers upon whom we rely fail to produce our systems and product candidates in the volumes that we require on a timely basis, or fail to comply with stringent regulations, we may face delays in the development and commercialization of our electroporation equipment and product candidates.***

We currently assemble certain components of our electroporation systems, which is our delivery mechanism for our biologic to a patient's cell. We utilize the services of contract manufacturers to manufacture the remaining components of these systems and our product supplies for clinical trials. We expect to increase our reliance on third party manufacturers if and when we commercialize our product candidates and systems. The manufacture of our systems and product supplies requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers often encounter difficulties in production, particularly in scaling up for commercial production. These problems include difficulties with production costs and yields, quality control, including stability of the equipment and product candidates and quality assurance testing, shortages of qualified personnel, as well as compliance with strictly enforced federal, state and foreign regulations. If we or our manufacturers were to encounter any of these difficulties or our manufacturers otherwise fail to comply with their obligations to us, our ability to provide our electroporation equipment to our partners and products to patients in our clinical trials or to commercially launch a product would be jeopardized. Any delay or interruption in the supply of clinical trial supplies could delay the completion of our clinical trials, increase the costs associated with maintaining our clinical trial program, and, depending upon the period of delay, require us to commence new trials at significant additional expense or terminate the trials completely.

In addition, all manufacturers of our products must comply with cGMP requirements enforced by the FDA through its facilities inspection program. These requirements include, among other things, quality control, quality assurance, and the generation and maintenance of records and documentation. Manufacturers of our products may be unable to comply with these cGMP requirements and with other FDA, state, and foreign regulatory requirements. We have little control over our manufacturers' compliance with these regulations and standards. A failure to comply with these requirements may result in fines and civil penalties, suspension of production, suspension or delay in product approval, product seizure or recall, or withdrawal of product approval. If the safety of any product is compromised due to our or our manufacturers' failure to adhere to applicable laws or for other reasons, we may not be able to obtain regulatory approval for or successfully commercialize our products, and we may be held liable for any injuries sustained as a result. Any of these factors could cause a delay of clinical trials, regulatory submissions, approvals, or commercialization of our products, entail higher costs, or result in our being unable to effectively commercialize our products. Furthermore, assuming we are successful in commercializing one or more of our product candidates, if our manufacturers fail to deliver the required commercial quantities on a timely basis, pursuant to provided specifications and at commercially reasonable prices, we may be unable to meet demand for our products and would lose potential revenues.

***We may not be successful in executing our strategy for the commercialization of our product candidates. If we are unable to successfully execute our commercialization strategy, we may not be able to generate significant revenue.***

We intend to advance a commercialization strategy that leverages previous in-depth clinical experiences, previous CE (Conformité Européene) approvals, and late stage clinical studies in the United States. This strategy includes seeking approval from the FDA to initiate pivotal registration studies in the United States for select rare cancers that have limited, adverse, or no therapeutic alternatives. This strategy also includes expanding the addressable markets for our therapies through the addition of relevant



Table of Contents

indications. Our commercialization plan also includes partnering and/or co-developing our technology in developing geographic locations, such as Eastern Europe and Asia, where local resources are best leveraged and appropriate collaborators can be secured.

We may not be able to implement a commercialization strategy as we have planned. Further, we have not proven our ability to succeed in the biotechnology industry and are not certain that our implementation strategy, if implemented correctly, would lead to significant revenue. If we are unable to successfully implement our commercialization plans and drive adoption by patients and physicians of our potential future products through our sales, marketing, and commercialization efforts, then we will not be able to generate significant revenue which will have a material adverse effect on our business, results of operations, financial condition, and prospects.

***If any product candidate for which we receive regulatory approval does not achieve broad market acceptance or coverage by third-party payors, our revenues may be limited.***

The commercial success of any potential product candidates for which we obtain marketing approval from the FDA or other regulatory authorities will depend upon the acceptance of these products by physicians, patients, healthcare payors, and the medical community. Coverage and reimbursement of our approved product by third-party payors is also necessary for commercial success. The degree of market acceptance of any potential product candidates for which we may receive regulatory approval will depend on a number of factors, including:

- our ability to provide acceptable evidence of safety and efficacy;
- acceptance by physicians and patients of the product as a safe and effective treatment;
- the prevalence and severity of adverse side effects;
- limitations or warnings contained in a product's FDA-approved labeling;
- the clinical indications for which the product is approved;
- availability and perceived advantages of alternative treatments;
- any negative publicity related to our or our competitors' products;
- the effectiveness of our or any current or future collaborators' sales, marketing, and distribution strategies;
- pricing and cost effectiveness;
- our ability to obtain sufficient third-party payor coverage or reimbursement; and
- the willingness of patients to pay out of pocket in the absence of third-party payor coverage.

Cost containment is a primary trend in the U.S. healthcare industry. Third-party payors have attempted to control costs by

limiting coverage and the amount of reimbursement for particular products and procedures. Increasingly, third-party payors are requiring that companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot assure you that coverage and reimbursement will be available for any product that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Coverage and reimbursement may impact the demand for, or the price of, any product for which we obtain marketing approval. If coverage and reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any product candidate that we successfully develop.

In addition, the regulations that govern marketing approvals, pricing, coverage and reimbursement for new therapeutic products vary widely from country to country. Some countries require approval of the sale price of a product before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain regulatory approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the product and negatively impact the revenue we are able to generate from the sale of the product in that country.

Our efforts to educate the medical community and third-party payors on the benefits of any of our potential product candidates may require significant resources and may never be successful. If our potential products do not achieve an adequate level of acceptance by physicians, third-party payors, and patients, physicians may not choose to utilize our product and we may not generate sufficient revenue from these products to become or remain profitable.

***In order to market our proprietary products, we may choose to establish our own sales, marketing, and distribution capabilities, and if we have problems establishing these capabilities, the commercialization of our products would be impaired.***

We may choose to establish our own sales, marketing, and distribution capabilities to market products to our target markets. Developing these capabilities will require significant expenditures on personnel and infrastructure. While we intend to market products that are aimed at a small patient population, we may not be able to create an effective sales force around even a niche market.



Table of Contents

In addition, some of our product candidates may require a large sales force to call on, educate, and support physicians and patients. We may desire in the future to enter into collaborations with one or more pharmaceutical companies to sell, market, and distribute such products, but we may not be able to enter into any such arrangement on acceptable terms, if at all. Any collaboration we do enter into may not be effective in generating meaningful product royalties or other revenues for us.

***Extensive industry regulation has had, and will continue to have, a significant impact on our business, especially our product development, manufacturing, and distribution capabilities.***

All biotechnology companies are subject to extensive, complex, costly, and evolving government regulation. For the U.S., these regulations are principally administered by the Food and Drug Administration, or FDA, and to a lesser extent by the United States Drug Enforcement Agency, or DEA, and state government agencies, as well as by various regulatory agencies in foreign countries where products or product candidates are being manufactured and/or marketed. The Federal Food, Drug and Cosmetic Act, the Controlled Substances Act, and other federal statutes and regulations, and similar foreign statutes and regulations, govern or influence the testing, manufacturing, packing, labeling, storing, record keeping, safety, approval, advertising, promotion, sale, and distribution of our products. Under these regulations, we may become subject to periodic inspection of our facilities, procedures, and operations and/or the testing of our product candidates and products by the FDA, the DEA, and other authorities, which conduct periodic inspections to confirm that we are in compliance with all applicable regulations. In addition, the FDA and foreign regulatory agencies conduct pre-approval and post-approval reviews and plant inspections to determine whether our systems and processes are in compliance with cGMP and other regulations. Following such inspections, the FDA or other agency may issue observations, notices, citations, and/or warning letters that could cause us to modify certain activities identified during the inspection. To the extent that we successfully commercialize any product, we may also be subject to ongoing FDA obligations and continued regulatory review with respect to manufacturing, processing, labeling, packaging, distribution, storage, advertising, promotion, and recordkeeping for the product. Additionally, we may be required to conduct potentially costly post-approval studies and report adverse events associated with our products to the FDA and other regulatory authorities. Unexpected or serious health or safety concerns would result in labeling changes, recalls, market withdrawals, or other regulatory actions.

The range of possible sanctions includes, among others, FDA issuance of adverse publicity, product recalls or seizures, fines, total or partial suspension of production and/or distribution, suspension of the FDA's review of product applications, enforcement actions, injunctions, and civil or criminal prosecution. Any such sanctions, if imposed, could have a material adverse effect on our business, operating results, financial condition, and cash flows. Under certain circumstances, the FDA also has the authority to revoke previously granted drug approvals. Similar sanctions as detailed above may be available to the FDA under a consent decree, depending upon the actual terms of such decree. If internal compliance programs do not meet regulatory agency standards or if compliance is deemed deficient in any significant way, it could materially harm our business.

Moreover, the regulations, policies, or guidance of the FDA or other regulatory agencies may change and new or additional statutes or government regulations may be enacted that could prevent or delay regulatory approval of our product candidates or further restrict or regulate post-approval activities. If we are not able to achieve and maintain regulatory compliance, we may not be permitted to market our potential product candidates, which would adversely affect our ability to generate revenue and achieve or maintain profitability.

***If we fail to comply with applicable healthcare laws and regulations, we could face substantial penalties and our business, operations,***

***prospects and financial condition could be adversely affected.***

Certain federal and state healthcare laws and regulations may be applicable to our business, including:

- the federal healthcare program Anti-Kickback Statute, which prohibits, among other things, people from soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual, for an item or service or the purchasing or ordering of a good or service, for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs;
- federal false claims laws which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid, or other third-party payors that are false or fraudulent;
- the Patient Protection and Affordable Care Act, or ACA, expands the government's investigative and enforcement authority and increases the penalties for fraud and abuse, including amendments to both the False Claims Act and the Anti-Kickback Statute to make it easier to bring suit under those statutes;
- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which prohibits executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters and which also imposes certain requirements relating to the privacy, security and transmission of individually identifiable health information;
- the Federal Food, Drug and Cosmetic Act, which among other things, strictly regulates drug product marketing, prohibits manufacturers from marketing drug products for off-label use and regulates the distribution of drug samples; and



Table of Contents

- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by Health Insurance Portability and Accountability Act, or HIPAA, thus complicating compliance efforts.

Additionally, the compliance environment is changing, with more states, such as California and Massachusetts, mandating implementation of compliance programs, compliance with industry ethics codes, and spending limits, and other states, such as Vermont, Maine, and Minnesota requiring reporting to state governments of gifts, compensation, and other remuneration to physicians. Under the ACA, pharmaceutical companies must record any transfers of value made to doctors and teaching hospitals and to disclose such data to the U.S. Department of Health and Human Services, or HHS. These laws all provide for penalties for non-compliance. The shifting regulatory environment, along with the requirement to comply with multiple jurisdictions with different compliance and/or reporting requirements, increases the possibility that a company may run afoul of one or more laws. It also may adversely affect:

- our ability to set a price we believe is fair for our products;
- our ability to generate revenues and achieve or maintain profitability;
- the availability of capital; and
- our ability to obtain timely approval of our products.

Further, even though we do not and will not control referrals of healthcare services or bill directly to third-party payors, certain federal and state healthcare laws and regulations pertaining to fraud and abuse and patients' rights may be applicable to our business. We could be subject to healthcare fraud and abuse and patient privacy regulation by both the federal government and the states in which we conduct our business. To the extent that any product we make is sold in a foreign country, we also may be subject to foreign laws and regulations.

If we or our operations are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment or restructuring of our operations. Any penalties, damages, fines, curtailment or restructuring of our operations could adversely affect our ability to operate our business and our financial results. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. Moreover, achieving and sustaining compliance with applicable federal and state privacy, security and fraud laws may prove costly and have a significant adverse effect on us.

***We face potential product liability exposure and if successful claims are brought against us, we may incur substantial liability.***

The clinical use of our product candidates exposes us to the risk of product liability claims. Any side effects, manufacturing defects, misuse, or abuse associated with our product candidates could result in injury to a patient or even death. In addition, a liability claim may be brought against us even if our product candidates merely appear to have caused an injury. Product liability claims may be brought against us by consumers, healthcare providers, pharmaceutical companies, or others coming into contact with our product candidates, among others.

Regardless of merit or potential outcome, product liability claims against us may result in, among other effects, the inability to commercialize our product candidates, impairment of our business reputation, withdrawal of clinical trial participants, and distraction of management's attention from our primary business. If we cannot successfully defend ourselves against product liability claims we could incur substantial liabilities.

***The biotechnology industry is highly competitive and our competitors tend to be larger and have been in business longer than us.***

The biotechnology industry has an intensely competitive environment that will require an ongoing, extensive search for

technological innovations and the ability to market products effectively, including the ability to communicate the effectiveness, safety, and value of products to healthcare professionals in private practice, group practices, and payors in managed care organizations, group purchasing organizations, and Medicare & Medicaid services.

We face competition from a number of sources, including large pharmaceutical companies, biotechnology companies, academic institutions, government agencies and private and public research institutions. We are smaller than almost all of our competitors. Most of our competitors have been in business for a longer period of time than us, have a greater number of products on the market, and have greater financial and other resources than we do. Furthermore, recent trends in this industry are that large drug companies are consolidating into a smaller number of very large entities, which further concentrates financial, technical, and market strength and increases competitive pressure in the industry.



Table of Contents

Our competitors may obtain regulatory approval of their products more rapidly than we are able to or may obtain patent protection or other intellectual property rights that limit or block us from developing or commercializing our product candidates. If we are able to obtain regulatory approval of our product candidates or any assets we may acquire in the future, we will face competition from products currently marketed by larger competitors that address our targeted indications. If we directly compete with these very large entities for the same markets and/or products, their financial strength could prevent us from capturing a share of those markets. Our competitors may also develop products that are more effective, more useful, better tolerated, subject to fewer or less severe side effects, more widely prescribed or accepted, or less costly than ours and may also be more successful than us in manufacturing and marketing their products.

We also face competition from product candidates that are or could be under development. We expect our product candidates, if approved and commercialized, to compete on the basis of, among other things, product efficacy and safety, time to market, price, patient reimbursement by third-party payors, extent of adverse side effects, and convenience of treatment procedures. We may not be able to effectively compete in one or more of these areas.

If we are unable to compete effectively with the marketed therapeutics of our competitors or if such competitors are successful in developing products that compete with our potential product candidates, our business, results of operations, financial condition, and prospects may be materially adversely affected.

***We may engage in strategic transactions that could impact our liquidity, increase our expenses, and present significant distractions to our management.***

From time to time we may consider engaging in strategic transactions, such as acquisitions of companies, asset purchases and out-licensing or in-licensing of products, product candidates or technologies. Any such transaction may require us to incur non-recurring or other charges, may increase our near and long-term expenditures, and may pose significant integration challenges or disrupt our management or business, which could adversely affect our operations and financial results. For example, these transactions may entail numerous operational and financial risks, including, among others, exposure to unknown liabilities, disruption of our business and diversion of our management's time and attention in order to develop acquired products, product candidates, or technologies, difficulty and cost in combining the operations and personnel of any acquired businesses with our operations and personnel, and inability to retain key employees of any acquired businesses. Further, such transactions could result in substantial dilution of our stockholders. Accordingly, although we may not choose to undertake or may not be able to successfully complete any transactions of the nature described above, any transactions that we do complete could have a material adverse effect on our business, results of operations, financial condition, and prospects.

***Our business and operations would suffer in the event of cyber-attacks or system failures.***

Despite the implementation of security measures, our internal computer systems and those of our current and any future partners, contractors, and consultants are vulnerable to damage from cyber-attacks, computer viruses, unauthorized access, natural disasters, terrorism, war, and telecommunication and electrical failures. System failures, accidents, or security breaches could cause interruptions in our operations, and could result in a material disruption of our commercialization activities, development programs and our business operations, in addition to possibly requiring substantial expenditures of resources to remedy. The loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the commercialization of any potential product candidate could be delayed.

***If we fail to maintain an effective system of internal controls, we may not be able to accurately report our financial results. As a result, current and potential stockholders could lose confidence in our financial reporting, which would harm our business.***

Effective internal controls are necessary for us to provide reliable financial reports. If we cannot provide reliable financial reports, our operating results could be misstated, our reputation may be harmed, and the trading price of our stock could be negatively affected. Our controls over financial processes and reporting may not continue to be effective, or we may identify significant deficiencies or material weaknesses in our internal controls in the future. Any failure to remediate any significant deficiencies or material weaknesses or to implement required new or improved controls, or difficulties encountered in their implementation, could harm our operating results, cause us to fail to meet our reporting obligations, or result in material misstatements in our financial statements or other public disclosures. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock.

Table of Contents

***Maintaining compliance with our obligations as a public company may strain our resources and distract management, and if we do not remain compliant our stock price may be adversely affected.***

We are required to evaluate our internal control systems in order to allow management to report on our internal controls as required by Section 404 of the Sarbanes-Oxley Act of 2002, and our management is required to attest to the adequacy of our internal controls. The U.S. Financial Accounting Standards Board and International Accounting Standards Board have been working together since 2002 to achieve convergence of and U.S. generally accepted accounting principles, or GAAP, and International Financial Reporting Standards, or IFRS. As GAAP and IFRS converge into a single set of high quality standards, implementing the new standards could require us to make adjustments to our previously reported financial statements and could require us to make significant investments in training, hiring, consulting, and information technology, among other investments. All of these and other reporting requirements and heightened corporate governance obligations that we face, or will face, will further increase the cost to us, perhaps substantially, of remaining compliant with our obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and other applicable laws, including the Sarbanes-Oxley Act and the Dodd-Frank Act of 2010. In addition, we are an "accelerated filer", which generally increases our reporting obligations and compliance costs as a public company.

***We may not be able to realize value from, or otherwise preserve and utilize, our net operating loss (NOL) carryforwards.***

Significant equity restructuring often results in an Internal Revenue Section 382 ownership change that limits the future use of net operating loss (NOL) carryforwards and other tax attributes. In the event that we undergo such an ownership change, our NOL carryforwards generated prior to the ownership change would be subject to annual limitations, which could reduce, eliminate, or defer the utilization of these losses. Further, the recognition and measurement of our NOL carryforwards may include estimates and judgments by our management, and the Internal Revenue Service has not audited or otherwise validated the amount of our NOL carryforwards. Additionally, legislative changes could negatively impact our ability to use any tax benefits associated with our NOL carryforwards. If we put in place limitations on ownership of our common stock or adopt a shareholder rights plan to preserve our ability to use NOL carryforwards, this could deter potential buyers of our common stock and adversely impact the trading price of our common stock.

***We have participated in, and continue to participate in, clinical trials conducted under an approved investigator-sponsored investigational new drug (IND) application and correspondence and communication with the FDA pertaining to these trials will strictly be between the investigator and the FDA.***

We have participated in, and continue to participate in, clinical trials conducted under an approved investigator-sponsored investigational new drug (IND) application. Regulations and guidelines imposed by the FDA with respect to IND applications include a requirement that the sponsor of a clinical trial provide ongoing communication with the agency as it pertains to safety of the treatment. This communication can be relayed to the agency in the form of safety reports, annual reports, or verbal communication at the request of the FDA. Accordingly, it is the responsibility of each investigator (as the sponsor of the trial) to be the point of contact with the FDA. The communication and information provided by the investigator may not be appropriate and accurate, and the investigator has the ultimate responsibility and final decision-making authority with respect to submissions to the FDA. This may result in reviews, audits, delays, or clinical holds by the FDA ultimately affecting the timelines for these studies and potentially risking the completion of these trials.

***Our licensed intellectual property may not provide us with sufficient rights and may not prevent competitors from pursuing similar technology.***

We have acquired the use of certain technology and related assets from the University of South Florida, or USF, pursuant to an exclusive milestone and royalty bearing license. US8,026,223 covers our current therapeutic method. Patents have also been granted in Australia, and applications are pending in Canada, China, Japan, and Korea. This patent family will expire between 2025 and 2027. Method-of-use patents protect the use of a product for the specified method. This type of patent does not prevent a competitor from making and marketing a product that is identical to our product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for our targeted indications, physicians may prescribe these products off-label. Although off-label prescriptions may infringe or contribute to the infringement of method-of-use patents, the practice is common and such infringement is difficult to prevent or prosecute.

We have entered into a cross-license agreement for certain electroporation technology with Inovio. Under the terms of the cross-license agreement, Inovio granted to us a non-exclusive, worldwide license to certain electroporation patents held by Inovio. In exchange, we granted to Inovio an exclusive license to our acquired technology in a limited field of use. While we do not currently substantially rely on the intellectual property we have non-exclusively licensed from Inovio, our product candidates may, in the future, utilize this intellectual property. This license is non-exclusive and Inovio may use its technology to compete with us. As there are no restrictions on Inovio's ability to license their technology to others, Inovio could license to others, including our competitors, the



Table of Contents

intellectual property rights covered by their license to us, including any of our improvements to the licensed intellectual property. Either party may terminate the cross-license agreement with 30 days' notice; and, if either party were to terminate the cross-license agreement, they would no longer have the right to use intellectual property that is subject to the cross license.

***We may incur substantial costs as a result of litigation or other proceedings relating to protection of our patent and other intellectual property rights, and we may be unable to successfully protect our rights to our potential products and technology.***

If we choose to go to court to stop a third party from using the inventions claimed by our patents, that third party may ask the court to rule that the patents are invalid and/or should not be enforced. Even if we were successful in stopping the infringing activity, these lawsuits are expensive and could consume time and other resources. In addition, the court could decide that our patents are not valid and that we do not have the right to stop others from making, using, or selling the inventions claimed by the patents.

Additionally, even if the validity of these patents is upheld, the court could refuse to stop a third party's infringing activity on the ground that such activities do not infringe our patents. The U.S. Supreme Court has recently revised certain tests regarding granting patents and assessing the validity of patents, making it more difficult to obtain patents. As a consequence, issued patents may be found to contain invalid claims according to the newly revised standards. Some of our patents may be subject to challenge and subsequent invalidation or significant narrowing of claim scope in a reexamination proceeding, or during litigation, under the revised criteria.

***Third parties may claim that we infringe their proprietary rights and may prevent us from manufacturing and selling some of our products.***

The manufacture, use and sale of new products that are the subject of conflicting patent rights have been the subject of substantial litigation in the biotechnology industry relating to the validity and infringement of patents or proprietary rights of third parties. Litigation may be costly and time-consuming and could divert the attention of our management and technical personnel. In addition, if we infringe on the rights of others, we could lose our right to develop, manufacture, or market products or could be required to pay monetary damages or royalties to license proprietary rights from third parties. Although the parties to patent and intellectual property disputes in the biotechnology industry have often settled their disputes through licensing or similar arrangements, the costs associated with these arrangements may be substantial and could include ongoing royalties. Furthermore, we cannot be certain that the necessary licenses would be available to us on commercially reasonable terms or at all. As a result, an adverse determination in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from manufacturing and selling our products, and could have a material adverse effect on our business, results of operations, financial condition, and cash flows.

***Our common stock has low trading volume and the price of our common stock has been, and will likely continue to be, highly volatile.***

Trading of our common stock is frequently highly volatile, with low trading volume. We have experienced, and are likely to continue experiencing, significant fluctuations in the stock price and trading volume. There is no assurance that a sufficient market will develop in our stock, in which case it could be difficult for stockholders to sell their stock. Furthermore, the volatility of our stock price could negatively impact our ability to raise capital or acquire businesses or technologies.

In addition to the risks and uncertainties described in this section of this Annual Report, other factors affecting the trading price and trading volume of our common stock may include:

- adverse research and development or clinical trial results;
- conducting open-ended clinical trials which could lead to results (success or setbacks) being obtained by the public prior to a formal announcement by us;
- our inability to obtain additional capital;
- announcement that the FDA denied our request to approve our products for commercialization in the United States, or similar denial by other regulatory bodies which make independent decisions outside the United States;
- potential negative market reaction to the terms or volume of any issuance of shares of our stock to new investors or service providers;
- sales of substantial amounts of our common stock, or the perception that substantial amounts of our common stock will be sold, by our stockholders in the public market;
- declining working capital to fund operations, or other signs of apparent financial uncertainty;
- significant advances made by competitors that adversely affect our potential market position; and
- the loss of key personnel and the inability to attract and retain additional highly-skilled personnel.



Table of Contents

***If we issue additional shares in the future, our existing stockholders will be diluted.***

Our articles of incorporation authorize the is suance of up to 160,000,000 shares of common stock with a par value of $0.0001 per share. In addition to capital raising activities, other possible business and financial uses for our authorized common stock include, without limitation, future stock splits, acquiring other companies, businesses, or products in exchange for shares of common stock, issuing shares of our common stock to partners in connection with strategic alliances, attracting and retaining employees by the issuance of additional securities under our various equity compensation plans, or other transactions and corporate purposes that our Board of Directors deems are in the Company's best interest. Additionally, shares of common stock could be used for anti-takeover purposes or to delay or prevent changes in control or management of the Company. We cannot provide assurances that any issuances of common stock will be consummated on favorable terms or at all, that they will enhance stockholder value, or that they will not adversely affect our business or the trading price of our common stock. The issuance of any such shares will reduce the book value per share and may contribute to a reduction in the market price of the outstanding shares of our common stock. If we issue any such additional shares, such issuance will reduce the proportionate ownership and voting power of all current stockholders. Further, such issuance may result in a change of control of our company.

***Sales of common stock by our stockholders, or the perception that such sales may occur, could depress our stock price.***

The market price of our common stock could decline as a result of sales by, or the perceived possibility of sales by, our existing stockholders. Since March 2011, we have completed a number of offerings of our common stock and warrants and as of December 1, 2015, we have issued an aggregate of 16,971,214 shares of our common stock, including common stock underlying warrants. Future sales of common stock by significant stockholders, including by those who acquired their shares in our prior offerings or who are affiliates, or the perception that such sales may occur, could depress the price of our common stock.

***If outstanding options and warrants to purchase shares of our common stock are exercised, the interests of our stockholders could be diluted.***

As of the date of this Report, we have outstanding (i) options to purchase 3,160,158 shares of common stock and (ii) warrants to purchase 3,073,675 shares of our common stock. We have not issued any shares of our common stock as a result of warrant and option exercises during the first quarter of Fiscal 2016. In addition, we have as of December 1, 2015, 638,710 shares reserved for future issuance under our 2011 compensation plan. The exercise of options and warrants, and the sale of shares underlying such options or warrants, could have an adverse effect on the market for our common stock, including the price that an investor could obtain for their shares. Investors may experience dilution in the net tangible book value of their investment upon the exercise of outstanding options and warrants granted under our stock option plans, and options and warrants that may be granted or issued in the future. In future periods, we may elect to reduce the exercise price of outstanding warrants as a means of providing additional financing to us.

***If our common stock is delisted from The Nasdaq Capital Market or we are found noncompliant, our stock's market price and liquidity could be negatively impacted.***

Our listing on The Nasdaq Capital Market ("NASDAQ") is contingent upon our meeting all the continued listing requirements. If we are found noncompliant by NASDAQ, or if our common stock is delisted from NASDAQ, our stock price could be negatively impacted, our stock's liquidity could be reduced, and our ability to raise capital in the future may be limited.

**Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**

None.

**Item 3. DEFAULTS UPON SENIOR SECURITIES.**

None.

**Item 4. MINE SAFETY DISCLOSURES.**

None.



Table of Contents

**Item 5. OTHER INFORMATION.**

None.

**Item 6. EXHIBITS**

| Exhibit Number | Description of Exhibit |
|---|---|
| 3.1 | Certificate of Incorporation of Netventory Solutions, Inc. (incorporated by reference to our Registration Statement on Form S-1, filed on September 3, 2008) |
| 3.2 | Amended and Restated Bylaws (incorporated by reference to our Current Report on Form 8-K, filed on March 6, 2012) |
| 3.3 | Articles of Merger dated February 9, 2011 (incorporated by reference to our Current Report on Form 8-K, filed on March 3, 2011) |
| 3.4 | Certificate of Change dated February 9, 2011 (incorporated by reference to our Current Report on Form 8-K, filed on March 3, 2011) |
| 3.5 | Certificate of Correction dated March 9, 2011 (incorporated by reference to our Current Report on Form 8-K, filed on March 14, 2011) |
| 3.6 | Certificate of Change dated May 12, 2015 (incorporated by reference to our Current Report on Form 8-K, filed on May 15, 2015) |
| 10.1 | Executive Employment Agreement, effective July 6, 2015, by and between the Company and Richard B. Slansky |

| | |
|---|---|
| 10.2 | Executive Employment Agreement, effective November 1, 2015, by and between the Company and Sheela Mohan-Peterson |
| 10.3 | Form of Indemnification Agreement (incorporated by reference to our Current Report on Form 8-K, filed on October 29, 2015) |
| 31.1 | Certification of Chief Executive Officer pursuant to Rules 13a-14 and 15d-14 promulgated under the Securities Exchange Act of 1934 |
| 31.2 | Certification of Principal Financial Officer pursuant to Rules 13a-14 and 15d-14 promulgated under the Securities Exchange Act of 1934 |
| 32.1 | Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2 | Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101 | Financial statements from the Quarterly Report on Form 10-Q of OncoSec Medical Incorporated for the quarter ended October 31, 2015, formatted in XBRL: (i) the Condensed Balance Sheets, (ii) the Condensed Statements of Operations, (iii) the Condensed Statements of Cash Flows, (iv) the Notes to Condensed Financial Statements. |



Table of Contents

**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.

**ONCOSEC MEDICAL INCORPORATED**

/s/ Punit Dhillon
By: Punit Dhillon
*(Principal Executive Officer)*

Dated: December 8, 2015

/s/ Richard B. Slansky
By: Richard B. Slansky
*(Principal Financial Officer)*

Dated: December 8, 2015

ONCOSEC™

**EXECUTIVE EMPLOYMENT AGREEMENT**

This Executive Employment Agreement (the "***Agreement***"), dated June 25, 2015, is between ONCOSEC MEDICAL INCORPORATED (the "***Company***") and RICHARD B. SLANSKY ("***Executive***").

## I. POSITION AND RESPONSIBILITIES

**A. Position.** Executive is employed by the Company to render services to the Company in the position of Chief Financial Officer (CFO) beginning on July 6, 2015. Executive shall perform such duties and responsibilities as are normally related to such position in accordance with the standards of the industry and any additional duties now or hereafter assigned to Executive by the Company. Executive shall abide by the rules, regulations, and practices as adopted or modified from time to time in the Company's sole discretion.

**B. Other Activities.** Except upon the prior written consent of the Company, Executive will not, during the term of this Agreement, (i) accept any other employment, or (ii) engage, directly or indirectly, in any other business activity (whether or not pursued for pecuniary advantage) in either case that might interfere with Executive's duties and responsibilities hereunder or create a conflict of interest with the Company; provided, however, that Executive's service as a director of Hypnoz Therapeutic Devices, Inc., Matterhorn Shoppes, Inc. and Parabilis Space Technologies, Inc. with the duties and commitment that Executive has disclosed to the Company in writing prior to the date of this Agreement shall not require the prior written consent of the Company. For purposes of clarity, any expansion of Executive's duties or commitment at the three companies specified in the preceding sentence or any additional Board service by Executive shall require the prior written consent of the Company.

**C. No Conflict.** Executive represents and warrants that Executive's execution of this Agreement, employment with the Company, and the performance of Executive's proposed duties under this Agreement shall not violate any obligations Executive may have to any other employer, person or entity, including any obligations with respect to proprietary or confidential information of any other person or entity.

## II. COMPENSATION AND BENEFITS

**A. Base Salary.** In consideration of the services to be rendered under this Agreement, the Company shall pay Executive a salary at the rate of Two Hundred Eighty Thousand Dollars ($280,000) per year ("***Base Salary***"). The Base Salary shall be paid in accordance with the Company's regularly established payroll practice. Executive's Base Salary will be reviewed from time to time in accordance with the established procedures of the Company for adjusting salaries for similarly situated employees and may be adjusted in the sole discretion of the Company.

**B. Discretionary Bonus.** The Company will, within 90 days of the end of each calendar year, determine the annual bonus (the "***Discretionary Bonus***"), if any, payable to the Executive for that calendar year, based in part on the Executive's achievement of milestones agreed to by the Board or the Compensation Committee of the Board. The Executive will be entitled to a prorated Discretionary Bonus, as defined herein, for his first year of service. Within



sixty (60) days of the beginning of each calendar year, the Board or the Compensation Committee of the Board and the Executive shall agree to the Executive's milestones and the amount of bonus, potentially payable if one or more milestones are achieved. The Company may determine the amount of the Discretionary Bonus in its sole discretion and based upon its best business judgment it may pay the Discretionary Bonus in cash, shares of the Company or stock options of the Company, or any combination thereof, and it may pay the Discretionary Bonus in a lump sum within 90 days of the end of the calendar year for which the Discretionary Bonus was earned, but in no event later than March 15th. The Executive must be employed on the last day of each fiscal year in order to be eligible to receive a Discretionary Bonus for that fiscal year; provided, however, that if the Company terminates the Executive's employment without Cause prior to the last day of the relevant fiscal year, then the Company may pay a pro rata portion of the Discretionary Bonus in a single lump sum payment within 90 days of the end of the relevant fiscal year, but in no event later than March 15 of the calendar year following the calendar year in which such termination without Cause occurs and subject to the Executive's timely execution and subsequent non-revocation of the Company's standard form of release.

**C. Option Grant**. In consideration of the Executive's entering into this Agreement and as an inducement to join the Company, the Executive shall be granted a stock option (the "***Option***") to purchase from the Company 150,000 shares of the Company's common stock. This option shall be approved by the Company's board of directors and issued to Executive on Executive's start date (or the date of approval by the Company's board of directors, if later) with an exercise price equal to the fair market value of a share of the Company's Common Stock as of such date. Such award shall be governed by an option award agreement between the Executive and the Company substantially in the form attached hereto as Exhibit A (the "***Option Grant***"). Subject to terms of the Plan and the Option Grant, twenty-five percent (25%) of the Options shall vest on the expiration of the Probationary Period (as defined below) and one thirty-third (1/33th) of the remaining seventy-five percent (75%) of the Options shall vest on each monthly anniversary of the Probationary Period (as defined below). In the event of any conflict or ambiguity between this Agreement and the Plan or the Option Grant, the Plan and the

Option Grant shall govern.

**D. Benefits.** Executive shall be eligible to participate in the benefits made generally available by the Company to similarly-situated executives, in accordance with the benefit plans established by the Company, and as may be amended from time to time in the Company's sole discretion.

**E. Expenses.** The Company shall reimburse Executive for reasonable business expenses incurred in the performance of Executive's duties hereunder in accordance with the Company's expense reimbursement guidelines.

## III. AT-WILL EMPLOYMENT; TERMINATION BY COMPANY

**A. At-Will Termination by Company.** Executive's employment with the Company shall be "at-will" at all times. The Company may terminate Executive's employment with the Company at any time, without any advance notice, for any reason or no reason at all, notwithstanding anything to the contrary contained in or arising from any statements, policies or practices of the Company relating to the employment, discipline or termination of its employees. Notwithstanding anything to the contrary contained herein, the first ninety (90) days of



Executive's employment will be under a probationary period (the "***Probationary Period***"). During this Probationary Period, both the Company and Executive will determine whether Executive can perform the requirements of the job you have been assigned to. Near the end of this Probationary Period, the Company will assess your performance and decide whether further employment is warranted. Upon and after any such termination, all obligations of the Company under this Agreement shall cease, except as otherwise provided herein.

**B. Severance.** Except in situations where the employment of Executive is terminated For Cause, By Death or By Disability (as defined in Section IV below) or during the Probationary Period, in the event that (i) the Company terminates Executive's employment or (ii) Executive resigns for Good Cause (as defined in Section V below), then (a) at such time as Executive shall have provided services to the Company for at least six (6) months, Executive will be entitled to payment by the Company of an amount equal to six (6) months of Executive's then-current Base Salary, less applicable statutory deductions and withholdings, or (b) at such time as Executive shall have provided services to the Company for at least twelve (12) months, Executive will be entitled to payment by the Company of an amount equal to twelve (12) months of Executive's then-current Base Salary, less applicable statutory deductions and withholdings, ("***Severance***"), to be paid as salary continuation (and not as a lump sum) over the applicable period and in accordance with the Company's standard payroll practices. Executive's eligibility for the foregoing Severance is conditioned on Executive having first signed a release agreement in the form attached as Exhibit B. Executive shall not be entitled to any Severance if Executive's employment is terminated For Cause, By Death or By Disability (as defined in Section IV below), during the Probationary Period, if Executive has not satisfied the length of service requirements for Severance or if Executive's employment is terminated by Executive (except a resignation for Good Cause as provided in Section V.B. below).

## IV. OTHER TERMINATIONS BY COMPANY

**A. Termination for Cause.** For purposes of this Agreement, "***For Cause***" shall mean: (i) Executive commits a crime involving dishonesty, breach of trust, or physical harm to any person; (ii) Executive willfully engages in conduct that is in bad faith and materially injurious to the Company, including but not limited to, misappropriation of trade secrets, fraud or embezzlement; (iii) Executive commits a material breach of this Agreement, which breach is not cured within thirty (30) days after written notice to Executive from the Company; (iv) Executive willfully refuses to implement or follow a reasonable and lawful policy or directive of the Company, which breach is not cured within thirty (30) days after written notice to Executive from the Company; or (v) Executive engages in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally which misfeasance or malfeasance is not cured within thirty (30) days after written notice to Executive from the Company. The Company may terminate Executive's employment For Cause at any time, without any advance notice. The Company shall pay to Executive all compensation to which Executive is entitled up through the date of termination, subject to any other rights or remedies of the Company under law; and thereafter all obligations of the Company under this Agreement shall cease.

**B. By Death.** Executive's employment shall terminate automatically upon Executive's death. The Company shall pay to Executive's beneficiaries or estate, as appropriate, any compensation then due and owing. Thereafter all obligations of the Company under this



Agreement shall cease. Nothing in this Section shall affect any entitlement of Executive's heirs or devisees to the benefits of any life insurance plan or other applicable benefits.

**C. By Disability.** If Executive becomes eligible for the Company's long term disability benefits or if, in the sole opinion of the Company, Executive is unable to carry out the responsibilities and functions of the position held by Executive by reason of any physical or mental impairment for more than ninety consecutive days or more than one hundred and twenty days in any twelve-month period, then, to the extent permitted by law, the Company may terminate Executive's employment. The Company shall pay to Executive all compensation to which Executive is entitled up through the date of termination, and thereafter all obligations of the Company under this Agreement shall cease. Nothing in this Section shall affect Executive's rights under any disability plan in which Executive is a participant.

## V. TERMINATION BY EXECUTIVE

**A. At-Will Termination by Executive.** Executive may terminate employment with the Company at any time for any reason or no reason at all, upon six weeks' advance written notice. During such notice period Executive shall continue to diligently perform all of Executive's duties hereunder. The Company shall have the option, in its sole discretion, to make Executive's termination effective at any time prior to the end of such notice period as long as the Company pays Executive all compensation to which Executive is entitled up through the last day of the six week notice period. Thereafter all obligations of the Company shall cease.

**B. Good Cause**. For purposes of this Agreement, Good Cause means any one or more of the following events, unless Executive consents to such event in writing or by notifying the Company that Executive will not terminate employment on the basis of such event within thirty (30) business days thereafter:

(i) A reduction in the amount of Executive's base compensation in a manner that disproportionately adversely affects Executive, as compared to other senior Company management;

(ii) A material and adverse change in the Executive's duties, authority or responsibilities with the Company relative to the duties, authority or responsibilities in effect immediately prior to such reduction; or

(iii) Company's relocation of Executive's work site more than 30 miles from Company's headquarters without Executive's consent;

Provided, however, that in the event that any of the foregoing events is capable of being cured, Executive shall provide written notice to the Company describing the nature of such event and the Company shall have fifteen (15) business days to cure such event, and following such period if the event remains uncured Executive may resign for Good Reason and applicable Severance set forth herein shall be paid.

## VI. TERMINATION OBLIGATIONS

**A. Return of Property.** Executive agrees that all property (including without limitation all equipment, tangible proprietary information, documents, records, notes, contracts



and computer-generated materials) furnished to or created or prepared by Executive incident to Executive's employment belongs to the Company and shall be promptly returned to the Company upon termination of Executive's employment.

**B. Resignation and Cooperation.** Upon termination of Executive's employment, Executive shall be deemed to have resigned from all offices and directorships then held with the Company. Following any termination of employment, Executive shall cooperate with the Company in the winding up of pending work on behalf of the Company and the orderly transfer of work to other employees. Executive shall also cooperate with the Company in the defense of any action brought by any third party against the Company that relates to Executive's employment by the Company.

## VII. INVENTIONS AND PROPRIETARY INFORMATION; PROHIBITION ON THIRD PARTY INFORMATION

**A. Proprietary Information Agreement.** Executive agrees to enter into and be bound by the terms of the Company's Proprietary Information and Inventions Agreement ("***Proprietary Information Agreement***").

**B. Non-Solicitation.** Executive acknowledges that because of Executive's position in the Company, Executive will have access to material intellectual property and confidential information. During the term of Executive's employment and for one year thereafter, in addition to Executive's other obligations hereunder or under the Proprietary Information Agreement, Executive shall not, for Executive or any third party, directly or indirectly (i) solicit, induce, recruit or encourage any person employed by the Company to terminate his or her employment, or (ii) divert or attempt to divert from the Company any business with any customer, client, member, business partner or supplier about which Executive obtained confidential information during her employment with the Company, by using the Company's trade secrets or by otherwise engaging in conduct that amounts to unfair competition.

**C. Non-Disclosure of Third Party Information.** Executive represents and warrants and covenants that Executive shall not disclose to the Company, or use, or induce the Company to use, any proprietary information or trade secrets of others at any time, including but not limited to any proprietary information or trade secrets of any former employer, if any; and Executive acknowledges and agrees that any violation of this provision shall be grounds for Executive's immediate termination and could subject Executive to substantial civil liabilities and criminal penalties. Executive further specifically and expressly acknowledges that no officer or other employee or representative of the Company has requested or instructed Executive to disclose or use any such third party proprietary information or trade secrets.



## VIII. LIABILITY COVERAGE

The Company agrees to maintain commercially reasonable Director's and Officer's insurance as well as commercially

reasonable products-work hazard liability insurance (clinical trials insurance) covering the customary potential liabilities of the Executive in her role as officer of the Company. The coverage shall address customary liabilities specifically stemming from the Company's involvement in running clinical trials to the extent available at a reasonable cost.

**IX. ARBITRATION**

The Company and Executive agree that any dispute or controversy arising out of, relating to, or in connection with this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof shall be settled by arbitration to be held in San Diego, California, in accordance with the Judicial Arbitration and Mediation Service/Endispute, Inc. ("***JAMS***") rules for employment disputes then in effect (the "***Rules***"). The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction. The arbitrator shall award the prevailing party all reasonable costs and attorneys' fees incurred during any such proceeding. The arbitrator shall apply California law to the merits of any dispute or claim. Executive hereby expressly consents to the personal jurisdiction of the state and federal courts located in San Diego, California for any action or proceeding arising from or relating to this Agreement or relating to any arbitration in which the parties are participants. The parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without abridgment of the powers of the arbitrator. EXECUTIVE HAS READ AND UNDERSTANDS THIS SECTION, WHICH DISCUSSES ARBITRATION. EXECUTIVE UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, EXECUTIVE AGREES TO SUBMIT ANY FUTURE CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH EXECUTIVE'S EMPLOYMENT OR TERMINATION THEREOF, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE OR BREACH OF THIS AGREEMENT, TO BINDING ARBITRATION, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF EXECUTIVE'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EMPLOYER/EXECUTIVE RELATIONSHIP, INCLUDING BUT NOT LIMITED TO, DISCRIMINATION CLAIMS.

**X. AMENDMENTS; WAIVERS; REMEDIES**

This Agreement may not be amended or waived except by a writing signed by Executive and by a duly authorized representative of the Company other than Executive. Failure to exercise any right under this Agreement shall not constitute a waiver of such right. Any waiver of any breach of this Agreement shall not operate as a waiver of any subsequent breaches. All rights or remedies specified for a party herein shall be cumulative and in addition to all other rights and remedies of the party hereunder or under applicable law.



**XI. ASSIGNMENT; BINDING EFFECT**

**A. Assignment.** The performance of Executive is personal hereunder, and Executive agrees that Executive shall have no right to assign and shall not assign or purport to assign any rights or obligations under this Agreement. This Agreement may be assigned or transferred by the Company; and nothing in this Agreement shall prevent the consolidation, merger or sale of the Company or a sale of any or all or substantially all of its assets.

**B. Binding Effect.** Subject to the foregoing restriction on assignment by Executive, this Agreement shall inure to the benefit of and be binding upon each of the parties; the affiliates, officers, directors, agents, successors and assigns of the Company; and the heirs, devisees, spouses, legal representatives and successors of Executive.

**XII. NOTICES**

All notices or other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered: (a) by hand; (b) by email, (c) by a nationally recognized overnight courier service; or (d) by United States first class registered or certified mail, return receipt requested, to the principal address of the other party, as set forth below. The date of notice shall be deemed to be the earlier of (i) actual receipt of notice by any permitted means, or (ii) five business days following dispatch by overnight delivery service or the United States Mail. Executive shall be obligated to notify the Company in writing of any change in Executive's address. Notice of change of address or email shall be effective only when done in accordance with this Section.

| Company's Notice Address: | Executive's Notice Address and Email: |
|---|---|
| OncoSec Medical Incorporated<br>9810 Summers Ridge Road, Suite 110<br>San Diego, CA 92121<br>United States of America<br>Email: smohanpeterson@oncosec.com | Richard Slansky<br><br><br><br>Email: |

**XIII. SEVERABILITY**

If any provision of this Agreement shall be held by a court or arbitrator to be invalid, unenforceable, or void, such provision shall be enforced to the fullest extent permitted by law, and the remainder of this Agreement shall remain in full force and effect. In the event that the time period or scope of any provision is declared by a court or arbitrator of competent jurisdiction to exceed the maximum time period or scope that such court or arbitrator deems enforceable, then such court or arbitrator shall reduce the time period or scope to the maximum time period or scope permitted by law.

**XIV. TAXES**

All amounts paid under this Agreement shall be paid less all applicable state and federal tax withholdings (if any) and any other withholdings required by any applicable jurisdiction or authorized by Executive. Notwithstanding any other provision of this Agreement whatsoever, the Company, in its sole discretion, shall have the right to provide for the application and effects



of Section 409A of the Code (relating to deferred compensation arrangements) and any related administrative guidance issued by the Internal Revenue Service. The Company shall have the authority to delay the payment of any amounts under this Agreement to the extent it deems necessary or appropriate to comply with Section 409A(a)(2)(B)(i) of the Code (relating to payments made to certain "key employees" of publicly-traded companies); in such event, the payment(s) at issue may not be made before the date which is six (6) months after the date of Executive's separation from service, or, if earlier, the date of death.

**XV. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**XVI. INTERPRETATION**

This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. Sections and section headings contained in this Agreement are for reference purposes only, and shall not affect in any manner the meaning or interpretation of this Agreement. Whenever the context requires, references to the singular shall include the plural and the plural the singular.

**XVII. OBLIGATIONS SURVIVE TERMINATION OF EMPLOYMENT**

Executive agrees that any and all of Executive's obligations under this agreement, including but not limited to the Proprietary Information Agreement, shall survive the termination of employment and the termination of this Agreement.

**XVIII. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement, but all of which together shall constitute one and the same instrument.

**XIX. AUTHORITY**

Each party represents and warrants that such party has the right, power and authority to enter into and execute this Agreement and to perform and discharge all of the obligations hereunder; and that this Agreement constitutes the valid and legally binding agreement and obligation of such party and is enforceable in accordance with its terms.

**XX. ENTIRE AGREEMENT**

This Agreement is intended to be the final, complete, and exclusive statement of the terms of Executive's employment by the Company and may not be contradicted by evidence of any prior or contemporaneous statements or agreements, except for agreements specifically referenced herein (including the Executive Proprietary Information and Inventions Agreement). To the extent that the practices, policies or procedures of the Company, now or in the future, apply to Executive and are inconsistent with the terms of this Agreement, the provisions of this



Agreement shall control. Any subsequent change in Executive's duties, position, or compensation will not affect the validity or scope of this Agreement.

**XXI. EXECUTIVE ACKNOWLEDGEMENT**

EXECUTIVE ACKNOWLEDGES EXECUTIVE HAS HAD THE OPPORTUNITY TO CONSULT LEGAL COUNSEL CONCERNING THIS AGREEMENT, THAT EXECUTIVE HAS READ AND UNDERSTANDS THE AGREEMENT, THAT EXECUTIVE IS FULLY AWARE OF ITS LEGAL EFFECT, AND THAT EXECUTIVE HAS ENTERED INTO IT FREELY BASED ON EXECUTIVE'S OWN JUDGMENT AND NOT ON ANY REPRESENTATIONS OR PROMISES OTHER THAN THOSE CONTAINED IN THIS AGREEMENT.

**[*Remainder of Page Intentionally Left Blank*]**

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

| ONCOSEC MEDICAL INCORPORATED | RICHARD B. SLANSKY |
|---|---|
| Signature | Signature |
| By | Date |
| Title | |
| Date | |

**EXHIBIT A**

**FORM OF OPTION GRANT**

**ONCOSEC MEDICAL INCORPORATED 2015 INDUCEMENT STOCK OPTION AWARD**

**NOTICE OF STOCK OPTION AWARD**

Grantee's Name and Address: Richard B. Slansky

As an inducement material to the decision by you (the "Grantee") to accept employment with OncoSec Medical Incorporated, you have been granted an option to purchase shares of Common Stock, subject to the terms and conditions of this Notice of Stock Option Award (the "Notice") and the Stock Option Award Agreement (the "Option Agreement") attached hereto, as follows. Unless otherwise defined herein, the terms defined in the Option Agreement shall have the same defined meanings in this Notice.

| | |
|---|---|
| Award Number | |
| Date of Award | July 6, 2015 |
| Vesting Commencement Date | October 6, 2015 |
| Exercise Price per Share | $ (closing price as of July 6, 2015) |
| Total Number of Shares Subject to the Option (the "Shares") | 150,000 |
| Total Exercise Price | $ |
| Type of Option: | Non-Qualified Stock Option |
| Expiration Date: | July 6, 2025 |
| Post-Termination Exercise Period: | Three (3) Months |

Vesting Schedule:

Subject to the Grantee's Continuous Service and other limitations set forth in this Notice and the Option Agreement, the Option may be exercised, in whole or in part, in accordance with the following schedule:

25% of the Shares subject to the Option shall vest on the Vesting Commencement Date, and 75% of the Shares subject to the Option shall vest ratably on each monthly anniversary of the Vesting Commencement Date.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Notice and agree that the Option is to be governed by the terms and conditions of this Notice and the Option Agreement.

OncoSec Medical Incorporated
a Nevada corporation

By: _____

Title: _____

THE GRANTEE ACKNOWLEDGES AND AGREES THAT THE SHARES SUBJECT TO THE OPTION SHALL VEST, IF AT ALL, ONLY DURING THE PERIOD OF THE GRANTEE'S CONTINUOUS SERVICE (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER). THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS NOTICE OR THE OPTION AGREEMENT SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO FUTURE AWARDS OR CONTINUATION OF THE GRANTEE'S CONTINUOUS SERVICE, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELATED ENTITY TO WHICH THE GRANTEE PROVIDES SERVICES TO TERMINATE THE GRANTEE'S CONTINUOUS SERVICE, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. THE GRANTEE ACKNOWLEDGES THAT UNLESS THE GRANTEE HAS A WRITTEN EMPLOYMENT AGREEMENT WITH THE COMPANY TO THE CONTRARY, THE GRANTEE'S STATUS IS AT WILL.

The Grantee acknowledges receipt of a copy of the Option Agreement, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to all of the terms and provisions hereof and thereof. The Grantee has reviewed this Notice and the Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Notice, and fully understands all provisions of this Notice and the Option Agreement. The Grantee hereby agrees that all questions of interpretation and administration relating to this Notice and the Option Agreement shall be resolved by the Administrator in accordance with Section 15 of the Option Agreement. The Grantee further agrees to the venue selection in accordance with Section 16 of the Option Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated in this Notice.

Dated: _____ Signed: _____
Grantee



**Award Number:**

**ONCOSEC MEDICAL INCORPORATED 2015 INDUCEMENT STOCK OPTION AWARD**

**STOCK OPTION AWARD AGREEMENT**

1. Grant of Option. As an inducement material to the decision by Grantee (the "Grantee") named in the Notice of Stock Option Award (the "Notice") to accept employment with OncoSec Medical Incorporated, a Nevada corporation (the "Company"), the Company hereby grants to the Grantee an option (the "Option") to purchase the Total Number of Shares of Common Stock subject to the Option (the "Shares") set forth in the Notice, at the Exercise Price per Share set forth in the Notice (the "Exercise Price") subject to the terms and provisions of this Stock Option Award Agreement (the "Option Agreement") and the Notice which are incorporated herein by reference.

2. Exercise of Option.

(a) Right to Exercise. The Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the applicable provisions of this Option Agreement. The Option shall be subject to the provisions of Section 17 of this Option Agreement relating to the exercisability or termination of the Option in the event of a Corporate Transaction or Change in Control. The Grantee shall be subject to reasonable limitations on the number of requested exercises during any monthly or weekly period as determined by the Administrator. In no event shall the Company issue fractional Shares.

(b) Method of Exercise. The Option shall be exercisable by delivery of an exercise notice (a form of which is attached as Appendix A) or by such other procedure as specified from time to time by the Administrator which shall state the election to exercise the Option, the whole number of Shares in respect of which the Option is being exercised, and such other provisions as may be required by the Administrator. The exercise notice shall be delivered in person, by certified mail, or by such other method (including electronic transmission) as determined from time to time by the Administrator to the Company accompanied by payment of the Exercise Price and all applicable income and employment taxes required to be withheld. The Option shall be deemed to be exercised upon receipt by the Company of such notice accompanied by the Exercise Price and all applicable withholding taxes, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) below to the extent such procedure is available to the Grantee at the time of exercise and such an exercise would not violate any Applicable Law.

(c) Taxes. No Shares will be delivered to the Grantee or other person pursuant to the exercise of the Option until the Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of applicable income tax and employment tax withholding obligations, including, without limitation, such other tax obligations of the Grantee incident to the receipt of Shares. Upon exercise of the Option, the Company or the Grantee's

employer may offset or withhold (from any amount owed by the Company or the Grantee's employer to the Grantee) or collect from the Grantee or other person an amount sufficient to satisfy such tax withholding obligations. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Option, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

(d) Section 16(b). Notwithstanding any provision of this Option Agreement to the contrary, other than termination of the Grantee's Continuous Service for Cause, if a sale within the applicable time periods set forth in Sections 6, 7 or 8 herein of Shares acquired upon the exercise of the Option would subject the Grantee to suit under Section 16(b) of the Exchange Act, the Option shall remain exercisable until the earliest to occur of (i) the tenth (10th) day following the date on which a sale of such Shares by the Grantee would no longer be subject to such suit, (ii) the one hundred and ninetieth (190th) day after the Grantee's termination of Continuous Service, or (iii) the date on which the Option expires.

3. Grantee's Representations. Concurrently with the grant of this Option, Participant shall deliver to the Company its Investment Representation Statement in the form attached hereto as Appendix B.

4. Method of Payment. Payment of the Exercise Price shall be made by any of the following, or a combination thereof, at the election of the Grantee; provided, however, that such exercise method does not then violate any Applicable Law:

(a) cash;

(b) check;

(c) surrender of Shares held for the requisite period, if any, necessary to avoid a charge to the Company's earnings for financial reporting purposes, or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate Exercise Price of the Shares as to which the Option is being exercised;

(d) payment through a "net exercise" such that, without the payment of any funds, the Grantee may exercise the Option and receive the net number of Shares subject to the Option equal to (i) the number of Shares as to which the Option is being exercised, multiplied by (ii) a fraction, the numerator of which is the Fair Market Value per Share (on such date as is determined by the Administrator) less the Exercise Price per Share, and the denominator of which is such Fair Market Value per Share (the number of net Shares to be received shall be rounded down to the nearest whole number of Shares); or

(e) if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (i) shall provide written instructions to a Company-designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the



aggregate exercise price payable for the purchased Shares and (ii) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction.

5. Restrictions on Exercise. The Option may not be exercised if the issuance of the Shares subject to the Option upon such exercise would constitute a violation of any Applicable Laws or if the Shares subject to the Option have not been registered under the Securities Act of 1933 pursuant to an effective Registration Statement on Form S-8. Grantee acknowledges that the Company makes no representation or warranty regarding the eligibility of the Option for inclusion on a Registration Statement on Form S-8 or the likelihood that any such Registration Statement on Form S-8 will be declared effective. If the exercise of the Option within the applicable time periods set forth in Section 6, 7 and 8 of this Option Agreement is prevented by the provisions of this Section 5, the Option shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Option is exercisable, but in any event no later than the Expiration Date set forth in the Notice.

6. Termination or Change of Continuous Service. In the event the Grantee's Continuous Service terminates, the Grantee may, but only during the Post-Termination Exercise Period, exercise the portion of the Option that was vested at the date of such termination (the "Termination Date"). The Post-Termination Exercise Period shall commence on the Termination Date. In no event, however, shall the Option be exercised later than the Expiration Date set forth in the Notice. In the event of the Grantee's change in status from Employee, Director or Consultant to any other status of Employee, Director or Consultant, the Option shall remain in effect and the Option shall continue to vest in accordance with the Vesting Schedule set forth in the Notice. Except as provided in Sections 7 and 8 below, to the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the Post-Termination Exercise Period, the Option shall terminate.

7. Disability of Grantee. In the event the Grantee's Continuous Service terminates as a result of his or her Disability, the Grantee may, but only within twelve (12) months commencing on the Termination Date (but in no event later than the Expiration Date), exercise the portion of the Option that was vested on the Termination Date. To the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the time specified herein, the Option shall terminate.

8. Death of Grantee. In the event of the termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the Grantee's death during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the person who acquired the right to exercise the Option pursuant to Section 9 may exercise the portion of the Option that was vested at the date of termination within twelve (12) months commencing on the date of death (but in no event later than the Expiration Date). To the extent that the Option was unvested on the date of death, or if the vested portion of the Option is not exercised within the time specified herein, the Option shall terminate.

9. Transferability of Option. The Option may not be transferred in any manner other than by will or by the laws of descent and distribution, provided, however, that the Option may



be transferred during the lifetime of the Grantee to the extent and in the manner authorized by the Administrator. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Option in the event of the Grantee's death on a beneficiary designation form provided by the Administrator. Following the death of the Grantee, the Option, to the extent provided in Section 8, may be exercised (a) by the person or persons designated under the deceased Grantee's beneficiary designation or (b) in the absence of an effectively designated beneficiary, by the Grantee's legal representative or by any person empowered to do so under the deceased Grantee's will or under the then applicable laws of descent and distribution. The terms of the Option shall be binding upon the executors, administrators, heirs, successors and transferees of the Grantee.

10. Term of Option. The Option must be exercised no later than the Expiration Date set forth in the Notice or such earlier date as otherwise provided herein. After the Expiration Date or such earlier date, the Option shall be of no further force or effect and may not be exercised.

11. Tax Consequences. The Grantee may incur tax liability as a result of the Grantee's purchase or disposition of the Shares. THE GRANTEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.

12. Entire Agreement: Governing Law. The Notice and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice and this Option Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice and this Option Agreement are to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of the Notice or this Option Agreement be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

13. Construction. The captions used in the Notice and this Option Agreement are inserted for convenience and shall not be deemed a part of the Option for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

14. Adjustments Upon Changes in Capitalization. Subject to any required action by the stockholders of the Company and Section 17 hereof, the number of Shares covered by the Option, the exercise price of the Option, as well as any other terms that the Administrator determines require adjustment shall be proportionately adjusted for (i) any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Shares, or similar transaction affecting the Shares, (ii) any



other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company, or (iii) as the Administrator may determine in its discretion, any other transaction with respect to Common Stock including a corporate merger, consolidation, acquisition of property or stock, separation (including a spin-off or other distribution of stock or property), reorganization, liquidation (whether partial or complete) or any similar transaction; provided, however that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." In the event of any distribution of cash or other assets to stockholders other than a normal cash dividend, the Board shall also make such adjustments as provided in this Section 17 or substitute, exchange or grant an award to effect such adjustments (collectively "adjustments"). Any such adjustments to the Option will be effected in a manner that precludes the enlargement of rights and benefits under the Option. In connection with the foregoing adjustments, the Administrator may, in its discretion, prohibit the exercise of the Option or other issuance of Shares, cash or other consideration pursuant to the Option during certain periods of time. Such adjustment shall be made by the Administrator and its determination shall be final, binding and conclusive. Except as the Administrator determines, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the number or price of Shares subject to the Option.

15. Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice

or this Option Agreement shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

16. Venue. The Company, the Grantee, and the Grantee's assignees pursuant to Section 9 (the "parties") agree that any suit, action, or proceeding arising out of or relating to the Notice or this Option Agreement shall be brought in the United States District Court for the Southern District of California (or should such court lack jurisdiction to hear such action, suit or proceeding, in a California state court in the County of San Diego) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Section 15 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

17. Corporate Transaction or Change in Control

(a) Termination of Option to Extent Not Assumed in Corporate Trasaction. Effective upon the consummation of the Corporate Transaction, the Option shall terminate unless Assumed by the successor entity or its Parent.

(b) Acceleration of Award Upon Corporate Transaction or Change in Control. The Administrator shall have the authority, exercisable either in advance of any actual or anticipated Corporate Transaction or Change in Control or at the time of an actual Corporate Transaction or Change in Control or at any time while the Option remains outstanding, to provide for the full or partial automatic vesting and exercisability of the Option in connection



with a Corporate Transaction or Change in Control, on such terms and conditions as the Administrator may specify. The Administrator also shall have the authority to condition such accelerated vesting upon the subsequent termination of the Continuous Service of the Grantee within a specified period following the effective date of the Corporate Transaction or Change in Control.

(c) Termination of Continuous Status as an Employee, Director or Consultant Upon or After a Corporate Transaction. In the event the Grantee's Continuous Status as an Employee, Director or Consultant is terminated upon or after a Corporate Transaction for any reason other than by the Company or successor entity for Cause or by the Grantee without Good Reason, the Grantee (or, in the case of death, the person who acquired the right to exercise the Option as set forth in Section 8) may exercise the portion of this Option that is Assumed in connection with the Corporate Transaction within forty-eight (48) months after the date of termination. If this Option is not exercised within the time specified herein, the Option shall terminate. Notwithstanding the foregoing, in no event shall this Option be exercised later than the Expiration Date set forth in the Notice.

18. Definitions. As used herein, the following definitions shall apply:

(a) "Administrator" means the Board or any of the Committees appointed to administer this Option Agreement.

(b) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 promulgated under the Exchange Act.

(c) "Applicable Laws" means the legal requirements applicable to the Option under applicable provisions of federal securities laws, state corporate and securities laws, the Code, the rules of any applicable stock exchange or national market system, and the rules of any non-U.S. jurisdiction applicable to stock options granted to residents therein.

(d) "Assumed" means that pursuant to a Corporate Transaction either (i) the Option is expressly affirmed by the Company or (ii) the contractual obligations represented by the Option are expressly assumed (and not simply by operation of law) by the successor entity or its Parent in connection with the Corporate Transaction with appropriate adjustments to the number and type of securities of the successor entity or its Parent subject to the Option and the exercise or purchase price thereof which at least preserves the compensation element of the Option existing at the time of the Corporate Transaction as determined in accordance with the instruments evidencing the agreement to assume the Option.

(e) "Board" means the Board of Directors of the Company.

(f) "Cause" has the meaning of "For Cause" as defined in the Employment Agreement.

(g) "Change in Control" means a change in ownership or control of the Company effected through either of the following transactions:



(i) the direct or indirect acquisition by any person or related group of persons (other than an acquisition from or by the Company or by a Company-sponsored employee benefit plan or by a person that directly or indirectly controls, is controlled by, or is under common control with, the Company) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities pursuant to a tender or exchange offer made directly to the Company's stockholders which a majority of the Continuing

Directors who are not Affiliates or Associates of the offeror do not recommend such stockholders accept, or

(ii) a change in the composition of the Board over a period of thirty six (36) months or less such that a majority of the Board members (rounded up to the next whole number) ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who are Continuing Directors.

(h) "Code" means the Internal Revenue Code of 1986, as amended.

(i) "Common Stock" means the common stock of the Company.

(j) "Company" means OncoSec Medical Incorporated, a Nevada corporation, or any successor entity that adopts this Option Agreement in connection with a Corporate Transaction.

(k) "Consultant" means any person (other than an Employee or a Director, solely with respect to rendering services in such person's capacity as a Director) who is engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

(l) "Continuing Directors" means members of the Board who either (i) have been Board members continuously for a period of at least thirty-six (36) months or (ii) have been Board members for less than thirty-six (36) months and were elected or nominated for election as Board members by at least a majority of the Board members described in clause (i) who were still in office at the time such election or nomination was approved by the Board.

(m) "Continuous Status as an Employee, Director or Consultant" means that the provision of services to the Company or a Related Entity in any capacity of Employee, Director or Consultant, is not interrupted or terminated. Continuous Status as an Employee, Director or Consultant shall be deemed to have terminated either upon an actual termination of Continuous Service or upon the entity for which the Grantee provides services ceasing to be a Related Entity. Continuous Status as an Employee, Director or Consultant shall not be considered interrupted in the case of (i) any approved leave of absence, (ii) transfers between locations of the Company or among the Company, any Related Entity, or any successor in any capacity of Employee, Director or Consultant or (iii) any change in status as long as the Grantee remains in the service of the Company or a Related Entity in any capacity of Employee, Director or Consultant. An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave.



(n) "Corporate Transaction" means any of the following transactions, provided, however, that the Administrator shall determine under parts (iv) and (v) whether multiple transactions are related, and its determination shall be final, binding and conclusive:

(i) a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;

(ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company;

(iii) the complete liquidation or dissolution of the Company;

(iv) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the shares of Common Stock outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction; or

(o) acquisition in a single or series of related transactions by any person or related group of persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction.

(p) "Director" means a member of the Board.

(q) "Disability" means as defined under the long-term disability policy of the Company or the Related Entity to which the Grantee provides services regardless of whether the Grantee is covered by such policy. If the Company or the Related Entity to which the Grantee provides service does not have a long-term disability plan in place, "Disability" means that the Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. The Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion.

(r) "Employee" means any person, including an Officer or Director, who is in the employ of the Company or any Related Entity, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method

of performance. The payment of a director's fee by the Company or a Related Entity shall not be sufficient to constitute "employment" by the Company.

(s) "Employment Agreement" means the Executive Employment Agreement entered into between the Grantee and the Company, dated June 25, 2015.

(t) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(u) "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on one or more established stock exchanges or national market systems, including without limitation The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on the principal exchange or system on which the Common Stock is listed (as determined by the Administrator) on the date of determination (or, if no closing sales price or closing bid was reported on that date, as applicable, on the last trading date such closing sales price or closing bid was reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted on an automated quotation system (including the OTC Bulletin Board) or by a recognized securities dealer, its Fair Market Value shall be the closing sales price for such stock as quoted on such system or by such securities dealer on the date of determination, but if selling prices are not reported, the Fair Market Value of a share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock on the date of determination (or, if no such prices were reported on that date, on the last date such prices were reported), as reported in The Wall Street Journal or such other source as the Board deems reliable; or

(iii) In the absence of an established market for the Common Stock of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Administrator in good faith.

(v) "Good Reason" has the meaning of "Good Cause" as defined in the Employment Agreement.

(w) "Non-Qualified Stock Option" means an Option not intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(x) "Officer" means a person who is an officer of the Company or a Related Entity within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(y) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Section 424(e) of the Code.



(z) "Registration Date" means the first to occur of (i) the date the Common Stock is listed on one or more established stock exchanges or national market systems, including without limitation The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC; and (ii) in the event of a Corporate Transaction, the date of the consummation of the Corporate Transaction if the same class of securities of the successor corporation (or its Parent) issuable in such Corporate Transaction shall have been sold to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or prior to the date of consummation of such Corporate Transaction.

(aa) "Related Entity" means any Parent or Subsidiary of the Company.

(bb) "Share" means a share of the Common Stock.

(cc) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

**END OF AGREEMENT**



**APPENDIX A**

**EXERCISE NOTICE**

OncoSec Medical Incorporated
9810 Summers Ridge Road
Suite 110
San Diego, CA 92121
Attention: Secretary

1. Exercise of Option. Effective as of today, , the undersigned (the "Grantee") hereby elects to exercise the Grantee's option to purchase shares of the Common Stock (the "Shares") of OncoSec Medical Incorporated (the "Company") under and pursuant to the Stock Option Award Agreement (the "Option Agreement") and Notice of Stock Option Award (the "Notice") dated June 25, 2015. Unless otherwise defined herein, the terms defined in the Option Agreement shall have the same defined meanings in this Exercise Notice.

2. Representations of the Grantee. The Grantee acknowledges that the Grantee has received, read and understood the Notice and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

3. Rights as Stockholder. Until the stock certificate evidencing such Shares is issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such stock certificate promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 14 of the Option Agreement.

4. Delivery of Payment. The Grantee herewith delivers to the Company the full Exercise Price for the Shares, which, to the extent selected and permitted, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(e) of the Option Agreement.

5. Tax Consultation. The Grantee understands that the Grantee may suffer adverse tax consequences as a result of the Grantee's purchase or disposition of the Shares. The Grantee represents that the Grantee has consulted with any tax consultants the Grantee deems advisable in connection with the purchase or disposition of the Shares and that the Grantee is not relying on the Company for any tax advice.

6. Taxes. The Grantee agrees to satisfy all applicable foreign, federal, state and local income and employment tax withholding obligations and herewith delivers to the Company the full amount of such obligations or has made arrangements acceptable to the Company to satisfy such obligations.

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7. Successors and Assigns. The Company may assign any of its rights under this Exercise Notice to single or multiple assignees, and this agreement shall inure to the benefit of the successors and assigns of the Company. This Exercise Notice shall be binding upon the Grantee and his or her heirs, executors, administrators, successors and assigns.

8. Construction. The captions used in this Exercise Notice are inserted for convenience and shall not be deemed a part of this agreement for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

9. Administration and Interpretation. The Grantee hereby agrees that any question or dispute regarding the administration or interpretation of this Exercise Notice shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

10. Governing Law; Severability. This Exercise Notice is to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of this Exercise Notice be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

11. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.

12. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this agreement.

13. Entire Agreement. The Notice and the Option Agreement are incorporated herein by reference and together with this Exercise Notice constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Option Agreement and this Exercise Notice (except as expressly provided therein) is intended to confer any rights or remedies on any

persons other than the parties.

| | |
|---|---|
| Submitted by: | Accepted by: |
| GRANTEE: | ONCOSEC MEDICAL INCORPORATED |
| | By: _____ |
| _____ | Title: _____ |
| (Signature) | |
| Address: | Address: |
| | 9810 Summers Ridge Road, Suite 110<br>San Diego, CA 92121 |

APPENDIX B

**ONCOSEC MEDICAL INCORPORATED 2015 INDUCEMENT STOCK OPTION AWARD**

**INVESTMENT REPRESENTATION STATEMENT**

| | |
|---|---|
| GRANTEE: | RICHARD B. SLANSKY |
| COMPANY: | ONCOSEC MEDICAL INCORPORATED |
| SECURITY: | OPTIONS TO PURCHASE COMMON STOCK |
| AMOUNT: | 150,000 SHARES |
| DATE: | JULY 6, 2015 |

In connection with the above listed Options to purchase the Common Stock of OncoSec Medical Incorporated, a Nevada corporation (the "*Company*") pursuant to the Company's 2015 Inducement Stock Option Award and any subsequent exercise of such Options (such options and the underlying shares of Common Stock, collectively, the "*Securities*"), the undersigned Grantee represents to the Company the following:

(a) Grantee has either a pre-existing personal or business relationship with the Company or its officers, directors, or controlling persons, or by reason of his or her business or financial experience or the business or financial experience of his or her professional advisors who are unaffiliated with and who are not compensated by the Company, directly or indirectly, it can reasonably be assumed to have the capacity to protect his or her own interest in connection with the issuance of the Securities. Grantee is acquiring these Securities for investment for Grantee's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act").

(b) Grantee represents that Grantee is a resident of the state of California.

Signature of Grantee: _____

Date: _____

**EXHIBIT B**

**Form of Separation and Release Agreement**

This Separation and Release Agreement ("***Agreement***") is entered into by and between ONCOSEC MEDICAL INCORPORATED (the "***Company***") and RICHARD SLANSKY ("***Executive***"), with respect to the following facts:

RECITALS

A. On June 25, 2015, Executive and the Company entered into that certain Executive Employment Agreement ("***Executive Employment Agreement***").

B. On , Executive's employment with the Company was terminated and according to the terms and conditions of the Executive Employment Agreement, Executive is entitled to certain severance payments so long as Executive executes this Agreement. By execution hereof, Executive understands and agrees that this Agreement is a compromise of doubtful and disputed claims, if any, which remain untested; that there has not been a trial or adjudication of any issue of law or fact herein; that the terms and conditions of this Agreement are in no way to be construed as an admission of liability on the part of Releasees (as defined below) and that Releasees deny liability and intend merely to avoid litigation with this Agreement.

In consideration of the aforementioned recitals and the mutual covenants and conditions set forth below and in full settlement of any and all claims arising out of the Executive's employment or the termination of that employment, the Executive and Company hereby agree as follows:

AGREEMENT

1. Separation Pay. In consideration of Executive signing this Agreement, and the covenants and releases given herein, the Company agrees to pay Executive the gross sum of $ , less federal and state withholdings ("***Severance Pay***"). Executive acknowledges that Executive would not be entitled to receive the Severance Pay absent this Agreement and the Executive Employment Agreement. The Company will pay the Severance Pay to Executive as salary continuation pursuant to the terms of Section III.B. of the Executive Employment Agreement.

2. General Release. Executive, individually and on behalf of Executive's heirs, assigns, executors, successors and each of them, hereby unconditionally, irrevocably and absolutely releases and discharges the Company, each of its subsidiaries and each of their respective directors, officers, employees, agents, successors and assigns, and any related corporations and/or entities ("***Releasees***") from any and all losses, liabilities, claims, demands, causes of action or suits of any type, known or unknown, including but not limited to claims related directly or indirectly to Executive's employment with Releasees, and the termination of Executive's employment with Releasees, including claims for age discrimination in violation of the Age Discrimination and Employment Act and/or California Fair Employment and Housing Act, as well as all claims for wrongful termination, constructive wrongful termination, employment discrimination, harassment,

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retaliation, defamation, fraud, misrepresentation, infliction of emotional distress, violation of privacy rights, and any other claims under any state or federal law. This release also includes any claim for any and all other contractual severance, bonus, commission, other compensation or any other benefits pursuant to any other agreement, policy, and/or procedure. Executive further represents that Executive has not and will not institute, prosecute or maintain on Executive's own behalf, before any administrative agency, court or tribunal, any demand or claim of any type related to the matters released herein.

3. Executive expressly waives all of the benefits and rights granted to Executive pursuant to California Civil Code section 1542, and any other applicable state or federal law. Section 1542 reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OF OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Executive certifies that Executive has read all of this Agreement, including the release provisions contained herein and the quoted Civil Code section, and that Executive fully understands all of the same.

4. Confidentiality. Executive hereby agrees that, except as required by law or court order, Executive will not describe or discuss the Company's or any of its subsidiaries' business dealings and/or confidential information with any third party, and will not describe or discuss this Agreement with any third party other than Executive's tax or legal advisors. Executive further agrees Executive will comply with any continuing obligations under any employment agreement and/or proprietary information agreement, including but not limited to protection of the Company's or its subsidiaries' trade secrets and nonsolicitation obligations.

5. Time for Consideration of This Agreement/Revocation. Executive acknowledges that Executive is hereby given twenty-one (21) days from receipt of this Agreement to consider signing this Agreement, that Executive is advised to consult with an attorney before signing this Agreement, and that Executive has the right to revoke this Agreement for a period of seven (7) days after it is executed by Executive. In the event that Executive chooses not to sign this Agreement, or chooses to revoke this Agreement once signed, Executive will not receive the Separation Pay or any other consideration Executive would not be entitled to in the absence of this Agreement. This Agreement shall become effective eight (8) days after it has been signed by Executive.

6. General Provisions.

   a. Executive and the Company acknowledge that they have been given the opportunity to consult with their own legal counsel with respect to the matters referenced in this Agreement, and that they have obtained and considered the

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advice of such legal counsel as they deem necessary or appropriate, such that they have voluntarily and freely entered into this Agreement.

b. This Agreement contains the entire agreement between Executive and the Company and there have been no promises, inducements or agreements not expressed in this Agreement.

c. The provisions of this Agreement are contractual, not merely recitals, and shall be considered severable, such that if any provision or part thereof shall at any time be held invalid under any law or ruling, any and all such other provision(s) or part(s) thereof shall remain in full force and effect and continue to be enforceable.

d. This Agreement may be pled as a full and complete defense and may be used as the basis for an injunction against any action, suit, or proceeding that may be prosecuted, instituted, or attempted by Executive in breach thereof.

e. This Agreement shall be interpreted, construed, governed and enforced in accordance with the laws of the State of California.

f. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

g. In any action to enforce this Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' fees and costs it expended in the action.

h. Nothing in this Agreement shall be construed as an admission or any liability or any wrongdoing by any party to this Agreement.

i. This Agreement shall not be construed against any party on the grounds that such party drafted the Agreement.

j. Each of the Company's subsidiaries shall be deemed to be a third party beneficiary of this Agreement.

**[*Remainder of Page Intentionally Left Blank*]**

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ONCOSEC™

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date written below.

RICHARD SLANSKY

Dated: _____ _____

ONCOSEC MEDICAL INCORPORATED

Dated: _____ By: _____

Title: _____

Print Name: _____

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ONCOSEC™

# EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the "***Agreement***"), dated November 1, 2015, is between ONCOSEC MEDICAL INCORPORATED (the "***Company***") and SHEELA MOHAN-PETERSON ("***Executive***").

## I. POSITION AND RESPONSIBILITIES

**A. Position.** Executive is employed by the Company to render services to the Company in the position of Chief Legal and Compliance Officer, reporting directly to the Chief Executive Officer. Executive shall perform such duties and responsibilities as are normally related to such position in accordance with the standards of the industry and any additional duties now or hereafter assigned to Executive by the Company. Executive shall abide by the rules, regulations, and practices as adopted or modified from time to time in the Company's sole discretion.

**B. Other Activities.** Except upon the prior written consent of the Company, Executive will not, during the term of this Agreement, (i) accept any other employment, or (ii) engage, directly or indirectly, in any other business activity (whether or not pursued for pecuniary advantage), that might interfere with Executive's duties and responsibilities hereunder or create a conflict of interest with the Company.

**C. No Conflict.** Executive represents and warrants that Executive's execution of this Agreement, employment with the Company, and the performance of Executive's proposed duties under this Agreement shall not violate any obligations Executive may have to any other employer, person or entity, including any obligations with respect to proprietary or confidential information of any other person or entity.

## II. COMPENSATION AND BENEFITS

**A. Base Salary.** In consideration of the services to be rendered under this Agreement, the Company shall pay Executive a salary at the rate of Two Hundred Thirty-One Thousand Dollars ($231,000) per year ("***Base Salary***"). The Base Salary shall be paid in accordance with the Company's regularly established payroll practice. Executive's Base Salary will be reviewed from time to time in accordance with the established procedures of the Company for adjusting salaries for similarly situated employees and may be adjusted in the sole discretion of the Company.

**B. Discretionary Bonus**. The Company will, within ninety (90) days of the end of each calendar year, determine the annual bonus (the "***Discretionary Bonus***"), if any, payable to the Executive for that calendar year, based in part on the Executive's achievement of milestones agreed to by the Board or the Compensation Committee of the Board. Within sixty (60) days of the beginning of each calendar year, the Board or the Compensation Committee of the Board and the Executive shall agree to the Executive's milestones and the amount of bonus potentially payable if one or more milestones are achieved. The Company may determine the amount of the Discretionary Bonus in its sole discretion and based upon its best business judgment it may pay the Discretionary Bonus in cash, shares of the Company or stock options of the Company, or any

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combination thereof, and it may pay the Discretionary Bonus in a lump sum or installments, equal or otherwise, over the course of the six months immediately following the end of the fiscal year for which the Discretionary Bonus was earned. Notwithstanding anything herein to the contrary, the Executive must be employed on the date(s) the Discretionary Bonus is to be paid to be eligible to receive the Discretionary Bonus, or portion thereof.

**C. Benefits.** Executive shall be eligible to participate in the benefits made generally available by the Company to similarly-situated executives, in accordance with the benefit plans established by the Company, and as may be amended from time to time in the Company's sole discretion.

**D. Expenses.** The Company shall reimburse Executive for reasonable business expenses incurred in the performance of Executive's duties hereunder in accordance with the Company's expense reimbursement guidelines.

## III. AT-WILL EMPLOYMENT; TERMINATION BY COMPANY

**A. At-Will Termination by Company.** Executive's employment with the Company shall be "at-will" at all times. The Company may terminate Executive's employment with the Company at any time, without any advance notice, for any reason or no reason at all, notwithstanding anything to the contrary contained in or arising from any statements, policies or practices of the Company relating to the employment, discipline or termination of its employees. Upon and after such termination, all obligations of the Company under this Agreement shall cease, except as otherwise provided herein.

**B. Severance.** Except in situations where the employment of Executive is terminated For Cause, By Death or By Disability (as defined in Section IV below), in the event that (i) the Company terminates Executive's employment or (ii) Executive resigns for Good Cause (as defined in Section V below), then Executive will be entitled to payment by the Company of an amount equal to twelve (12) months of Executive's then-current Base Salary, less applicable statutory deductions and withholdings ("***Severance***"), to be paid as salary continuation (and not as a lump sum) over the applicable twelve (12)-month period and in accordance with the Company's

standard payroll practices. Such Severance shall be reduced by any remuneration paid to Executive because of Executive's employment or self-employment during the severance period, and Executive shall promptly report all such remuneration to the Company in writing. Executive's eligibility for the foregoing Severance is conditioned on Executive having first signed a release agreement in the form attached as Exhibit A. Executive shall not be entitled to any Severance if Executive's employment is terminated For Cause, By Death or By Disability (as defined in Section IV below) or if Executive's employment is terminated by Executive (except a resignation for Good Cause as provided in Section V.B. below).

## IV. OTHER TERMINATIONS BY COMPANY

**A. Termination for Cause.** For purposes of this Agreement, "***For Cause***" shall mean: (i) Executive commits a crime involving dishonesty, breach of trust, or physical harm to any person; (ii) Executive willfully engages in conduct that is in bad faith and materially



injurious to the Company, including but not limited to, misappropriation of trade secrets, fraud or embezzlement; (iii) Executive commits a material breach of this Agreement, which breach is not cured within twenty (20) days after written notice to Executive from the Company; (iv) Executive willfully refuses to implement or follow a lawful policy or directive of the Company, which breach is not cured within twenty (20) days after written notice to Executive from the Company; or (v) Executive engages in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally. The Company may terminate Executive's employment For Cause at any time, without any advance notice. The Company shall pay to Executive all compensation to which Executive is entitled up through the date of termination, subject to any other rights or remedies of the Company under law; and thereafter all obligations of the Company under this Agreement shall cease.

**B. By Death.** Executive's employment shall terminate automatically upon Executive's death. The Company shall pay to Executive's beneficiaries or estate, as appropriate, any compensation then due and owing. Thereafter all obligations of the Company under this Agreement shall cease. Nothing in this Section shall affect any entitlement of Executive's heirs or devisees to the benefits of any life insurance plan or other applicable benefits.

**C. By Disability.** If Executive becomes eligible for the Company's long term disability benefits or if, in the sole opinion of the Company, Executive is unable to carry out the responsibilities and functions of the position held by Executive by reason of any physical or mental impairment for more than ninety consecutive days or more than one hundred and twenty days in any twelve-month period, then, to the extent permitted by law, the Company may terminate Executive's employment. The Company shall pay to Executive all compensation to which Executive is entitled up through the date of termination, and thereafter all obligations of the Company under this Agreement shall cease. Nothing in this Section shall affect Executive's rights under any disability plan in which Executive is a participant.

## V. TERMINATION BY EXECUTIVE

**A. At-Will Termination by Executive.** Executive may terminate employment with the Company at any time for any reason or no reason at all, including retirement, upon six (6) weeks' advance written notice. During such notice period Executive shall continue to diligently perform all of Executive's duties hereunder. The Company shall have the option, in its sole discretion, to make Executive's termination effective at any time prior to the end of such notice period as long as the Company pays Executive all compensation to which Executive is entitled up through the last day of the six (6) week notice period. Thereafter all obligations of the Company shall cease.

**B. Good Cause.** For purposes of this Agreement, Good Cause means any one or more of the following events, unless Executive consents to such event in writing or by notifying the Company that Executive will not terminate employment on the basis of such event within thirty (30) business days thereafter:

**1.** A reduction in the amount of Executive's base compensation in a manner that disproportionately adversely affects Executive, as compared to other senior Company management; or



**2.** A material and adverse change in the Executive's duties, authority or responsibilities with the Company relative to the duties, authority or responsibilities in effect immediately prior to such reduction;

Provided, however, that in the event that any of the foregoing events is capable of being cured, Executive shall provide written notice to the Company describing the nature of such event and the Company shall have fifteen (15) business days to cure such event, and following such period if the event remains uncured Executive may resign for Good Cause and applicable Severance set forth above shall be paid.

## VI. TERMINATION OBLIGATIONS

**A. Return of Property.** Executive agrees that all property (including without limitation all equipment, tangible proprietary information, documents, records, notes, contracts and computer-generated materials) furnished to or created or prepared by Executive incident to Executive's employment belongs to the Company and shall be promptly returned to the Company upon termination

of Executive's employment.

**B. Resignation and Cooperation.** Upon termination of Executive's employment, Executive shall be deemed to have resigned from all offices and directorships then held with the Company. Following any termination of employment, Executive shall cooperate with the Company in the winding up of pending work on behalf of the Company and the orderly transfer of work to other employees. Executive shall also cooperate with the Company in the defense of any action brought by any third party against the Company that relates to Executive's employment by the Company.

## VII. INVENTIONS AND PROPRIETARY INFORMATION; PROHIBITION ON THIRD PARTY INFORMATION

**A. Proprietary Information Agreement.** Executive has previously entered into and agrees to continue to be bound by the terms of the Company's Proprietary Information and Inventions Agreement ("***Proprietary Information Agreement***").

**B. Non-Solicitation.** Executive acknowledges that because of Executive's position in the Company, Executive will have access to material intellectual property and confidential information. During the term of Executive's employment and for one year thereafter, in addition to Executive's other obligations hereunder or under the Proprietary Information Agreement, Executive shall not, for Executive or any third party, directly or indirectly (i) solicit, induce, recruit or encourage any person employed by the Company to terminate his or her employment, or (ii) divert or attempt to divert from the Company any business with any customer, client, member, business partner or supplier about which Executive obtained confidential information during his employment with the Company, by using the Company's trade secrets or by otherwise engaging in conduct that amounts to unfair competition.

**C. Non-Disclosure of Third Party Information.** Executive represents and warrants and covenants that Executive shall not disclose to the Company, or use, or induce the Company to use, any proprietary information or trade secrets of others at any time, including but not limited to any proprietary information or trade secrets of any former employer, if any; and



Executive acknowledges and agrees that any violation of this provision shall be grounds for Executive's immediate termination and could subject Executive to substantial civil liabilities and criminal penalties. Executive further specifically and expressly acknowledges that no officer or other employee or representative of the Company has requested or instructed Executive to disclose or use any such third party proprietary information or trade secrets.

## VIII. LIABILITY COVERAGE

The Company agrees to maintain commercially reasonable Director's and Officer's Insurance as well as commercially reasonable products work hazard liability insurance (clinical trials insurance) covering the customary potential liabilities of the Executive in her role as an officer of the Company. The coverage shall be determined by the Company in its best business judgment and shall address customary liabilities specifically stemming from the Company's involvement in running clinical trials to the extent available at a reasonable cost.

## IX. ARBITRATION

The Company and Executive agree that any dispute or controversy arising out of, relating to, or in connection with this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof shall be settled by arbitration to be held in San Diego, California, in accordance with the Judicial Arbitration and Mediation Service/Endispute, Inc. ("***JAMS***") rules for employment disputes then in effect (the "***Rules***"). The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction. The arbitrator shall award the prevailing party all reasonable costs and attorneys' fees incurred during any such proceeding. The arbitrator shall apply California law to the merits of any dispute or claim. Executive hereby expressly consents to the personal jurisdiction of the state and federal courts located in San Diego, California for any action or proceeding arising from or relating to this Agreement or relating to any arbitration in which the parties are participants. The parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without abridgment of the powers of the arbitrator. EXECUTIVE HAS READ AND UNDERSTANDS THIS SECTION, WHICH DISCUSSES ARBITRATION. EXECUTIVE UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, EXECUTIVE AGREES TO SUBMIT ANY FUTURE CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH EXECUTIVE'S EMPLOYMENT OR TERMINATION THEREOF, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE OR BREACH OF THIS AGREEMENT, TO BINDING ARBITRATION, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF EXECUTIVE'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EMPLOYER/EXECUTIVE RELATIONSHIP, INCLUDING BUT NOT LIMITED TO, DISCRIMINATION CLAIMS.



## X. AMENDMENTS; WAIVERS; REMEDIES

This Agreement may not be amended or waived except by a writing signed by Executive and by a duly authorized representative of the Company other than Executive. Failure to exercise any right under this Agreement shall not constitute a waiver of such right. Any waiver of any breach of this Agreement shall not operate as a waiver of any subsequent breaches. All rights or remedies specified for a

party herein shall be cumulative and in addition to all other rights and remedies of the party hereunder or under applicable law.

**XI. ASSIGNMENT; BINDING EFFECT**

**A. Assignment.** The performance of Executive is personal hereunder, and Executive agrees that Executive shall have no right to assign and shall not assign or purport to assign any rights or obligations under this Agreement. This Agreement may be assigned or transferred by the Company; and nothing in this Agreement shall prevent the consolidation, merger or sale of the Company or a sale of any or all or substantially all of its assets.

**B. Binding Effect.** Subject to the foregoing restriction on assignment by Executive, this Agreement shall inure to the benefit of and be binding upon each of the parties; the affiliates, officers, directors, agents, successors and assigns of the Company; and the heirs, devisees, spouses, legal representatives and successors of Executive.

**XII. NOTICES**

All notices or other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered: (a) by hand; (b) by email, (c) by a nationally recognized overnight courier service; or (d) by United States first class registered or certified mail, return receipt requested, to the principal address of the other party, as set forth below. The date of notice shall be deemed to be the earlier of (i) actual receipt of notice by any permitted means, or (ii) five business days following dispatch by overnight delivery service or the United States Mail. Executive shall be obligated to notify the Company in writing of any change in Executive's address. Notice of change of address or email shall be effective only when done in accordance with this Section XII.

Company's Notice Address:
OncoSec Medical Incorporated
5820 Nancy Ridge Drive
San Diego, CA 92121
United States of America
Email: pdhillon@oncosec.com

Executive's Notice Address and Email:

Sheela Mohan-Peterson

Email:



**XIII. SEVERABILITY**

If any provision of this Agreement shall be held by a court or arbitrator to be invalid, unenforceable, or void, such provision shall be enforced to the fullest extent permitted by law, and the remainder of this Agreement shall remain in full force and effect. In the event that the time period or scope of any provision is declared by a court or arbitrator of competent jurisdiction to exceed the maximum time period or scope that such court or arbitrator deems enforceable, then such court or arbitrator shall reduce the time period or scope to the maximum time period or scope permitted by law.

**XIV. TAXES**

All amounts paid under this Agreement shall be paid less all applicable state and federal tax withholdings (if any) and any other withholdings required by any applicable jurisdiction or authorized by Executive. Notwithstanding any other provision of this Agreement whatsoever, the Company, in its sole discretion, shall have the right to provide for the application and effects of Section 409A of the Code (relating to deferred compensation arrangements) and any related administrative guidance issued by the Internal Revenue Service. The Company shall have the authority to delay the payment of any amounts under this Agreement to the extent it deems necessary or appropriate to comply with Section 409A(a)(2)(B)(i) of the Code (relating to payments made to certain "key employees" of publicly-traded companies); in such event, the payment(s) at issue may not be made before the date which is six (6) months after the date of Executive's separation from service, or, if earlier, the date of death.

**XV. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**XVI. INTERPRETATION**

This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. Sections and section headings contained in this Agreement are for reference purposes only, and shall not affect in any manner the meaning or interpretation of this Agreement. Whenever the context requires, references to the singular shall include the plural and the plural the singular.

**XVII. OBLIGATIONS SURVIVE TERMINATION OF EMPLOYMENT**

Executive agrees that any and all of Executive's obligations under this agreement, including but not limited to the Proprietary Information Agreement, shall survive the termination of employment and the termination of this Agreement.



**XVIII. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement, but all of which together shall constitute one and the same instrument.

**XIX. AUTHORITY**

Each party represents and warrants that such party has the right, power and authority to enter into and execute this Agreement and to perform and discharge all of the obligations hereunder; and that this Agreement constitutes the valid and legally binding agreement and obligation of such party and is enforceable in accordance with its terms.

**XX. ENTIRE AGREEMENT**

This Agreement is intended to be the final, complete, and exclusive statement of the terms of Executive's employment by the Company and may not be contradicted by evidence of any prior or contemporaneous statements or agreements, except for agreements specifically referenced herein (including the Executive Proprietary Information and Inventions Agreement). To the extent that the practices, policies or procedures of the Company, now or in the future, apply to Executive and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control. Any subsequent change in Executive's duties, position, or compensation will not affect the validity or scope of this Agreement.

**XXI. EXECUTIVE ACKNOWLEDGEMENT**

EXECUTIVE ACKNOWLEDGES EXECUTIVE HAS HAD THE OPPORTUNITY TO CONSULT LEGAL COUNSEL CONCERNING THIS AGREEMENT, THAT EXECUTIVE HAS READ AND UNDERSTANDS THE AGREEMENT, THAT EXECUTIVE IS FULLY AWARE OF ITS LEGAL EFFECT, AND THAT EXECUTIVE HAS ENTERED INTO IT FREELY BASED ON EXECUTIVE'S OWN JUDGMENT AND NOT ON ANY REPRESENTATIONS OR PROMISES OTHER THAN THOSE CONTAINED IN THIS AGREEMENT.

**[*Remainder of Page Intentionally Left Blank*]**



ONCOSEC™

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

| ONCOSEC MEDICAL INCORPORATED | SHEELA MOHAN-PETERSON |
|---|---|
| _____ | _____ |
| Signature | Signature |
| _____ | _____ |
| By | Date |
| _____ | |
| Title | |
| _____ | |
| Date | |

**EXHIBIT A**

**Form of Separation and Release Agreement**

This Separation and Release Agreement ("***Agreement***") is entered into by and between ONCOSEC MEDICAL INCORPORATED (the "***Company***") and ("***Employee***"), with respect to the following facts:

RECITALS

A. On , Employee and the Company entered into that certain Executive Employment Agreement ("***Executive Employment Agreement***").

B. On , Employee's employment with the Company was terminated and according to the terms and conditions of the Executive Employment Agreement, Employee is entitled to certain severance payments so long as Employee executes this Agreement. By execution hereof, Employee understands and agrees that this Agreement is a compromise of doubtful and disputed claims, if any, which remain untested; that there has not been a trial or adjudication of any issue of law or fact herein; that the terms and conditions of this Agreement are in no way to be construed as an admission of liability on the part of Releasees (as defined below) and that Releasees deny liability and intend merely to avoid litigation with this Agreement.

In consideration of the aforementioned recitals and the mutual covenants and conditions set forth below and in full settlement of any and all claims arising out of the Employee's employment or the termination of that employment, the Employee and Company hereby agree as follows:

AGREEMENT

1. Separation Pay. In consideration of Employee signing this Agreement, and the covenants and releases given herein, the Company agrees to pay Employee the gross sum of $ , less federal and state withholdings ("***Severance Pay***"). Employee acknowledges that Employee would not be entitled to receive the Severance Pay absent this Agreement and the Executive Employment Agreement. The Company will pay the Severance Pay to Employee as salary continuation pursuant to the terms of Section III.B. of the Executive Employment Agreement.

2. General Release. Employee, individually and on behalf of Employee's heirs, assigns, executors, successors and each of them, hereby unconditionally, irrevocably and absolutely releases and discharges the Company, each of its subsidiaries and each of their respective directors, officers, employees, agents, successors and assigns, and any related corporations and/or entities ("***Releasees***") from any and all losses, liabilities, claims, demands, causes of action or suits of any type, known or unknown, including but not limited to claims related directly or indirectly to Employee's employment with Releasees, and the termination of Employee's employment with Releasees, including claims for age discrimination in violation of the Age Discrimination and Employment Act and/or California Fair Employment and Housing Act, as well as all claims for wrongful termination, constructive wrongful termination, employment discrimination, harassment, retaliation, defamation, fraud, misrepresentation, infliction of emotional distress,



violation of privacy rights, and any other claims under any state or federal law. This release also includes any claim for any and all other contractual severance, bonus, commission, other compensation or any other benefits pursuant to any other agreement, policy, and/or procedure. Employee further represents that Employee has not and will not institute, prosecute or maintain on Employee's own behalf, before any administrative agency, court or tribunal, any demand or claim of any type related to the matters released herein.

3. Employee expressly waives all of the benefits and rights granted to Employee pursuant to California Civil Code section 1542, and any other applicable state or federal law. Section 1542 reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OF OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Employee certifies that Employee has read all of this Agreement, including the release provisions contained herein and the quoted Civil Code section, and that Employee fully understands all of the same.

4. Confidentiality. Employee hereby agrees that, except as required by law or court order, Employee will not describe or discuss the Company's or any of its subsidiaries' business dealings and/or confidential information with any third party, and will not describe or discuss this Agreement with any third party other than Employee's tax or legal advisors. Employee further agrees Employee will comply with any continuing obligations under any employment agreement and/or proprietary information agreement, including but not limited to protection of the Company's or its subsidiaries' trade secrets and nonsolicitation obligations.

5. Time for Consideration of This Agreement/Revocation. Employee acknowledges that Employee is hereby given twenty-one (21) days from receipt of this Agreement to consider signing this Agreement, that Employee is advised to consult with an attorney before signing this Agreement, and that Employee has the right to revoke this Agreement for a period of seven (7) days after it is executed by Employee. In the event that Employee chooses not to sign this Agreement, or chooses to revoke this Agreement once signed, Employee will not receive the Separation Pay or any other consideration Employee would not be entitled to in the absence of this Agreement. This Agreement shall become effective eight (8) days after it has been signed by Employee.

6. General Provisions.

   a. Employee and the Company acknowledge that they have been given the opportunity to consult with their own legal

counsel with respect to the matters referenced in this Agreement, and that they have obtained and considered the advice of such legal counsel as they deem necessary or appropriate, such that they have voluntarily and freely entered into this Agreement.



b. This Agreement contains the entire agreement between Employee and the Company and there have been no promises, inducements or agreements not expressed in this Agreement.

c. The provisions of this Agreement are contractual, not merely recitals, and shall be considered severable, such that if any provision or part thereof shall at any time be held invalid under any law or ruling, any and all such other provision(s) or part(s) thereof shall remain in full force and effect and continue to be enforceable.

d. This Agreement may be pled as a full and complete defense and may be used as the basis for an injunction against any action, suit, or proceeding that may be prosecuted, instituted, or attempted by Employee in breach thereof.

e. This Agreement shall be interpreted, construed, governed and enforced in accordance with the laws of the State of California.

f. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

g. In any action to enforce this Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' fees and costs it expended in the action.

h. Nothing in this Agreement shall be construed as an admission or any liability or any wrongdoing by any party to this Agreement.

i. This Agreement shall not be construed against any party on the grounds that such party drafted the Agreement.

j. Each of the Company's subsidiaries shall be deemed to be a third party beneficiary of this Agreement.

**[*Remainder of Page Intentionally Left Blank*]**



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date written below.

EMPLOYEE

Dated: _____ _____

ONCOSEC MEDICAL INCORPORATED

Dated: _____ By: _____
Title: _____
Print Name: _____

**Exhibit 31.1**

**CERTIFICATIONS**

I, Punit Dhillon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of OncoSec Medical Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting 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 generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

December 8, 2015

/s/ Punit Dhillon

Punit Dhillon
*President and Chief Executive Officer*
*(Principal Executive Officer)*

**Exhibit 31.2**

**CERTIFICATIONS**

I, Richard B. Slansky, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of OncoSec Medical Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting 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 generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

December 8, 2015

/s/ Richard B. Slansky
Richard B. Slansky
*Chief Financial Officer*
*(Principal Financial Officer)*

**Exhibit 32.1**

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**
**PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, Punit Dhillon, President and Chief Executive Officer of OncoSec Medical Incorporated (the "**Company**") hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of the Company for the period ended October 31, 2015 (the " **Report**") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 8, 2015

By: /s/ Punit Dhillon
Punit Dhillon
*President and Chief Executive Officer*
*(Principal Executive Officer)*

**Exhibit 32.2**

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**
**PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, Richard B. Slansky, Chief Financial Officer of OncoSec Medical Incorporated (the "**Company**") hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of the Company for the period ended October 31, 2015 (the " **Report**") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 8, 2015

By: /s/ Richard B. Slansky
Richard B. Slansky
*Chief Financial Officer*
*(Principal Financial Officer)*