THE JENEX CORPORATION

Condensed Interim Financial Statements

For the Nine Months Ended April 30, 2015 and 2014
(In Canadian dollars)

UNAUDITED

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For the Quarter ended April 30, 2015
(In Canadian dollars)

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<u>NOTICE OF NO AUDITORS REVIEW OF INTERIM FINANCIAL STATEMENTS</u>

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

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

APPROVED ON BEHALF OF THE BOARD:

/s/ Peter Shippen	/s/ Roberto Fia
_________________________________ Director	_______________________________ Director

THE JENEX CORPORATION

Condensed Interim Statement of Financial Position
For the Quarter ended April 30, 2015
(In Canadian dollars)

	As at April 30 2015 (Unaudited)	As at July 31 2014 (Audited)
ASSETS		
Current:		
Cash	**$ 415**	$ 21,488
Inventory (Note 4)	**-**	100
Prepaid expenses	**-**	833
Sales taxes recoverable	-	28,331
Total Assets	**$ 415**	$ 50,752
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Accounts payable and accrued liabilities (Note 5)	**$ 626,102**	$ 862,386
Loans from Directors (Note 6)	**99,358**	65,343
Unsecured debenture (Note 7)	**31,135**	4,638,949
Secured debenture ((Note 7 & 9)	**600,000**	-
Total Liabilities	$ **1,356,595**	$ 5,566,678
Basis of presentation and going concern (Note 2)		
Contingencies and commitments (Note 13)		
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 11)	**$ 8,286,124**	$ 7,011,124
Warrants reserve (Note 11)	**2,847,250**	107,778
Share-based payments reserve (Note 11)	**1,236,951**	799,451
Equity portion of convertible debentures (Note 8)	**271,454**	271,454
Deficiency	**(13,997,959)**	(13,705,733)
Total shareholders' deficiency	$ **(1,356,180)**	$ (5,515,926)
Total liabilities and shareholders' deficiency	**$ 415**	$ 50,752

APPROVED ON BEHALF OF THE BOARD:

/s/ Peter Shippen
_________________________________ Director

/s/ Roberto Fia
________________________________ Director

The accompanying notes form an integral part of these financial statements.

THE JENEX CORPORATION

Condensed Interim Statement of Loss
For the Quarter ended April 30, 2015
(In Canadian dollars) (Unaudited)

	3 Months Ended April 30, 2015	3 Months Ended April 30, 2014	**9 Months Ended April 30, 2015**	9 Months Ended April 30, 2014
REVENUES				
Sales	**$ 567**	$ -	**$ 720**	$ -
Cost of sales	**(100)**	-	**(100)**	-
Gross margin	**467**	-	**620**	-
EXPENSES				
Interest (Note 7 & 8)	**951**	160,029	**2,917**	472,052
General and administrative (Note 5)	**84,671**	86,169	**288,045**	227,650
	(85,622)	246,198	**290,962**	699,702
LOSS FROM OPERATIONS	**(85,155)**	(246,198)	**(290,342)**	(699,702)
OTHER EXPENSES (INCOME)				
Loss (gain) on foreign exchange	**-**	(4,855)	**1,884**	18,862
NET LOSS AND COMPREHENSIVE LOSS	**$ (85,155)**	$ (241,343)	**$ (292,226)**	$ (718,564)
Basic and diluted net loss per share (note 11)	**$ (0.001)**	$ (0.003)	**$ (0.003)**	$ (0.009)
Weighted average number of common shares (Note 11)	**94,118,371**	76,777,437	**94,118,371**	76,777,437

The accompanying notes form an integral part of these financial statements.

THE JENEX CORPORATION

Condensed Interim Statement of Changes in Equity
For the Quarter ended April 30, 2015
(In Canadian dollars) (Unaudited)

	Shares	Share capital	Warrant reserve	Share-based payments reserve	Equity portion of convertible debenture (note 8)	Deficit	Total
Balance, August 1, 2014	76,777,437	$ 7,011,124	$107,778	$767,680	$270,932	$(13,773,941)	**$ (5,616,427)**
Comprehensive income	-	-	-	-	-	68,208	**68,208**
Change	-	-	-	31,771	522	-	**32,293**
Balance, July 31, 2014	76,777,437	$ 7,011,124	$107,778	$799,451	$271,454	$(13,705,733)	**$ (5,515,926)**
Comprehensive loss	-	-	-	-	-	(292,226)	**(292,226)**
Change	33,575,000	1,275,000	2,739,472	437,500	-	-	**4,451,972**
Balance, Apr 30, 2015	**110,352,437**	**$ 8,286,124**	**$2,847,250**	**$1,236,951**	**$271,454**	**$(13,997,959)**	**$ (1,356,180)**

The accompanying notes form an integral part of these financial statements.

THE JENEX CORPORATION

Condensed Interim Statement of Cash Flows
For the Quarter ended April 30, 2015
(In Canadian dollars) (Unaudited)

	3 Months Ended April 30, 2015	3 Months Ended April 30, 2014	**9 Months Ended April 30, 2015**	9 Months Ended April 30, 2014
OPERATING ACTIVITIES				
Loss	**(85,155)**	(241,343)	**(292,226)**	(718,564)
Changes in non-cash working capital items:				
Accounts receivable	**110**	-	**-**	-
Inventory	**100**	-	**100**	-
Prepaid expenses	**-**	-	**833**	-
Sales tax recoverable	**-**	-	**28,331**	-
Long-term debt capitalized	**1,220**	-	**(4,010,731)**	-
Accounts payable and accrued liabilities	**82,320**	73,127	**(236,284)**	169,684
Loans from directors	**404**	1,745	**34,015**	23,435
Unpaid interest capitalized	**951**	160,029	**2,917**	472,052
Cash flow used by operating activities	**(50)**	(6,442)	**(4,473,045)**	(53,393)
FINANCING ACTIVITIES				
Non-cash debt settlements:				
Issue of share capital	**-**	-	**1,275,000**	-
Warrants reserve	**-**	-	**2,739,472**	-
Share-based payments reserve	**-**	-	**437,500**	-
Cash flow from financing activities	**-**	-	**4,451,972**	-
DECREASE IN CASH	**(50)**	(6,442)	**(21,073)**	(53,393)
CASH – BEGINNING OF PERIOD	**465**	4,701	**21,488**	51,652
CASH - END OF PERIOD	**$ 415**	**$ (1,*741)***	**$ 415**	**$ (1,741)**

The accompanying notes form an integral part of these financial statements.

THE JENEX CORPORATION

Notes to the Condensed Interim Financial Statements
For the Quarter ended April 30, 2015
(In Canadian dollars)

1. NATURE OF OPERATIONS

The Jenex Corporation (the "Company") was incorporated under the Business Corporations Act (Alberta) on March 5, 2001. The Company has a proprietary thermal therapy technology that provides topical relief to certain skin irritations resulting from insect bites, stings and prevents cold sores. Since inception, the efforts of the Company have been devoted to developing and marketing this technology.

2. BASIS OF PRESENTATION AND GOING CONCERN

Management has prepared these financial statements in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates that assets will be realized and liabilities discharged in the normal course of business as they come due. To this point, all operational activities and the overhead costs have been funded from the available cash and by equity issuances.

The Company has a working capital deficiency of approximately $1,356,000 and accumulated deficit of approximately $13,998,000.

The Company has been working through third party service providers in marketing, sales, engineering and distribution, to sell its products to well-known Canadian retailers. The Company is in discussions with several large retailers to carry the Company's products. If an agreement is concluded with these retailers, it would re-establish revenue for the Company and would be expected to lead to recurring revenue from the sale of Treatment Activators. The revenue from the sale of the existing inventory of interceptCS will have a positive impact on the income statement and balance sheet due to the low cost base for that inventory. This revenue will create a source of capital for the Company to allow the Company to run its business, expand sales and meet reporting and disclosure requirements.

The Company has re-launched its corporate website and a new sales and marketing website with ecommerce capabilities. The ecommerce website has created another channel for the Company to sell its inventory utilizing third party marketing specialists which incorporate social media. The Company has generated sales from this direct to consumer approach and will use the cash flow generated to expand sales within this sales channel.

The Company will have to secure new cash resources to meet its obligations. Management is currently evaluating and pursuing funding alternatives, including new equity issuances. While management has so far been successful in raising the required equity financing, there is no assurance that these initiatives will continue to be successful. Uncertainty in global capital markets could have a negative impact on the Company's ability to access capital in the future.

The Company's ability to continue as a going concern is dependent upon its ability to reach a profitable level of operations and obtain adequate financing.The accompanying financial statements do not include any adjustments relating to the recoverability of assets and to re-classification of assets and liabilities amounts that might be necessary should the Company be unable to continue its operations. These adjustments could be material.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"). The significant policies are detailed as follows:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(a) Inventory

Inventory is measured at the lower of cost (determined on a first-in, first-out basis) and net realizable value, with cost being determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the costs necessary to make the sale. When the reversal of previously written down inventories is recognized, this reversal is recognized in net income. The cost of purchased inventory comprises the purchase price and other costs directly attributable to the acquisition of inventory. Trade discounts and rebates are deducted in the costs of the purchase of finished goods. A write-down is recorded to cost of sales for any slow moving or obsolete inventory.

(b) Property and equipment

Property and equipment are measured at cost less accumulated amortization. Amortization methods, rates and residual values are reviewed annually and revised if the current method, estimated useful life or residual value is different from that estimated previously. Amortization is charged to the statement of operations over their useful lives and is based on the declining balance method and rates:

Moulds	- 40%
Office furniture and fixtures	- 20%
Website	- 30%
Computer equipment	- 30%

(c) Intangible assets

Intangible assets consisting of patents and trademarks are recorded at fair values. Intangible assets with finite useful lives are amortized over their estimated useful lives and are tested for impairment annually or more frequently if events or changes in circumstances indicate possible impairment.

(d) Impairment of long-lived assets

The Company tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

(e) Foreign currency transactions

Monetary assets and liabilities denominated in currencies other than the Canadian dollar are translated at the rate of exchange in effect at year-end. Any non-monetary assets and liabilities denominated in foreign currencies are translated at their historic rates. Items appearing in the income statement, except for the cost of inventories and amortization, are translated at historic rate or at average year rates. Foreign exchange gains and losses are credited or charged to earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(f) Earnings (loss) per share

Basic earnings (loss) per common share are determined by dividing net income (loss) attributed to common shareholders by the weighted average number of common shares outstanding during the period. The effects of potential issues of shares pursuant to outstanding share purchase option agreements are disclosed as appropriate. If the Company has outstanding dilutive stock options and warrants in any period, the diluted earnings (loss) per share will be calculated using the treasury stock method. Anti-dilutive effects will not be disclosed.

(g) Revenue recognition

Revenue is recognized when there is persuasive evidence that an arrangement exists, delivery has occurred or services have been rendered, the price is fixed or determinable and collection is reasonably assured. Revenue recognition is net of provision for returns and warranty costs which are estimated based on historical returns and warranty experience.

(h) Income taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized based on temporary differences between the tax and accounting bases of assets and liabilities, as well as losses available to be carried forward to future years for income tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Changes to these balances are recognized in income in the period in which they occur. Deferred tax assets are reduced by a valuation allowance to the extent that it is no longer probable that the related tax benefit will be realized.

(i) Stock-based compensation

The Company uses the fair value based method of accounting for all stock options granted to its directors, officers and employees, whereby a compensation expense is recognized over the vesting period of the options, with a corresponding increase to share option reserve in equity. When stock options are exercised, capital stock is credited by the sum of the consideration paid together with the related portion previously recorded to stock option reserve.

(j) Warrants

When the Company issues units under a private placement comprising common shares and warrants, the Company follows the relative fair value method of accounting for warrants attached to and issued with common shares of the Company. Under this method, the fair value of warrants issued is estimated using a Black-Scholes option price model. The fair value is then related to the total of the net proceeds received on issuance of the common shares and the fair value of the warrants issued therewith. The resultant relative fair value is allocated to warrants from the net proceeds and the balance of the net proceeds is allocated to the common shares issued.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(k) Convertible debentures

Convertible debentures are accounted for as financial instruments containing both a liability element and an equity element that are required to be accounted for separately under IAS 32, Financial Instrument – Presentation. The residual value method is used to determine the value of each element. Under this approach, the equity component is assigned the residual amount after deducting from the proceeds from the issuance of the instrument the fair value amount separately determined for the liability component. No gain or loss arises on initial recognition of the components of the instruments separately.

(l) Use of estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are convertible debentures, stock options granted, warrants issued, accruals and valuation allowances.

(m) Financial instruments

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories; held-to-maturity, available-for-sale, loans-and-receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash and cash equivalents are classified a FVTPL.

Financial assets classified as loans-and-receivables and held-to-maturity are measured at amortized cost.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The Company's accounts payable, loans to directors and long term debt are classified as other-financial-liabilities.

The fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income. At April 30, 2015, the Company has not classified any financial liability as FVTPL.

THE JENEX CORPORATION

Notes to the Condensed Interim Financial Statements
For the Quarter ended April 30, 2015
(In Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

(n) New accounting standards and interpretations

The IASB has postponed indefinitely the mandatory adoption of IFRS 9 Financial Instruments, which addresses classification and measurement of financial instruments and replaces the multiple category and measurement models in IAS 39 Financial Instruments – Recognition and Measurement for debt instruments with a new mixed measurement model having only two categories: amortized cost and FVTPL. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at FVTPL or at fair value through other comprehensive income. The Company has not assessed the impact of the standards or determined whether it will adopt the standard early. Management is currently assessing the new requirements, however, it is anticipated that these new standards, interpretations and amendments are unlikely to have a significant impact on the Company's financial statements.

4. INVENTORY

	April 30 2015	July 31 2014
Inventory	$ -	$ 100

Inventory consists solely of finished goods. Since 2009, the Company has taken a cumulative inventory write-down of $5,220. During the period, some items of inventory have been sold and cost of inventory has been recognized as cost of sale.

5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30 2015	July 31 2014
Accounts payable	$ -	$ -
Accrued liabilities	626,102	862,386
	$ 626,102	$ 862,386

Management fees payable to directors and an officer of the Company included in accounts payable and accrued liabilities at the quarter end and in general and administrative expenses for the quarter amounts to $156,750 (2014 – $232,500).

On December 11, 2014, the Company announced that it had settled accrued liabilities of $67,500 by the issuance of 675,000 common shares at a price of $0.10 per share and the unpaid management fee of $370,000 by issuance of 7,400,000 common shares at a price of $0.05 per share (Note 9).

(In Canadian dollars)

6. LOANS FROM DIRECTORS

	April 30 2015	July 31 2014
Notes Payable	$ 99,358	$ 65,343

The loans from directors are unsecured, non-interest bearing, and repayable on demand.

7. LONG TERM DEBT

	April 30 2015	July 31 2014
Loan payable	$ -	$ 2,483,684
Unsecured convertible debentures (Note 8 & 9)	31,135	2,155,265
Secured debenture (Note 9)	600,000	-
	631,135	4,638,949
Current portion	(31,135)	(4,638,949)
	$ 600,000	$ -

On May 19, 2005, the Company received a loan amounting to $500,000 from an arm's length private investor, bearing interest at a rate of 12% per annum, calculated on a monthly basis and repayable on November 18, 2007. In November 2007, the maturity date of the loan was extended from November 18, 2007 to January 11, 2008 at an interest rate of 18% per annum. The loan payable was not settled on January 11, 2008. Interest continued to be accrued at 18% per annum. The Company will also pay $25,000 as a settlement fee at the maturity of the loan. Collateral is provided by a general security agreement on all the Company's property, assets and undertakings.

The loan principal and the accrued interest at July 31, 2014 totaling $2,483,684 were settled on December 11, 2014 (Note 9).

Interest expense for the quarter ended April 30, 2015 was $ nil (2014 - $406,360) and any interest accrued after July 31, 2014 was reversed during the quarter.

8. CONVERTIBLE DEBENTURES

On January 11, 2006, the Company raised gross proceeds of $275,000 which resulted in the issuance of 275,000 units at a price of $1.00 per unit to investors. Each unit is comprised of $1.00 worth of principal amount of 12% secured convertible debentures, with a two year term, and one non-transferable share purchase warrant. The debentures are convertible at the option of the holders into common shares of the Company at a conversion price of $0.15 per share. Each whole warrant entitles the holder thereof to purchase one additional common share of the Company at a price of $0.25 per share for a period of two years commencing from the closing date. The debenture is callable by the Company at any time within the term. The holder will have thirty days wherein they may choose to convert their debenture into common shares or receive payment of their principal and interest accrued to that date. In connection with the above, Benson Van Laer & Co. Inc. was paid a commission of $25,000 in cash and 191,667 warrants, on the same terms as the warrants issued to investors.

On January 11, 2006, the Company also raised gross proceeds of $500,000 which resulted in the issuance of 500,000 units at a price of $1.00 per unit to investors. Each unit is comprised of $1.00 worth of principal amount of 12% secured convertible debenture, with a two year term, and three and one-half non-transferable share purchase warrants (1,750,000 warrants in total). The debentures are convertible at the option of the holder into common shares of the Company at a conversion price of $0.15 per share. Each whole warrant entitles the holder thereof to purchase one additional common share of the Company at a price of $0.25 per share for a period of two years commencing from the closing date. The debenture is callable by the Company at any time within the term. The holder will have thirty days wherein they may choose to convert their debenture into common shares or receive payment of their principal and interest accrued to that date. In connection with the above, Benson Van Laer & Co. Inc. was paid a commission of $50,000 in cash and 383,333 warrants, on the same terms as the warrants issued to investors.

The $275,000 and the $500,000 secured convertible debentures (the "convertible debentures") are secured by all the Company's property, assets and undertakings. This collateral security is ranked secondary to the security interests of the loan payable.

The convertible debentures contain both a liability and an equity element, represented by the conversion option, and therefore, under IFRS these two elements must be split and classified separately as debt and equity. In addition, as noted above, the debenture holders received 2,025,000 purchase warrants on the issuance. The Company allocated the total proceeds received from the issuance of the convertible debentures to these three elements based on their relative fair values. The fair value of the conversion option and the purchase warrants was determined based on Black-Scholes option valuation model. The fair value of the debt was based on the discounted cash flows using an estimated cost of borrowing of 15% to represent an estimate of what the Company may borrow secured debt without a conversion option or purchase warrant. The resulting allocation based on relative fair values resulted in the allocation of $317,119 to the debt instrument, $344,141 to the conversion option and $113,740 to the purchase warrants. The financing fees totaling $164,865 related to the issuance of the convertible debentures have been allocated pro rata between deferred financing charges of $67,460, against the equity portion of the convertible debentures of $73,209 and against the purchase warrants of $24,196. This allocation resulted in net amounts allocated to the equity portion of the convertible debentures and warrants of $270,932 and $89,544 respectively. The financing charges are being amortized over the two-year life of the convertible debentures agreement.

Each reporting period, the Company was required to accrete the carrying value of the convertible debentures such that at maturity on January 11, 2008, the carrying value of the debentures equals their face value of $775,000 plus accrued interest. For the quarter ended January 31, 2015, the Company recognized $ nil (2014-$nil) in accretion expense.

The convertible debentures were not settled on maturity. Interest continued to be accrued at 12% per annum. On December 11, 2014, the principal and the accrued interest at July 31, 2014 totaling $2,130,786 was settled (Note 9).

Interest expense for quarter ended April 30, 2015 was $nil (2014 – $237,610) and any interest accrued after July 31, 2014 was reversed during the quarter.

8. CONVERTIBLE DEBENTURES, continued

On July 31, 2014, the Company raised gross proceeds of $30,000 by the issuance of 13% unsecured convertible debentures maturing on July 31, 2015. The debentures are convertible into units at $0.05 per unit exercisable at any time prior to maturity. Each unit consists of one common share of the Company and one-half of the one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.05 at any time prior to July 31, 2016.

The Company allocated the total proceeds on the issuance to the liability element and the equity element based on the residual value method. The fair value of the liability element was ascertained based on the discounted cash flow of an unsecured debt without a conversion option using an estimated cost of borrowing of 15% with a similar term to maturity. The allocation resulted in a fair value of $29,478 assigned to the convertible debentures and the residual of $522 allocated to the conversion option. Financing fees of $5,000 are netted against the fair value of the debentures and will be amortized over the maturity period.

Interest expense for the quarter ended April 30, 2015 was $2,917 (2014 - $nil).

9. DEBT SETTLEMENT

The Company had outstanding loan and convertible debentures ("the Debt") in the total principal amount of $1,275,000. Accrued interest of $3,339,470 was owed on the Debt as of July 31, 2014(Note 7 and 8).

On December 11, 2014, the Company announced that it had settled $4,614,470 of the Debt (including accrued interest) by issuing (a) 25,500,000 common shares at a price of $0.05 per share to settle $1,275,000 of debt, (b) $600,000 of secured debentures for interest of $600,000 ("Debentures"), and (c) 10,000,000 warrants for the remaining interest owing on the Debt ("Warrants").

The common shares issued for the debt settlement were subject to a four month hold period which expired on April 11, 2015.

The Debentures are interest free, will become due and payable on the third anniversary of closing the debt settlement and will be secured by a security interest against the assets of the Company.

Each Warrant is exercisable for one common share of the Company at an exercise price of $0.05 on or before the first anniversary of closing the debt settlement.

The Company is listed on the NEX board of the TSX Venture Exchange. NEX will not permit the warrant to have a term in excess of one year. The Company has agreed to use all reasonable efforts to list the common shares of the Company on the TSX Venture Exchange or Canadian Securities Exchange prior to the expiry of the warrants and to obtain approval to extend the term of the warrants to three years from the date of original issuance. If the Company is successful in obtaining that extension of the warrant term, the principal amount of the Debentures will be reduced from $600,000 to $500,000.The Company will have the right to require the holders of the Warrants to convert the Warrants into common shares if (a) the volume weighted average closing price of the Company's common shares is above $0.10 for 20 consecutive trading days, and (b) the average daily volume of common shares trading during that period is at least 250,000 .

$1,000,000 of the Debt was held by a single debt holder. As a result of the issuance of common shares for the outstanding principal amount of the Debt held, the debt holder would hold 20,000,000 common shares, representing approximately 18% of the common shares of the Company following the debt settlements. The debt holder would receive 8,396,780 Warrants and would hold approximately 24% of the common shares on a partially diluted basis. The debt holder agreed not to exercise the warrants so as to increase holdings of common shares above 20% without first obtaining the approval of disinterested shareholders at the next shareholders' general meeting.

(In Canadian dollars)

9. DEBT SETTLEMENT, continued

The Company also settled unsecured debts totaling $67,500 (Note 5) by issuance of 675,000 common shares at a price of $0.10 per share and unpaid management and director fees totaling $370,000 (Note 5) by issuance of 7,400,000 common shares at a price of $0.05 per share.

10. INCOME TAXES

(a) Current income taxes

The reconciliation of Income tax computed at the statutory rate to the income tax expense is as follows:

	April 30 2015	Jul 31 2014
Net (loss) income for the period/year	$(292,226)	$68,208
Canadian combined federal and provincial basic statutory rate	26%	26%
Expected income tax (recovery) expense	(75,979)	17,052
	(75,979)	17,052
Benefit of losses/(expenses) not recognized	75,979	(17,052)
Income tax expense	$ -	$ -

(b) Deferred income taxes
Significant components of the Company's deferred tax assets and liabilities are as follows:

	April 30 2015	Jul 31 2014
Operating losses available to offset future taxes	$1,702,729	$1,626,750
Effect of change in substantively enacted rate	239,153	239,142
Tax basis of timing differences	67,400	67,400
	2,009,282	1,933,292
Valuation allowance	(2,009,282)	(1,933,292)
Net deferred tax assets	$ -	$ -

The Company has determined that realization of a deferred tax asset is not probable and therefore a valuation allowance has been recorded against the deferred income tax asset.

(In Canadian dollars)

10. INCOME TAXES, continued

(c) Income tax losses carried forward

As at April 30, 2015, the Company has non-capital losses of $6,799,000 (2014-$6,507,000) for tax purposes which can be applied against future taxable income. These losses expire as follows:

	Jan 31 2015
2015	$ 560,000
2026	1,207,000
2027	1,271,000
2028	900,000
2029	871,000
2030	412,000
2031	510,000
2032	776,000
2033	292,000
	$ 6,799,000

11. SHARE CAPITAL

	Number of common shares issued	Shares capital amount	Shares-based payment reserve
Authorized: Unlimited number of common shares without value			
Beginning of the period	76,777,437	$7,011,124	$799,451
Issued	33,575,000	1,275,000	437,500
Balance - April 30, 2015	110,352,437	$8,286,124	$1,236,951

(a) Common shares

On December 11, 2014, the Company completed the debt settlements with the holders of secured debt by issuing 25,500,000 common shares at a price of $0.05 per share to settle the principal of $1,275,000 (Note 9).

The Company further settled unsecured debts totaling $67,500 by the issuance of 675,500 common shares at a price of $0.10 per share and unpaid management fees of $370,000 by the issuance of 7,400,000 common shares at a price of $0.05.

The common shares issued for the debt settlement were subject to a four month hold period which expired on April 11, 2015.

(In Canadian dollars)

11. SHARE CAPITAL, continued

(b) Stock options

Under the Company's stock option plan, the Company may grant options to employees, consultants, officers and directors totaling up to 10% of its issued and outstanding common shares. The aggregate number of shares so reserved for issuance to any one person shall not exceed 5% of the issued and outstanding common shares.

During the quarter ended April 30, 2015, the Company did not issue any new options (2014 – 5,550,000).

The stock compensation expense recorded for the quarter was $ nil (2014 - $31,771).

The following table summarizes information about the Company's options activity:

	April 30, 2015			July 31, 2014		
	Number of options		Weighted average exercise price	Number of options		Weighted average exercise price
Issued and outstanding,						
Beginning of period/year	5,550,000	$	0.10	-	$	-
Expired	-	$	-	-	$	-
Issued during the period/year	-	$	-	5,550,000	$	0.10
	5,550,000	$	0.10	5,550,000	$	0.10

(c) Warrants

On December 11, 2014, the Company completed the debt settlement with holders of secured debts wherein common share purchase warrants were issued in addition to the issuance of common shares and secured debentures to complete the debt settlement (Note 9). Each warrant entitles the holder to acquire one common share at an exercise price of $0.05 on or before the first anniversary of closing the debt settlement.

The Company is listed on the NEX board of the TSX Venture Exchange. NEX will not permit the warrant to have a term in excess of one year. The Company has agreed to use all reasonable efforts to list the common shares of the Company on the TSX Venture Exchange or Canadian Securities Exchange prior to the expiry of the warrants and to obtain approval to extend the term of the warrants to three years from the date of original issuance, If the Company is successful in obtaining that extension of the warrant term, the principal amount of the original debentures will be reduced from $600,000 to $500,000.The Company will have the right to require the holders of the warrants to convert the warrants into common shares if (a) the volume weighted average closing price of the Company's common shares is above $0.10 for 20 consecutive trading days, and (b) the average daily volume of common shares trading during that period is at least $250,000 (Note 9).

THE JENEX CORPORATION

Notes to the Condensed Interim Financial Statements
For the Quarter ended April 30, 2015
(In Canadian dollars)

11. SHARE CAPITAL, continued

(c) Warrants

The following table summarizes information about the Company's warrant activity:

	April 30, 2015			July 31, 2014		
	Number of warrants		Weighted average exercise price	Number of warrants		Weighted average exercise price
Issued and outstanding,						
Beginning of year	-	$	-	5,000,003	$	0.10
Expired	-	$	-	(5,000,003)		(0.10)
Issued during the period/year	10,000,000	$	0.05	-		-
	10,000,000	$	0.05	-		-

All issued and outstanding warrants will expire on December 10, 2015.

12. LOSS PER SHARE

Loss per share is calculated on the weighted average number of common shares outstanding during the quarter, which were 94,118,371 (2014 – 78,093,569).

The Company had 10,000,000 unexercised warrants (2014 – nil) and 5,550,000 options (2014 – 5,550,000) outstanding as at January 31, 2015. Warrants and options outstanding in the quarter and fiscal 2014 were included in the computation of income per share for the quarter as it would have had a dilutive effect on loss per share.

13. CONTINGENCIES AND COMMITMENTS

The Company has offered a "Risk Free Guarantee" on sales of *InterceptCS* product allowing consumers who are not satisfied with the product to return it with 90 days of purchase for a full refund. While returns have been insignificant to date, there can be no assurance that the Company will not receive an increased level of returns in the future.

14. FINANCIAL INSTRUMENTS

(a) Fair Value of Financial Instruments

The fair values of the Company's financial instruments approximate their carrying values. The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, loans from directors, unsecured and secured debentures approximate their fair values due to the short-term maturities of these instruments.

(b) Currency risk

The Company did not have any significant foreign currency exposure as at April 30, 2015 (2014 – 5%). The results of the Company’s operations are therefore not subject to currency transaction and translation risk.

(c) Liquidity risk

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to pay for the general and administrative expenses necessary to maintain the Company’s books and records as well as its listing on the NEX. However, as the Company has resumed the business and is without significant internally generated cash flow, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company, or that the Company may not be able to achieve successful operations. The current uncertainty in global markets and the fact that the Company has a nominal amount of assets could have an impact on the Company’s future ability to obtain capital on terms that are acceptable to the Company, and on the Company’s future ability to achieve successful operations. The Company has so far maintained a limited amount of cash for its operational needs by means of loans from the directors and share issuance.

15. CAPITAL MANAGEMENT

The Company’s objective in managing capital is to ensure sufficient liquidity to pursue its business objectives, and has plans to raise additional capital. The Company is not subject to any externally imposed capital requirements, and does not presently utilize any quantitative measures to monitor capital.

16. SUBSEQUENT EVENT

The Company is considering raising additional funding by way of a private placement.