FORM 5

QUARTERLY LISTING STATEMENT

Name of CNSX Issuer: Network Oncology Inc. (the "Issuer").

Trading Symbol: The Issuer trades on the Canadian Securities Exchange under the symbol NOI and Deutsche Boerse Xetra - Frankfurt Stock Exchange: Symbol 2NY; WKN#: A11827.

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the CNSX.ca website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the CNSX Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

The Issuer's consolidated financial statements are attached for the six month period ended June 30, 2015. See Schedule A.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

All related party transactions have been disclosed in the Issuer’s condensed interim consolidated financial statements for the six month period ended June 30, 2015, attached hereto as Schedule A and the Issuer's Management’s Discussion and Analysis is attached for the six month period ended June 30, 2015 attached hereto as Schedule B.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
June 16, 2015	common shares	shares for assets	15,000,000* pre-reverse split shares	$0.10 per share	$1,500,000 deemed value	property	N/A	none

*On June 25, 2015, the Company completed a reverse share consolidation issuing one new share for each three old shares basis. The 15,000,000 pre-consolidation shares issued on June 16, 2015 became 5,000,000 shares post consolidation.

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
None						

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

A summary of securities has been provided in the Issuer's condensed interim consolidated financial statements for the six month period ended June 30, 2015, attached hereto as Schedule A.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

William Thomas, CFO, Secretary and Treasurer and Director
Manfred Nostitz, CEO, President and Director
Alexander P. Goumeniouk, Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

The Issuer's Management's Discussion and Analysis is attached for the six month period ended June 30, 2015. See Schedule B.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: Sept 2, 2015.

William Thomas

Name of Director or Senior Officer

Signature

CFO, Director

Official Capacity

Issuer Details Name of Issuer Network Oncology Inc.	For Quarter Ended June 30, 2015	Date of Report YY/MM/DD 15/09/02
Issuer Address 815 Hornby Street, Suite 605		
City/Province/Postal Code Vancouver, B.C. V6Z 2E6	Issuer Fax No.	Issuer Telephone No. (604) 649-5245
Contact Name William Thomas	Contact Position CFO	Contact Telephone No. (604) 649-5245
Contact Email Address admin@networkoncology.com	Web Site Address www.networkoncology.com	

Schedule A

Network Life Sciences Inc.
(formerly Network Oncology Inc.)

Unaudited Consolidated Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Network Life Sciences Inc. (formerly Network Oncology Inc.)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	June 30, 2015	December 31, 2014
		$	$
ASSETS			
Current Assets			
Cash		**118**	35,156
Sales tax receivable		**17,168**	-
Inventory		**5,689**	-
		22,975	35,156
Deposits on Acquisition Agreement	4	**-**	175,000
Intangible asset	5	**2,140,000**	-
		2,162,975	**210,156**
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	4	**1,141,342**	45,880
Interest payable	6	**2,353**	-
Short term loan	6	**100,000**	-
Due to related party	10	**31,500**	-
		1,275,195	45,880
SHAREHOLDERS' EQUITY			
Share capital	7	**2,059,458**	100
Subscriptions received	7	**-**	250,000
Reserves	7	**30,642**	
Deficit		**(1,202,320)**	(85,824)
		887,780	164,276
		2,162,975	**210,156**

Nature of operations and going concern	1
Corporate restructuring and commitments	4

Approved and authorized for issuance by the Board of Directors on August 31, 2015:

Approved on Behalf of the Board of Directors:

/s/ William Thomas
Director

/s/ Manfred G. von Nostitz
Director

Network Life Sciences Inc. (formerly Network Oncology Inc.)
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	**2015**	2014
	$	$	**$**	$
Expenses				
Bank charges and fees	**83**	-	**661**	-
Consulting	**54,987**	-	**148,131**	-
Development costs	**64,388**	-	**877,087**	-
Interest expense	**1,995**	-	**2,352**	-
Investor relations	**-**	-	**2,253**	-
Office and miscellaneous	**8,538**	6,757	**22,237**	6,757
Professional fees	**18,872**	13,555	**33,479**	13,555
Regulatory fees	**12,169**	519	**28,696**	519
Travel	**-**	-	**1,600**	-
Net loss and comprehensive loss	**(161,032)**	(20,631)	**(1,116,496)**	**(20,631)**
Basic and diluted loss per common share	**(0.01)**	(412.62)	**(0.05)**	(412.62)
Weighted average number of common shares outstanding	**23,155,163**	50	**21,258,081**	50

Network Life Sciences Inc. (formerly Network Oncology Inc.)
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Share Capital					
	Number of Shares	Amount	Subscription receivable	Reserves Warrants	Accumulated Deficit	Total
		$	$	$	$	$
Balance December 31, 2013	33	100	-	-	-	100
Stock split	38	-	-	-	-	-
Loss for the period	-	-	-	-	-	-
Balance, June 30, 2014	71	100	-	-	-	100
Balance December 31, 2014	**71**	**100**	**250,000**	**-**	(85,824)	**164,276**
Issuance on Plan of Arrangement	12,003,077	-	-	-	-	-
Issuance on acquisition closing	5,666,667	340,000	-	-	-	340,000
Issuance on license acquisition	5,000,000	1,500,000	-	-	-	1,500,000
Private placement:						
Gross proceeds	4,166,667	250,000	(250,000)	-	-	-
Share issuance costs		(30,642)	-	30,642	-	-
Loss for the period	-	-	-	-	(1,116,496)	(1,116,496)
Balance, June 30, 2015	**26,836,482**	**2,059,458**	**-**	**30,642**	**(1,202,320)**	**887,780**

Network Life Sciences Inc. (formerly Network Oncology Inc.)
CONDENSED INTERIM STATEMENTS OF CASH FLOW
(Expressed in Canadian dollars)

	Six Months Ended June 30	
	2015	2014
	$	$
Cash flow from operating activities		
Net loss	**(1,116,496)**	(20,631)
Change in non-cash working capital components:		
Sales tax receivable	**(17,168)**	-
Deposits and prepaid	**175,000**	-
Inventory	**(5,689)**	-
Accounts payable and accrued liabilities	**795,462**	10,077
Interest payable	**2,353**	-
Due to related party	**31,500**	-
Net cash used in operating activities	**(135,038)**	(10,554)
Investing activities		
Deposit on acquisition agreement	**-**	(50,000)
Financing activities		
Share subscription received	**-**	71,340
Short term loan	**100,000**	-
	100,000	71,340
Increase (decrease) in cash	**(35,038)**	10,786
Cash, beginning of year	**35,156**	-
Cash, ending of year	**118**	10,786

Cash paid for interest expense	-	-
Cash paid for income taxes	-	-

1. NATURE OF OPERATIONS AND GOING CONCERN

Network Life Sciences Inc. (formerly Network Oncology Inc.) ("NOI", or the "Company"), was incorporated under the Business Corporations Act (British Columbia) on September 19, 2013 and operates from its registered head office located at Suite 500 - 900 West Hastings Street, Vancouver, British Columbia. The Company underwent a name change on June 22, 2015 and was previously known as Network Oncology Inc. Previous to this, the Company had its name changed from Organach Beverage Acquisition Corp. to Network Oncology Inc. on August 12, 2014. On January 15, 2015, the Company was approved for listing on the Canadian Securities Exchange and trades under the stock symbol “NOI”. The address of the registered office is Suite 500, 900 West Hastings Street, Vancouver, British Columbia, V6C 1E5, Canada.

The Company was initially formed as a subsidiary of Web Watcher Systems Ltd. (“Web Watcher”) for the purpose of developing the letter of intent with WULU Beverage Co. (“WULU”) dated June 27, 2013 to distribute quality organic and fair trade coffees, glacier drinking water, and carbonated water manufactured by WULU. The Company entered into to a Plan of Arrangement (the “Plan of Arrangement”) with Web Watcher Systems and WULU dated October 23, 2013. This Letter of Intent was cancelled by WULU on March 21, 2014 (see also Note 4).

On May 12, 2014, the Company entered into a Supply Agreement Sale and Assignment (the “Acquisition Agreement”) with Resolute Oncology Limited (“ROL”), an Ireland company. The Company is now in the process of commencing operations as an emerging specialty pharmaceutical company working with ROL’s core portfolio of oncology-targeted generic pharmaceuticals, which address a market comprised of up to 50% of new cancer patients in the European Union. The Company intends to focus on the acquisition and commercialization of proven, and thus low-risk, generic pharmaceutical oncology based products that provide a cost effective response to unmet needs in the market, specifically Germany and other major European countries, with possible expansion to the United States (see also Note 4).

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company’s continuing operations, as intended, and its financial success may be dependent upon the extent to which it can successfully raise the capital to complete the Acquisition Agreement and subsequently carry out its business plan. If the Company is unable to fund its future plan, its business, financial condition or results of operations could be materially and adversely affected. The success of the Company depends on its ability to profitably penetrate its target market with its new products on a sustainable basis. The Company has never generated revenue, cash flows or profits from operations.

The Company’s ability to launch its operations as intended is dependent on its ability to generate revenue and raise capital sufficient to cover its marketing and other costs. All of these factors raise significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements are presented in Canadian dollars, which is the Company's reporting and functional currency. The functional currency of the Company's wholly-owned subsidiary Emerald Oncology Limited is the EURO(€). These consolidated financial statements are prepared on a historical cost basis except for financial instruments classified as at fair value through profit or loss ("FVTPL") as described at Note 3 of the December 31, 2014 audited financial statements, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Statement of compliance with International Financial Reporting Standards
The financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Emerald Oncology Limited which was incorporated on September 29, 2014 in the jurisdiction of Ireland. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

3. FUTURE CHANGES IN ACCOUNTING POLICIES

Future changes in accounting policies

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended at December 31, 2014, and have not been applied in preparing these financial statements. The following standards and interpretations have been issued by the IASB and the IFRIC effective for annual periods beginning on or after January 1, 2015:

IAS 32 - *Financial Instruments: Presentation*
In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

IAS 36 – *Impairment of Assets*
In May 2013, the IASB, as a consequential amendment to IFRS 13 *Fair Value Measurement*, modified some of the disclosure requirements in IAS 36 regarding measurement of the recoverable amount of impaired assets. The amendments resulted from the IASB's decision in December 2010 to require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal.

IFRIC 21 – *Levies*
IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and*

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Contingent Assets and those where the timing and amount of the levy is certain.

The following standard will be effective for annual periods beginning on or after January 1, 2017:
IAS 1 – *Presentation of Financial Statements*

In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements.

IFRS 15 - *Revenue from contracts with customers*
IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations.

IAS 16 – *Property, Plant and Equipment* and IAS 38 – *Intangible Assets*
In May 2014, the IASB issued amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The following standard will be effective for annual period beginning on or after January 1, 2019:

IFRS 9 – *Financial Instruments*
IFRS 9 includes requirements for recognition and measurement, derecognition and hedge accounting. IFRS 9 was originally issued on November 2009, reissued in October 2010, and then amended in November 2013. The IASB is adding to the standard as it completes the various phases of its comprehensive project on financial instruments, and so it will eventually form a complete replacement for IAS 39 Financial Instruments: Recognition and Measurement.

In July 2014, the IASB published the final version of IFRS 9 bringing together the classification and measurement, impairment and hedge accounting phases of the IASB project to replace IAS 39. This version adds a new expected loss impairment model and limited amendments to classification and measurement of financial assets. IFRS 9 is effective for periods beginning on or after May 1, 2018.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

4. CORPORATE RESTRUCTURING AND COMMITMENTS

According to the Plan of Arrangement as described in Note 1, the Company is required to issue 4,801,233 common shares (pre-stock split) to shareholders of Web Watcher ("Distributed Shares"). The Plan of Arrangement was approved by Web Watcher's shareholders on December

4. CORPORATE RESTRUCTURING AND COMMITMENTS (continued)

19, 2013 and by the Supreme Court of British Columbia on January 7, 2014. Subsequent to the year end, the Company issued 12,003,082 common shares after the effect of the stock split on July 11, 2014.

On May 12, 2014, the Company entered into an Acquisition Agreement with ROL for an asset acquisition whereby certain assets were acquired in exchange for $50,000 in cash (paid in April

2014), issuance of 5,000,000 common shares, payment of 3% net sales royalty and continued fund raising as part of the private placement. On July 31, 2014, the Acquisition Agreement was amended to change the closing date to the date that the shares of the Company are approved for trading on the Canadian Stock Exchange and increased the number of shares to be issued to 5,666,667 common shares (post-stock split) (issued in January 2015). In addition the Company had advanced $125,000 to ROL as of December 31, 2014. The assets to be acquired by the Company under the Acquisition Agreement comprise the following material agreements:

1. Agreement on Sale and Purchase of Dossier for Docetaxel between AqVida GmbH of Hamburg, Germany and ROL, dated June 6, 2013. Pursuant to the agreement, AqVida GmbH granted to ROL and its affiliates the non-exclusive right to use dossier and know-how associated with Docetaxel concentrate, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price is EUR70,000 for marketing authorizations in Germany, and EUR10,000 for every other country, payable in the following installments:

   (i) EUR35,000 after signing the binding term sheet (signed and not paid by ROL);
   (ii) EUR35,000 after replying to a deficiency letter and restarting the procedure (not paid by ROL);
   (iii) EUR10,000 upon receipt of marketing authorizations in each further country in the territory.

   In addition, the Company is also responsible for all the fees charged by the Governmental or Regulatory Authorities related to obtaining the marketing authorizations.

2. Agreement on Sale and Purchase of Dossier for Paclitaxel, dated February 22, 2013, between AqVida GmbH of Hamburg, Germany and ROL and Resolute Oncology Inc. (“ROI”), the parent company of ROL, incorporated in Nevada, the United States of America. Pursuant to the agreement, Aqvida GmbH granted to ROL and ROI the non-exclusive right to use the dossier and know-how associated with Paclitaxel concentrate, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Republic of Ireland, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price is EUR70,000 for marketing authorizations in Germany, and EUR10,000 for every other country, payable in the following installments:

   (i) EUR35,000 after signing the binding term sheet (signed) (paid by ROL);
   (ii) EUR35,000 after transferring the German marketing authorization in the name of ROI (paid by ROL);
   (iii) EUR10,000 upon receipt of marketing authorizations in each further country in the territory.

   In addition, the Company is also responsible for all the fees charged by the Governmental or Regulatory Authorities related to obtaining the marketing authorizations.

4. CORPORATE RESTRUCTURING AND COMMITMENTS (continued)

3. Agreement on Sale and Purchase of Dossier for Oxaliplatin between AqVida GmbH of Hamburg, Germany and ROL and ROI, dated March 28, 2013. Pursuant to the agreement, Aqvida GmbH granted to ROL and ROI the non-exclusive right to use the dossier and know-how associated with Oxaliplatin concentrate, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Republic of Ireland, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The

   a. purchase price is EUR50,000 for the marketing authorization in Germany, and EUR 10,000 for every other country, payable in the following installments:

   (i) EUR50,000 upon transfer of the German marketing authorizations in the name of Resolute or its affiliates (paid by ROL);
   (ii) EUR10,000 upon receipt of a marketing authorization in each further country in the territory.

   In addition, the Company is also responsible for all the fees charged by the Governmental or Regulatory Authorities related to obtaining the marketing authorizations.

4. Principal Agreement between Neogen Developments N.V. ("Neogen") of Anderlecht, Belgium and ROL, dated March 20, 2013. Pursuant to the agreement, Neogen granted ROL a personal, non-exclusive, and non-transferable right to use registration documentation for zoledronic acid 4 mg/5 ml vial and zoledronic acid 4 mg/100 ml to obtain one marketing authorization in Spain, the United Kingdom, Germany, and Italy and two marketing authorizations in France, for the purpose of selling, marketing, and distributing the products in the territory. The initial term of this agreement is 5 years. Upon expiry of the initial term, the agreement will automatically extend for consecutive periods of 2 years.

   ROL has the right to convert the license to an exclusive license in Spain, the United Kingdom, France, and Germany within six months of signing the agreement by matching any offer made by a third party for a license in that country within seven days of being notified by Neogen or by paying an additional EUR39,000, whichever is higher. For Italy, ROL has the option of converting the license to a semi-exclusive license (two parties) within six months of signing the agreement by matching any offer made by a third party for a license in that country within seven days of being notified by Neogen or by paying an additional EUR39,000, whichever is higher.

   On February 11, 2015 the Principal Agreement between Neogen and ROL was amended such that that the rights on the registration documents will be limited to the 4 mg/5 ml product and to Germany only. All other rights will be transferred back to Neogen. In addition, the total amount to be paid for 4 mg/5 ml product would be to as follows:

   (i) EUR 145,000 in relation to this agreement covering milestones, service charges as well as fees paid to regulatory authorities;
   (ii) An amount of EUR 186,500 in relation to the purchase orders.

   The amended agreement indicated ROL will pay only EUR 150,000 by monthly installments of EUR 10,000 each month with the first payment due on February 15, 2015 (paid). Prior to December 31, 2014, ROL has paid EUR 50,000 to Neogen. In any event any payment is missed, Neogen shall be entitled to initiate proceedings for the overall debt of EUR 331,500 less the payments which have been made.

(Expressed in Canadian dollars)

4. CORPORATE RESTRUCTURING AND COMMITMENTS (continued)

On March 19, 2015 the Company signed a letter of guarantee for the repayment of the outstanding balance payable on this agreement by ROL. EUR 130,000 remains unpaid at June 30, 2015 and is included in accounts payable.

5. Three year Service Agreement between World Medical Care GmbH & Co ("WMC") KG of Hamburg, Germany and ROL, dated March 20, 2014. Pursuant to the agreement, WMC will exclusively sell and distribute ROL products.

   On August 15, 2014, ROL terminated the service agreement.

bioLytical Laboratories Inc. Licensing Agreement

Separate from the ROI acquisitions, a twenty year license agreement between the Company and bioLytical Laboratories Inc. ("bioLytical")for an exclusive worldwide license for a rapid Ebola testing kit was agreed upon. The Company agreed to pay a non-refundable sum of $250,000 (not paid) in cash and issue 5,000,000 common shares (issued) at a deemed price of $0.10 per share to bioLytical to acquire this product. After commercialization is complete, a 9% royalty on net sales will also be paid to bioLytical in perpetuity for the license term.

5. INTANGIBLE ASSET

The intangible asset comprises the Acquisition Agreement assets described in Note 1 and Note 4.

	Acquisition Agreement Assets
COST	$
Balance, January 1, 2015	-
Additions	2,140,000
Balance, June 30, 2015	2,140,000

	Acquisition Agreement Assets
ACCUMULATED AMORTIZATION	$
Balance, January 1, 2015	-
Additions	-
Balance, June 30, 2015	-

	Acquisition Agreement Assets
Balance, January 1, 2015	$
Additions	-
Balance, June 30, 2015	-

6. SHORT TERM LOANS

During the period ended June 30, 2015, the Company received a $100,000 short term and unsecured loan. The short term loans can be called at any time and bears an annual 8% simple interest rate.

7. SHARE CAPITAL

(a) Authorized: unlimited common shares without par value
(b) Issued and Outstanding:

Period Ended June 30, 2015

On January 8, 2015 the Company completed its private placement and issued 4,166,667 units at $0.06 per unit for proceeds of $250,000. Each unit comprised of one common share and one common share purchase warrant exercisable at $0.15 until January 8, 2016.

On January 8, 2015 the Company issued 12,003,077 common shares under the plan of arrangement between the Company and Web Watcher Systems Ltd. which was approved by the shareholders of Web Watcher Systems Ltd. on December 19, 2013 and the Supreme Court of British Columbia on January 7, 2014.

On January 8, 2015, the Company issued 5,666,667 common shares in accordance with the Acquisition Agreement of which 833,333 common shares were issued to officers and directors of the Company.

On June 6, 2015, the Company issued 5,000,000 common shares in accordance with the license agreement with bioLytical (Note 4).

On June 25, 2015, the Company consolidated its outstanding shares on the basis of one (new) post consolidation share for each three (old) pre-consolidation shares. Total shares issued and outstanding post-consolidation was 26,836,410.

Year Ended December 31, 2014

On July 11, 2014, the Company completed a stock split of its existing share capital on the basis of two and one-half new common shares (2.5) for every one (1) currently issued and outstanding common share, resulting in an aggregate of 250 common shares.

As at December 31, 2014, the Company had received $250,000 in private placement proceeds for 4,166,667 units at $0.06 per unit. Each unit comprised of one common share and one common share purchase warrant exercisable at $0.15 for a period of one year from the closing date. The shares and warrants were issued subsequent to the year end.

(c) Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange’s requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

(c) Warrants:

As part of the January 8, 2015 private placement, the Company granted 4,166,667 share purchase warrants exercisable at $0.15 per share. These warrants expire on January 8, 2016.

8. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

9. FINANCIAL INSTRUMENTS

Classification of financial instruments

	Ref.	**June 30, 2015**	December 31, 2014
		$	$
FVTPL financial asset	a	**17,285**	35,156
Other financial liabilities	b	**1,275,194**	45,880

a. Comprises cash and sales tax receivable
b. Comprises accounts payable, accrued liabilities, due to related parties, short term loans, and interest payable.

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Management of Industry and Financial Risk

The Company is engaged primarily in the sales and distribution of approved drugs and manages related industry risk issues directly. The Company may be at risk for regulatory issues and fluctuations in exchange rates.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Other receivables comprise refundable sales tax credits from the Canadian federal government.

Liquidity risk

9. FINANCIAL INSTRUMENTS (continued)

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash.

Foreign exchange risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Capital management
The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

10. RELATED PARTY TRANSACTIONS

The Company incurred $31,500 (June 30, 2014 – $NIL) of consulting fees from the Chief Financial Officer and Director of the Company relating to consulting services provided. As at June 30, 2015, $31,500 (December 31, 2014 - $NIL) remains unpaid.

11. SUBSEQUENT EVENTS

The Company granted incentive stock options, exercisable to purchase up to an aggregate of 2,100,000 common shares of the Company to certain directors, officers, employees, and consultants of the Company. The options are exercisable at a price of $0.25 per common share for a two year term

Schedule B

Network Life Sciences Inc.

(formerly Network Oncology Inc.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the period ended June 30, 2015

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Network Life Sciences Inc. (the "Company") and compares its financial results for the period ended June 30, 2015 to the previous comparable period. The MD&A should be read in conjunction with the financial statements of the Company and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Refer to Note 3 of the December 31, 2014 financial statements for disclosure of the Company's significant accounting policies and a discussion of future accounting policy changes. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in the Canadian dollar.

This MD&A contains certain statements that may constitute "forward looking statements". Forward looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Additional information relating to the Company can be located on the SEDAR website at www.sedar.com.

This MD&A is current as at August 31, 2015.

Overall Performance

Network Life Sciences Inc. (formerly Network Oncology Inc.) ("NOI", or the "Company"), was incorporated under the Business Corporations Act (British Columbia) on September 19, 2013 and operates from its registered head office located at Suite 500 - 900 West Hastings Street, Vancouver, British Columbia. The Company underwent a name change on June 22, 2015 and was previously known as Network Oncology Inc. Previous to this, the Company had its name changed from Organach Beverage Acquisition Corp. to Network Oncology Inc. on August 12, 2014. On January 15, 2015, the Company was approved for listing on the Canadian Securities Exchange and trades under the stock symbol "NOI".

The Company entered into an arrangement agreement (the "Arrangement Agreement") on October 23, 2013 with its parent company, Web Watcher Systems Ltd., to conduct a corporate restructuring by way of a statutory plan of arrangement to transfer Web Watcher's interest in a letter of intent with WULU Beverage Co. ("WULU") to the Company. As consideration for the transfer, the Company agreed to issue to the shareholders of Web Watcher the number of shares at the share record distribution date held by the shareholders and multiplied by a conversion factor. The Arrangement Agreement was approved at an annual and special meeting of shareholders of Web Watcher held on December 19, 2013. The Company obtained final approval for the arrangement from the Supreme Court of British Columbia on January 7, 2014. The Letter of Intent was cancelled by WULU on March 21, 2014.

The Company entered into a Supply Agreement Sale and Assignment to purchase certain assets in the form of contracts from Resolute Oncology Limited ("ROL") on May 12, 2014. The terms under the Supply Agreement Sale and Assignment on May 12, 2014 and Amendment on July 31, 2014 (the "Amendment") are detailed below. The Company is now operating as an emerging specialty pharmaceutical company working with ROL's core portfolio of oncology-targeted generic pharmaceuticals, which are applicable to address a market with up to 50% of new cancer patients in the European Union. The Company will be focusing on the acquisition and commercialization of proven, and thus low-risk, generic pharmaceutical oncology based products that provide a cost effective response to unmet needs in the market, specifically Germany, other major European countries, with possible expansion to the United States.

The Issuer entered into negotiations with the principals of ROI in April 2014 and agreed upon the purchase of assets of ROL, a wholly owned subsidiary of ROI, upon substantially the following precedent conditions agreed by the parties and the terms pursuant to the Supply Agreement Sale and Assignment:

- A cash payment of $50,000, issuance of 5,666,667 shares of the Company, and the grant of 3% royalty on net product sales to ROL to purchase four marketing authorizations of oncology generic supply and sale agreements for Germany and other countries;

- A three year service agreement for selling and distributing ROL products in Germany and other countries;

- Completion of private placement of an additional $250,000 to fund operations and qualify for listing comprised of 4,166,667 units at $0.02, each unit consisting of one common share and one whole warrant exercisable at $0.15 for a one-year term; and

- Name change to Network Life Sciences Inc. and listing on Canadian Securities Exchange to develop and fund the oncology generics sales and development of additional product sales pipeline.

The assets to be acquired under the Supply Agreement Sale and Assignment by the Company comprise the following material agreements:

i. Agreement on Sale and Purchase of Dossier for Docetaxel between AqVida GmbH of Hamburg, Germany and ROL, dated for reference, June 6, 2013.

Pursuant to the agreement, AqVida GmbH granted to ROL and its affiliates the non-exclusive right to use the dossier and know-how associated with Docetaxel concentrate, a sterile intravenous formulation containing 20 mg/ml of the final product concentrate dosages, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price of EUR 70,000 for marketing authorizations in Germany and EUR 10,000 for every other country, payable in the following installments:

(i) EUR 35,000 after signing the binding term sheet;
(ii) EUR 35,000 after replying to a deficiency letter and restarting the procedure;
(iii) EUR 10,000 upon receipt of marketing authorizations in each further country in the territory.

ii. Agreement on Sale and Purchase of Dossier for Paclitaxel between AqVida GmbH of Hamburg, Germany and ROL, dated for reference, February 22, 2013.

Pursuant to the agreement, Aqvida GmbH granted to ROL and Resolute Oncology Inc. (“ROI”), the parent company of ROL, the non-exclusive right to use the dossier and know-how associated with Paclitaxel concentrate for solution for infusion to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price is EUR 70,000 for marketing authorizations in Germany, and EUR 10,000 for every other country, payable in the following installments:

(i) EUR 35,000 after signing the binding term sheet;
(ii) EUR 35,000 after transferring the German marketing authorization in the name of ROI;
(iii) EUR 10,000 upon receipt of marketing authorizations in each further country in the territory.

iii. Agreement on Sale and Purchase of Dossier for Oxaliplatin between AqVida GmbH of Hamburg, Germany and ROL, dated for reference, March 28, 2013.

Pursuant to the agreement, Aqvida GmbH granted to ROI and ROL the non-exclusive right to use the dossier and know-how associated with Oxaliplatin concentrate for solution for infusion, a sterile intravenous formulation, based on the dossier containing 5 mg/ml of the final product concentrate dosages, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway.

The purchase price is EUR 50,000 for the marketing authorization in Germany, payable in the following installments:

(i) EUR 50,000 upon transfer of the German marketing authorizations in the name of Resolute or its affiliates;
(ii) EUR 10,000 upon receipt of a marketing authorization in each further country in the territory.

iv. Principal Agreement between Neogen Developments N.V. of Anderlecht, Belgium and ROL, dated for reference, March 20, 2013.

Pursuant to the agreement between Neogen Developments N.V. (“Neogen”), a Belgium company, and ROL, Neogen granted to ROL the personal, non-exclusive, and non-transferable right to use registration documentation for zoledronic acid 4 mg/5 ml vial and zoledronic acid 4 mg/100 ml to obtain one marketing authorization in Spain, the United Kingdom, Germany, and Italy and two marketing authorizations in France, for the purpose of selling, marketing, and distributing the products in the territory. ROL has the right to convert the license to an exclusive license in Spain, the United Kingdom, France, and Germany within six months of signing the agreement by matching any offer made by a third party for a license in that country within seven days of being notified by Neogen or by paying an additional EUR 39,000, whichever is higher. For Italy, ROL has the option of converting the license to a semi-exclusive license (two parties) within six months of signing the agreement by matching any offer made by a third party for a license in that country within seven days of being notified by Neogen or by paying an additional EUR 39,000, whichever is higher.

On February 11, 2015 the Principal Agreement between Neogen and ROL was amended such that that the rights on the registration documents will be limited to the 4 mg/5 ml product and to Germany only. All other rights will be transferred back to Neogen. In addition, the total amount to be paid for 4 mg/5 ml product would be to as follows:

(i) EUR 145,000 in relation to this agreement covering milestones, service charges as well as fees paid to regulatory authorities;

(ii) An amount of EUR 186,500 in relation to the purchase orders.

The amended agreement indicated ROL will pay only EUR 150,000 by monthly installments of EUR 10,000 with the first payment due on February 15, 2015 (paid). Prior to December 31, 2014, ROL has paid EUR 50,000 to Neogen. If any payment is missed, Neogen shall be entitled to initiate proceedings for the overall debt of EUR 331,500 less the payments which have been made.

On March 19, 2015 the Company signed a letter of guarantee for the repayment of the outstanding balance payable on this agreement by ROL. EUR 130,000 remains unpaid at June 30, 2015 and is included in accounts payable.

v. Service Agreement between World Medical Care GmbH & Co KG of Hamburg, Germany and ROL, dated for reference, March 20, 2014.

The March 2014 three-year Service Agreement with World Medical Care GmbH (WMC) of Hamburg, Germany is expected to be the Company’s significant asset. Pursuant to the agreement, WMC will exclusively sell and distribute ROL products to cyto-pharmacies and private medical oncologists. In return, WMC will sell its blood plasma portfolio to the same audience in exchange for ROL paying salaries for three to five oncology sales representatives. These experienced representatives bring relationships and access to key accounts that will generate significant sales for ROL over this time period. All other costs are shared between both parties.

Licensing Agreement with bioLytical Laboratories Inc., dated June 11, 2015

Separate from the ROI acquisitions, a twenty year license agreement between the Company and bioLytical Laboratories Inc. (“bioLytical”) for an exclusive worldwide license for a rapid Ebola testing kit was agreed upon. The Company agreed to pay a non-refundable sum of $250,000 (not paid) in cash and issue 5,000,000 common shares (issued) at a deemed price of $0.10 per share to bioLytical to acquire this product. After commercialization is complete, a 9% royalty on net sales will also be paid to bioLytical in perpetuity for the license term.

The Company is funding its business activities through the issuance of common shares and/or debt financing and from future anticipated sales of its products:

Summary of Quarterly Results

	Jun. 30 2015	**Mar. 31 2015**	**Dec. 31 2014**	**Sep. 30 2014**	**Jun. 30 2014**	**Mar. 31 2014**	**Dec. 31 2013**	**Sep. 30 2013**
	$	$	$	$	$	$	$	$
Financial results:								
Net income (loss)	(161,032)	(955,464)	(45,529)	(15,898)	(20,631)	n/a	n/a	n/a
Basic loss per share	(0.01)	(0.05)	(182.12)	(82.52)	(82.52)	(0.00)	(0.00)	(0.00)

THREE MONTHS ENDED JUNE 30, 2015 ANALYSIS

The Company incurred a net loss of $161,032 in the current quarter compared to no activity in the previous comparable quarter. The increase is primarily attributed to the incursion of development costs relating to the Supply Agreement Sale and Assignment.

SIX MONTHS ENDED JUNE 30, 2015 ANALYSIS

The Company incurred a net loss of $1,116,496 in the current quarter compared to no activity in the previous comparable quarter. The increase is primarily attributed to the incursion of development costs relating to the Supply Agreement Sale and Assignment.

Liquidity and Capital Resources

At June 30, 2015, the Company had negative working capital of ($1,252,219) (December 31, 2014 – ($10,724) including cash and cash equivalents of $118 (December 31, 2014 - $35,156).

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the period ended June 30, 2015, the Company incurred a net loss of $1,116,496 (June 30, 2014 - $NIL). The continuation of the Company as a going concern is dependent on its ability to obtain necessary equity financing for its commitments described in Note 4.

The Company’s cash resources are insufficient to meet its working capital requirements. Additional equity financing will be required to meet its obligations if the titles are transferred into the name of the Company.

On January 8, 2015 the Company completed its private placement and issued 4,166,667 units at $0.03 per unit for proceeds of $250,000. Each unit was comprised of one common share and one common share purchase warrant exercisable at $0.015 until January 8, 2016.

On January 8, 2015 the Company issued 12,003,082 common shares under the plan of arrangement between the Company and Web Watcher Systems Ltd. which was approved by the shareholders of Web Watcher Systems Ltd. on December 19, 2013 and the Supreme Court of British Columbia on January 7, 2014.

On January 8, 2015, the Company issued 5,666,667 common shares in accordance with the Acquisition Agreement of which 833,333 common shares were issued to officers and directors of the Company.

On June 25, 2015, the Company consolidated its outstanding shares on the basis of one (new) post consolidation share for each three (old) pre-consolidation shares. Total shares issued and outstanding post-consolidation was 26,836,410.

On July 17, 2015, the Company granted incentive stock options, exercisable to purchase up to an aggregate of 2,100,000 common shares of the Company to certain directors, officers, employees, and consultants of the Company. The options are exercisable at a price of $0.25 per common share for a two year term

The Company has recognized short-term liabilities totaling $864,280 (December 31, 2013 - $NIL). The remaining amounts of this balance relate to amounts owing to third party vendors. During the period ended June 30, 2015, the Company received $100,000 in short term, unsecured loans bearing an interest of 8%.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its business objectives. In addition, there is no guarantee that management will be successful in securing future equity financings due to current market conditions.

FINANCIAL INSTRUMENTS

Classification of financial instruments

	Ref.	**June 30, 2015**	December 31, 2014
		$	$
FVTPL financial asset	a	**17,285**	35,156
Other financial liabilities	b	**1,275,194**	45,880

a. Comprises cash and sales tax receivable
b. Comprises accounts payable, accrued liabilities, due to related parties, short term loans, and interest payable.

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Management of Industry and Financial Risk

The Company is engaged primarily in the sales and distribution of approved drugs and manages related industry risk issues directly. The Company may be at risk for regulatory issues and fluctuations in exchange rates.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Other receivables comprise refundable sales tax credits from the Canadian federal government.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash.

Foreign exchange risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Capital management
The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash

equivalents. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements and no long-term debt obligations.

Transactions between Related Parties

The Company incurred $31,500 (June 30, 2014 – $NIL) of consulting fees from the Chief Financial Officer and Director of the Company relating to consulting services provided. As at June 30, 2015, $31,500 (December 31, 2014 - $NIL) remains unpaid.

OUTSTANDING SHARE DATA

The following share capital data is current as of date of this MD&A:

	Balance
Shares issued and outstanding	26,836,482
Stock options	2,100,000
Warrants	4,166,667
Fully Diluted	33,103,149

Future Cash Requirements

The Company's future capital requirements will depend on many factors, including, among others, its ability to earn cash flow from operations. Should the Company wish to pursue current and future business opportunities, additional funding will be required. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may not be able to meet its contractual requirements.

Critical Accounting Estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates that, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the statement of financial position date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit of loss for the period. For an asset that doses not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash- generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments, where active market quotes are not available. Details of the assumptions used are provided in the notes regarding financial assets and liabilities.

In applying the valuation techniques management makes maximum use of market inputs wherever possible, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. Such estimates include liquidity risk, credit risk and volatility may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Going concern

The assessment of the Company's ability to execute its strategy effectively operating the Company involves judgement.

Acquisition of assets

The assessment of the acquisition of assets or business relating to the Acquisition Agreement involves significant judgement on the future operation of the Company.

Changes in Accounting Policies

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended June 30, 2014, and have not been applied in preparing these financial statements.

The following standards and interpretations (see note 3) have been issued by the IASB and the IFRIC effective for annual periods beginning on or after January 1, 2014:

IAS 1 – Presentation of Financial Statements
IAS 32 – Financial Instruments: Presentation
IAS 36 – Impairment of Assets

The following standard will be effective for annual periods beginning on or after January 1, 2016:

IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible Assets
IFRS 12 – Disclosure of Interests in Other Entities Contributions.

The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9 – Financial Instruments

In July 2014, the IASB published the final version of IFRS 9 bringing together the classification and measurement, impairment and hedge accounting phases of the IASB project to replace IAS 39. This version adds a new expected loss impairment model and limited amendments to classification and measurement of financial assets. IFRS 9 is effective for periods beginning on or after May 1, 2018.

The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

ADDITIONAL INFORMATION

Additional information pertaining to the Company is available on the SEDAR website at www.networkoncology.com