

To the Shareholders of Lattice Biologics Inc.:

We have audited the accompanying financial statements of Lattice Biologics Inc. ("the Company"), which comprise the statements of financial position as at September 30, 2015 and December 31, 2014, and the statements of comprehensive loss, changes in equity (deficiency) and cash flows for the period from January 1, 2015 to September 30, 2015 and for the year ended December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Company as at September 30, 2015 and December 31, 2014, and the results of its operations and its cash flows for the period from January 1, 2015 to September 30, 2015 and for the year ended December 31, 2014 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw your attention to Note 1 of the financial statements which disclose the existence of material uncertainties which may cast significant doubt on the Company's ability to continue as a going concern.

December 18, 2015
Toronto, Ontario

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants