UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended April 30, 2020

Commission file number 0-11254

ANIXA BIOSCIENCES, INC.

(Exact name of registrant as specified in its charter)

Delaware	11-2622630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3150 Almaden Expressway, Suite 250 San Jose, CA	95118
(Address of principal executive offices)	(Zip Code)

(408) 708-9808
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of exchange on which registered
Common Stock, par value $.01 per share	ANIX	NASDAQ Capital Market

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes _X_ No ___

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

Large accelerated filer [ ]		Accelerated filer [ ]
Non-accelerated filer [X]	Smaller reporting company [X]	Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ____ No_X_

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

On June 9, 2020 the registrant had outstanding 22,975,950 shares of Common Stock, par value $.01 per share, which is the registrant's only class of common stock.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	(Unaudited) April 30, 2020	October 31, 2019
Current assets:		
Cash and cash equivalents	$ 2,888,197	$ 3,491,625
Short-term investments in certificates of deposit	2,620,000	2,350,000
Receivables	32,338	66,527
Prepaid expenses and other current assets	116,252	184,972
Total current assets	5,656,787	6,093,124
Property and equipment, net of accumulated depreciation of $124,433 and $95,015, respectively	186,942	200,569
Operating lease right-of-use asset	81,166	-
Total assets	$ 5,924,895	$ 6,293,693
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 170,778	$ 585,817
Accrued expenses	850,155	895,498
Operating lease liability	55,748	-
Total current liabilities	1,076,681	1,481,315
Operating lease liability, non-current	25,964	-
Total liabilities	1,102,645	1,481,315
Commitments and contingencies (Note 9)		
Equity:		
Shareholders' equity:		
Preferred stock, par value $100 per share; 19,860 shares authorized; no shares issued or outstanding	-	-
Series A convertible preferred stock, par value $100 per share; 140 shares authorized; no shares issued or outstanding	-	-
Common stock, par value $.01 per share; 48,000,000 shares authorized; 21,479,335 and 20,331,754 shares issued and outstanding, respectively	214,793	203,317
Additional paid-in capital	192,122,260	186,849,299
Accumulated deficit	(187,049,899)	(181,817,263)
Total shareholders' equity	5,287,154	5,235,353
Noncontrolling interest (Note 1)	(464,904)	(422,975)
Total equity	4,822,250	4,812,378
Total liabilities and equity	$ 5,924,895	$ 6,293,693

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	For the Six Months Ended April 30,	
	2020	2019
Revenue	$ -	$ 250,000
Operating costs and expenses:		
Inventor royalties, contingent legal fees, litigation and licensing expenses related to patent assertion	-	166,250
Amortization of patents	-	376,875
Research and development expenses (including non-cash share-based compensation expenses of $855,655 and $2,228,845, respectively)	2,719,378	3,516,665
General and administrative expenses (including non-cash share-based compensation expenses of $1,275,765 and $1,842,769, respectively)	2,580,628	3,348,422
Impairment in carrying amount of patent asset (Note 1)	-	418,750
Total operating costs and expenses	5,300,006	7,826,962
Loss from operations	(5,300,006)	(7,576,962)
Interest income	25,441	35,419
Loss before income taxes	(5,274,565)	(7,541,543)
Provision for income taxes	-	-
Net loss	(5,274,565)	(7,541,543)
Less: Net loss attributable to noncontrolling interest	(41,929)	(122,010)
Net loss attributable to common shareholders	$ (5,232,636)	$ (7,419,533)
Net loss per common share attributable to common shareholders:		
Basic and diluted	$ (0.25)	$ (0.38)
Weighted average common shares outstanding:		
Basic and diluted	20,927,212	19,403,933

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	For the Three Months Ended April 30,	
	2020	2019
Revenue	$ -	$ 250,000
Operating costs and expenses:		
Inventor royalties, contingent legal fees, litigation and licensing expenses related to patent assertion	-	166,250
Amortization of patents	-	125,625
Research and development expenses (including non-cash share-based compensation expenses of $458,132 and $655,066, respectively)	1,228,790	1,269,393
General and administrative expenses (including non-cash share-based compensation expenses of $651,954 and $666,384 respectively)	1,441,347	1,281,966
Total operating costs and expenses	2,670,137	2,843,234
Loss from operations	(2,670,137)	(2,593,234)
Interest income	12,147	18,300
Loss before income taxes	(2,657,990)	(2,574,934)
Provision for income taxes	-	-
Net loss	(2,657,990)	(2,574,934)
Less: Net loss attributable to noncontrolling interest	(17,897)	(37,242)
Net loss attributable to common shareholders	$ (2,640,093)	$ (2,537,692)
Net loss per common share attributable to common shareholders:		
Basic and diluted	$ (0.12)	$ (0.13)
Weighted average common shares outstanding:		
Basic and diluted	21,155,505	19,645,140

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ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED APRIL 30, 2020 (UNAUDITED)

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders'	Non-controlling	Total
	Shares	Par Value	Capital	Deficit	Equity	Interest	Equity
Balance, October 31, 2019	20,331,754	$ 203,317	$ 186,849,299	$ (181,817,263)	$ 5,235,353	$ (422,975)	$ 4,812,378
Stock option compensation to employees and directors	-	-	2,019,211	-	2,019,211	-	2,019,211
Stock options issued to consultants	-	-	112,209	-	112,209	-	112,209
Common stock issued upon exercise of stock options	43,900	439	103,291	-	103,730	-	103,730
Common stock issued pursuant to employee stock purchase plan	9,618	96	15,356	-	15,452	-	15,452
Common stock issued in at-the-market offering, net of offering expenses of $158,296	1,094,063	10,941	3,022,894	-	3,033,835	-	3,033,835
Net loss	-	-	-	(5,232,636)	(5,232,636)	(41,929)	(5,274,565)
Balance, April 30, 2020	21,479,335	$ 214,793	$ 192,122,260	$ (187,049,899)	$ 5,287,154	$ (464,904)	$ 4,822,250

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED APRIL 30, 2020 (UNAUDITED)

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders'	Non-controlling	Total
	Shares	Par Value	Capital	Deficit	Equity	Interest	Equity
Balance, January 31, 2020	20,841,309	$ 208,413	$ 189,646,000	$ (184,409,806)	$ 5,444,607	$ (447,007)	$ 4,997,600
Stock option compensation to employees and directors	-	-	1,055,331	-	1,055,331	-	1,055,331
Stock options and warrants issued to consultants	-	-	54,755	-	54,755	-	54,755
Common stock issued upon exercise of stock options	25,000	250	75,000	-	75,250	-	75,250
Common stock issued pursuant to employee stock purchase plan	9,618	96	15,356	-	15,452	-	15,452
Common stock issued in at-the-market offering, net of offering expenses of $57,324	603,408	6,034	1,275,818	-	1,281,852	-	1,281,852
Net loss	-	-	-	(2,640,093)	(2,640,093)	(17,897)	(2,657,990)
Balance, April 30, 2020	21,479,335	$ 214,793	$ 192,122,260	$ (187,049,899)	$ 5,287,154	$ (464,904)	$ 4,822,250

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED APRIL 30, 2019 (UNAUDITED)

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders'	Non-controlling	Total
	Shares	Par Value	Capital	Deficit	Equity	Interest	Equity
Balance, October 31, 2018	18,908,632	$ 189,086	$ 175,415,931	$ (170,170,209)	$ 5,434,808	$ (251,377)	$ 5,183,431
Stock option compensation to employees and directors	-	-	2,024,664	-	2,024,664	-	2,024,664
Stock options and warrants issued to consultants	-	-	92,509	-	92,509	-	92,509
Common stock issued upon exercise of stock options	30,000	300	79,500	-	79,800	-	79,800
Restricted stock award compensation to employee pursuant to stock incentive plan	-	-	1,954,441	-	1,954,441	-	1,954,441
Common stock issued pursuant to employee stock purchase plan	5,411	54	18,506	-	18,560	-	18,560
Common stock issued in at-the-market offering, net of offering expenses of $152,911	1,061,032	10,610	4,347,193	-	4,357,803	-	4,357,803
Net loss	-	-	-	(7,419,533)	(7,419,533)	(122,010)	(7,541,543)
Balance, April 30, 2019	20,005,075	$ 200,050	$ 183,932,744	$ (177,589,742)	$ 6,543,052	$ (373,387)	$ 6,169,665

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED APRIL 30, 2019 (UNAUDITED)

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders'	Non-controlling	Total
	Shares	Par Value	Capital	Deficit	Equity	Interest	Equity
Balance, January 31, 2019	19,470,235	$ 194,702	$ 180,336,763	$ (175,052,050)	$ 5,479,415	$ (336,145)	$ 5,143,270
Stock option compensation to employees and directors	-	-	805,104	-	805,104	-	805,104
Stock options and warrants issued to consultants	-	-	46,290	-	46,290	-	46,290
Common stock issued upon exercise of stock options	20,000	200	56,900	-	57,100	-	57,100
Restricted stock award compensation to employee pursuant to stock incentive plan	-	-	470,056	-	470,056	-	470,056
Common stock issued pursuant to employee stock purchase plan	5,411	54	18,506	-	18,560	-	18,560
Common stock issued in at-the-market offering, net of offering expenses of $85,750	509,429	5,094	2,199,125	-	2,204,219	-	2,204,219
Net loss	-	-	-	(2,537,692)	(2,537,692)	(37,242)	(2,574,934)
Balance, April 30, 2019	20,005,075	$ 200,050	$ 183,932,744	$ (177,589,742)	$ 6,543,052	$ (373,387)	$ 6,169,665

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the six months ended April 30,	
	2020	2019
Cash flows from operating activities:		
Reconciliation of net loss to net cash used in operating activities:		
Net loss	$ (5,274,565)	$ (7,541,543)
Stock option compensation to employees and directors	2,019,211	2,024,664
Stock options and warrants issued to consultants	112,209	92,509
Restricted stock award compensation to employee pursuant to stock incentive plan	-	1,954,441
Depreciation of property and equipment	29,418	18,108
Amortization of operating lease right-of-use asset, net of lease payments	546	-
Amortization of patents	-	376,875
Impairment in carrying amount of patent assets	-	418,750
Change in operating assets and liabilities:		
Receivables	34,189	(489,963)
Prepaid expenses and other current assets	68,720	51,219
Accounts payable	(415,039)	135,908
Accrued expenses	(45,343)	194,742
Net cash used in operating activities	(3,470,654)	(2,764,290)
Cash flows from investing activities:		
Disbursements to acquire short-term investments in certificates of deposit	(2,620,000)	(1,000,000)
Proceeds from maturities of short-term investments in certificates of deposit	2,350,000	250,000
Purchase of property and equipment	(15,791)	(175,457)
Net cash used in investing activities	(285,791)	(925,457)
Cash flows from financing activities:		
Net proceeds from sale of common stock in at-the-market offering	3,033,835	4,357,803
Proceeds from sale of common stock pursuant to employee stock purchase plan	15,452	18,560
Proceeds from exercise of stock options	103,730	79,800
Net cash provided by financing activities	3,153,017	4,456,163
Net (decrease) increase in cash and cash equivalents	(603,428)	766,416
Cash and cash equivalents at beginning of period	3,491,625	3,055,890
Cash and cash equivalents at end of period	$ 2,888,197	$ 3,822,306
Supplemental disclosure of non-cash investing and financing activities:		
Operating lease right-of-use asset	$ (106,221)	$ -
Operating lease liability	$ 106,299	$ -

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

1. BUSINESS AND FUNDING

Description of Business

As used herein, "we," "us," "our," the "Company" or "Anixa" means Anixa Biosciences, Inc. and its consolidated subsidiaries. Our primary operations involve developing a number of programs addressing cancer and infectious disease. Our therapeutics programs consist of development of a vaccine against triple negative breast cancer ("TNBC"), development of chimeric endocrine receptor T-cell technology, a novel form of CAR-T technology, initially focused on treating ovarian cancer, and discovery and ultimately development of anti-viral drug candidates for the treatment of COVID-19 focused on inhibiting certain viral protein function. Our cancer diagnostics program consists of development of the artificial intelligence (AI) driven Cchek™ liquid biopsy platform for early cancer detection.

We hold an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by The Cleveland Clinic Foundation ("Cleveland Clinic") related to certain breast cancer vaccine technology developed at Cleveland Clinic. We are working in collaboration with Cleveland Clinic to develop a method to vaccinate women against contracting breast cancer, focused specifically on TNBC, the most lethal form of the disease. A specific protein, alpha-lactalbumin, has been identified that is only present during lactation in healthy women, but reappears in many forms of breast cancer, especially TNBC. Studies have shown that vaccinating against this protein prevents breast cancer in mice. We are working with researchers at Cleveland Clinic to advance this vaccine toward human clinical testing, and we are in the process of manufacturing the vaccine and upon completion we will be prepared to file an Investigational New Drug ("IND") application with the U.S. Food and Drug Administration ("FDA"). While we anticipate filing the IND during the third calendar quarter of 2020, we may experience delays in the vaccine manufacturing and characterization process due to the global coronavirus pandemic. We do not currently anticipate any potential delays to significantly alter our expected timeline. The IND application, after review and approval by the FDA, will enable us to begin testing our vaccine in human subjects.

Our subsidiary, Certainty Therapeutics, Inc. ("Certainty"), is developing immuno-therapy drugs against cancer. Certainty holds an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by The Wistar Institute ("Wistar") relating to Wistar's CAR-T technology. We have initially focused on the development of a treatment for ovarian cancer, but we may also pursue applications of the technology for the development of treatments for additional solid tumors. The license agreement requires Certainty to make certain cash and equity payments to Wistar. With respect to Certainty's equity obligations to Wistar, Certainty issued to Wistar shares of its common stock equal to five percent (5%) of the common stock of Certainty.

Certainty, in collaboration with the H. Lee Moffitt Cancer Center and Research Institute, Inc. ("Moffitt"), is advancing toward human clinical testing its CAR-T technology for treating ovarian cancer. Clinical grade materials are currently being manufactured and upon completion will undergo extensive testing. Once the materials have been successfully tested, we will be prepared to submit an IND application with the FDA. While we anticipate filing the IND by the end of 2020, we may experience delays in completing the manufacturing and testing of clinical materials due to the global coronavirus pandemic. We do not currently anticipate any potential delays to significantly alter our expected timeline. The IND application, after review and approval by the FDA, will enable us to begin testing our therapy in ovarian cancer patients.

In April 2020, in collaboration with OntoChem GmbH ("OntoChem"), we have commenced a project to discover and ultimately develop anti-viral drug candidates for COVID-19. Through this collaboration, we are utilizing advanced computational methods, machine learning, and molecular modeling techniques to perform *in silico* screening of over 1.2 billion compounds in chemical libraries (including publicly available compounds and OntoChem's proprietary libraries) to evaluate if any of these compounds could disrupt one of two key enzymes of SARS-CoV-2, the virus that causes the disease COVID-19.

While the screening process is ongoing and we anticipate discovering several drug candidates, we have identified a lead molecule as well as three similar analog compounds. Our *in silico* molecular modeling indicates that any of these four compounds might disrupt the interaction of the virus' endoribonuclease with a host human protein that is necessary for the virus to replicate upon infection. Disrupting this protein-protein interaction is expected to dramatically reduce or eliminate the virus' ability to cause disease. The biological testing of these compounds will initially determine how well they bind to the endoribonuclease, and then how well this translates into reducing viral replication in human host cells. We anticipate completing the *in vitro* biological assays within the next two to three months. If the biological activity of any of these compounds is verified, they will be tested in animal studies to further evaluate their candidacy as COVID-19 therapeutics.

Our subsidiary, Anixa Diagnostics Corporation ("Anixa Diagnostics"), is developing Cchek™, an AI driven platform of non-invasive blood tests for the early detection of cancer which is based on the body's immune response to the presence of a malignancy. We have demonstrated the efficacy of Cchek™ with 20 different types of cancer: breast, lung, colon, melanoma, ovarian, liver, thyroid, pancreatic, appendiceal, uterine, osteosarcoma, leiomyosarcoma, liposarcoma, vulvar, prostate, bladder, cervical, head and neck, gastric and testicular cancers. Breast, lung, colon and prostate cancers represent the four largest categories of cancer worldwide.

Based on a number of factors, including key scientific, clinical, and commercial considerations, for the past year the primary commercial focus for Cchek™ has been on developing a prostate cancer confirmatory test. In February 2019 we formed a strategic alliance with ResearchDx, a CLIA certified, CAP Accredited laboratory, to prepare the Cchek™ Prostate Cancer Confirmation ("Cchek™ PCC") test for launch as a laboratory developed test. In December 2019, upon completion of independent analytical validation by ResearchDx, we announced the commercial launch of Cchek™ PCC. We are currently conducting a number of activities to support the marketing of Cchek™ PCC, including the completion of a clinical validation study, development of marketing materials, education of key opinion leaders in urology and development of a reimbursement path for the test. These activities, including the clinical validation study, have been delayed for a number of reasons, including the global coronavirus pandemic.

Over the next several quarters, we expect the development of our breast cancer vaccine, Certainty's CAR-T technology, our COVID-19 therapeutic discovery program and Anixa Diagnostic's Cchek™ to be the primary focus of the Company. As part of our legacy operations, the Company remains engaged in limited patent licensing activities in the area of encrypted audio/video conference calling. We do not expect these activities to be a significant part of the Company's ongoing operations nor do we expect these activities to require material financial resources or attention of senior management.

Over the past several years, our revenue was derived from technology licensing and the sale of patented technologies, including revenue from the settlement of litigation. We have not generated any revenue to date from our cancer therapeutics and diagnostics programs. In addition, while we pursue our cancer therapeutics and diagnostics programs, we may also make investments in and form new companies to develop additional emerging technologies.

Funding and Management's Plans

Based on currently available information as of June 9, 2020, we believe that our existing cash, cash equivalents, short-term investments and expected cash flows will be sufficient to fund our activities for the next twelve months. We have implemented a business model that conserves funds by collaborating with third parties to develop our technologies. However, our projections of future cash needs and cash flows may differ from actual results. If current cash on hand, cash equivalents, short-term investments and cash that may be generated from our business operations are insufficient to continue to operate our business, or if we elect to invest in or acquire a company or companies or new technology or technologies that are synergistic with or complementary to our technologies, we may be required to obtain more working capital. During the six months ended April 30, 2020, we raised an aggregate of approximately $3,034,000, net of expenses, through the sale of 1,094,063 shares of common stock in our at-the-market equity offerings. This included approximately $427,000, net of expenses, through the sale of 112,238 shares of common stock in an at-the market equity offering which expired in November 2019 and approximately $2,607,000, net of expenses, through the sale of 981,825 shares of common stock in an at-the-market equity offering under which we may issue up to $50 million of common stock. Under our current at-the-market equity program which is currently effective and may remain available for us to use in the future, we may sell an additional approximately $47,248,000 of common stock. We may seek to obtain working capital during our fiscal year 2020 or thereafter through sales of our equity securities or through bank credit facilities or public or private debt from various financial institutions where possible. We cannot be certain that additional funding will be available on acceptable terms, or at all. If we do identify sources for additional funding, the sale of additional equity securities or convertible debt could result in dilution to our stockholders. We can give no assurance that we will generate sufficient cash flows in the future to satisfy our liquidity requirements or sustain future operations, or that other sources of funding, such as sales of equity or debt, would be available or would be approved by our security holders, if needed, on favorable terms or at all. If we fail to obtain additional working capital as and when needed, such failure could have a material adverse impact on our business, results of operations and financial condition. Furthermore, such lack of funds may inhibit our ability to respond to competitive pressures or unanticipated capital needs, or may force us to reduce operating expenses, which would significantly harm the business and development of operations.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, certain information and disclosures required by generally accepted accounting principles in annual financial statements have been omitted or condensed. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related disclosures included in our Annual Report on Form 10-K for the year ended October 31, 2019. The accompanying October 31, 2019 condensed consolidated balance sheet data was derived from the audited financial statements but does not include all disclosures required by US GAAP. The condensed consolidated financial statements include all adjustments of a normal recurring nature which, in the opinion of management, are necessary for a fair statement of our financial position as of April 30, 2020, and results of operations and cash flows for the interim periods represented. The results of operations for the six months ended April 30, 2020 are not necessarily indicative of the results to be expected for the entire year.

Noncontrolling Interest

Noncontrolling interest represents Wistar's equity ownership in Certainty and is presented as a component of equity. The following table sets forth the changes in noncontrolling interest for the six months ended April 30, 2020:

Balance, October 31, 2019	$ (422,975)
Net loss attributable to noncontrolling interest	(41,929)
Balance, April 30, 2020	$ (464,904)

Revenue Recognition

Since fiscal 2016 our revenue has been derived solely from technology licensing and the sale of patented technologies. Revenue is recognized upon transfer of control of intellectual property rights and satisfaction of other contractual performance obligations to licensees in an amount that reflects the consideration we expect to receive.

On November 1, 2018 we adopted Accounting Standards Update 2014-09 ("ASU 2014-09"), Revenue from Contracts with Customers using the modified retrospective method. Upon adoption of ASU 2014-09 we are required to make certain judgments and estimates in connection with the accounting for revenue. Such areas may include determining the existence of a contract and identifying each party's rights and obligations to transfer goods and services, identifying the performance obligations in the contract, determining the transaction price and allocating the transaction price to separate performance obligations, estimating the timing of satisfaction of performance obligations, determining whether a promise to grant a license is distinct from other promised goods or services and evaluating whether a license transfers to a customer at a point in time or over time.

Our revenue arrangements provide for the payment of contractually determined, one-time, paid-up license fees in settlement of litigation and in consideration for the grant of certain intellectual property rights for patented technologies owned or controlled by the Company. These arrangements typically include some combination of the following: (i) the grant of a non-exclusive, retroactive and future license to manufacture and/or sell products covered by patented technologies owned or controlled by the Company, (ii) a covenant-not-to-sue, (iii) the release of the licensee from certain claims, and (iv) the dismissal of any pending litigation. In such instances, the intellectual property rights granted have been perpetual in nature, extending until the expiration of the related patents. Pursuant to the terms of these agreements, we have no further obligations with respect to the granted intellectual property rights, including no obligation to maintain or upgrade the technology, or provide future support or services. Licensees obtained control of the intellectual property rights they have acquired upon execution of the agreement. Accordingly, the performance obligations from these agreements were satisfied and 100% of the revenue was recognized upon the execution of the agreements. The adoption of ASU 2014-09 had no impact on revenue recognized.

Cost of Revenues

Cost of revenues include the costs and expenses incurred in connection with our patent licensing and enforcement activities, including inventor royalties paid to original patent owners, contingent legal fees paid to external counsel, other patent-related legal expenses paid to external counsel, licensing and enforcement related research, consulting and other expenses paid to third-parties and the amortization of patent-related investment costs. These costs are included under the caption “Operating costs and expenses” in the accompanying condensed consolidated statements of operations.

Research and Development Expenses

Research and development expenses, consisting primarily of employee compensation, payments to third parties for research and development activities and other direct costs associated with developing a platform for non-invasive blood tests for early detection of cancer, developing immuno-therapy drugs against cancer, development of our breast cancer vaccine and development of anti-viral drugs candidates for COVID-19, are expensed in the consolidated financial statements in the period incurred.

2. STOCK BASED COMPENSATION

The Company maintains stock equity incentive plans under which the Company grants incentive stock options, non-qualified stock options, stock appreciation rights, stock awards, performance awards, or stock units to employees, directors and consultants.

Stock Option Compensation Expense

The compensation cost for service-based stock options granted to employees and directors is measured at the grant date, based on the fair value of the award using the Black-Scholes pricing model, and is expensed on a straight-line basis over the requisite service period (the vesting period of the stock option) which is one to four years. We recorded stock-based compensation expense related to service-based stock options granted to employees and directors of approximately $2,019,000 and $1,649,000 during the six months ended April 30, 2020 and 2019, respectively, and approximately $1,055,000 and $805,000 during the three months ended April 30, 2020 and 2019, respectively.

For stock options granted to employees and directors that vest based on market conditions, such as the trading price of the Company's common stock exceeding certain price targets, we use a Monte Carlo Simulation in estimating the fair value at grant date and recognize compensation cost over the implied service period (median time to vest). On May 8, 2018, we issued market condition options to purchase 1,500,000 shares of common stock, to our Chairman, President and Chief Executive Officer, vesting at target trading prices of $5.00 to $8.00 per share before May 31, 2021, with implied service periods of three to seven months. In October 2018, the first tranche of 500,000 shares of market condition options became exercisable upon achieving an average closing price above $5.00 per share for twenty consecutive trading days. We recorded stock-based compensation expense related to market condition stock options granted to employees of approximately $-0- and $376,000 during the six months ended April 30, 2020 and 2019, respectively. We did not have any market condition stock-based compensation expense during the three months ended April 30, 2020 and 2019.

On November 1, 2018 we adopted Accounting Standards Update 2018-07 ("ASU 2018-07") for stock options granted to consultants. Upon adoption of ASU 2018-07 we estimated the fair value of unvested service-based and performance-based stock options at the date of adoption, using the Black-Scholes pricing model. Subsequent to adoption of ASU 2018-07, future grants to consultants are measured at the grant date, based on the fair value of the award using the Black-Scholes pricing model, consistent with our policy for grants to employees and directors. In prior periods, in accordance with US GAAP, we estimated the fair value of service-based and performance-based stock options granted to consultants at each reporting period using the Black-Scholes pricing model. We recognize the fair value of stock options granted to consultants as consulting expense over the requisite or implied service period of the grant. We recorded stock-based consulting expense related to stock options granted to consultants of approximately $112,000 and $50,000 during the six months ended April 30, 2020 and 2019, respectively, and approximately $55,000 and $25,000 during the three months ended April 30, 2020 and 2019, respectively.

Stock Option Activity

During the six months ended April 30, 2020, we granted options to purchase 800,000 shares of common stock to employees and consultants, with exercise prices ranging from $3.84 to $4.04 per share, pursuant to the Anixa Biosciences, Inc. 2018 Share Incentive Plan (the "2018 Share Plan"). We did not grant any options during the six months ended April 30, 2019. During the six months ended April 30, 2020 and 2019, stock options to purchase 43,900 and 30,000 shares of common stock, respectively, were exercised with aggregate proceeds of approximately $104,000 and $80,000, respectively.

Stock Option Plans

During the six months ended April 30, 2020, we had three stock option plans: the Anixa Biosciences, Inc. 2003 Share Incentive Plan (the "2003 Share Plan"), the Anixa Biosciences, Inc. 2010 Share Incentive Plan (the "2010 Share Plan") and the 2018 Share Plan, which were adopted by our Board of Directors on April 21, 2003, July 14, 2010 and January 25, 2018, respectively. The 2018 Share Plan was approved by our shareholders on March 29, 2018.

2003 Plan

During the six months ended April 30, 2020, the remaining outstanding options granted under the 2003 Share Plan expired. In accordance with the provisions of the 2003 Share Plan, the plan terminated with respect to the ability to grant future options on April 21, 2013. Information regarding the 2003 Share Plan for the six months ended April 30, 2020 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options outstanding at October 31, 2019	400	$ 17.00	
Forfeited	(400)	$ 17.00	
Options outstanding and exercisable at April 30, 2020	-	$ -0-	$ -0-

Information regarding the 2003 Share Plan for the six months ended April 30, 2019 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options outstanding at October 31, 2018	12,000	$ 2.77	
Exercised	(4,000)	$ 3.63	
Options outstanding and exercisable at April 30, 2019	8,000	$ 2.34	$ 19,666

The following table summarizes information about stock options outstanding and exercisable under the 2003 Share Plan as of April 30, 2019:

Range of Exercise Prices	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$ 0.67 - $17.00	8,000	0.45	$ 2.34

2010 Plan

The 2010 Share Plan provides for the grant of nonqualified stock options, stock appreciation rights, stock awards, performance awards and stock units to employees, directors and consultants. As of April 30, 2020, the 2010 Share Plan had 800,000 shares available for future grants. Information regarding the 2010 Share Plan for the six months ended April 30, 2020 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options Outstanding at October 31, 2019	1,998,668	$ 2.80	
Exercised	(43,900)	$ 2.36	
Forfeited	(5,534)	$ 2.58	
Options Outstanding at April 30, 2020	1,949,234	$ 2.81	$ 291,195
Options Exercisable at April 30, 2020	1,740,484	$ 2.85	$ 213,820

The following table summarizes information about stock options outstanding and exercisable under the 2010 Share Plan as of April 30, 2020:

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$0.67 - $2.30	561,500	6.03	$1.56	480,250	5.84	$1.66
$2.58 - $3.13	853,200	3.28	$2.79	853,200	3.72	$2.79
$3.46 - $5.75	534,534	7.69	$4.16	407,034	7.54	$4.38

Information regarding the 2010 Share Plan for the six months ended April 30, 2019 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options outstanding at October 31, 2018	2,131,868	$ 2.11	
Exercised	(22,000)	$ 2.27	
Forfeited	(87,200)	$ 3.34	
Options outstanding at April 30, 2019	2,022,668	$ 2.06	$ 4,452,704
Options exercisable at April 30, 2019	1,580,168	$ 1.88	$ 3,732,441

The following table summarizes information about stock options outstanding and exercisable under the 2010 Share Plan as of April 30, 2019:

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$0.67	938,000	6.19	$0.67	776,750	5.78	$0.67
$ 2.27 -$ 3.01	610,134	4.07	$2.58	610,134	4.07	$2.58
$ 3.46 -$ 7.00	474,534	8.62	$4.13	193,284	7.64	$4.57

2018 Plan

The 2018 Share Plan provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, stock awards, performance awards and stock units to employees, directors and consultants. As of April 30, 2020, the 2018 Share Plan had 2,000,000 shares available for future grants. Information regarding the 2018 Share Plan for the six months ended April 30, 2020 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options Outstanding at October 31, 2019	3,935,500	$ 3.74	
Granted	800,000	$ 3.85	
Options Outstanding at April 30, 2020	4,735,000	$ 3.76	$ -0-
Options Exercisable at April 30, 2020	2,107,779	$ 3.75	$ -0-

The following table summarizes information about stock options outstanding and exercisable under the 2018 Share Plan as of April 30, 2020:

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$3.70	3,100,000	8.03	$3.70	1,566,666	8.03	$3.70
$ 3.84 - $4.61	1,635,000	8.92	$3.88	541,113	8.37	$3.75

Information regarding the 2018 Share Plan for the six months ended April 30, 2019 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options outstanding at October 31, 2018	3,482,000	$ 3.73	
Exercised	(4,000)	$ 3.84	
Forfeited	(8,000)	$ 3.84	
Options outstanding at April 30, 2019	3,470,000	$ 3.73	$ 1,525,200
Options exercisable at April 30, 2019	1,156,947	$ 3.72	$ 511,156

The following table summarizes information about stock options outstanding and exercisable under the 2018 Share Plan as of April 30, 2019:

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$ 3.70 - $4.61	3,470,000	9.03	$3.73	1,156,947	9.02	$ 3.72

Outside of Share Plans

In addition to options granted under the 2003 Share Plan, the 2010 Share Plan and the 2018 Share Plan, during the years ended October 31, 2012 and 2013, the Board of Directors approved the grant of stock options to certain employees and directors. Information regarding stock options that were granted outside of Share Plans for the six months ended April 30, 2020 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options Outstanding at October 31, 2019	1,698,000	$ 2.58	$ -0-
Options Outstanding and exercisable at April 30, 2020	1,698,000	$ 2.58	$ -0-

The following table summarizes information about stock options outstanding and exercisable that were granted outside of Share Plans as of April 30, 2020:

Range of Exercise Prices	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$2.58	1,698,000	2.25	$ 2.58

Information regarding stock options that were granted outside of Share Plans for the six months ended April 30, 2019 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Options outstanding at October 31, 2018	1,780,000	$ 1.58	
Options outstanding and exercisable at April 30, 2019	1,780,000	$ 1.58	$ 4,683,960

The following table summarizes information about stock options outstanding and exercisable that were granted outside of Share Plans as of April 30, 2019:

Range of Exercise Prices	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$0.67	1,046,000	3.30	$ 0.67
$ 2.58-$ 5.56	734,000	2.85	$ 2.88

Stock Awards

For stock awards granted to employees, directors and consultants that vest upon grant we recognize expense at the date of grant based on the grant date market price of the underlying common stock. We did not grant any stock awards that vested upon grant during the six months ended April 30, 2020 or 2019.

On May 8, 2018, a restricted stock award of 1,500,000 shares of common stock was granted under the 2018 Share Plan to our Chairman, President and Chief Executive Officer. The restricted stock award vests in its entirety upon achievement of a target trading price of $11.00 per share of the Company's common stock before May 31, 2021. For restricted stock awards vesting upon achievement of a price target of our common stock we use a Monte Carlo Simulation in estimating the fair value at grant date and recognize compensation cost over the implied service period (median time to vest). During the six-month and three-month periods ended April 30, 2019, we recorded compensation expense related to the restricted stock award of approximately $1,954,000 and $470,000, respectively. We did not record any compensation expense related to the restricted stock award during the six-month period ended April 30, 2020.

Employee Stock Purchase Plan

The Company maintains the Anixa Biosciences, Inc. Employee Stock Purchase Plan which permits eligible employees to purchase shares at not less than 85% of the market value of the Company's common stock on the offering date or the purchase date of the applicable offering period, whichever is lower. The plan was adopted by our Board of Directors on August 13, 2018 and approved by our shareholders on September 27, 2018. During the six months ended April 30, 2020, employees purchased 9,618 shares with aggregate proceeds of approximately $15,000. During the six months ended April 30, 2019, employees purchased 5,411 shares with aggregate proceeds of approximately $19,000.

Warrants

During the six months ended April 30, 2019 we issued a warrant, expiring on November 1, 2023, to purchase 25,000 shares of common stock at $4.04 per share, vesting over 12 months, to a consultant for investor relations services. On November 1, 2019 the warrant was exchanged for a stock option with the same terms as the warrant. During the six-month and three-month periods ended April 30, 2019, we recorded consulting expense of approximately $43,000 and $21,000, respectively, based on the fair value of the warrant recognized on a straight-line basis over the vesting period. No warrants were issued during the six months ended April 30, 2020.

As of April 30, 2020, we also had warrants outstanding to purchase 500,000 shares of common stock at $5.03 per share expiring on November 30, 2021.

3. FAIR VALUE MEASUREMENTS

US GAAP defines fair value and establishes a framework for measuring fair value. We have categorized our financial assets and liabilities, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy as set forth below. If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded in the accompanying condensed consolidated balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market which we have the ability to access at the measurement date.

Level 2 - Financial assets and liabilities whose values are based on quoted market prices in markets where trading occurs infrequently or whose values are based on quoted prices of instruments with similar attributes in active markets.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset and liabilities.

The following table presents the hierarchy for our financial assets measured at fair value on a recurring basis as of April 30, 2020:

	Level 1	Level 2	Level 3	Total
Money market funds:				
Cash and cash equivalents	$ 2,596,963	$ -	$ -	$ 2,596,963
Certificates of deposit:				
Short-term investments	-	2,620,000	-	2,620,000
Total financial assets	$ 2,596,963	$ 2,620,000	$ -	$ 5,216,963

The following table presents the hierarchy for our financial assets measured at fair value on a recurring basis as of October 31, 2019:

	Level 1	Level 2	Level 3	Total
Money market funds:				
Cash and cash equivalents	$ 2,706,944	$ -	$ -	$ 2,706,944
Certificates of deposit:				
Cash and cash equivalents	500,000	-	-	500,000
Short-term investments	-	2,350,000	-	2,350,000
Total financial assets	$ 3,206,944	$ 2,350,000	$ -	$ 5,556,944

The following table presents the hierarchy for our financial liabilities measured at fair value on a recurring basis as of April 30, 2020:

	Level 1	Level 2	Level 3	Total
Operating lease liability	$ -	$ -	$ 81,712	$ 81,712

Our non-financial assets that are measured on a non-recurring basis include our property and equipment and which are measured using fair value techniques whenever events or changes in circumstances indicate a condition of impairment exists. The estimated fair value of accounts receivable, prepaid expenses, accounts payable and accrued expenses approximates their individual carrying amounts due to the short-term nature of these measurements. Cash and cash equivalents are stated at carrying value which approximates fair value. See Note 8 for a description of the significant assumptions and manner of estimating fair value for our operating lease liability.

4. ACCRUED EXPENSES

Accrued expenses consist of the following as of:

	April 30, 2020	October 31, 2019
Payroll and related expenses	$ 232,456	$ 72,850
Accrued royalty and contingent legal fees	449,691	449,691
Accrued collaborative research and license expenses	158,904	371,710
Accrued other	9,104	1,247
	$ 850,155	$ 895,498

5. NET LOSS PER SHARE OF COMMON STOCK

Basic net loss per common share ("Basic EPS") is computed by dividing net loss by the weighted average number of common shares outstanding. Diluted net loss per common share ("Diluted EPS") is computed by dividing net loss by the weighted average number of common shares and dilutive common share equivalents and convertible securities then outstanding. Diluted EPS for all periods presented is the same as Basic EPS, as the inclusion of the effect of common share equivalents then outstanding would be anti-dilutive. For this reason, excluded from the calculation of Diluted EPS for the six and three months ended April 30, 2020 and 2019, were stock options to purchase 8,382,234 and 7,280,668 shares, respectively, and warrants to purchase 500,000 and 854,400 shares, respectively.

6. EFFECT OF RECENTLY ADOPTED AND ISSUED PRONOUNCEMENTS

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02 ("ASU 2016-02") Accounting Standards Codification Topic 842, Leases (ASC 842), which supersedes Topic 840, Leases, and which requires lessees to recognize most leases on the balance sheet. The new lease standard does not substantially change lessor accounting. For public companies, the standard was effective for the first interim reporting period within annual periods beginning after December 15, 2018, although early adoption was permitted. Lessees and lessors were required to apply the new standard at the beginning of the earliest period presented in the financial statements in which they first apply the new guidance. In July 2018, FASB issued ASU 2018-11, Leases, which provides an additional transition option for an entity to apply the provisions of ASC 842 by recognizing a cumulative effect adjustment at the effective date of adoption without adjusting the prior comparative periods presented. The requirements of this standard include a significant increase in required disclosures. The Company adopted ASU 2016-02 on November 1, 2019. The adoption of this standard did not have a material impact on our condensed consolidated financial statements. See Note 8 regarding the accounting and disclosures related to our office lease.

7. INCOME TAXES

We file Federal, New York and California state income tax returns. Due to net operating losses, the statute of limitations for Federal and New York State income tax returns remains open to examination by taxing authorities since the fiscal year ended October 31, 1999. We account for interest and penalties related to income tax matters, if any, in general and administrative expenses. There are no unrecognized income tax benefits as of April 30, 2020 and October 31, 2019.

We recognize deferred tax assets and liabilities for the estimated future tax effects of events that have been recognized in our financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount expected to be realized. We have substantial net operating loss carryforwards for Federal, New York State and California income tax returns. These net operating loss carryforwards could be subject to limitations under Internal Revenue Code section 382. We have provided a full valuation allowance against our deferred tax asset due to our historical pre-tax losses and the uncertainty regarding the realizability of these deferred tax assets.

8. LEASES

We lease approximately 2,000 square feet of office space at 3150 Almaden Expressway, San Jose, California (our principal executive offices) from an unrelated party pursuant to an operating lease that expires September 30, 2021. Our base rent is approximately $5,000 per month and the lease provides for annual increases of approximately 3% and an escalation clause for increases in certain operating costs. Under an operating lease that expired on May 31, 2019 we also leased approximately 3,000 square feet of office space at 12100 Wilshire Boulevard, Los Angeles, California (our former executive offices) from an unrelated party. As of August 1, 2018, we had subleased these facilities. Rent expense was approximately $32,000 and $30,000, respectively, for the six months ended April 30, 2020 and 2019, and approximately $16,000 and $12,000, respectively, for the three months ended April 30, 2020 and 2019.

On November 1, 2019, the Company adopted ASC 842, which increases transparency and comparability by recognizing a lessee’s rights and obligations resulting from leases by recording them on the balance sheet as lease assets and lease liabilities. The new guidance requires the recognition of the right-of-use ("ROU") assets and related operating lease liabilities on the balance sheet. The Company adopted the new guidance using the modified retrospective approach on November 1, 2019. As a result, the condensed consolidated balance sheet as of October 31, 2019 was not restated and is not comparative.

The adoption of ASC 842 resulted in the recognition of ROU assets of $106,221, and lease liabilities for operating leases of $106,299 on the Company's condensed consolidated balance sheet as of November 1, 2019. The difference between the ROU assets and the operating lease liability represents the difference between the lease cost and the amount of rent paid in October.

The Company elected the package of practical expedients permitted within the standard, which allow an entity to forgo reassessing (i) whether a contract contains a lease, (ii) classification of leases, and (iii) whether capitalized costs associated with a lease meet the definition of initial direct costs. Also, the Company elected the expedient allowing an entity to use hindsight to determine the lease term and impairment of ROU assets and the expedient to allow the Company to not have to separate lease and non-lease components. The Company has also elected the short-term lease accounting policy under which Anixa would not recognize a lease liability or ROU asset for any lease that at the commencement date has a lease term of twelve months or less and does not include a purchase option that Anixa is more than reasonably certain to exercise.

For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments. The remaining 17 month lease term as of April 30, 2020 for the Company's lease includes the noncancelable period of the lease. The lease does not contain a Company option to extend the lease or an option to extend the lease controlled by the lessor. All ROU assets are reviewed for impairment.

Balance sheet information related to the Company's lease is presented below:

	Balance Sheet Location	April 30, 2020	November 1, 2019	October 31, 2019
Operating Lease:				
Right-of-use asset	Operating lease right-of-use asset	$ 81,166	$ 106,221	$ -
Right-of-use liability, current	Operating lease liability	55,748	51,101	-
Right-of-use liability, long-term	Operating lease liability, non-current	25,964	55,198	-

As of April 30, 2020, the annual minimum lease payments of our operating lease liabilities were as follows:

For Years Ending October 31,	Operating Leases
2020 (excluding the six months ended April 30, 2020)	$ 31,476
2021	59,136
Total future minimum payments, undiscounted	90,612
Less: Imputed interest	(8,900)
Present value of future minimum lease payments	$ 81,712

9. COMMITMENT AND CONTINGENCES

Litigation Matters

We are not involved in any litigation or other legal proceedings and management is not aware of any pending litigation or legal proceeding against us that would have a material adverse effect upon our results of operations or financial condition.

10. SEGMENT INFORMATION

We follow the accounting guidance of ASC 280 "Segment Reporting" ("ASC 280"). Reportable operating segments are determined based on the management approach. The management approach, as defined by ASC 280, is based on the way that the chief operating decision-maker organizes the segments within an enterprise for making operating decisions and assessing performance. While our results of operations are primarily reviewed on a consolidated basis, the chief operating decision-maker manages the enterprise in five reportable segments, each with different operating and potential revenue generating characteristics: (i) CAR-T Therapeutics, (ii) Cancer Vaccines, (iii) Anti-Viral Therapeutics, (iv) Cancer Diagnostics and (v) our legacy Patent Licensing activities. The following represents selected financial information for our segments for the six and three months ended April 30, 2020 and 2019 and as of April 30, 2020 and October 31, 2019:

	For the six Months Ended April 30,	
	2020	2019
Net loss:		
CAR-T Therapeutics	$ (1,125,363)	$ (3,517,219)
Cancer Vaccines	(365,867)	-
Anti-Viral Therapeutics	(309,504)	-
Cancer Diagnostics	(3,469,673)	(3,052,355)
Patent Licensing	(4,158)	(971,969)
Total	$ (5,274,565)	$ (7,541,543)
Total operating costs and expenses	$ 5,300,006	$ 7,826,962
Less non-cash share-based compensation	(2,131,420)	(4,071,614)
Operating costs and expenses excluding non-cash share-based compensation	$ 3,168,586	$ 3,755,348
Operating costs and expenses excluding non-cash share based compensation expense:		
CAR-T Therapeutics	$ 570,163	$ 1,245,681
Cancer Vaccines	165,329	-
Anti-Viral Therapeutics	221,018	-
Cancer Diagnostics	2,208,813	1,417,967
Patent Licensing	3,263	1,091,700
Total	$ 3,168,586	$ 3,755,348

	For the Three Months Ended April 30,	
	2020	2019
Net loss:		
CAR-T Therapeutics	$ (495,030)	$ (1,029,934)
Cancer Vaccines	(170,271)	-
Anti-Viral Therapeutics	(309,504)	-
Cancer Diagnostics	(1,679,027)	(1,249,001)
Patent Licensing	(4,158)	(296,999)
Total	$ (2,657,990)	$ (2,574,934)
Total operating costs and expenses	$ 2,670,137	$ 2,843,234
Less non-cash share-based compensation	(1,110,086)	(1,321,450)
Operating costs and expenses excluding non-cash share-based compensation	$ 1,560,051	$ 1,521,784
Operating costs and expenses excluding non-cash share based compensation expense:		
CAR-T Therapeutics	$ 223,822	$ 444,890
Cancer Vaccines	67,059	-
Anti-Viral Therapeutics	221,018	-
Cancer Diagnostics	1,044,889	658,433
Patent Licensing	3,263	418,461
Total	$ 1,560,051	$ 1,521,784

	April 30, 2020	October 31, 2019
Total assets:		
CAR-T Therapeutics	$ 1,011,316	$ 2,382,460
Cancer Vaccines	287,831	489,881
Anti-Viral Therapeutics	384,326	-
Cancer Diagnostics	4,089,496	2,921,784
Patent Licensing	151,926	499,568
Total	$ 5,924,895	$ 6,293,693

Operating costs and expenses excluding non-cash share-based compensation is the measurement the chief operating decision-maker uses in managing the enterprise.

11. IMPACT OF CORONAVIRUS PANDEMIC

On March 10, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The virus and actions taken to mitigate its spread have had and are expected to continue to have a broad adverse impact on the economies and financial markets of many countries, including the geographical areas in which the Company operates and conducts its business and which the Company's partners operate and conduct their business. We are currently following the recommendations of local health authorities to minimize exposure risk for our team members and visitors. However, the scale and scope of this pandemic is unknown and the duration of the business disruption and related financial impact cannot be reasonably estimated at this time. While we have implemented specific business continuity plans to reduce the potential impact of COVID-19, there is no guarantee that our continuity plans will be successful.

We have already experienced certain disruptions to our business such as temporary closure of our offices and similar disruptions have occurred for our partners. Specifically, the outbreak has caused shutdowns of the laboratories and other service providers that we rely on to develop our CAR-T and breast cancer vaccine programs, and those laboratories and service providers that have been operating or that have begun operating recently have been doing so with more limited capacity due to social distancing requirements. As a result, our progress has been slowed and there is no assurance that we will be able to meet our previously announced timelines regarding the IND filings for our CAR-T therapy for ovarian cancer and for our breast cancer vaccine. Moreover, our plan to sell and/or license our Cchek™ technology to a strategic partner has been impacted by the pandemic even more significantly as we have been unable to complete our clinical validation study for Cchek™ to have a more robust data package for potential partners.

The extent to which COVID-19 or any other health epidemic may impact our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others. Accordingly, COVID-19 could have a material adverse effect on our business, results of operations, financial condition and prospects.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Information included in this Quarterly Report on Form 10-Q (this "Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not statements of historical facts, but rather reflect our current expectations concerning future events and results. We generally use the words "believes," "expects," "intends," "plans," "anticipates," "likely," "will" and similar expressions to identify forward-looking statements. Such forward-looking statements, including those concerning our expectations, involve risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and factors include, but are not limited to, those factors set forth in our Annual Report on Form 10-K for the fiscal year ended October 31, 2019 and the condensed consolidated financial statements included in this Report. Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this Report.

GENERAL

We discuss the description of our business in the Notes to our condensed consolidated financial statements.

RESULTS OF OPERATIONS

Six months ended April 30, 2020 compared with six months ended April 30, 2019

Revenue

We did not record any revenue for the six months ended April 20, 2020. For the six months ended April 30, 2019, we recorded revenue of $250,000 from one license agreement. The license agreement provided for a one-time, non-recurring, lump sum payment in exchange for a non-exclusive retroactive and future license, and covenant not to sue. Pursuant to the terms of the agreement, we have no further obligations with respect to the granted intellectual property rights, including no obligation to maintain or upgrade the technology, or provide future support or services. Accordingly, the earnings process from the license was complete and 100% of the revenue was recognized upon execution of the license agreement. As discussed in Note 1 to our condensed consolidated financial statements, as part of our legacy operations, the Company remains engaged in limited patent licensing activities which we do not expect to be a significant part of our ongoing operations or revenue.

Inventor Royalties, Contingent Legal Fees, Litigation and Licensing Expenses Related to Patent Assertion

Inventor royalties, contingent legal fees, litigation and licensing expenses related to patent assertion activities decreased from approximately $166,000 in the six months ended April 30, 2019 to $ -0- in the six months ended April 20, 2020. The decrease was primarily due to the decrease in related revenues. Inventor royalties and contingent legal fees are expensed in the period that the related revenues are recognized. Litigation and licensing expenses related to patent assertion, other than contingent legal fees, are expensed in the period incurred.

Amortization of Patents

Amortization of patents was $-0- in the six months ended April 30, 2020 compared to approximately $377,000 in the comparable prior year. We capitalize patent and patent rights acquisition costs and amortize the cost over the estimated economic useful life. The decrease in amortization of patents was due to the patent asset being fully amortized in fiscal year 2019.

Research and Development Expenses

Research and development expenses are related to the development of our cancer diagnostics and therapeutics programs and our anti-viral drug program, and decreased by approximately $798,000 to approximately $2,719,000 in the six months ended April 30, 2020, from approximately $3,517,000 in the six months ended April 30, 2019. The decrease in research and development expenses was primarily due to a decrease in employee stock award compensation expense of approximately $1,251,000, a decrease in employee stock option compensation expense of approximately $129,000, offset by an increase in outside research and development expense, excluding license expense, of approximately $414,000 primarily related to the development of Cchek™, our non-invasive blood tests for early detection of cancer, and an increase in license expense related to our collaborative agreement with OntoChem concerning discovery and development of anti-viral drugs for COVID-19 of approximately $111,000.

Research and development expenses incurred in the six months ended April 30, 2020 associated with each of our development programs consisted of approximately $1,827,000 for cancer diagnostics, approximately $565,000 for CAR-T therapeutics, approximately $171,000 for cancer vaccines, and approximately $156,000 for anti-viral therapeutics.

General and Administrative Expenses

General and administrative expenses decreased by approximately $767,000 to approximately $2,581,000 in the six months ended April 30, 2020, from approximately $3,348,000 in the six months ended April 30, 2019. The decrease in general and administrative expenses in fiscal year 2020 was principally due to a decrease in employee stock award compensation expense of approximately $704,000, a decrease in legal and accounting fees of approximately $440,000 in fiscal year 2020 primarily related to fees incurred in fiscal year 2019 in connection with a putative shareholder derivative complaint which was settled in August 2019, a decrease in expense resulting from the discharge in January 2020 of a disputed liability of approximately $337,000 upon the expiration of the vendor's statutory right to pursue collection of the disputed liability which reduced expenses in fiscal year 2020, offset by an increase in employee compensation and related costs, other than stock option compensation expense and stock award compensation expense, of approximately $327,000, an increase in consulting expense of approximately $114,000 in fiscal year 2020 primarily related to the commercialization of Cchek™, our non-invasive blood test for early detection of cancer, an increase in corporate insurance expense of approximately $156,000 primarily due to an increase in directors and officers insurance premium and increase in employee stock option compensation expense of approximately $124,000.

Impairment in Carrying Amount of Patent Assets

The impairment in carrying amount of patent assets related to our legacy patent licensing activities of approximately $419,000 in the six months ended April 30, 2019 resulted from the write down of the value of our patent assets to the estimated undiscounted future cash flows we anticipated receiving from the patent assets as of January 31, 2019. Our estimates of future cash flows were based on our most recent assessment of the market for potential licensees, as well as the status of ongoing negotiations with potential licensees.

Interest Income

Interest income decreased by approximately $10,000 to approximately $25,000 in the six months ended April 30, 2020, from approximately $35,000 in the comparable prior year period as a result of a decrease in interest rates.

Net Loss Attributable to Noncontrolling Interest

The net loss attributable to noncontrolling interest, representing Wistar's 5% ownership interest in Certainty's net loss, decreased by approximately $80,000 to approximately $42,000 in the six months ended April 30, 2020, from approximately $122,000 in the six months ended April 30, 2019, as Certainty's net loss decreased. The decrease in Certainty's net loss was primarily due to decreases in employee stock option compensation expense and employee stock award compensation expense.

Three months ended April 30, 2020 compared with three months ended April 30, 2019

Revenue

We did not record any revenue for the three months ended April 20, 2020. For the three months ended April 30, 2019, we recorded revenue of $250,000 from one license agreement. The license agreement provided for a one-time, non-recurring, lump sum payment in exchange for a non-exclusive retroactive and future license, and covenant not to sue. Pursuant to the terms of the agreement, we have no further obligations with respect to the granted intellectual property rights, including no obligation to maintain or upgrade the technology, or provide future support or services. Accordingly, the earnings process from the license was complete and 100% of the revenue was recognized upon execution of the license agreement. As discussed in Note 1 to our condensed consolidated financial statements, as part of our legacy operations, the Company remains engaged in limited patent licensing activities which we do not expect to be a significant part of our ongoing operations or revenue.

Inventor Royalties, Contingent Legal Fees, Litigation and Licensing Expenses Related to Patent Assertion

Inventor royalties, contingent legal fees, litigation and licensing expenses related to patent assertion activities decreased from approximately $166,000 in the three months ended April 30, 2019 to $ -0- in the six months ended April 20, 2020. The decrease was primarily due to the decrease in related revenues. Inventor royalties and contingent legal fees are expensed in the period that the related revenues are recognized. Litigation and licensing expenses related to patent assertion, other than contingent legal fees, are expensed in the period incurred.

Amortization of Patents

Amortization of patents was $-0- in the three months ended April 30, 2020 compared to approximately $126,000 in the comparable prior year. We capitalize patent and patent rights acquisition costs and amortize the cost over the estimated economic useful life. The decrease in amortization of patents was due to the patent asset being fully amortized in fiscal year 2019.

Research and Development Expenses

Research and development expenses are related to the development of our cancer diagnostics and therapeutics programs and our anti-viral drug program, and decreased by approximately $40,000 to approximately $1,229,000 in the three months ended April 30, 2020, from approximately $1,269,000 in the three months ended April 30, 2019. The decrease in research and development expenses was primarily due to a decrease in employee stock award compensation expense of approximately $301,000, offset by an increase in license expense related to our collaborative agreement with OntoChem concerning discovery and development of anti-viral drugs for COVID-19 of approximately $111,000, an increase in employee stock option compensation expense of approximately $102,000 and an increase in outside research and development expense, excluding license expense, of approximately $51,000 primarily related to the development of Cchek™, our non-invasive blood test for early detection of cancer.

Research and development expenses incurred in the three months ended April 30, 2020 associated with each of our development programs consisted of approximately $761,000 for cancer diagnostics, approximately $235,000 for CAR-T therapeutics, approximately $156,000 for anti-viral therapeutics, and approximately $77,000 for cancer vaccines.

General and Administrative Expenses

General and administrative expenses increased by approximately $159,000 to approximately $1,441,000 in the three months ended April 30, 2020, from approximately $1,282,000 in the three months ended April 30, 2019. The increase in general and administrative expenses in fiscal year 2020 was principally due to an increase in employee compensation and related costs, other than stock option compensation expense and stock award compensation expense, of approximately $158,000, an increase in employee stock option compensation expense of approximately $148,000, an increase in consulting expense of approximately $116,000 primarily related to the commercialization of Cchek™, our non-invasive blood test for early detection of cancer, an increase in corporate insurance expense of approximately $78,000 primarily due to an increase in directors and officers insurance premium, offset by a decrease in employee stock award compensation expense of approximately $169,000 and a decrease in legal and accounting fees of approximately $156,000 primarily related to fees incurred in fiscal year 2019 in connection with a putative shareholder derivative complaint which was settled in August 2019.

Interest Income

Interest income decreased by approximately $6,000 to approximately $12,000 in the three months ended April 30, 2020, from approximately $18,000 in the comparable prior year period as a result of a decrease in interest rates.

Net Loss Attributable to Noncontrolling Interest

The net loss attributable to noncontrolling interest, representing Wistar's 5% ownership interest in Certainty's net loss, decreased by approximately $19,000 to approximately $18,000 in the three months ended April 30, 2020, from approximately $37,000 in the three months ended April 30, 2019, as Certainty's net loss decreased. The decrease in Certainty's net loss was primarily due to decreases in employee stock option compensation expense and employee stock award compensation expense.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash, cash equivalents and short-term investments.

Based on currently available information as of June 9, 2020, we believe that our existing cash, cash equivalents, short-term investments and expected cash flows will be sufficient to fund our activities for the next twelve months. We have implemented a business model that conserves funds by collaborating with third parties to develop our technologies. However, our projections of future cash needs and cash flows may differ from actual results. If current cash on hand, cash equivalents, short-term investments and cash that may be generated from our business operations are insufficient to continue to operate our business, or if we elect to invest in or acquire a company or companies or new technology or technologies that are synergistic with or complementary to our technologies, we may be required to obtain more working capital. During the six months ended April 30, 2020, we raised an aggregate of approximately $3,034,000, net of expenses, through the sale of 1,094,063 shares of common stock in our at-the-market equity offerings. This included approximately $427,000, net of expenses, through the sale of 112,238 shares of common stock in an at-the market equity offering which expired in November 2019 and approximately $2,607,000, net of expenses, through the sale of 981,825 shares of common stock in an at-the-market equity offering under which we may issue up to $50 million of common stock. Under our current at-the-market equity program which is currently effective and may remain available for us to use in the future, we may sell an additional approximately $47,248,000 of common stock. We may seek to obtain working capital during our fiscal year 2020 or thereafter through sales of our equity securities or through bank credit facilities or public or private debt from various financial institutions where possible. We cannot be certain that additional funding will be available on acceptable terms, or at all. If we do identify sources for additional funding, the sale of additional equity securities or convertible debt could result in dilution to our stockholders. We can give no assurance that we will generate sufficient cash flows in the future to satisfy our liquidity requirements or sustain future operations, or that other sources of funding, such as sales of equity or debt, would be available or would be approved by our security holders, if needed, on favorable terms or at all. If we fail to obtain additional working capital as and when needed, such failure could have a material adverse impact on our business, results of operations and financial condition. Furthermore, such lack of funds may inhibit our ability to respond to competitive pressures or unanticipated capital needs, or may force us to reduce operating expenses, which would significantly harm the business and development of operations.

During the six months ended April 30, 2020, cash used in operating activities was approximately $3,471,000. Cash used in investing activities was approximately $286,000, resulting from the purchased of certificates of deposit totaling $2,620,000 and the purchase of property and equipment of approximately $16,000, which was offset by the proceeds on maturities of certificates of deposit totaling $2,350,000. Cash provided by financing activities was approximately $3,153,000, resulting from the sale of 1,094,063 shares of common stock in our at-the-market equity offering over the past six months of approximately $3,034,000 (which is ongoing), the proceeds from sale of common stock pursuant to employee stock purchase plan of approximately $15,000 and the proceeds from exercise of stock options of approximately $104,000. As a result, our cash, cash equivalents, and short-term investments at April 30, 2020 decreased approximately $334,000 to approximately $5,508,000 from approximately $5,842,000 at the end of fiscal year 2019.

CRITICAL ACCOUNTING POLICIES

The Company's condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. In preparing these financial statements, we make assumptions, judgments and estimates that can have a significant impact on amounts reported in our condensed consolidated financial statements. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. On a regular basis, we evaluate our assumptions, judgments and estimates and make changes accordingly.

We believe that, of the significant accounting policies discussed in Note 2 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended October 31, 2019, the following accounting policies require our most difficult, subjective or complex judgments:

Revenue Recognition; and

Stock-Based Compensation.

Revenue Recognition

Our revenue has been derived solely from technology licensing and the sale of patented technologies. Revenue is recognized upon transfer of control of intellectual property rights and satisfaction of other contractual performance obligations to licensees in an amount that reflects the consideration we expect to receive.

On November 1, 2018 we adopted Accounting Standards Update 2014-09 ("ASU 2014-09"), Revenue from Contracts with Customers using the modified retrospective method. Upon adoption of ASU 2014-09 we are required to make certain judgments and estimates in connection with the accounting for revenue. Such areas may include determining the existence of a contract and identifying each party's rights and obligations to transfer goods and services, identifying the performance obligations in the contract, determining the transaction price and allocating the transaction price to separate performance obligations, estimating the timing of satisfaction of performance obligations, determining whether a promise to grant a license is distinct from other promised goods or services and evaluating whether a license transfers to a customer at a point in time or over time.

Our revenue arrangements provide for the payment of contractually determined, one-time, paid-up license fees in settlement of litigation and in consideration for the grant of certain intellectual property rights for patented technologies owned or controlled by the Company. These arrangements typically include some combination of the following: (i) the grant of a non-exclusive, retroactive and future license to manufacture and/or sell products covered by patented technologies owned or controlled by the Company, (ii) a covenant-not-to-sue, (iii) the release of the licensee from certain claims, and (iv) the dismissal of any pending litigation. In such instances, the intellectual property rights granted have been perpetual in nature, extending until the expiration of the related patents. Pursuant to the terms of these agreements, we have no further obligations with respect to the granted intellectual property rights, including no obligation to maintain or upgrade the technology, or provide future support or services. Licensees obtained control of the intellectual property rights they have acquired upon execution of the agreement. Accordingly, the performance obligations from these agreements were satisfied and 100% of the revenue was recognized upon the execution of the agreements. The adoption of ASU 2014-09 had no impact on revenue recognized.

Stock-Based Compensation

The compensation cost for service-based stock options granted to employees and directors is measured at the grant date, based on the fair value of the award using the Black-Scholes pricing model, and is recognized as an expense on a straight-line basis over the requisite service period (the vesting period of the stock option) which is one to four years. For employee options vesting if the trading price of the Company's common stock exceeds certain price targets we use a Monte Carlo Simulation in estimating the fair value at grant date and recognize compensation cost over the implied service period.

For stock awards granted to employees and directors that vest at date of grant we recognize expense based on the grant date market price of the underlying common stock. For restricted stock awards vesting upon achievement of a price target of our common stock we use a Monte Carlo Simulation in estimating the fair value at grant date and recognize compensation cost over the implied service period (median time to vest).

On November 1, 2018 we adopted Accounting Standards Update 2018-07 ("ASU 2018-027") for stock-based compensation to non-employees. Upon adoption of ASU 2018-07 we estimated the fair value of unvested awards at the date of adoption, using the Black-Scholes pricing model. Future grants to consultants will be measured at the grant date, based on the fair value of the award using the Black-Scholes pricing model, consistent with our policy for grants to employees and directors.

The Black-Scholes pricing model and the Monte Carlo Simulation we use to estimate fair value requires valuation assumptions of expected term, expected volatility, risk-free interest rates and expected dividend yield. The expected term of stock options represents the weighted average period the stock options are expected to remain outstanding. We use the simplified method, which is a weighted average of the vesting term and contractual term, to determine expected term. The simplified method was adopted since we do not believe that historical experience is representative of future performance because of the impact of the changes in our operations and the change in terms from historical options. Under the Black-Scholes pricing model, we estimated the expected volatility of our shares of common stock based upon the historical volatility of our share price over a period of time equal to the expected term of the grants. We estimated the risk-free interest rate based on the implied yield available on the applicable grant date of a U.S. Treasury note with a term equal to the expected term of the underlying grants. We made the dividend yield assumption based on our history of not paying dividends and our expectation not to pay dividends in the future.

We will reconsider use of the Black-Scholes pricing model and Monte Carlo Simulation if additional information becomes available in the future that indicates other models would be more appropriate. If factors change and we employ different assumptions in future periods, the compensation expense that we record may differ significantly from what we have recorded in the current period.

EFFECT OF RECENTLY ISSUED PRONOUNCEMENTS

We discuss the effect of recently issued pronouncements in the Notes to our Condensed Consolidated Financial Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As of April 30, 2020, we had investments in short-term, fixed rate and highly liquid instruments that have historically been reinvested when they mature throughout the year. Although our existing instruments are not considered at risk with respect to changes in interest rates or markets for these instruments, our rate of return on these securities could be affected at the time of reinvestment, if any.

Item 4. Controls and Procedures.

We carried out an evaluation, under the supervision and with the participation of our management including our President and Chief Executive Officer and our Chief Operating Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13-15(b) of the Exchange Act. Based upon that evaluation, our President and Chief Executive Officer and our Chief Operating Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective as of the end of the period covered by this Report.

There was no change in our internal control over financial reporting during the second quarter of fiscal year 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are not involved in any litigation or other legal proceedings and management is not aware of any pending litigation or legal proceeding against us that would have a material adverse effect upon our results of operations or financial condition.

Item 1A. Risk Factors.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, we are not required to provide information required by this Item. However, in addition to our risk factors as set forth in our Form 10-K, filed with the SEC on January 9, 2020 and as amended on January 10, 2020, we have also identified the following additional risks to our company:

Risks related to the COVID-19 pandemic

Our business activities for fiscal 2020 are expected to be adversely affected by the global COVID-19 pandemic.

The COVID-19 pandemic has spread globally and the World Health Organization (WHO) has declared it a global pandemic. While still evolving, the COVID-19 pandemic has caused significant worldwide economic and financial turmoil, and has fueled concerns that it will lead to a global recession. On March 13, 2020, the United States declared a national emergency with respect to COVID-19 and the majority of states and U.S. territories, including the State of California, have since issued orders requiring the closure of non-essential businesses and/or requiring residents to stay at home. The Company is following the recommendations of local health authorities to minimize exposure risk for its team members and visitors, including requiring its employees to work from home. The continued and prolonged implementation of restrictions by federal, state and local authorities to slow the spread of COVID-19 have disrupted and, we expect, will continue to disrupt, our business and operations.

Specifically, the pandemic has caused shutdowns of the laboratories and other service providers that we rely on to develop our CAR-T and breast cancer vaccine programs, and those laboratories and service providers that have been operating or that have begun operating recently have been doing so with more limited capacity due to social distancing requirements. As a result, our progress has been slowed and there is no assurance that we will be able to meet our previously announced timelines regarding the IND filings for our CAR-T therapy for ovarian cancer and for our breast cancer vaccine.

Moreover, our plan to sell and/or license our Cchek™ technology to a strategic partner has been impacted by the pandemic even more significantly. We are currently performing a clinical validation study for Cchek™ to have a more robust data package for potential partners, but the pandemic has slowed our partnering discussions due to a dramatic decrease in the number of patients seeking treatment from their urologists, resulting in the substantial diminishment of our flow of blood samples for the study. Further, most potential partners have been focusing their attention on developing COVID-19 diagnostics and are not as focused on discussing or diverting resources to cancer diagnostics. Although we anticipate the sample flow returning to normal soon, there is no assurance as to how quickly sample flow will return or when a partnership will be completed, if ever.

The extent to which the COVID-19 pandemic impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the duration and scope of the pandemic; governmental, business and individuals' actions that have been and continue to be taken in response to the pandemic; the impact of the pandemic on economic activity and actions taken in response; our ability to continue daily operations, including as a result of travel restrictions and people working from home; and any closures of our and our business partners' offices and facilities.

While the Company is currently implementing solutions designed to reduce the potential impact of COVID-19, there can be no assurance that our efforts will adequately mitigate the risks of business disruptions and interruptions. Further, events such as natural disasters and public health emergencies divert our attention away from normal operations and limited resources. Our inability to timely resume normal operations following the pandemic disruption could adversely affect our business, financial condition or results of operations in a material manner.

Any of these events could materially adversely affect our business, financial condition, results of operations and/or stock price.

Risks related to our COVID-19 program

There is no guarantee that our collaboration with OntoChem will produce a successful anti-viral drug for COVID-19.

On April 14, 2020, the Company entered into a collaboration agreement with OntoChem for the purpose of discovering and ultimately developing anti-viral drug candidates for COVID-19. The parties have developed a research plan pursuant to which OntoChem will utilize advanced computational methods, machine learning and molecular modeling techniques to perform *in silico* screening of over 1.2 billion compounds in OntoChem's chemistry and gene ontology database (including publicly available compounds and OntoChem's proprietary libraries) to evaluate if any of these compounds could disrupt one of two key enzymes of COVID-19. While, to date, we have synthesized four potential COVID-19 compounds that will advance to biological assay testing, there is no guarantee that any of these compounds (or any other future compounds that we may identify), once synthesized and tested in biological assays, will demonstrate sufficient potency as predicted by the molecular modeling algorithms. Further, even if these compounds do demonstrate sufficient potency, there is no guarantee that the compounds will be effective in animal or human testing and that they will ultimately be effective anti-viral drugs for COVID-19.

We may not have sufficient resources to pursue animal and/or human trials for compounds that we identify that we believe demonstrate sufficient potency to combat COVID -19.

Clinical trials are time consuming and expensive. Even if we identify one or more compounds that_demonstrate sufficient potency as predicted by the molecular modeling algorithms to pursue animal and ultimately human testing for a COVID-19 treatment, we may not have sufficient resources (cash or personnel) to pursue such testing. In such a case, we may pursue a partnership arrangement to have a third party fund our clinical testing, but there is no guarantee that we will be able to identify such a partnership or that a partnership will materialize in terms that are beneficial to the Company.

There is significant competition in the search for a treatment for COVID-19.

There is significant competition, including from other companies and governmental organizations, to find a treatment for COVID-19. Many of these entities have substantially greater resources (including capital and personnel) than we do and many of these entities are much further ahead in pursuit of a treatment than we are. Even if we are successful in identifying a compound that may act as an effective treatment for COVID-19, there is no guarantee that we will have the only effective treatment for COVID-19 or that we will be able to get our treatment to market prior to our competitors.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds. None.

Item 3. Defaults Upon Senior Securities. None.

Item 4. **Mine Safety Disclosures**. Not Applicable.

Item 5. Other Information. None.

Item 6. Exhibits.

10.1	Collaboration Agreement, dated April 14, 2020, between Anixa Biosciences, Inc. and OntoChem GmbH. (Filed herewith.) (Certain information has been redacted in the marked portions of the exhibit.)
31.1	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated June 9, 2020.
31.2	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated June 9, 2020.
32.1	Statement of Chief Executive Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated June 9, 2020.
32.2	Statement of Chief Financial Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated June 9, 2020.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

ANIXA BIOSCIENCES, INC.

By: /s/ Dr. Amit Kumar
Dr. Amit Kumar
Chairman, President and
Chief Executive Officer
June 9, 2020 (Principal Executive Officer)

By: /s/ Michael J. Catelani
Michael J. Catelani
Chief Operating Officer and
Chief Financial Officer
(Principal Financial and
June 9, 2020 Accounting Officer)

Exhibit 10.1

Redactions with respect to certain portions hereof denoted with "*"**

COLLABORATION AGREEMENT

This Collaboration Agreement (the "**Agreement**") is made as of April 14th, 2020 (the "**Effective Date**") by and between Anixa Biosciences, Inc., a Delaware corporation, located at 3150 Almaden Expressway, Suite 250, San Jose, CA 95118, U.S.A. (" **Anixa**"), and OntoChem GmbH, a German limited liability company, located at Blücherstr. 24, D-06120 Halle (Saale), Germany ("**OntoChem**"). Anixa and OntoChem are referred to herein individually as a "**Party**" and collectively as the "**Parties**."

WHEREAS, the Parties wish to collaborate in the discovery and development of novel drug candidates for the treatment of COVID-19 in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Defined Terms.

1.1 "**Affiliate**" means, with respect to a Party, any entity directly or indirectly controlled by, controlling or under common control with such Party. For purposes of this definition, "control" means (a) ownership of fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a foreign entity or investor in a particular jurisdiction) or more of the outstanding voting stock or other ownership interest of an entity, or (b) possession of the power to (i) elect, appoint, direct or remove fifty percent (50%) or more of the members of the board of directors or other governing body of an entity or (ii) otherwise direct or cause the direction of the management or policies of an entity by contract or otherwise.

1.2 "**Hit Compound**" means any chemical entity that is determined in performing the Research Plan to meet the Hit Criteria.

1.3 "**Hit Criteria**" means the criteria identified as "Hit Criteria" as set forth in the Research Plan.

1.4 "**Invention**" means any invention, know-how, data, discovery or proprietary information, whether or not patentable, that is made or generated solely by the Representatives of Anixa or OntoChem or jointly by the Representatives of Anixa and OntoChem in performing the Research Plan, including all intellectual property rights in the foregoing.

1.5 "**Representative**" means, with respect to a Party, an officer, director, employee, agent or permitted subcontractor of such Party.

1.6 "**Research Plan**" means the research plan attached hereto as Exhibit A.

1.7 "**SAR**" means the relationship between the chemical or three-dimensional structure of a compound and its biological activity, and includes the determination of the chemical groups responsible for evoking a target biological effect.

1.8 "**Target**" means: (a) any protease of any coronavirus, including M^{pro}; (b) the Nsp15-pRB ribonuclease protein-protein interaction; (c) all mutants and variants of any molecule or component referenced in clauses (a) or (b); and (d) all truncated forms (including fragments) of any molecule or component referenced in clauses (a) or (b) or mutant or variant referenced in clause (c).

1.9 "**Variant**" means, with respect to any Hit Compound: (a) all compounds within the genus of compounds to which such Hit Compound would belong under United States patent laws as referenced in the Selection Notice (as defined below); and (b) any base form, metabolite, ester, salt form, racemate, stereoisomer, polymorph, hydrate, anhydride or solvate of such Hit Compound or any other compound described in clause (a) (in the case of this clause (b), without regard to whether such compound is referenced in the Selection Notice).

2. Research Program.

2.1 Performance. The Parties will diligently perform their respective activities set forth in the Research Plan (such activities, collectively, the "**Research Program**") in accordance with the timelines set forth therein, with the objective of identifying Hit Compounds and Lead Scaffolds that modulate the applicable Target. Without limiting the foregoing, OntoChem will (a) provide all deliverables set forth in the Research Plan (each, a "**Deliverable**") and (b) obtain any authorizations, approvals and licenses required for performance of the Research Plan. If any terms set forth in the Research Plan conflict with the terms set forth in this Agreement, the terms of this Agreement will control unless expressly indicated to the contrary in the Research Plan. The Research Plan may not be amended without the prior written consent of both Parties. If, from time to time, the Parties desire to expand the scope of the Research Program, then they will negotiate in good faith a potential amendment of the Research Plan in regard to such expanded scope, on commercially reasonable terms, but neither Party will be obligated to enter into any such amendment.

2.2 Weekly Updates. OntoChem will provide Anixa with weekly (or more frequently as requested) updates regarding its progress under the Research Program via teleconference, videoconference or e-mail, and the Parties will make appropriate personnel available in a timely manner to discuss and provide feedback in regard to such updates.

2.3 Delivery of Data. In conjunction with each weekly update described in Section 2.2, OntoChem will deliver to Anixa all data generated under the Research Plan since the preceding update. In addition, Anixa will have the right to reasonably request additional information relating to such data, and OntoChem will respond to such requests promptly with any such additional information in its possession or control, provided that, for clarity, OntoChem will not be required to perform any new or additional research in order to generate any such additional information.

2.4 Selection of Lead Scaffolds. Within one year following completion of all activities under the Research Plan (the "**Selection Deadline**"), Anixa, in good faith consultation with OntoChem, will have the right to select up to two hundred (200) Hit Compounds (each, a "**Selected Hit Compound**"), by providing OntoChem with written notice of such Selected Hit Compound(s) (the "**Selection Notice**"), and each Selected Hit Compound, along with all Variants of such Selected Hit Compound referenced in the Selection Notice, is hereby designated as a "**Lead Scaffold**" under this Agreement. Commencing upon selection of a Selected Hit Compound, Anixa (itself and through its Affiliates and designees) will have sole authority over and control of the further development, manufacture, and commercialization of the corresponding Lead Scaffold and any product candidate or product incorporating a compound from such Lead Scaffold. Following the Selection Deadline, Anixa will have no further rights with respect to any Hit Compound that is not a Selected Hit Compound or included within a Lead Scaffold (each, a "**Rejected Hit Compound**"), provided that, during the period of two (2) years following the Selection Deadline, neither OntoChem nor any of its Affiliates will use or disclose to any third party any Rejected Hit Compound or any Variant thereof, including the identity, structure or SAR information of any such compound, for application as anti-viral agents or protease inhibitors, for purposes of modulating any Target or for treatment of virus-related conditions. In case OntoChem finds a novel and unexpected antiviral use of those Rejected Hit Compounds during this 2-years period, it will notify Anixa about these findings and Anixa has the right of first negotiation during a period of 6 months after this notification. If Anixa decides to not license those uses or compounds for this novel antiviral use, OntoChem is free to develop those molecules further as its own intellectual property without any further restrictions.

2.5 Subcontractors. OntoChem may engage one or more subcontractors to perform its activities under the Research Plan with the prior written approval of Anixa and provided that, with respect to any such subcontractor, OntoChem will (a) be responsible and liable for the performance of such subcontractor and (b) enter into a written agreement (i) consistent with terms and conditions of this Agreement, including with respect to confidentiality and intellectual property, and (ii) prohibiting such subcontractor from further subcontracting. For clarity, vendors where commercial building blocks or compounds will be purchased are nor regarded as subcontractors.

2.6 Target Exclusivity. During the term of this Agreement, except in the performance of its obligations or exercise of its rights under this Agreement, neither OntoChem nor any of its Affiliates will discover, research, develop, manufacture or commercialize any compound or product directed to any Target, either independently or for or in collaboration with a third party (including the grant of a license to any third party), or have any of the foregoing activities performed on behalf of OntoChem or any of its Affiliates by a third party. For clarity, the foregoing includes the screening (including via computational methods) of any compound library or virtual compound library against any Target.

2.7 Records. Each Party will maintain complete and accurate records of all activities performed by or on behalf of such Party under the Research Program and all Inventions made or generated by or on behalf of such Party in the performance of the Research Program. Such records will be in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes. Each Party will provide the other Party with the right to inspect such records, and upon request will provide copies of all such records, to the extent reasonably required for the exercise or performance of such other Party's rights or obligations under this Agreement, provided that any information disclosed under this Section 2.7 will be subject to the terms and conditions of Section 5. Each Party will retain such records for at least three (3) years following expiration or termination of this Agreement or such longer period as may be required by applicable law or regulation.

2.8 Debarment. Each Party hereby represents and warrants to the other Party that neither it nor any of its Affiliates or personnel has been debarred under any health care laws or regulations and that, to its knowledge, no investigations, claims or proceedings with respect to debarment are pending or threatened against such Party or any of its Affiliates or personnel. Neither Party nor any of its Affiliates will use in any capacity, in connection with the Research Program, any person or entity who has been debarred. Each Party agrees and undertakes to promptly notify the other Party if such Party or any of its Affiliates or personnel becomes debarred or proceedings have been initiated against any of them with respect to debarment, whether such debarment or initiation of proceedings occurs during or after the term of this Agreement.

3. Financial Terms.

3.1 Research Program Payments. In consideration for OntoChem's performance of its activities under the Research Plan, Anixa will:

(a) pay OntoChem 100,002 Euros in six (6) equal installments as follows: (i) 16,667 Euros within five (5) days after the Effective Date; and (ii) five (5) installments in the amount of 16,667 Euros on each one-month anniversary of the Effective Date, except that the last such payment will be due within thirty (30) days after completion of all activities under the Research Plan; and

(b) reimburse OntoChem for its out-of-pocket expenses incurred in performing the Research Plan on a pass-through basis without mark-up, within thirty (30) days after delivery of an invoice therefore (including reasonable supporting documentation), provided that Anixa has approved such expenses in advance and in writing (including in regard to the selection of specific Hit Compounds to be synthesized and analyzed in biological assays). It is estimated that OntoChem's out-of-pocket expenses under the Research Plan will include 110,000 Euros payable to Tube Pharmaceuticals GmbH as a subcontractor of OntoChem, subject to Section 2.5.

(c) High-throughput screening compounds

OntoChem will forward a commercial proposal to acquire these compounds at the sole discretion of Anixa. Both parties will agree on payment conditions.

(d) Extra custom synthesis

OntoChem will forward a commercial proposal to have synthesized these compounds at the sole discretion of Anixa. Both parties will agree on payment conditions.

(e) Biological testing

OntoChem will forward a commercial proposal to have biologically test these compounds at the sole discretion of Anixa. Both parties will agree on payment conditions.

3.2 Lead Scaffold Payments. For each Lead Scaffold selected by Anixa, Anixa will pay OntoChem an annual fee of 10,000 U.S. Dollars, payable within thirty (30) days following each anniversary of the date of the Selection Notice, until five (5) years after the first commercial sale of the first product incorporating a compound from such Lead Scaffold, subject to Section 4.3 with respect to any Terminated Scaffold (as defined below).

3.3 Milestone Payment. Anixa will pay OntoChem a one-time milestone payment of 300,000 U.S. Dollars within thirty (30) days following the dosing of the first patient in the first human clinical trial for the first product incorporating a compound from a Lead Scaffold.

3.4 Payment Terms. Payments to OntoChem will be made by check or by wire transfer of immediately available funds to such bank account as designated in writing by OntoChem from time to time. Taxes (and any penalties and interest thereon) imposed on any payment made by Anixa to OntoChem will be the responsibility of OntoChem. The fees for the respective bank transfers will be borne by Anixa.

3.5 Financial Records. OntoChem will maintain complete and accurate books and accounting records related to all out-of-pocket expenses incurred in performing the Research Plan. These records will be available for inspection during regular business hours upon reasonable notice by Anixa, or its duly authorized representative, at Anixa's expense, for three (3) years following the end of the calendar year in which such expenses are invoiced. If it is determined that Anixa has overpaid for any expenses passed through by OntoChem under this Agreement, OntoChem will promptly reimburse Anixa for the amount of such overpayment and, if such overpayment represents more than five percent (5%) of the corresponding amount due, OntoChem will pay Anixa's reasonable fees and expenses incurred in connection with such inspection.

4. Term and Termination.

4.1 Term. Unless earlier terminated in accordance with Section 4.2 or 4.3, this Agreement will be in effect from the Effective Date until completion of the Research Program.

4.2 Termination by Anixa . This Agreement may be terminated by Anixa, without cause, upon at least thirty (30) days written notice to OntoChem.

4.3 Termination of Lead Scaffolds . For each Lead Scaffold, if (a) neither Anixa nor any of its Affiliates, licensees or assignees has dosed the first patient in a human clinical trial for a product incorporating a compound from such Lead Scaffold by the fifth (5^{th}) anniversary of the date of the Selection Notice, or (b) Anixa earlier provides written notice of termination of such Lead Scaffold referencing this Section 4.3, then such Lead Scaffold (each, a "**Terminated Scaffold**") will thereupon cease to be a Lead Scaffold under this Agreement and thereafter, notwithstanding anything to the contrary in this Agreement: (i) Anixa will promptly assign to OntoChem all right, title and interest in and to any patents and patent applications owned by Anixa that claim such Terminated Scaffold (including the composition, use or manufacture thereof) and, following such assignment, OntoChem will exclusively control the filing, prosecution, maintenance and enforcement of such patents and patent applications; (ii) the identity, structure and SAR information of such Terminated Scaffold will be deemed to be the Confidential Information of OntoChem; (iii) Anixa will not owe any further annual fees under Section 3.2 for such Terminated Scaffold; and (iv) this Agreement will otherwise remain in full force and effect.

4.4 Termination for Cause. This Agreement may be terminated by either Party for material breach by the other Party, provided that the terminating Party has given the breaching Party written notice of the breach and at least sixty (60) days to cure the breach prior to the effective date of termination.

4.5 Effects of Termination. Promptly following expiration or termination of this Agreement, OntoChem will provide Anixa with an invoice (including reasonable supporting documentation) for any pre-approved out-of-pocket expenses (including non-cancellable commitments) incurred by OntoChem in performing the Research Plan and not yet reimbursed by Anixa, and Anixa will pay such invoice within thirty (30) days after receipt thereof. In addition, if this Agreement is terminated prior to completion of the Research Program, OntoChem will promptly furnish to Anixa any Deliverable or other work product generated to date and not previously provided to Anixa, including work in process.

4.6 Survival. Expiration or termination of this Agreement will not affect the rights and obligations of the Parties that accrued prior to the effective date of such expiration or termination. The following provisions will remain in effect following expiration or termination of this Agreement and the Parties will continue to be bound thereby: Sections 2.4 (last three sentences), 2.7, 2.8 (last sentence only), 3.2, 3.3, 3.4, 3.5, 4.5, 4.6, 5, 6, 8 and 9.

5. Confidentiality.

5.1 Definition. "**Confidential Information**" means any information disclosed (directly or indirectly) by a Party (in such capacity, "**Discloser**") to the other Party (in such capacity, " **Recipient**") in connection with this Agreement whether in written, graphic, electronic, tangible or any other form. Confidential Information will not, however, include any information that: (a) was publicly known or generally available to the public prior to the time of disclosure by Discloser to Recipient; (b) becomes publicly known or generally available to the public after disclosure by Discloser to Recipient through no wrongful action or inaction of Recipient; (c) is in the rightful possession of Recipient without confidentiality obligations at the time of disclosure by Discloser to Recipient as shown by Recipient's then-contemporaneous written files and records kept in the ordinary course of business; (d) is obtained by Recipient from a third party without an accompanying duty of confidentiality and without (to Recipient's knowledge) a breach of such third party's obligations of confidentiality; or (e) is independently developed by Recipient without use of or reference to Discloser's Confidential Information. Notwithstanding anything to the contrary in this Agreement, except as expressly provided in Section 4.3 with respect to a Terminated Scaffold, the identity, structure and SAR information of: (i) the Hit Compounds will be deemed to be the Confidential Information of both Parties until the Selection Deadline, provided that, during such period, Anixa (itself or through one or more third party service providers on its behalf under a written agreement consistent with terms and conditions of this Agreement, including with respect to confidentiality and intellectual property) may perform biological assays and other analyses to evaluate the Hit Compounds solely for purposes of selecting Lead Scaffolds pursuant to Section 2.4; (ii) the Lead Scaffolds will be deemed to be Anixa's Confidential Information commencing upon the date of the Selection Notice; (iii) the Rejected Hit Compounds will be deemed to be OntoChem's Confidential Information commencing upon the date of the Selection Notice, subject to the last sentence of Section 2.4.

5.2 Non-Use and Non-Disclosure. Neither Party will use any Confidential Information of the other Party for any purpose except as reasonably necessary to fulfill its obligations or exercise its rights under this Agreement. Neither Party will disclose any Confidential Information of the other Party nor permit any such Confidential Information to be disclosed, either directly or indirectly, to any third party or its personnel without the other Party's prior written consent, except as expressly permitted hereunder. Each Party may disclose Confidential Information of the other Party to its Representatives who are required to have the information in order for such Party to fulfill its obligations or exercise its rights under this Agreement, provided that such Representatives are subject to legally binding non-use and non-disclosure obligations consistent with this Agreement, prior to any disclosure of Confidential Information to such Representatives. If Recipient becomes legally compelled to disclose any Confidential Information of Discloser, Recipient will provide Discloser prompt written notice of such disclosure obligation, if legally permissible, and upon request will reasonably assist Discloser in seeking a protective order or other appropriate remedy. If Discloser waives Recipient's compliance with this Agreement or fails to obtain a protective order or other appropriate remedy, Recipient will furnish only that portion of the Confidential Information that is legally required to be disclosed, provided that any Confidential Information so disclosed will maintain its confidentiality protection for all purposes other than such legally compelled disclosure.

5.3 Maintenance of Confidentiality. Recipient will take commercially reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information of Discloser. Without limiting the foregoing, Recipient will take at least those measures that it employs to protect its own confidential information of a similar nature. Recipient will promptly notify Discloser in writing of any unauthorized use or disclosure, or suspected unauthorized use or disclosure, of Discloser's Confidential Information of which Recipient becomes aware.

5.4 Confidential Terms. Except as otherwise required by applicable law or regulation, neither Party will disclose the existence or terms of this Agreement to any third party without the prior written consent of the other Party, except that (a) each Party may disclose this Agreement or its terms to its advisors and to existing and potential investors, acquirers, lenders and, in the case of Anixa, licensees on a reasonable need-to-know basis under circumstances that reasonably ensure the confidentiality thereof, and (b) Anixa may issue press releases, make investor and other public presentations and post content on its website from time to time regarding the existence and terms of this Agreement and progress regarding the development, manufacture and commercialization of Lead Scaffolds (including the identity of any permitted subcontractors under this Agreement), to the extent deemed appropriate for purposes of investor relations in its capacity as a publicly traded company and compliance with securities laws and regulations.

5.5 Equitable Relief. Recipient agrees that any violation or threatened violation of this Article 5 may cause irreparable injury to Discloser, entitling Discloser to seek to obtain injunctive relief in addition to all legal remedies without showing or proving any actual damage and without any bond required to be posted.

5.6 Return of Confidential Information. Upon expiration or termination of this Agreement, or upon written request, each Party will promptly return to the other Party, or upon written request of such other Party destroy, all materials containing such other Party's Confidential Information, provided, however, that the Recipient may retain in confidence (a) one archival copy of the Confidential Information of the Discloser in its legal files solely to permit the Recipient to determine compliance with this Agreement and (b) any portion of the Confidential Information of the Discloser which the Recipient is required by applicable law or regulation to retain. Notwithstanding the return or destruction of the materials described above, the Parties will continue to be subject to the terms of this Section 5.

6. Intellectual Property.

6.1 Background Intellectual Property. All inventions, know-how, data, discoveries and proprietary information, including all intellectual property rights in the foregoing, owned or controlled by a Party as of immediately prior to the Effective Date are and will remain the sole property of such Party.

6.2 Inventions Owned by OntoChem. OntoChem will own, and Anixa hereby assigns to OntoChem, all right, title and interest in and to all Inventions directed to (a) any methods of generating or screening compound libraries and (b) the Rejected Hit Compounds (including the composition, use or manufacture thereof), in the case of this clause (b), effective as of the Selection Deadline (collectively (clauses (a) and (b)), "**OntoChem Inventions**"). As between the Parties, OntoChem will exclusively control the filing, prosecution, maintenance and enforcement of any patents and patent applications claiming OntoChem Inventions.

6.3 Inventions Owned by Anixa. Anixa will own, and OntoChem hereby assigns to Anixa, all right, title and interest in and to all Inventions other than OntoChem Inventions, including, for clarity, Inventions directed to the Lead Scaffold(s) (including the composition, use or manufacture thereof) (collectively, "**Anixa Inventions**"). As between the Parties, Anixa will exclusively control the filing, prosecution, maintenance and enforcement of any patents and patent applications claiming Anixa Inventions.

6.4 License Grant. OntoChem hereby grants to Anixa a non-exclusive, fully paid-up, royalty-free, perpetual, irrevocable, transferable, worldwide license (with the right to grant and authorize sublicenses through multiple tiers) under any patents which OntoChem or any of its Affiliates own or control during the term of this Agreement, to make, have made, use, sell, offer for sale and import the Lead Scaffold(s) and products that incorporate compounds from the Lead Scaffold(s). OntoChem will not incorporate any invention, discovery or other proprietary information owned by any third party into any Anixa Inventions or Deliverables without Anixa's prior written consent.

6.5 Invention Disclosure and Implementation. Each Party will notify the other Party promptly in writing of each Invention made or generated by such Party. The determination of inventorship with respect to all Inventions will be made in accordance with United States patent law. Each Party will assign, and does hereby assign, to the other Party rights with respect to the applicable Inventions as necessary to achieve ownership as provided in Sections 6.2 and 6.3. Each assigning Party will execute and deliver all documents and instruments reasonably requested by the other Party to evidence or record such assignment or to file for, perfect or enforce the assigned rights. Each assigning Party will make its relevant Representatives (and their assignments and signatures on such documents and instruments) reasonably available to the other Party for assistance in accordance with this Section 6.5 at no charge. However, out of pocket expenses such as travel or communication costs shall be reimbursed. Each Party will have the sole right to file and prosecute patent applications claiming any Inventions of which such Party is the sole owner pursuant to this Agreement without the consent of the other Party, and such other Party will provide, and will cause its Representatives to provide, reasonable cooperation and assistance with such filing and prosecution upon request. To the extent OntoChem is obligated by reason of mandatory provisions of the Gesetz über Arbeitnehmererfindungen (ArbNErfG) (German law covering employee inventions) to make payments to its employees, OntoChem will be solely responsible, and indemnify Anixa, for any and all such payments to OntoChem's employees.

6.6 No Implied Rights. Except as otherwise expressly provided herein, nothing in this Agreement is intended to grant to either Party any rights under any intellectual property right of the other Party.

7. Representations and Warranties.

7.1 Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party that: (a) it is duly organized, validly existing, and in good standing under the laws and regulations of the jurisdiction in which it is organized; (b) it has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder; (c) it has taken all requisite action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; (d) this Agreement has been duly executed and delivered by such Party and constitutes a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms; and (e) the execution, delivery and performance of this Agreement by it do not conflict with any agreement, instrument or understanding, oral or written, to which it is a party, or to which it is bound, and it will not enter into any agreement, instrument or understanding, oral or written, that conflicts with the rights and obligations of this Agreement during the term of this Agreement.

7.2 Additional Representations and Warranties of OntoChem. OntoChem hereby further represents and warrants to Anixa that: (a) to OntoChem's knowledge, OntoChem's performance of its activities under the Research Plan does not infringe or constitute misappropriation of the intellectual property rights of any third party; (b) no licenses, permissions or releases from any third party are necessary for OntoChem's performance of its activities under the Research Plan; (c) OntoChem has obtained rights to use any third-party compound libraries and software referenced in the Research Plan under terms and conditions consistent with this Agreement; and (d) OntoChem's performance of its activities under the Research Plan will not result in any third party acquiring any right, title or interest in or to any Anixa Invention or Deliverable.

7.3 Mutual Covenants. Each Party hereby covenants that: (a) all Representatives of such Party who participate in the performance of the activities contemplated by this Agreement will be subject to written obligations regarding the treatment of Confidential Information and the assignment of Inventions that are consistent with such Party's obligations under this Agreement, as of the commencement of such activities by such Representatives; and (b) such Party will comply with applicable laws and regulations in connection its performance of this Agreement.

8. Indemnification and Insurance.

8.1 Indemnification by Anixa. Anixa will indemnify, defend and hold harmless OntoChem, its Affiliates and their respective Representatives from and against any liability, demand, damage, cost or expense (including reasonable attorney's fees) arising from any third-party claim, action or proceeding arising from (a) Anixa's breach of this Agreement or (b) Anixa's negligence or willful misconduct in connection with this Agreement, except with respect to any matter for which OntoChem is obligated to provide indemnification under Section 8.2.

8.2 Indemnification by OntoChem. OntoChem will indemnify, defend and hold harmless Anixa, its Affiliates and their respective Representatives from and against any liability, demand, damage, cost or expense (including reasonable attorney's fees) arising from any third-party claim, action or proceeding arising from (a) OntoChem's breach of this Agreement or (b) OntoChem's negligence or willful misconduct in connection with this Agreement, except with respect to any matter for which Anixa is obligated to provide indemnification under Section 8.1. Financial reimbursements claimed according to such indemnification shall not exceed payments received by OntoChem under this contract.

8.3 Indemnification Procedure. A Party (the " **Indemnitee**") that intends to claim indemnification under this Section 8 will promptly notify the other Party (the "**Indemnitor**") in writing of any claim, action or proceeding in respect of which the Indemnitee intends to claim such indemnification (each a "**Claim**"), and the Indemnitor will have the right to control the defense and/or settlement of such Claim, provided that the Indemnitee will have the right to participate, at its own expense, with counsel of its own choosing in the defense and/or settlement of such Claim. The Indemnitor will not, without the prior written consent of the Indemnitee, enter into any settlement or agree to any disposition of the applicable Claim that imposes any conditions or obligations on the Indemnitee. The failure to deliver written notice to the Indemnitor within a reasonable period of time after the commencement of any such Claim will not relieve such Indemnitor of any liability to the Indemnitee under this Section 8 except to the extent such failure is prejudicial to the Indemnitor's ability to defend such Claim. The Indemnitee and its Representatives, at the Indemnitor's request and expense, will provide full information and reasonable assistance to the Indemnitor and its legal representatives with respect to the applicable Claim subject to indemnification. It is understood that only a Party may claim indemnification under this Section 8 (on its own behalf or on behalf of its Affiliates or their respective Representatives), and such Party's Affiliates and their respective Representatives may not directly claim indemnification hereunder.

8.4 Insurance. Each Party will maintain liability insurance, with reputable and financially secure insurance carriers, at levels consistent with industry standards based upon such Party's respective activities and indemnification obligations under this Agreement. Upon request, each Party will furnish to the other Party certificates issued by the applicable insurance company(ies) evidencing such insurance.

9. Miscellaneous.

9.1 Relationship of the Parties. The Parties are independent contractors and nothing contained in this Agreement will be construed to place them in the relationship of partners, principal and agent, employer/employee or joint venturer. Neither Party will have the power or right to bind or obligate the other Party, nor will either Party hold itself out as having such authority.

9.2 Use of Name. Neither Party will use the name, logo or trademark of the other Party in any advertising, publicity or other promotional activities without such other Party's prior written consent, unless such use is reasonably necessary to comply with applicable laws or regulations and subject to clause (b) of Section 5.4.

9.3 Notices. Any notice required or permitted to be given under this Agreement by either Party will be in writing (in English) and will be delivered to the applicable Party at its respective address set forth below by personal delivery, e-mail, reputable international courier or registered or certified mail. Notices will be deemed given on the date received if delivered personally, on the next business day if sent by e-mail or international courier, or five (5) days after the date postmarked if sent by registered or certified mail, return receipt requested, postage prepaid.

If to OntoChem: OntoChem GmbH
Blücherstr. 24, D-06120 Halle (Saale)
Germany
Attention: Chief Executive Officer
E-mail: lutz.weber@ontochem.com

If to Anixa: Anixa Biosciences, Inc.
3150 Almaden Expressway, Suite 250
San Jose, CA 95118
U.S.A.
Attention: Chief Executive Officer
E-mail: ak@anixa.com

9.4 Governing Law. This Agreement and the rights and obligations of the Parties hereunder will be governed by the laws of the State of Delaware without regard to the conflict of laws provisions of any jurisdiction. The Parties agree that the 1980 United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

9.5 Arbitration. The Parties agree that any dispute arising out of, or in connection with, this Agreement, which cannot be amicably resolved between the Parties, will be finally settled by binding arbitration under the then current rules of the International Chamber of Commerce ("**ICC**") by one (1) arbitrator appointed in accordance with ICC rules. Any such arbitration will be conducted in English in the State of Delaware. The arbitrator may grant injunctive or other relief in such dispute or controversy. The decision of the arbitrator will be final, conclusive and binding on the Parties. Judgment may be entered on the arbitrator's decision in any court of competent jurisdiction. The costs of the arbitration, including administrative and arbitrator's fees, will be shared equally by the Parties. Each Party will bear the cost of its own attorneys' fees and expert witness fees. Notwithstanding anything to the contrary in this Agreement, a Party may seek a temporary restraining order or a preliminary injunction from any court of competent jurisdiction in order to prevent immediate and irreparable injury, loss or damage on a provisional basis, pending the selection of the arbitrator or pending the arbitrator's determination of the merits of any dispute pursuant to this Section 9.5.

9.6 Severability. If any one or more provisions of this Agreement will be found to be invalid or unenforceable in any respect, the Parties will negotiate in good faith a valid and enforceable substitute provision that most nearly reflects the original intent of the Parties, and the validity and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby.

9.7 Amendment; Waiver. This Agreement may be amended or modified, and any of the terms of this Agreement may be waived, only by a written instrument executed by each Party or, in the case of waiver, by the Party or Parties waiving compliance. The delay or failure of either Party at any time or times to require performance of any provision will in no manner affect its rights at a later time to enforce the same. No waiver by either Party of any condition or of the breach of any term contained in this Agreement, in any one or more instances, will be deemed to be, or considered as, a further or continuing waiver of any such condition or of the breach of such term or any other term of this Agreement.

9.8 Assignment. Neither Party may assign or otherwise transfer this Agreement (or any of its rights or obligations hereunder) without the prior written consent of the other Party, except that either Party may assign this Agreement without such consent to an entity that acquires all or substantially all of the business or assets of such Party to which this Agreement relates, whether by merger, consolidation, sale of assets or otherwise. Any assignment or transfer of this Agreement in violation of this Section 9.8 will be null and void. This Agreement will bind and inure to the benefit of the Parties and their respective successors and permitted assigns.

9.9 Entire Agreement. This Agreement represents the complete and entire understanding between the Parties regarding the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral, regarding such subject matter.

9.10 Counterparts. The Parties may execute this Agreement in multiple counterparts, all of which together will constitute one instrument. Signatures to this Agreement delivered by facsimile or other electronic transmission (e.g., portable document format (PDF)) will be deemed to be binding as original signatures.

(The remainder of this page is intentionally left blank. The signature page follows.)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

ANIXA BIOSCIENCES, INC.	**ONTOCHEM GMBH**
By: /s/ Amit Kumar	By: /s/ Lutz Weber
Amit Kumar, Ph.D.	Name: Dr. Lutz Weber
President and Chief Executive Officer	Title: CEO

Exhibit A: Research Plan

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Exhibit 31.1

CERTIFICATION

I, Dr. Amit Kumar, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Anixa Biosciences, Inc.;

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

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

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

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

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

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

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

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

By: /s/ Dr. Amit Kumar
Dr. Amit Kumar
Chairman, President and
Chief Executive Officer
June 9, 2020 (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Michael J. Catelani, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Anixa Biosciences, Inc.;

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

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

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

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

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

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

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

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

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

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

By: /s/ Michael J. Catelani
Michael J. Catelani
Chief Operating Officer and
Chief Financial Officer
(Principal Financial and
Accounting Officer)

June 9, 2020

Exhibit 32.1

Statement of Chief Executive Officer
Pursuant to Section 1350 of Title 18 of the United States Code

Pursuant to Section 1350 of Title 18 of the United States Code, the undersigned, Dr. Amit Kumar, the Chairman, President and Chief Executive Officer of Anixa Biosciences, Inc., hereby certifies that:

1. The Company's Form 10-Q Quarterly Report for the period ended April 30, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

By: /s/ Dr. Amit Kumar
Dr. Amit Kumar
Chairman, President and
Chief Executive Officer
June 9, 2020 (Principal Executive Officer)

Exhibit 32.2

Statement of Chief Financial Officer
Pursuant to Section 1350 of Title 18 of the United States Code

Pursuant to Section 1350 of Title 18 of the United States Code, the undersigned, Michael J. Catelani, the Chief Operating Officer and Chief Financial Officer of Anixa Biosciences, Inc., hereby certifies that:

1. The Company's Form 10-Q Quarterly Report for the period ended April 30, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

By: /s/ Michael J. Catelani
Michael J. Catelani
Chief Operating Officer and
Chief Financial Officer
(Principal Financial and
Accounting Officer)

June 9, 2020