UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

S Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **March 31, 2010**

£ Transition Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission File Number: **000-27239**

TAPIMMUNE INC.

(Name of registrant in its charter)

NEVADA	**88-0277072**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
800 Bellevue Way, NE, Suite 400 Bellevue, WA	**98004**
(Address of principal executive offices)	(Zip Code)

(425) 462-2556

(Issuer's telephone number)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 **S** No £

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

£ Large accelerated filer
£ Non-accelerated filer (Do not check if smaller reporting company)
£ Accelerated filer
S Smaller reporting company

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

As of May 20, 2010, the Company had 40,256,026 shares of common stock issued and outstanding.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

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TAPIMMUNE INC.
(A Development Stage Company)
CONSOLIDATED BALANCE SHEETS

	March 31, 2010	December 31, 2009
	(Unaudited)	
ASSETS		
Current Assets		
Cash	$ 21,367	$ 141,431
Due from government agency	1,064	1,033
Prepaid expenses and deposits (Note 7)	127,501	214,501
	$ 149,932	$ 356,965
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	$ 584,767	$ 586,556
Research agreement obligations (Note 3)	71,601	45,676
Convertible note payable (Note 4)	350,000	203,021
Notes payable and secured loan (Note 4)	135,000	135,000
Due to related parties (Note 5)	101,400	16,100
	1,242,768	986,353
Commitments and Contingencies (Notes 1, 3 and 8)		
Stockholders' Deficit		
Capital stock (Note 6)		
Common stock, $0.001 par value, 150,000,000 shares authorized		
39,076,674 shares issued and outstanding (2009 – 38,361,674)	39,077	38,362
Additional paid-in capital	25,783,462	24,152,319
Shares and warrants to be issued (Note 6)	52,573	513,733
Deficit accumulated during the development stage	(26,908,222)	(25,274,076)
Accumulated other comprehensive loss	(59,726)	(59,726)
	(1,092,836)	(629,388)
	$ 149,932	$ 356,965

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

TAPIMMUNE INC.
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended March 31,		July 27, 1999 (inception) to March 31,
	2010	2009	2010
Expenses			
Consulting fees	$ 12,000	$ 40,000	$ 1,783,206
Consulting fees – stock-based (Note 6)	863,698	-	4,655,515
Depreciation	-	1,868	213,227
General and administrative	15,966	23,333	2,424,422
Interest and finance charges (Note 4)	165,596	199,916	4,076,199
Management fees (Note 5)	69,300	75,642	2,263,777
Management fees – stock-based (Notes 5 and 6)	324,000	13,167	3,171,050
Professional fees	135,834	108,009	3,450,283
Research and development (Note 5)	43,273	24,381	5,460,665
Research and development – stock-based	-	-	612,000
	1,629,667	486,316	28,110,344
Net Loss Before Other Items	(1,629,667)	(486,316)	(28,110,344)
Other Items			
Foreign exchange (loss) gain	(4,479)	33,898	40,111
Gain on settlement of debt	-	-	1,134,066
Interest income	-	-	33,344
Loss on disposal of assets	-	-	(5,399)
Net Loss for the Period	(1,634,146)	(452,418)	(26,908,222)
Deficit Accumulated During the Development Stage, beginning of period	(25,274,076)	(20,812,106)	-
Deficit Accumulated During the Development Stage, end of period	$ (26,908,222)	$ (21,264,524)	$ (26,908,222)
Basic and Diluted Net Loss per SHare	$ (0.04)	$ (0.19)	
Weighted Average Number of Common Shares Outstanding	38,854,230	2,414,983	

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

TAPIMMUNE INC.
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009	July 27, 1999 (inception) to March 31, 2010
Cash Flows from Operating Activities			
Net loss	$ (1,634,146)	$ (452,418)	$ (26,908,222)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	-	1,868	213,228
Gain on settlement of debts	-	-	(1,134,066)
Loss on disposal of assets	-	-	5,399
Non-cash interest and finance fees	146,979	153,340	3,695,068
Stock-based compensation	1,187,698	13,167	8,454,815
Changes in operating assets and liabilities:			
Due from government agency	(31)	493	(1,064)
Prepaid expenses and receivables	(30,000)	9,520	(24,000)
Accounts payable and accrued liabilities	98,211	116,843	2,584,224
Research agreement obligations	25,925	(13,626)	289,732
Net Cash Used in Operating Activities	(205,364)	(170,813)	(12,824,886)
Cash Flows from Investing Activities			
Purchase of furniture and equipment	-	-	(218,626)
Cash acquired on reverse acquisition	-	-	423,373
Net Cash Provided by Investing Activities	-	-	204,747
Cash Flows from Financing Activities			
Issuance of common stock, net	-	-	9,622,125
Convertible notes	-	-	658,450
Notes and loans payable	-	120,000	919,845
Advances from related parties	85,300	54,567	1,441,086
Net Cash Provided by Financing Activities	85,300	174,567	12,641,506
Net (Decrease) Increase in Cash	(120,064)	3,754	21,367
Cash, Beginning of Period	141,431	987	-
Cash, End of Period	$ 21,367	$ 4,741	$ 21,367

Supplemental cash flow information and non-cash investing and financing activities: (refer to Note 7)

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

NOTE 1: NATURE OF OPERATIONS

TapImmune Inc. (the "Company"), a Nevada corporation incorporated in 1992, is a development stage company which was formed for the purpose of building a biotechnology business specializing in the discovery and development of immunotherapeutics aimed at the treatment of cancer, and therapies for infectious diseases, autoimmune disorders and transplant tissue rejection.

Effective July 10, 2009 the Company executed a 1 for 10 reverse stock split reducing the authorized capital to 50,000,000 common shares with a $0.001 par value and 5,000,000 non-voting preferred shares with a $0.001 par value. Unless specifically noted, all amounts have been retroactively restated to recognize the reverse stock splits (refer to Note 6). Effective February 21, 2010, the Company increased its shares of common stock from 50,000,000 common shares to 150,000,000 common shares. The Company maintained its authorized shares of preferred stock at 5,000,000.

Since inception, TapImmune and the University of British Columbia ("UBC") have been parties to various Collaborative Research Agreements ("CRA") appointing UBC to carry out development of the licensed technology and providing TapImmune the option to acquire the rights to commercialize any additional technologies developed within the CRA. The lead product candidate, now wholly owned and with no ongoing license or royalty, resulting from these license agreements is an immunotherapy vaccine, on which the Company has been completing pre-clinical work in anticipation of clinical trials. Specifically, the Company has obtained and expanded on three U.S. and international patents, tested various viral vectors, licensed a viral vector and is working towards production of a clinical grade vaccine.□ 60; The Company plans to continue development of the lead product vaccine through to clinical trials in both oncology and infectious diseases alone or in partnership with other vaccine developers.

These consolidated financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As at March 31, 2010, the Company had a working capital and stockholders' deficit of $1,092,836, and had incurred significant losses since inception. Further losses are anticipated in the development stage raising substantial doubt as to the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on raising additional capital to fund ongoing research and development, maintenance and protection of patents, accommodation from certain debt obligations and ultimately on generating future profitable operations. Planned expenditures relating to future clinical trials of the Company's immunotherapy vaccine will require significant additional funding. The Company is dependent on future financings to fund ongoing research and development as well as working capital requirements. The Company's future capital requirements will depend on many factors including the rate and extent of scientific progress in its research and development programs, the timing, cost and scope involved in clinical trials, obtaining regulatory approvals, pursuing further patent protections and the timing and costs of commercialization activities.

Management is addressing going concern remediation through seeking new sources of capital, restructuring and retiring debt through conversion to equity and debt settlement arrangements with creditors, cost reduction programs and seeking possible joint venture participation. Management's plans are intended to return the company to financial stability and improve continuing operations. The Company is continuing initiatives to raise capital through private placements, related party loans and other institutional sources to meet immediate working capital requirements.

The Company was able to substantially complete ongoing restructuring plans in the second half of 2009. Additional funding and equity for debt settlements have retired notes payable and other debt obligations were satisfied. Additional capital is required now to expand programs including pre-clinical work and to establish future manufacturing contracts necessary for clinical trials for the lead TAP (Transporters of Antigen Processing) vaccine and infectious disease adjuvant technology. Strategic partnerships will be needed to continue the product development portfolio and fund development costs. These measures, if successful, may contribute to reduce the risk of going concern uncertainties for the Company over the next twelve months.

There is no certainty that the Company will be able to raise sufficient funding to satisfy current debt obligations or to continue development of products to marketability.

NOTE 2: UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR AN INTERIM PERIOD

Basis of Presentation

In the opinion of management, the accompanying balance sheets and related interim statements of income and cash flows include all adjustments, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and expenses. Examples include: valuation of the beneficial conversion feature of convertible debt and stock-based compensation. Actual results and outcomes may differ from management's estimates and assumptions.

Interim results are not necessarily indicative of results for a full year. The information included in this quarterly report on Form 10-Q should be read in conjunction with information included in the Company's annual report on Form 10-K filed on April 15, 2010, with the U.S. Securities and Exchange Commission.

NOTE 3: RESEARCH AGREEMENTS

Crucell Holland B.V. ("Crucell") – Research License and Option Agreement

Effective August 7, 2003, Crucell and GPI entered into a five-year research license and option agreement whereby Crucell granted to GPI a non-exclusive worldwide license for the research use of its adenovirus technology. The Company was required to make certain payments over the five-year term totaling Euro €450,000 (approximately $510,100).

At December 31, 2008, $243,598 (€172,801) was owing to Crucell under this agreement. During the year ended December 31, 2009, management negotiated a settlement of the outstanding balance requiring a €17,000 cash payment (paid) and the issuance of 265,000 shares of the Company's common stock (issued, refer to Note 6).

In addition, retroactively effective August 7, 2008, the Company negotiated an amended license agreement for the use of Crucell's adenovirus technology. The Company is required to make annual license payments on the anniversary of the effective date for the three year term equal to €75,000 per annum. As at March 31, 2010, the Company had accrued $71,601 (€50,000) under the amended agreement.

NOTE 4: SHORT TERM DEBT

The following is a summary of debt instrument transactions that are relevant to the current and prior period:

	Face Value	Unamortized Note Discount	Balance at March 31, 2010	Balance at December 31, 2009
2009 Secured Debentures				
Secured Notes, 30% interest, due October 4, 2009	$ 135,000	$ -	$ 135,000	$ 135,000

In connection with the issuance of the Debentures, the Company entered into a Security Agreement with the Debenture holders secured by all of the Company's assets, including the Company's tangible assets and patents and patent applications, until there has been full compliance with the terms of the Debentures.

In connection with the Debentures, the Company issued a total of 270,000 warrants which have a term of two years from the date of issuance. Management estimated the fair value of these warrants to be $60,000 using the Black-Scholes pricing model.

At March 31, 2010, no repayment has been made to the principal amount and interest of $45,382 (December 31, 2009 - $35,396) has been accrued and included in accounts payable and accrued liabilities.

	Face Value	Unamortized Note Discount	Balance at March 31, 2010	Balance at December 31, 2009
2009 Convertible Debentures				
Unsecured Convertible Note, 10% interest, due February 28, 2010	$ 350,000	$ -	$ 350,000	$ 203,021

On August 31, 2009, the Company completed a convertible debenture financing of $350,000 issuing a convertible promissory note bearing interest at 10% per annum. If not converted, the note was due on February 28, 2010. The unpaid amount of principal and accrued interest can be converted at any time at the holder's option into shares of the Company's common stock at a price of $0.80 per share.

Under the terms of the debenture agreement, the note would automatically convert to equity if, during the term of the note, the Company received funding equal to or exceeding $2,000,000 through the sale of its shares of common stock or additional debt instruments that are converted into common stock during the term of the debenture. If the Company did not receive $2,000,000 additional funding by the end of the term the holders may convert the debentures into 3,500,000 common shares of the Company or get repaid in full.

The Company recognized the embedded beneficial conversion feature of $139,571 as additional paid-in capital as the convertible notes were issued with an intrinsic value conversion feature. Additionally, the Company issued 437,500 non-transferable and registerable share purchase warrants. Management estimated the fair value of the warrants to be $210,429 as the relative fair value of the warrants and beneficial conversion feature together is limited to the face value of the loan.

At March 31, 2010, no repayment has been made to the principal amount and interest of $20,329 (December 31, 2009 - $11,699) has been accrued and included in accounts payable and accrued liabilities.

NOTE 5: RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2010, the Company entered into transactions with certain officers and directors of the Company as follows:

(a) incurred $69,300 (2009 - $75,642) in management fees and $18,000 (2009 - $Nil) in research and development paid to officers and directors during the period;
(b) recorded $324,000 (2009 - $13,167) in stock based compensation for the fair value of options granted to management that were granted and or vested during the period;
(c) incurred $Nil (2009 - $37,828) in interest and finance charges on promissory notes due to related parties during the period, which were settled in conection with an equity issuance effective June 4, 2009; and
(d) incurred $Nil (2009 - $130,051) in interest and finance charges related to an agreement to issue warrants in connection with extending the terms of the promissory notes due to related parties during the period.

All related party transactions (other than stock based consideration) involving provision of services were recorded at the exchange amount, which is the amount established and agreed to by the related parties as representing fair value. The Company accounted for the debt settlement transactions with related parties at management's estimate of fair value, which is evidenced by settlements between arms length parties.

At March 31, 2010, the Company had amounts owing to directors and officers of $101,400 (December 31, 2009 - $16,100). These amounts were in the normal course of operations. Amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

NOTE 6: CAPITAL STOCK

Share Capital
Prior to March 27, 2007, the authorized capital of the Company consisted of 500,000,000 common shares with $0.001 par value and 5,000,000 non-voting preferred shares with $0.001 par value. On March 27, 2007, the Company's Articles of Incorporation were amended to increase the authorized shares of common stock from 20,000,000 shares of common stock to 80,000,000 shares of common stock, and on January 22, 2009 the authorized shares of common stock increased from 80,000,000 shares of common stock to 500,000,000 shares of common stock. Effective July 10, 2009, the Company executed a further 1 for 10 reverse stock split while simultaneously reducing the authorized shares of common stock to 50,000,000 common shares with a $0.001 par value and maintaining 5,000,000 non-voting preferred shares with a $0.001 par valu e. Effective February 21, 2010, the Company increased its authorized shares of common stock from 50,000,000 common shares to 150,000,000 common shares. The Company maintained its authorized shares of preferred stock at 5,000,000.

All prior period share transactions included in the company's stock transactions and balances have been retroactively restated to give effect to the 1 for 10 reverse stock split noted above.

2010 Share Transactions
On January 28, 2010, the Company issued 250,000 shares of its restricted common stock pursuant to a consulting services agreement. At the time of issuance the shares had a fair value of $0.52 per share, as quoted in an observable market, and $130,000 was recorded as stock-based consulting fees.

On January 28, 2010, the Company issued 100,000 shares of its restricted common stock pursuant to a consulting services agreement. At the time of issuance the shares had a fair value of $0.52 per share, as quoted in an observable market, and $52,000 was recorded as stock-based consulting fees.

On January 28, 2010, the Company issued 100,000 shares of its restricted common stock pursuant to a consulting services agreement. At the time of issuance the shares had a fair value of $0.52 per share and $52,000 was recorded as stock-based consulting fees.

On January 28, 2010, the Company issued 265,000 shares of its restricted common stock pursuant to a debt settlement agreement (refer to Note 3).

Stock Compensation Plan

On June 8, 2007, the Board of Directors of the Company approved the adoption of a stock option plan (the "2007 Plan") allowing for the granting of up to 640,000 options to directors, officers, employees and consultants of the Company and its subsidiaries. On October 14, 2009, the Company adopted the 2009 Stock Incentive Plan (the "2009 Plan") which supersedes and replaces the 2007 Stock Plan. The 2009 Plan allows for the issuance of up to 10,000,000 common shares. Options granted under the Plan shall be at prices and for terms as determined by the Board of Directors.

On June 8, 2007, a total of 632,000 stock options were granted at an exercise price of $2.50 per share. The term of these options is ten years. Of the 632,000 options granted, 310,000 vested upon grant, 242,000 vested in one year, 40,000 vested in two years and 40,000 vested in three years. The aggregate fair value of these options was estimated at $1,179,600, or $1.90 per option, using the Black-Scholes option pricing model with a risk free interest rate of 5.26%, a dividend yield of 0%, an expected volatility of 83%, and expected life of 5 years for the options vesting immediately, 4 years for the options vesting in one year, 3 years for the options vesting in two years, and 2 years for the options vesting in three years. The earned portion of the value of these options during the three mon ths ended March 31, 2010 was $Nil (2009 - $13,167) which was recorded as stock based management fees.

On October 14, 2009, the Company granted a total of 3,326,000 stock options at an exercise price of $0.97 per share to consultants and management, of which 1,913,000 vested immediately and the remaining 1,413,000 vest in one year. The term of the options is ten years. Additionally, on October 14, 2009, the Company approved the repricing of certain stock options issued to consultants and management. Options with an exercise price of $2.50 were repriced to $0.97 per share and the aggregate fair value of the repriced options is $5,840. The aggregate fair value of the new grants was estimated at $3,192,960, or $0.96 per option, using the Black-Scholes option pricing model with a risk free interest rate of 2.36%, a dividend yield of 0%, an expected volatility of 236%, and an expected life of 5 yea rs. The expensed portion of the value of these options during the three months ended March 31, 2010 was $339,120 (2009 - $Nil) which was recorded as stock based consulting and management fees.

A summary of the Company's stock options as of March 31, 2010 and changes during the period is presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life
Balance, December 31, 2009	3,618,000	$ 0.97	9.60
Issued	-	-	-
Cancelled	-	-	-
Balance, March 31, 2010 (Unaudited)	3,618,000	$ 0.97	9.35

A summary of the status of the Company's unvested options as of March 31, 2010 is presented below:

	Number of Shares	Weighted Average Grant-Date Fair Value
Unvested, December 31, 2009	1,413,000	$ 0.97
Vested	-	-
Cancelled	-	-
Unvested, March 31, 2010 (Unaudited)	1,413,000	$ 0.97

Share Purchase Warrants

On January 19, 2010, the Company issued 600,000 share purchase warrants to acquire an equivalent number of common shares of the Company, at an exercise price of $0.50 per share for an exercise period of up to three years from the issuance date, and 600,000 share purchase warrants to acquire an equivalent number of common shares of the Company, at an exercise price of $0.60 per share and for an exercise period of up to three years from the issuance date. The warrants were issued pursuant to a consulting services agreement. The fair value of these warrants was determined to be $648,000, using the Black-Scholes option pricing model with an expected life of 3 years, a risk free interest rate of 1.38%, a dividend yield of 0%, and an expected volatility of 235%.

On February 8, 2010, the Company issued 750,000 share purchase warrants to acquire an equivalent number of common shares of the Company, at an exercise price of $0.50 per share and for an exercise period of up to five years from the issuance date. The warrants were issued pursuant to a debt settlement agreement. The fair value of these warrants was determined to be $63,835, equal to the amount of debt being settled.

A summary of the Company's stock purchase warrants as of March 31, 2010 and changes during the period is presented below:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life
Balance, December 31, 2009	4,112,800	$ 1.19	3.71
Issued	1,950,000	0.53	3.77
Exercised, cancelled or expired	-	-	-
Balance, March 31, 2010 (Unaudited)	6,062,800	$ 0.98	3.51

NOTE 7: SUPPLEMENTAL CASH FLOW INFORMATION AND NON-CASH INVESTING AND FINANCING ACTIVITIES

As of March 31, 2010, the prepaid portion of the fair value of shares issued pursuant to consulting services agreements was $97,501 (December 31, 2009 - $214,501).

During the period, $63,835 of accounts payable was settled by the issuance of 750,000 share purchase warrants, exercisable at $0.50 per share for a 5 year period (refer to Note 6).

Persuant to a consulting arrangement entered into during the period, the Company issued 600,000 share purchase warrants with an exercise price of $0.50 per share and 600,000 share purchase warrants with an excerise price of $0.60 per share exercisable for a three year period (refer to Note 6).

	Three Months Ended March 31, 2010	2009
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

NOTE 8: CONTINGENCY AND COMMITMENTS

Contingency

The Company has not filed income tax returns for several years in certain operating jurisdictions, and may be subject to possible compliance penalties and interest. Management is currently not able to make a reliably measurable provision for possible liability for penalties and interest, if any, at this time, and the Company may be liable for such amounts upon assessment. Penalties and interest, if assessed in the future, will be recorded in the period such amounts are determinable.

Commitment

Effective December 10, 2009, the Company entered into a twelve month public relations retainer agreement. Pursuant to the terms of the agreement, the Company agreed to: (i) pay a monthly fee of $6,500 through November 30, 2010, (ii) issue 200,000 share purchase warrants to acquire an equivalent number of common shares of the Company, at an exercise price of $0.50 per share and for an exercise period of up to five years from the issuance date (issued), and (iii) issue 200,000 share purchase warrants to acquire an equivalent number of common shares of the Company, at an exercise price of $0.60 per share for an exercise period of up to five years from the issuance date (issued). The fair value of these warrants was determined to be $204,000 using the Black-Scholes option pricing model.

Operating Lease

On June 22, 2009, the Company entered into a one year office lease in Bellevue, Washington commencing on July 1, 2009. The terms of the lease require the Company to make minimum monthly payments of $2,654 per month.

Combined Research and Operating Obligations
The Company has obligations under various agreements through November 30, 2010. The aggregate minimum annual payments for the years ending March 31 is as follows:

2011	$ 161,055
2012	101,093
2013	101,093
	$ 363,241

NOTE 9: SUBSEQUENT EVENTS

On May 4, 2010 the Company entered into a debt settlement agreement. Pursuant to the terms of the agreement the Company issued 361,648 restricted common shares in settlement of an outstanding amount of $126,577 and agreed to pay $85,000 towards the remaining outstanding balance.

On May 4, 2010 the Company issued 687,305 restricted common shares pursuant to the conversion of the 2009 secured debentures with a face value of $135,000 plus accrued interest of approximately $31,392.

On May 17, 2010, the Company entered into a securities purchase agreement to place Senior Secured Convertible Notes (the "Notes") with a face value of $1,530,000 and a maturity date of May 17, 2011, in exchange for $925,000 in cash and the cancelation of an outstanding convertible debenture in the amount of $350,000. The Notes are original issue discount notes and bear no interest except in a case of default in which case they bear an interest of 18%. The principal and any interest due on the Notes are due in equal monthly installment dates starting four months from the Closing Date. Subject to the satisfaction of certain conditions including the effectiveness of a registration statement and certain minimums on the amount and v alue of the shares of the Company's common stock sold on the Over-the-Counter Bulletin Board, the Company may elect to pay amounts due on any installment date in either cash or shares of its common stock. Any shares of common stock that the Company issues for a payment on an installment date will be issued at price which is the lesser of $.30 or 85% of the average volume-weighted average price of its common stock on the Over-the-Counter Bulletin Board over the prior twenty trading days. The holders may convert the Notes into shares of the Company's common stock at a conversion price of $0.30 at any time which upon full conversion of the Notes would result in the issuance of 5,100,000 shares of common stock. In connection with the issuance of the Notes, the Company issued Series A Warrants to purchase fully paid and nonassessable shares of its common stock, Series B Warrants to purchase fully paid and nonassessable shares of its common stock and Series C Warrants t o purchase fully paid and nonassessable shares of its common stock (together, the "Warrants"). The initial exercise price of the Series A Warrants is $0.30 per share, and such warrants are exercisable into 6,375,000 shares of common stock in the aggregate. The initial exercise price of the Series B Warrants is $0.30 per share, and such warrants are exercisable into 5,100,000 shares of common stock in the aggregate. The initial exercise price of the Series C Warrants is $.30 per share, and such warrants are exercisable into 6,375,000 shares of common stock. The Notes and each series of the Warrants contain full-ratchet and other anti-dilution protections. The Company also entered into a Security Agreement to secure payment and performance of its obligations under the Notes pursuant to which it granted the investors a security interest in all of its assets. In addition, the Company engaged a placement agent with respect to the Transaction. Accordingly, as consideration for the placement agent's services, the placement agent received compensation equal to $64,000 and 400,000 Series A Warrants, 320,000 Series B Warrants and 400,000 Series C Warrants, respectively.

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

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended, that involve risks and uncertainties. All statements other than statements relating to historical matters including statements to the effect that we "believe", "expect", "anticipate", "plan", "target", "intend" and similar expressions should be considered forward-looking statements. Our actual results could differ materially from those discussed in the forward-looking statements as a result of a number of important factors, including factors discussed in this section and elsewhere in this quarterly report on Form 10-Q, and the risks discussed in our other filings wi th the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis, judgment, belief or expectation only as the date hereof. We assume no obligation to update these forward-looking statements to reflect events or circumstance that arise after the date hereof.

As used in this quarterly report: (i) the terms "we", "us", "our", "TapImmune" and the "Company" mean TapImmune Inc. and its wholly owned subsidiary, GeneMax Pharmaceuticals Inc. which wholly owns GeneMax Pharmaceuticals Canada Inc., unless the context otherwise requires; (ii) "SEC" refers to the Securities and Exchange Commission; (iii) "Securities Act" refers to the Securities Act of 1933, as amended; (iv) "Exchange Act" refers to the Securities Exchange Act of 1934, as amended; and (v) all dollar amounts refer to United States dollars unless otherwise indicated.

The following should be read in conjunction with our unaudited consolidated interim financial statements and related notes for the three months ended March 31, 2010 included in this quarterly report, as well as our Annual Report on Form 10-K for the year ended December 31, 2009.

Overview

We are a biotechnology company whose strategic vision is to develop and market products specializing in the application of discoveries in cellular and molecular immunology and cancer biology to the development of proprietary therapeutics aimed at the treatment and eradication of cancer and prevention of infectious diseases. Our technologies are based on an understanding of the function of a protein pump known as "TAP", which is located within cells and which is essential to the processing of foreign (microbial) or autologous antigens, and subsequent presentation to the immune system for eradication of the cancer or infected cell. We currently have none of our product candidates on the market and are focusing on the development and testing of our product candidates.

The current standard therapies for cancer treatment include surgery, radiation therapy and chemotherapy. However, we believe that these treatments are not precise in targeting only cancerous cells and often fail to remove or destroy all of the cancer. The remaining cancer cells may then grow into new tumors, which can be resistant to further chemotherapy or radiation, which may result in death. In the United States, deaths from cancer are second only to cardiovascular deaths.

The Immunotherapy Industry for Cancer

Management believes that there is a critical need for more effective cancer therapies. Management further believes that the global market for effective cancer treatments is large, and that immunotherapies representing potential treatments for metastatic cancer are an unmet need in the area of oncology.

The human immune system appears to have the potential to clear cancers from the body, based on clinical observations that some tumors spontaneously regress when the immune system is activated. Most cancers are not very "immunogenic", however, meaning that the cancers are not able to induce an immune response because they no longer express sufficient levels of key proteins on their cell surface, known as Major Histocompatability Class I or MHC Class I proteins. In healthy cells, these proteins provide the information to the immune system that defines whether the cell is healthy or, in the case of cancer or viral infection, abnormal. If the MHC Class I proteins signal that the cells are abnormal, then the immune system's T-cells are activated to attack and kill the infected or malignant cell.

In many solid cancer tumors, the TAP protein system does not function and, therefore, the immune system is not stimulated to attack the cancer. Management believes that although a number of cancer therapies have been developed that stimulate the immune system, these approaches have often proven ineffective because the cancers remain invisible to the immune system due to this apparent lack of or low expression of the TAP protein.

By restoring TAP expression to TAP-deficient cells, the MHC Class I protein peptide complexes could signal the immune system to attack the cancer. The strategic vision of TapImmune is to be a product-driven biotechnology company, focusing primarily on use of its patented TAP technology to restore the TAP function within cancerous cells, thus making them immunogenic, or more "visible" to cancer fighting immune cells. Management believes that this cancer vaccine strategy will provide the most viable therapeutic approach that addresses this problem of "non-immunogenicity" of cancer. Management believes that this therapy may have a strong competitive advantage over other cancer therapies, since restoring the TAP protein will direct the immune system to specifically target the cancero us cells without damaging healthy tissue.

As a key part of its overall strategy, and with adequate funding, the company is pursuing the development of prophylactic vaccines against infectious microbes and will also do so in partnership with other vaccine developers. The company intends to develop the TAP technology for use as a vaccine that restores normal immune recognition for the treatment of cancer and supplements immune recognition for the development of prophylactic vaccines.

TapImmune's Target Market Strategy

With the required funding in place, we will support and expand on our key infectious disease partnerships, including our recently announced collaboration effort with Aeras TB Foundation. We will also continue product development in oncology either alone or with corporate partners. Cancer encompasses a large number of diseases that affect many different parts of the human body. The diversity of cancer types and their overall prevalence create a large need for new and improved treatments. Management believes that there is a significant market opportunity for a cancer treatment that utilizes the highly specific defense mechanisms of the immune system to attack cancers. Research & Markets (Global Vaccine Market Outlook 2007 – 2010) estimated that the market for cancer vaccine s could reach approximately $6 billion in 2010. IMS has estimated that the cancer market will mushroom from $48 billion to $75 billion in 2012 with biopharma companies anticipating that cancer vaccines will grab a large slice of the market (Fierch Biotech, March 23, 2010). The goal of TapImmune management is to have the FDA approve our cancer vaccines within the next few years so that we can secure a portion of this market.

Management also believes that our prophylactic vaccine adjuvant will improve the creation of new vaccines and enhance the efficacy of current vaccines. It will be a key business development strategy to pursue additional partnerships and joint research and development ventures with vaccine manufacturers and pharmaceutical companies to bring new and improved vaccines to market. This strategy includes the development of vaccines for pandemic diseases and for bioterrorism threats. The market for prophylactic vaccines is around $6 billion and is expected to reach $11 billion in 2010 (Frost & Sullivan). Management believes that our adjuvant will increase the potency of many of the currently available vaccines and lead to the creation of better, more effective new vaccines, thereby allowing us to particip a te in this large market through novel new products and in combination with existing vaccines.

Research and Development Efforts

We direct our research and development efforts towards the development of immunotherapeutic and prophylactic vaccine products for the treatment of cancer and protection against pathogenic microbes respectively, using our proprietary TAP technology. We have focused our efforts initially on the development of a therapeutic vaccine for applications in cancer treatment while demonstrating the breadth of the TAP technology for the development of prophylactic vaccines and its ability to complement currently approved and emerging products in both cancer therapeutics and prophylactic vaccines against microbes. This approach allows us to pursue our own internal product development while positioning us to enter into multiple partnerships and licensing agreements. Our first generation TAP vaccines that have been u sed in animal preclinical studies are based on insertion of TAP genes into a proprietary modified adeno virus vector. For clinical studies, we plan to have this product manufactured using the PerC6 cell line licensed from Crucell Holland B.V. ("Crucell"). We have an opportunity to take advantage of our potential partners' capabilities while reducing our overhead costs. Our relationship with the University of British Columbia ("UBC") allowed us to conduct contract research and development by employing highly skilled scientists at UBC. The research and development team performed the basic research on the biological function of TAP and related licensed technology as well as preclinical animal studies in cancer and infectious diseases. Moving into the development phase, we plan to initiate a contract with a qualified CRO (contract research organization) for the production of clinical grade vaccine product to be used in preclinic al and clinical studies that require production facilities with Good Manufacturing Practices ("GMP") and Good Laboratory Practices ("GLP") certification. We will also plan to rely on our new partnership with Aeras to demonstrate the use of TAP in a new TB vaccine candidate. Second generation vaccines using TAP-encoding DNA plasmids will also be developed.

Products and Technology in Development

TAP Cancer Vaccine

We previously developed our TAP Cancer Vaccine at the UBC Biomedical Research Centre under an agreement we refer to in this report as our "Collaborative Research Agreement". This therapeutic cancer vaccine candidate, to be tested in preclinical toxicology studies, will, if successfully developed, include the patented use of the TAP-1 gene to restore the TAP protein, with the objective being to develop the TAP technology as a therapeutic cancer vaccine that will restore the normal immune recognition of cancer cells. The TAP Cancer Vaccine will be targeted at those cancers that are deficient in the TAP protein, which include breast cancer, prostate cancer, lung cancer, liver cancer, melanoma, renal cancer and colorectal cancer.

Management believes that the TAP Cancer Vaccine will deliver the genetic information required for the production of the TAP protein in the target cancer cell. This will trigger the cancer cell's ability to effectively identify itself to the body's immune system by transporting the cancer antigen peptides to the cell surface using the individual's specific MHC Class I proteins. As a result, we believe that the immune response could be targeted to the entire repertoire of cancer antigen peptides produced by the cancer cell, rather than just to a single cancer antigen, as delivered by current cancer vaccines. The TAP Cancer Vaccine could allow the immune response to respond to the cancer even if the TAP protein and genetic information were only delivered to a small portion of the cancer c ells. In addition, the TAP Cancer Vaccine would generate an immune response to any TAP-deficient cancer, regardless of the patient's individual genetic variability either in the MHC Class I proteins or in the cancer-specific proteins and resultant peptides.

In general, a "cancer vaccine" is a therapy whose goal is to stimulate the immune system to attack tumors. Management believes that most current cancer vaccines contain either cancer-specific proteins that directly activate the immune system or contain genetic information, such as DNA, that encodes these cancer-specific proteins. Management believes that there are a number of key conditions that must be met before a cancer vaccine can be effective in generating a therapeutic immune response: (i) the cancer antigen peptide delivered by the vaccine has to be recognized by the immune system as "abnormal" or "foreign" in order to generate a strong and specific T-cell response; (ii) the same cancer antigen peptide has to be displayed on the surface of the cancer cells in association with the MHC Class I proteins; and (iii) these cancer antigen peptides then have to be sufficiently different from normal proteins in order to generate a strong anti-tumor response.

If these conditions are all met, then management believes that such cancer vaccines should generate a sufficiently strong immune response to kill the cancer cells. However, the identification of suitable cancer-specific antigen proteins to use in these therapeutic vaccines has proven extremely complex. In addition, the MHC Class I proteins are highly variable, with over 100 different types in humans and, as a result, any one-cancer antigen peptide will not produce an immune response for all individuals. Cancers are "genetically unstable" and their proteins are highly variable, so that the selected cancer antigen protein may result in the immune system only attacking a small subset of the cancerous cells.

Laboratory Testing of the TAP Cancer Vaccine

We have completed small animal pre-clinical animal testing of our TAP Cancer Vaccine to the extent that is required as a prerequisite for further preclinical toxicology analysis and Investigational New Drug (or "IND") application to the FDA. The pre-clinical testing of the TAP Cancer Vaccine to date included the evaluation of several strains of vaccinia and adenovirus vectors to assess their respective ability to deliver the correct genetic information allowing expression of the TAP protein in tumors, the selection and licensing of the vector from Crucell and the identification and entering into an agreement, that we refer to in this report as our "Production Services Agreement", with a CRO, a GMP manufacturer, for subsequent production of the TAP Cancer Vaccine. We have to complete the per formance of toxicology studies using the TAP Cancer Vaccine on at least two animal species to confirm its non-toxicity. In addition, we must complete initial vaccine production, and develop internal and external clinical trials, support personnel and infrastructure before commencing clinical trials.

Once the formal pre-clinical testing is completed, we intend to compile and summarize the data and submit it to the United States Federal Drug Administration (or "FDA") and/or the Canadian Health Canada (or "HC"), and/or other national regulatory agencies, in the form of an investigational new drug application. We anticipate that these applications would include data on vaccine production, animal studies and toxicology studies, as well as proposed protocols for the Phase I human clinical trials, described below.

Phase I Human Clinical Trials
Management believes that, subject to the completion of remaining pre-clinical work and financing, estimated at approximately $5,000,000, the Phase I human clinical trials could commence in 2011 depending on how quickly funding or an appropriate partnership is in place. The Phase I human clinical trials will be designed to provide data on the safety of the TAP Cancer Vaccine when used alone or as a component of a cancer vaccine in humans. If the latter strategy is employed the clinical trial design and specific cancer indication will be dependent upon the collaboration.

Clinical trials to support new drug applications are typically conducted in three sequential phases, although the phases may overlap. During Phase I there is an initial introduction of the therapeutic candidate into healthy human subjects or patients. The drug is tested to assess metabolism, pharmacokinetics and pharmacological actions and safety, including side effects associated with increasing doses. Phase II usually involves studies in a limited patient population to assess the clinical activity of the drug in specific targeted indications, assess dosage tolerance and optimal dosage and continue to identify possible adverse effects and safety risks. If the therapeutic candidate is found to be potentially effective and to have an acceptable safety profile in Phase II evaluations, Phase III trials are undertaken to further demonstrate clinical efficacy and to further test for safety within an expanded patient population at geographically dispersed clinical trial sites.

Infectious Disease Application for "TAP" Adjuvant
TapImmune plans to develop or license out our technology for the creation of enhanced viral vaccines, such as for smallpox and others, based on our findings that TAP can augment immune responses. We have presented data showing that increasing TAP expression in TAP-competent antigen presenting cells (APCs) and/or virus infected cells increases the antigenic peptide associated with MHC class I expression on the cell surface, and leads to increased specific T cell-mediated immune responses. We believe this technology can add great value to the creation of new vaccines and enhance those that already exist. Our collaboration with Aeras TB Foundation is evidence of this and we will continue to pursue additional partnerships and collaborations as a key strategy to expand our R&D program to optimize resourc es and to reduce costs and development Times.

Strategic Relationships

University of British Columbia Agreement
We had conducted our research and development at the University of British Columbia ("UBC") under a Collaborative Research Agreement ("CRA"), however, as a consequence of our Option and Settlement Agreement with UBC, we presently plan to contract out our research and development and continue to contract out clinical grade production of our TAP based vaccines. In addition, we have an option on any improvements or related TAP technologies coming out of UBC.

Crucell Holland B.V. Research License and Option Agreement
Effective August 7, 2003, we entered into a five-year research license and option agreement with Crucell Holland B.V. ("Crucell"), whereby Crucell granted us a non-exclusive worldwide license for the research use of its packaging cell (PerC6) technology. We were required to make certain payments over the five-year term totaling Euro €450,000 (approximately $510,100). The license was dormant with an outstanding balance owing of 170,000 Euro ($248,938) that was included in research obligations. Management has completed a settlement for the remaining balance including a €17,000 cash payment and the issuance of 265,000 shares of the Company's restricted common stock.

Effective August 7, 2008, we negotiated an amended license agreement for the use of Crucell's adenovirus technology. We are required to make annual license payments on the anniversary of the effective date for the three year term equal to €75,000 per annum. As at March 31, 2010, we have accrued $71,601 (€50,000) under the amended agreement.

National Institute of Allergy and Infectious Diseases
We signed a License Agreement with the National Institute of Health (USA) for the use of the Modified Vaccinia Ankora (MVA) virus for the development of vaccines. We will continue to license this technology for the development of prophylactic vaccines against infectious diseases. Under the terms of this agreement, we are required to pay a royalty of $2,500 per year. This license is expected to be renegotiated pending adequate funding.

Other Technology
On February 16, 2004, we added to our technology portfolio by expanding the License Agreement (now assigned under the purchase agreement) with UBC to include a technological method that identifies agonists or antagonists antigen presentation to the immune system by normal and cancerous cells. Management believes that this technology can be used to screen and select new drugs that regulate immune responses.

Intellectual Property, Patents and Trademarks
Patents and other proprietary rights are vital to our business operations. We protect our technology through various United States and foreign patent filings, and maintain trade secrets that we own. Our policy is to seek appropriate patent protection both in the United States and abroad for its proprietary technologies and products. We require each of our employees, consultants and advisors to execute a confidentiality agreement upon the commencement of any employment, consulting or advisory relationship with us. Each agreement provides that all confidential information developed or made known to the individual during the course of the relationship will be kept confidential and not be disclosed to third parties except in specified circumstances. In the case of employees, the agreem ents provide that all inventions conceived of by an employee shall be our exclusive property.

Patent applications in the United States are maintained in secrecy until patents are issued. There can be no assurance that our patents, and any patents that may be issued to us in the future, will afford protection against competitors with similar technology. In addition, no assurances can be given that the patents issued to us will not be infringed upon or designed around by others or that others will not obtain patents that we would need to license or design around. If the courts uphold existing or future patents containing broad claims over technology used by us, the holders of such patents could require us to obtain licenses to use such technology.

Pursuant to the acquisition agreement with UBC, we acquired the portfolio of intellectual property as follows:

Method of Enhancing Expression of MHC Class I Molecules Bearing Endogenous Peptides
On March 26, 2002, the United States Patent and Trademark Office issued US Patent No. 6,361,770 to UBC for the use of TAP-1 as an immunotherapy against all cancers. The patent is titled “Method of Enhancing Expression of MHC Class I Molecules Bearing Endogenous Peptides” and provides comprehensive protection and coverage to both in vivo and ex vivo applications of TAP-1 as a therapeutic against all cancers with a variety of delivery mechanisms. The inventors were Dr. Jefferies, Dr. Reinhard Gabathuler, Dr. Gerassinmoes Kolaitis and Dr. Gregor S.D. Reid, who collectively assigned the patent to UBC under an assignment agreement. The patent expires March 23, 2014. We have pending applications for patent protection for this patent in Europe and in Japan.

Method of Enhancing an Immune Response
U.S. patent No. 7,378,087, issued May 27 2008. The patent claims relate to methods for enhancing the immune response to tumor cells by introducing the TAP molecule into the infected cells. Patent applications are pending on other aspects of the company’s technology. The inventors were Jefferies, Wilfred A.; Zhang, Qian-Jin; Chen, Susan Shu-Ping; Alimonti, Judie B., who collectively assigned the patent to UBC under an assignment agreement.

Method of Identifying MHC Class I Restricted Antigens Endogenously Processed by a Secretory Pathway
On August 11, 1998, the U.S. Patent and Trademark Office issued US Patent No. 5,792,604 to UBC, being a patent for the use of bioengineered cell lines to measure the output of the MHC Class I restricted antigen presentation pathway as a way to screen for immunomodulating drugs. The patent is titled “Method of Identifying MHC Class I Restricted Antigens Endogenously Processed by a Secretory Pathway.” This patent covers the assay which can identify compounds capable of modulating the immune system. The inventors were Dr. Jefferies, Dr. Gabathuler, Dr. Kolaitis and Dr. Reid, who collectively assigned the patent to UBC under an assignment agreement. The patent expires on March 12, 2016. We have been granted patent protection for this patent in Finland, France, Germany, Ital y, Sweden Switzerland and the United Kingdom, and have applied for patent protection in Canada and Japan.

TAP Vaccines and other filings

Patent applications have been filed by TapImmune and UBC in respect of our technologies and those currently under assignment. In December 2006, January, November, and December 2007 we made additional filings as continuations or new filings with regard to the same technologies as well as their applications in infectious diseases. We intend to continue to work with UBC to file additional patent applications with respect to any novel aspects of our technology to further protect our intellectual property portfolio. As disclosed in previous filings, additional patents have been acquired under the execution of the option agreement. An invention that describes the use of bio-acceptable substances to promote the transcription of the TAP-1 gene in TAP-1 expression-deficient cells was filed in July 200 9. The patent is entitled "HAT acetylation promoters and uses of compositions thereof in promoting immunogenicity".

Our Financial Condition

During the next 12 months, we anticipate that we will not generate any revenue. We had cash of $21,367 and a working capital deficit of $1,092,836 at March 31, 2010. We will require significant additional financial resources and will be dependant on future financings to fund our ongoing research and development as well as other working capital requirements.

Plan of Operation and Funding

Management believes that as a result of a significant debt settlement and restructuring in July 2009, we are well positioned and have a balance sheet that has been restructured to make it possible to go to the equity market to raise the estimated $5,000,000 necessary over the next two years for expenses associated with the balance of pre-clinical development and completion of toxicology trials for the TAP Cancer Vaccine and prophylactic vaccine development and for various operating expenses.

2008 and 2009 were very challenging years in the capital markets. We were however able secure over $1,000,000 enabling us to complete our restructure, ensure our important patent work continued along and pursue our business development initiatives. These initiatives resulted in a collaboration agreement with Aeras Global Tuberculosis Foundation and a new license agreement with Crucell Holland, giving us access to a best of breed technology and the necessary components to improve the possible outcome in our vaccine manufacturing process.

Over the last two years, we have been working diligently on finding partners that we believe we can work closely with to form collaborative arrangements that will be mutually beneficial. On February 1, 2010, we announced our collaboration intent with Aeras Global TB Foundation. Aeras, a leading non-profit Product Development Partnerships, is dedicated to the development of effective tuberculosis (TB) vaccine regimens that will prevent tuberculosis in all age groups and will be affordable, available and adopted worldwide.

According to the World Health Organization (WHO), in 2007 there were an estimated 13.7 million chronic active cases of TB, 9.3 million new cases, and 1.8 million deaths from TB, mostly in developing countries.

Aeras Global TB Vaccine Foundation and TapImmune have entered into an R&D collaboration effort with an overall goal to evaluate the efficacy of TAP in concert with novel TB vaccine candidates. Aeras is based in Rockville, Maryland, where it operates a state-of-the-art manufacturing and laboratory facility.

We have identified additional partnership opportunities and encourage shareholders to keep an eye on our news in the coming months. The scope of these kinds of collaborations cannot be emphasized enough. World class institutions have identified the uniqueness and the potential of our technology platform and the opportunities we are pursuing.

We have not generated any cash flows from operations to fund our operations and activities due primarily to the nature of lengthy product development cycles that are normal to the biotech industry. Therefore, we must raise additional funds in the future to continue operations. We intend to finance our operating expenses with further issuances of common stock and/or debt. Although we do not currently have funds to continue operations for more than four months, we believe that future investment, if successful, should be adequate to fund our operations over the next 24 months. Thereafter, we expect we will need to raise additional capital to meet long-term operating requirements. Our future success and viability are dependent on our ability to raise additional capital through further private offerings of our stock or loans from private investors. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or not available on acceptable terms, we may not be able to conduct our proposed business operations successfully, which could significantly and materially restrict or delay our overall business operations.

Results of Operations

Three Months Ended March 31, 2010 Compared to Three Months Ended March 31, 2009

We are a development stage company. We recorded a net loss of $1,634,146 during the three months ended March 31, 2010 compared to $452,418 for the three months ended March 31, 2009.

Operating costs increased to $1,629,667 during the three months ended March 31, 2010 compared to $486,316 in the prior period. Significant changes in operating expenses are outlined as follows:

- Consulting fees decreased to $12,000 during the three months ended March 31, 2010 from $40,000 during the prior period, due primarily to business development services relating to debt restructuring that were in place during the prior period.
- Consulting fees – stock-based increased to $863,698 during the three months ended March 31, 2010 from $Nil during the prior period. The current period expense consists of the fair value of option, stock and warrant grants earned during the period.
- General and administrative expenses decreased to $15,596 in the three months ended March 31, 2010 from $23,333 in the prior period, with the decrease resulting primarily from a reduction in operations in the current period.
- Interest and finance charges decreased to $165,596 during the three months ended March 31, 2010 from $199,916 during the prior period. Current and prior period interest charges are primarily accretion of interest and the fair value of warrants issued with promissory notes.
- Management fees decreased to $69,300 during the three months ended March 31, 2010 from $75,642 during the prior period. Our Board of Directors and management were reorganized during the prior year, and as of June 1, 2009, a portion of the fees paid or accrued to our Chief Executive Officer have been allocated to research and development.
- Management fees – stock-based increased to $324,000 during the three months ended March 31, 2010 from $13,167 during the prior period. The current and prior period expense consists of the fair value of option grants earned during the period.
- Professional fees increased to $135,834 during the three months ended March 31, 2010 from $108,009 during the prior period, due to significant activity relating to financing and debt restructuring in the current period.
- Research and development increased to $43,273 during the three months ended March 31, 2010 from $24,381 during the prior period. Our Board of Directors and management were reorganized during the year, and as of June 1, 2009, a portion of the fees paid or accrued to our Chief Executive Officer have been allocated to research and development.

Foreign exchange loss increased to $4,479 during the three months ended March 31, 2010 from a gain of $33,898 in the prior period.

Our net loss for the three months ended March 31, 2010 was $1,634,146 or ($0.04) per share, compared to a net loss of $452,418 or ($0.19) per share in the prior period. The weighted average number of shares outstanding was 38,854,230 for the three months ended March 31, 2010 compared to 2,414,983 for the prior period.

Liquidity and Capital Resources

At March 31, 2010, we had $21,367 in cash. Generally, we have financed our operations through the proceeds from convertible notes and the private placement of equity securities as noted in Financing Activities below. We decreased our net cash by $120,064 during the three months ended March 31, 2010 compared to an increase of $3,754 during the prior period.

Operating Activities

Net cash used in operating activities during the three months ended March 31, 2010 was $205,364 compared to $170,813 during the prior period. We had no revenues during the current or prior periods. Operating expenditures, excluding non-cash interest and stock-based charges during the current period primarily consisted of consulting and management fees, office and general expenditures, and professional fees.

Investing Activities

Net cash used in investing activities during the three months ended March 31, 2010 was $Nil compared to $Nil during the prior period.

Financing Activities
Net cash provided by financing activities during the three months ended March 31, 2010 was $85,300 compared to $174,567 during the prior period. Current period financing consisted of advances from related parties while prior period financing included proceeds from secured promissory notes and advances from related parties.

At March 31, 2010, we had 3,618,000 stock options and 6,062,800 share purchase warrants outstanding. The outstanding stock options had a weighted average exercise price of $0.97 per share, with the warrants having a weighted average exercise price of $0.98 per share. Accordingly, as of March 31, 2010, the outstanding options and warrants represented a total of 9,680,800 shares issuable for proceeds of approximately $9,451,000 if these options and warrants were exercised in full. The exercise of these options and warrants is completely at the discretion of the holders. There is no assurance that any of these options or warrants will be exercised or that those warrants that contain a cashless exercise provision will not be exercised on a cashless basis.

As of March 31, 2010, we anticipate that we will need significant financing to enable us to meet our anticipated expenditures for the next 24 months, which are expected to be in the range of $5,000,000 assuming a single Phase 1 clinical trial.

Going Concern
Our financial statements have been prepared assuming that we will continue as a going concern and, accordingly, do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should we be unable to continue in operation. Our ability to continue as a going concern is dependent upon our ability to obtain the necessary financing to meet our obligations and pay our liabilities arising from our business operations when they come due. We intend to finance our anticipated operating expenses with further issuances of common stock through private placement offerings or loans from private investors. Management believes that the Company will be able to continue limited operations with accommodations from debt holders and additional temp orary short term funding over the next twelve months. Due to capital market conditions, funding continues to be challenging. It is unlikely the Company will be able to continue as a going concern past a twelve month horizon if significant equity funding is not raised within this period.

Off-Balance Sheet Arrangements
Other than as disclosed in the financial statements, we have no significant off-balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

Critical Accounting Policies
Our consolidated financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our consolidated financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Refer to Note 2 of our consolidated financial statements for our year ended December 31, 2009 for a summary of significant accounting policies.

Item 3. Quantitive and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this report. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to management, including our Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Based on such evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are not effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by us in the reports that we file or submit under the Exchange Act.

It should be noted that any system of controls is based in part upon certain assumptions designed to obtain reasonable (and not absolute) assurance as to its effectiveness, and there can be no assurance that any design will succeed in achieving its stated goals.

Management's Report on Internal Control Over Financial Reporting

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as required by Sarbanes-Oxley (SOX) Section 404 A. The Company's internal control over financial reporting is a process designed under the supervision of the Company's Principal Executive Officer and Principal Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with United States generally accepted accounting principles ("US GAAP").

As of March 31, 2010, management assessed the effectiveness of the Company's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control -Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and SEC guidance on conducting such assessments. Based on that evaluation, they concluded that, as at March 31, 2010 such internal controls and procedures were not effective to detect the inappropriate application of US GAAP rules as more fully described below.

The matters involving internal controls and procedures that the Company's management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were: (1) inadequate entity level controls due to an ineffective audit committee resulting from a lack of independent members on the current audit committee and a lack of outside directors on our board of directors; (2) inadequate segregation of duties consistent with control objectives; (3) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC disclosure requirements; (4) ineffective controls over period end financial disclosure and reporting processes.

Management believes that none of the material weaknesses set forth above had a material adverse effect on the Company's financial results for the three months ended March 31, 2010, but management is most concerned that the material weakness in entity level controls set forth in item (1) results in ineffective oversight in the establishment and monitoring of required internal controls and procedures, it could result in a material misstatement in our financial statements in future periods.

We are committed to improving our financial organization. As part of this commitment, we will continue to enhance our internal control over financial reporting by: i) expanding our personnel, ii) improving segregate duties consistent with control objectives, iii) appointing one or more outside directors to our board of directors who shall be appointed to our audit committee resulting in a fully functioning audit committee who will undertake the oversight in the establishment and monitoring of required internal controls and procedures such as reviewing and approving estimates and assumptions made by management; and iv) preparing and implementing sufficient written policies and checklists which will set forth procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC d isclosure requirements.

Management believes that the appointment of one or more outside directors, who shall be appointed to a fully functioning audit committee, will remedy the ineffective audit committee and a lack of outside directors on our Board. In addition, management believes that preparing and implementing sufficient written policies and checklists will remedy the following material weaknesses (i) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of US GAAP and SEC disclosure requirements; and (ii) ineffective controls over period end financial close and reporting processes. Further, management believes that the hiring of additional personnel will result in improved segregation of duties and provide more checks and balances within the financial reporting dep artment.

We will continue to monitor and evaluate the effectiveness of our internal controls and procedures over financial reporting on an ongoing basis and are committed to taking further action by implementing additional enhancements or improvements, or deploying additional human resources as may be deemed necessary.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the three months ended March 31, 2010 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

As of the date of this Quarterly Report, no director, officer, affiliate or beneficial owner of more than 5% of our common stock is (i) a party adverse to us in any legal proceeding, or (ii) has an adverse interest to us in any legal proceeding. Management is not aware of any other legal proceedings pending or that have been threatened against us or our properties.

Item 1A. Risk Factors

There have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2009, which was filed with the SEC on April 15, 2010.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. (Removed and Reserved)

Not Applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The following exhibits are included with this Quarterly Report on Form 10-Q:

Exhibit Number	Description of Exhibit
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1933, as amended.
31.2	Certification of Acting Principal Accounting Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1933, as amended.
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Acting Principal Accounting Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TAPIMMUNE INC.

/s/ Glynn Wilson
Glynn Wilson
Chairman and Principal Executive Officer
Date: May [--], 2010.
/s/ Tracy A. Moore
Tracy A. Moore
Chief Financial Officer and Acting Principal Accounting Officer
Date: May [--], 2010.

Exhibit 31.1

CERTIFICATION

I, Glynn Wilson, certify that:

(1) I have reviewed this Report on Form 10-Q for the quarterly period ended March 31, 2010 of TapImmune 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)) 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 assurances regarding the reliability of financial reporting in 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 the 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.

Date: May [--], 2010.

/s/ Glynn Wilson
By: **Glynn Wilson**
Title: Chairman and Principal Executive Officer

Exhibit 31.2

CERTIFICATION

I, Tracy A. Moore certify that:

(1) I have reviewed this Report on Form 10-Q for the quarterly period ended March 31, 2010 of TapImmune 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)) 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 assurances regarding the reliability of financial reporting in 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 the 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.

Date: May [--], 2010.

/s/ Tracy A. Moore
By: **Tracy A. Moore**
Title: Chief Financial Officer and Acting Principal Accounting Officer

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Glynn Wilson, the Principal Executive Officer of TapImmune Inc. (the "Company") hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his or her knowledge, the Report on Form 10-Q of TapImmune Inc., for the quarterly period ended March 31, 2010 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and that the information contained in the Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of TapImmune Inc.

Date: May [--], 2010.

/s/ Glynn Wilson
Glynn Wilson
Chairman and
Principal Executive Officer

Exhibit 32.2

CERTIFICATION OF ACTING PRINCIPAL ACCOUNTING OFFICER

PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Tracy A. Moore, the Acting Principal Accounting Officer of TapImmune Inc. (the "Company") hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his or her knowledge, the Report on Form 10-Q of TapImmune Inc., for the quarterly period ended March 31, 2010 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and that the information contained in the Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of TapImmune Inc.

Date: May [--], 2010.

/s/ Tracy A. Moore
Tracy A. Moore
Chief Financial Officer and
Acting Principal Accounting Officer