SECURITIES & EXCHANGE COMMISSION EDGAR FILING

BIOVIE INC.

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

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended: September 30, 2018

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____to _____

Commission File Number: **000-55292**

BIOVIE INC.

(Exact name of registrant as specified in its charter)

Nevada	**46-2510769**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

11601 Wilshire Blvd Suite 1100
Los Angeles, CA 90025
(Address of principal executive offices, Zip Code)

(312)-283-5793
(Registrant's telephone number, including area code)

(Former Name, Former Address and Former Fiscal Year if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has 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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files).

Yes ☒ 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	☐	Smaller reporting company	☒
(Do not check if a smaller reporting company)		Emerging growth company	☐

If an emerging growth company, indicate by checkmark 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 ☒

The number of shares outstanding of each of the issuer’s classes of common equity, as of September 30, 2018 was 315,053,673.

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FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, and Section 27A of the Securities Act of 1933. Any statements contained in this report that are not statements of historical fact may be forward-looking statements. When we use the words "intends," "estimates," "predicts," "potential," "continues," "anticipates," "plans," "expects," "believes," "should," "could," "may," "will" or the negative of these terms or other comparable terminology, we are identifying forward-looking statements. Forward-looking statements involve risks and uncertainties, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. These factors include our; research and development activities, distributor channel; compliance with regulatory impositions; and our capital needs. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Except as may be required by applicable law, we do not undertake or intend to update or revise our forward-looking statements, and we assume no obligation to update any forward-looking statements contained in this report as a result of new information or future events or developments. Thus, you should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. You should carefully review and consider the various disclosures we make in this report and our other reports filed with the Securities and Exchange Commission that attempt to advise interested parties of the risks, uncertainties and other factors that may affect our business.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company assumes no obligation and does not intend to update these forward-looking statements, except as required by law. When used in this report, the terms "BioVie", "Company", "we", "our", and "us" refer to BioVie, Inc.

PART I – FINANCIAL INFORMATION
Item 1. Financial Statements

BIOVIE INC.
CONDENSED BALANCE SHEETS
(UNAUDITED)

	September 30, 2018 (Unaudited)	June 30, 2018
ASSETS		
CURRENT ASSETS:		
Cash	$ 2,135,619	$ 45,800
Total Current Assets	2,135,619	45,800
OTHER ASSETS:		
Intangible Assets (Net of Amortization)	1,726,636	1,783,980
Goodwill	345,711	345,711
Total Other Assets	2,072,347	2,129,691
TOTAL ASSETS	$ 4,207,966	$ 2,175,491
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts Payable and accrued expenses	$ 183,090	$ 884,207
Accrued Payroll	—	354,167
Total Current Liabilities	183,090	1,238,374
LONG-TERM LIABILITIES:		
Demand Promissory Note	—	250,000
Notes Payable, Related Parties	—	575,918
Total Long-Term Liabilities	—	825,918
TOTAL LIABILITIES	183,090	2,064,292
STOCKHOLDERS' EQUITY		
Preferred stock; $0.001 par value; 10,000,000 shares authorized; 0 shares issued and outstanding	—	—
Common stock, $0.0001 par value; 800,000,000 and 300,000,000 shares authorized at September 30 and June 30 2018, respectively; 315,053,673 and 98,503,199 shares issued and outstanding at September 30 and June 30 2018, respectively	31,505	9,850
Additional paid in capital	9,251,025	4,870,475
Accumulated deficit	(5,257,655)	(4,769,126)
Total Stockholders' Equity	4,024,876	111,199
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,207,966	$ 2,175,491

See accompanying notes to unaudited condensed financial statements

BIOVIE INC.
CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended September 30, 2018	For the Three Months Ended September 30, 2017
REVENUE	$ —	$ —
OPERATING EXPENSES:		
Amortization	57,344	57,344
Research and development expenses	194,521	41,854
Payroll expenses	70,693	71,348
Professional fees	135,230	453,611
Selling, general and administrative expenses	33,638	38,075
TOTAL OPERATING EXPENSES	491,427	662,232
LOSS FROM OPERATIONS	(491,427)	(662,232)
OTHER EXPENSE (INCOME):		
Other Income	(51,400)	—
Interest expense	272	611
Interest income	(428)	(1)
TOTAL OTHER EXPENSE (INCOME), NET	(51,556)	610
NET LOSS	$ (439,871)	$ (662,842)
Deemed dividend	48,659	—
NET LOSS ATTRIBUTABLE TO COMPANY STOCKHOLDERS	$ (488,529)	$ —
NET LOSS PER COMMON SHARE, BASIC AND DILUTED	$ (0.00)	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	309,279,009	93,301,583

See accompanying notes to unaudited condensed financial statements

BIOVIE INC.
CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Three Months Ended Ended Sept 30, 2018	For the Three Months Ended Ended Sept 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (439,871)	$ (662,842)
Adjustments to reconcile net loss to net cash to cash used in operating activities:		
Services paid with common stock	—	330,000
Amortization of intangible assets	57,344	57,344
Share based compensation expense	3,412	12,751
Changes in operating assets and liabilities		
(Decrease)/Increase in:		
Accounts payable	(62,767)	(3,190)
Accrued payroll	—	62,500
Net cash used in operating activities	(441,882)	(203,437)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loan payable	(14,000)	(25,000)
Repayment of notes payable, related parties	(244,300)	
Repayment of demand promissory note	(250,000)	—
Proceeds from issuance of preferred shares	3,040,000	—
Proceeds from issuance of common stock and warrants	—	245,001
Net cash provided by financing activities	2,531,700	220,001
Net Increase in cash	2,089,818	16,564
Cash, beginning of period	45,800	5,140
Cash, end of period	$ 2,135,619	$ 21,703
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ —	$ —
Cash paid for taxes	$ —	$ —
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Conversion of preferred shares to common stock	$ 3,200,000	$ —
Settlement of debt by issuance of common stock	$ 1,150,135	$ —
Cashless exercise of warrants	$ 224	$ —
Deemed dividends for ratchet adjustments to warrants	$ 48,659	$ —

See accompanying notes to unaudited condensed financial statements

BIOVIE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance, June 30, 2018	—	$ —	98,503,199	$ 9,850	$4,870,474	$ (4,769,126)	$ 111,199
Issuance of preferred stock in a private placement	213,333,200	3,200,000	—	—	3,200,000	—	3,200,000
Conversion of preferred stock to common stock	(213,333,200)	(3,200,000)	213,333,200	21,333	(21,333)	—	—
Issuance of shares in exchange for debt settlement	—	—	975,361	98	1,150,037	—	1,150,135
Stock option compensation	—	—	—	—	3,412	—	3,412
Cashless exercise of warrants	—	—	2,241,913	224	(224)	—	—
Deemed dividends for ratchet adjustment to warrants	—	—	—	—	48,659	(48,659)	—
Net loss	—	—	—	—	—	(439,871)	(439,871)
Balance, September 30, 2018 (Unaudited)	—	$ —	315,053,673	$ 31,505	$9,251,025	$ (5,257,655)	$ 4,024,876

See accompanying notes to unaudited condensed financial statements

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

1. Background Information

BioVie Inc. (the "Company") is a clinical-stage company pursuing the discovery, development, and commercialization of innovative drug therapies. The Company is currently focused on developing and commercializing BIV201, a novel approach to the treatment of ascites due to chronic liver cirrhosis. In April 2017, the Company signed a Cooperative Research and Development Agreement (CRADA) with the McGuire Research Institute Inc. in Richmond, VA, and began dosing patients with BIV201 in September 2017. As of September 2018, four patients had been treated with BIV201 therapy in this ongoing Phase 2a clinical trial.

BIV201 has the potential to improve the health of thousands of patients suffering from life-threatening complications of liver cirrhosis due to hepatitis, NASH, and alcoholism. It has FDA Fast-Track status and Orphan Drug designation for the most common of these complications, ascites, which represents a significant unmet medical need. The FDA has never approved any drug specifically for treating ascites. The Company has an issued US Patent covering the use of BIV201 for the treatment of ascites patients in the outpatient setting using ambulatory pump infusion, and has filed patent applications for its drug candidate in Japan, and Europe, and China.

The BIV201 development program began at LAT Pharma LLC. On April 11, 2016, the Company acquired LAT Pharma LLC and the rights to its BIV201 development program. The Company currently owns all development and marketing rights to its drug candidate. The Company and PharmaIN, Corp. ("PharmaIN"), LAT Pharma's former partner focused on the development of new modified drug candidates in the same therapeutic field but not including BIV201, have agreed to pay royalties equal to less than 1% of future net sales of each company's ascites drug development programs, or if such program is licensed to a third party, less than 5% of each company's net license revenues. The Company's relationship with PharmaIN could advance into a collaboration or be terminated.

The Company's activities are subject to significant risks and uncertainties including failure to secure additional funding to properly execute the Company's business plan.

2. Liquidity

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The company has incurred recurring operational losses and has an accumulated deficit of $5.2 million and as a development stage enterprise, the Company expects substantial losses in future periods. The Company's future operations are dependent on the success of the Company's ongoing development and commercialization efforts, as well as continuing to secure additional financing.

In July 2018 it completed a capital raise from Acuitas Group Holding, LLC ("Acuitas") and other purchasers and received net proceeds of $3 million and has resumed to further clinical development of BIV201. The Acuitas investment agreement also stipulated that if the clinical development of BIV201 continues, Acuitas may invest an additional $3 million to fund operations in year two, less any federal or FDA grant funding received by the Company.

At September 30, 2018, the Company had cash on hand of $2,135,000 and management believes we have sufficient funds to meet our operating and capital requirements for at least the next 12 months.

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

3. Significant Accounting Policies

Basis of Presentation

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and the applicable rules and regulations of the Securities and Exchange Commission ("SEC"). Our unaudited condensed financial statements reflect all adjustments, which are, in the opinion of management requires management to make estimates and assumptions that affect the reported amounts of assets and necessary for a fair presentation of our financial position and results of operations. Such adjustments are of a normal recurring nature, unless otherwise indicated. The balance sheet as of September 30, 2018 and the results of operations for the three months ended September 30, 2018 are not necessarily indicative of the results to be expected for the entire year. These interim unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in our Annual Report on Form 10-K for the year ended June 30, 2018. The condensed balance sheet at June 30, 2018 has been derived from the audited financial statements as that date, but does not include all disclosures, including notes, required by U.S. GAAP for complete financial statements.

Use of estimates

The preparation of the accompanying condensed financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the condensed financial statements, and the reported amounts of revenue and expenses during the periods reported. Actual results could differ from those estimates,

Cash

Cash is the financial instrument that potentially subjects the Company to a concentration of credit risk as cash is deposited with a financial institution and, at times, the cash balances may exceed the Federal Deposit Insurance Corporation insurance limits. The carrying value of cash approximates fair value at September 30, 2018 and June 30, 2018.

Financial Instruments

The Company's financial instruments include cash, accounts payable, related party loans and a demand promissory note. The carrying amounts of cash and accounts payable approximate their fair value, due to the short-term nature of these items.

Research and Development

Research and development costs are charged to operations when incurred and are included in operating expenses. The Company expensed $194,521 and $41,854 for research and development for the three months ended September 30, 2018 and 2017 respectively.

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

3. Significant Accounting Policies (continued)

Income Taxes

Deferred income tax assets and liabilities arise from temporary differences associated with differences between the financial statements and tax basis of assets and liabilities, as measured by the enacted tax rates, which are expected to be in effect when these differences reverse. Deferred tax assets and liabilities are classified as current or non-current, depending on the classification of the assets or liabilities to which they relate. Deferred tax assets and liabilities not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse.

The Company follows the provisions of FASB ASC 740-10 " *Uncertainty in Income Taxes*" (ASC 740-10), January 1, 2007. The Company has not recognized a liability as a result of the implementation of ASC 740-10. A reconciliation of the beginning and ending amount of unrecognized tax benefits has not been provided since there are no unrecognized benefits at September 30, 2017 and since the date of adoption. The Company has not recognized interest expense or penalties as a result of the implementation of ASC 740-10. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Earnings (Loss) per Share

Basic earnings per share are computed by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share are computed by dividing net income by the weighted average number of shares of common stock outstanding and dilutive options outstanding during the year. For the three months ended September 30, 2018 all outstanding options have been excluded from the calculation of the diluted net loss per share since their effect was anti-dilutive.

The following potentially dilutive securities were excluded from the computation of diluted loss per share for the three months ended June and September 30, 2018:

	September 30, 2018 Number of Shares (Thousands)	**June 30, 2018 Number of Shares (Thousands)**
Stock Options	5,150	5,150
Warrants	216,441	4,774
Total	**221,591**	**9,924**

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

3. Significant Accounting Policies (continued)

Stock-based Compensation

The Company has accounted for stock-based compensation under the provisions of FASB ASC 718 – "Stock Compensation" which requires the use of the fair-value based method to determine compensation for all arrangements under which employees and others receive shares of stock or equity instruments (stock options and common stock purchase warrants). For employee awards, the fair value of each stock option award is estimated on the date of grant using the Black-Scholes valuation model that uses assumptions for expected volatility, expected dividends, expected term, and the risk-free interest rate. For non-employees, the fair value of each stock option award is estimated on the measurement date using the Black-Scholes valuation model that uses assumptions for expected volatility, expected dividends, expected term, and the risk-free interest rate. For non-employees, the Company utilizes the graded vesting attribution method under which the entity treats each separately vesting portion (tranche) as a separate award and recognizes compensation cost for each tranche over its separate vesting schedule. Expected volatilities are based on historical volatility of peer companies and other factors estimated over the expected term of the stock options. For employee awards, the expected term of options granted is derived using the "simplified method" which computes expected term as the average of the sum of the vesting term plus the contract term. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the period of the expected term.

Goodwill

Goodwill is recorded when the purchase price paid for an acquisition exceeds the fair value of net identified tangible and intangible assets acquired. The Company performs an annual impairment test of goodwill and further periodic tests to the extent indicators of impairment develop between annual impairment tests. The Company's impairment review process compares the fair value of the reporting unit to its carrying value, including the goodwill related to the reporting unit. To determine the fair value of the reporting unit, the Company may use various approaches including an asset or cost approach, market approach or income approach or any combination thereof. These approaches may require the Company to make certain estimates and assumptions including future cash flows, revenue and expenses. These estimates and assumptions are reviewed each time the Company tests goodwill for impairment and are typically developed as part of the Company's routine business planning and forecasting process. While the Company believes its estimates and assumptions are reasonable, variations from those estimates could produce materially different results. The Company did not recognize any goodwill impairments for the three months ended September 30, 2018.

Impairment of Long-Lived Assets

Long-lived assets, including intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset.

If the carrying amount of an asset exceeds its undiscounted estimated future cash flows, an impairment review is performed. An impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Generally, fair value is determined using valuation techniques such as expected discounted cash flows or appraisals, as appropriate. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated or amortized. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

Recent accounting pronouncements

The Company has reviewed recent accounting pronouncements issued by the FASB (including its EITF), the AICPA, and the SEC and did not or are not believed by management to have a material impact on the Company's financial statements.

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

4. Intangible Assets

The company's intangible assets consist of intellectual property acquired from LAT Pharma, Inc., and are amortized over their estimated useful lives as indicated below. The following is a summary of the intangible assets as of June and September 30, 2018.

	September 30, 2018 (Unaudited)	June 30, 2018
Intangible Assets subject to Amortization	$ 2,293,770	$ 2,293,770
Accumulated Amortization	567,134	509,790
Intangible Assets (Net of Amortization)	$ 1,726,636	$ 1,783,980

Future expected Amortization of intangible assets is as follows:

Year Ending June 30,	
Remaining for 2019	$ 172,033
2020	229,377
2021	229,377
2022	229,377
2023	229,377
Thereafter	866,472
	$ 1,726,636

5. Renegotiated Debt

On July 19, 2018, Geis-Hides Consulting LLC entered into an Accord and Debt Satisfaction Agreement with the Company in which the consulting firm agreed to release the Company from all liabilities arising from the Original Contract and Debt Repayment Plan dated December 15, 2013 totaling $132,000 and received cash of $65,000 and 260,000 common shares in satisfaction. The common shares were valued at the market price on the date of settlement at $0.06 per common share. The gain of $51,400 on the settlement of debt was reflected on the income statement as "other income".

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

6. Related Party Transactions

On July 9, 2018, Jonathan Adams entered into an Accord and Debt Satisfaction Agreement with the Company in which he agreed to release the Company from all liabilities including the original contract to defer payment of his accrued salary dated March 23, 2017, the promissory note issued by the Company to defer payment of accrued salary; and subsequent unpaid salary, totaling the amount of $534,722, and received cash of $25,694 in satisfaction. The gain of $509,028 on the settlement of debt was reflected in the additional paid in capital.

On August 8, 2018, Barrett Ehrlich on behalf of The Barrett Edge Inc. (“Barrett”) entered into an Accord and Debt Satisfaction Agreement with the Company in which Barrett agreed to release the Company from all liabilities including the original contract to defer payment of accrued consulting fees dated March 23, 2017, the promissory note issued by the Company to defer payment of accrued consulting fees; loan to the Company for $14,000, and subsequent unpaid consulting fees, totaling $543,014, and received cash of $131,333 and 493,333 common shares in satisfaction. The common shares were valued at the market price on the date of settlement at $0.13 per common share. The gain of $361,548 on the settlement of debt was reflected in the additional paid in capital.

On July 9, 2018, Elliot Ehrlich entered into an Accord and Debt Satisfaction Agreement with the Company in which he agreed to release the Company from all liabilities including the original contract to defer payment of accrued salary dated March 23, 2017, totaling the amount of $222,028 the promissory note issued by the Company to defer payment of accrued salary; and received cash of $22,203 and 222,028 common shares in satisfaction. The common shares were valued at the market price on the date of settlement at $0.06 per common share. The gain of $186,503 on the settlement of debt was reflected in the additional paid in capital.

7. Commitments and Contingencies

Office Lease

On January 1, 2014, the Company executed a lease agreement with Cummings Properties for the Company’s office of 270 square feet at 100 Cummings Center, Suite 247-C, Beverly, MA 01915. The lease is for a term of five years from January 1, 2014 to December 30, 2018 and requires monthly payments of $379. The Company notified the lessor that it will terminate the lease on December 30, 2018.

On October 1, 2018, the Company executed a lease agreement with Acuitas Group Holdings, LLC for the Company’s office at 11601 Wilshire Blvd Ste 1100, Los Angeles, CA 90025. The lease is a month-to-month lease that may be cancelled upon 30 days’ written notice and requires monthly payments of $1,000.

Challenge to US Patent

On April 30, 2018, the Company received notice that Mallinckrodt Pharmaceuticals Ireland Limited had petitioned the US Patent and Trademark Office (USPTO) to institute an Inter Partes Review of BioVie’s US Patent No. 9,655,945 titled “Treatment of Ascites” (the ‘945 patent).

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

7. Commitments and Contingencies (continued)

Inter Partes Review is a trial proceeding conducted with the USPTO Patent Trial and Appeal Board (PTAB) to review the patentability of one or more claims of a patent. Such review is limited to grounds of novelty and obviousness on the basis of prior art consisting of patents and printed publications. Although a petition for Inter Partes Review has been filed, grant of the petition by the PTAB is required for the proceeding to be instituted.

On August 15, 2018, BioVie submitted a Preliminary Response to the PTAB providing a rationale as to why, in the Company's opinion, Mallinckrodt's request to institute the IPR should not be granted. If he IPR is allowed to proceed, BioVie will seek to defend the '945 patent and/or pursue a favorable settlement. As of June 30, 2018, no adjustments or accruals are reflected as the Company is unable to determine a likely outcome at this time.

Royalty Agreements

Pursuant to the Agreement and Plan of Merger entered into on April 11, 2016 between LAT Pharma LLC and NanoAntibiotics, Inc., BioVie is obligated to pay a low single digit royalty on net sales of BIV201 (continuous infusion terlipressin) to be shared among LAT Pharma Members, PharmaIn Corporation; and The Barrett Edge, Inc.

Pursuant to the Technology Transfer Agreement entered into on July 25, 2016 between BioVie and the University of Padova (Italy), BioVie is obligated to pay a low single digit royalty on net sales of all terlipressin products covered by US patent no. 9,655,645 and any future foreign issuances capped at a maximum of $200,000 per year.

The Company and PharmaIN Corporation, LAT Pharma's former partner focused on the development of new modified drug candidates in the same therapeutic field but not including BIV201, agreed to pay royalties equal to less than 1% of future net sales of each company's ascites drug development programs, or if such program is licensed to a third party, less than 5% of each company's net license revenues. The Company's relationship with PharmaIN could advance into a collaboration or be terminated.

8. Stockholders' Equity

Stock Options

The fair market value of the stock options is estimated using the Black Scholes valuation model and the Company uses the following methods to determine its underlying assumptions: expected volatilities are based on the historical volatilities of 3 comparable companies of the daily closing price of their respective common stock; the expected term of options granted is based on the average time outstanding method; and the risk free interest rate is based on the US Treasury bonds issued with similar life terms to the expected life of the grant.

During the three month ended September 30, 2018, the Company did not issue any stock options.

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

8. Stockholders' Equity (continued)

Stock option activity for the Company's plans for the period ended September 30, 2018 is summarized below:

Options	Shares (Thousands)	Weighted-Average Exercise Price	Weighted Remaining Average Contractual Term
Outstanding at June 30, 2018	5,150	$ 0.12	6.3
Outstanding at September 30, 2018 (Unaudited)	5,150	$ 0.12	6.3
Exercisable at September 30, 2018 (Unaudited)	4,150	$ 0.12	6.3

The following is a summary of stock options outstanding and exercisable by exercise price as of September 30, 2018 (Unaudited).

Exercise Price	Outstanding	Weighted Average Contract Life	Exercisable
$ 0.06	3,100,000	7.4	2,100,000
$ 0.10	500,000	4.3	500,000
$ 0.20	200,000	4.0	200,000
$ 0.21	550,000	3.6	550,000
$ 0.22	100,000	3.5	100,000
$ 0.23	200,000	3.9	200,000
$ 0.25	500,000	3.1	500,000
Total	5,150,000		4,150,000

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

8. Stockholders' Equity (continued)

The compensation expense for the three months ended September 30, 2018 includes $3,412 related to the stock options described above. The Company expects to recognize $8,378 of future compensation expense related to stock options through the next nine months.

Offerings of Common Stock and Warrants

Issuance of Shares for Cash

On July 3, 2018, BioVie, Inc., the Company, entered into a Securities Purchase Agreement (the "Purchase Agreement") with Acuitas Group Holdings, LLC ("Acuitas") and certain other purchasers identified in the Purchase Agreement (together with Acuitas, the "Purchasers") pursuant to which (i) the Purchasers agreed to purchase an aggregate of 2,133,332 shares of the Company's newly created Series A Convertible Preferred Stock (the "Preferred Stock") at a price per share of $1.50 per share of Preferred Stock (the "Initial Sale") and (ii) the Company will issue associated warrants (the "Warrants") to purchase 213,333,200 shares of the Company's Class A Common Stock (the "Common Stock"), each subject to the terms and conditions set forth in the Purchase Agreement, for an aggregate consideration of $3.2 million. The Company received $160,000 of the $3.2 million in April and May 2018 as prepaid equity. Acuitas also received an additional 833,333 Warrants in connection with the payoff of a note issued by the Company in favor of Acuitas. The Initial Sale and issuance of the Warrants occurred on July 3, 2018. In addition, Acuitas has the option to purchase up to an additional 200,000,000 shares of Common Stock at a price per share of $0.015, and associated warrants on the same terms as the Warrants, within two weeks following the one year anniversary of the closing of the Initial Sale (the "Subsequent Sale") in the event that the Company has not obtained $3,000,000 of funding through various non-dilutive grants prior to the one year anniversary of the closing of the Initial Sale.

Each share of Preferred Stock automatically converted into 100 shares of Common Stock upon the filing with the Secretary of State of the State of Nevada of a Certificate of Amendment to the Company's Articles of Incorporation (the "Amendment") on August 13, 2018 that increased the number of authorized shares of Common Stock to 800,000,000. The Amendment was approved by the written consent of the holders of more than a majority of the Company's issued and outstanding Common Stock on July 3, 2018, and was filed with the Secretary of State of the State of Nevada 20 calendar days following the distribution of the Company's Definitive Information that was filed with the Securities and Exchange Commission.

The purchase price of the Preferred Stock in the Initial Sale, the exercise price of the Warrants, and the Common Stock in the Subsequent Sale is subject to adjustment. In the event that Mallinckrodt Pharmaceuticals Ireland Limited prevails in any proceeding which results in the useful life of the Company's current intellectual property rights being reduced by more than 75 percent, then the price per share of Common Stock, the associated conversion ratio of the Preferred Stock, and the exercise price of the Warrants shall be retroactively adjusted to 50 percent of the then-effective price per share of Common Stock under the Purchase Agreement (for example, if the then-effective price per share of Common Stock is $0.015, then following such event, the price per share will be $0.0075). In this case, the Company may be required to issue additional shares of Common Stock, but in no event will the Company be required to pay cash, to reflect such lower price per share.

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

8. Stockholders' Equity (continued)

The Purchase Agreement contained customary representations and warranties. In connection with the disclosure schedule associated with the representations and warranties, the Company also disclosed customary information, including the following: (i) the existence of the Mallinckrodt Pharmaceuticals Ireland Limited petition before the US Patent Trial and Appeal Board, (ii) the current capitalization of the Company, (iii) the Company's obligation to pay a low single digit royalty on the net sales of BIV201 (continuous infusion terlipressin) to be shared among LAT Pharma LLC members, PharmaIN Corporation and The Barrett Edge, Inc. pursuant to the Agreement and Plan of Merger, dated April 11, 2016, by and between LAT Pharma LLC and the Company, (iv) the Company's obligation to pay a low single digit royalty on net sales of all terlipressin products covered by specified patents up to a maximum of $200,000 per year pursuant to the Technology Transfer Agreement, dated July 25, 2016, by and between the Company and the University of Padova (Italy), and (v) certain recent issuances of Common Stock by the Company.

Pursuant to the Purchase Agreement, Terren Peizer, the Chairman of Acuitas, was appointed as a member of the Company's Board of Directors (the "Board") and as the Chief Executive Officer of the Company, effective July 3, 2018. The issuance of the Preferred Stock, the Warrants and the underlying common stock under the Purchase Agreement is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(a)(2) of the Securities Act.

Issuance of Shares in Settlement of Debt

During the three months ended September 30, 2018, the Company settled $895,042 of debt including $765,042 owed to related parties, by issuing 975,361 shares of common stock with a fair value of $93,055. See notes 5 and 6.

Warrant Price Adjustment

In December 2017, the Company issued warrants to purchase 2,500,000 shares of common stock in a private placement transaction for aggregate gross proceeds of $100,000. The warrants were exercisable at an exercise price of $0.20 at any time from date of issuance until 7 years from the date of issuance. The warrants have a down round feature that reduces the exercise price if the Company sells stock for a lower price. In January 2018, the Company sold shares at $0.15, which therefore triggered the reduction in the strike price. The Company calculated the difference in fair value of the warrants between the stated exercise price and the reduced exercise price and recorded $20,995 as a deemed dividend. In July 2018, the Company sold shares at $0.015, which therefore triggered the reduction in the strike price. The Company calculated the difference in fair value of the warrants between the stated exercise price and the reduced exercise price and recorded $44,888.08 as a deemed dividend. The fair value of the warrants granted was estimated using the Black Scholes Method and the following assumptions: volatility – 170.6%; Term – 6.4 years; Risk Free Rate – 2.79%; dividend rate – 0.00%. On August 4, 2018, the Company issued 2,241,913 shares of common stock pursuant to a cash less exercise of warrants to purchase 2,500,000 shares at an exercise price of $0.015 per share. As a result of the conversion of the Series A Preferred Stock in July 2018, the exercise of warrants to purchase 2,500,000 shares of common stock was reduced from $0.15 per share to $0.015 per share. On August 4, 2018, the Company issued 2,241,913 shares of common stock pursuant to a cash less exercise of warrants to purchase 2,500,000 shares at an exercise price of $0.015 per share.

BIOVIE INC.
Notes to Condensed Financial Statements
For the Three Months Ended September 30, 2017 and 2018
(unaudited)

8. Stockholders' Equity (continued)

In January 2018, the Company issued warrants to purchase 210,000 shares of common stock in exchange for banking services. The warrants were exercisable at an exercise price of $0.15 at any time from date of issuance until 7 years from the date of issuance. The warrants have a down round feature that reduces the exercise price if the Company sells stock for a lower price. In July 2018, the Company sold shares at $0.015, which therefore triggered the reduction in the strike price. The Company calculated the difference in fair value of the warrants between the stated exercise price and the reduced exercise price and recorded $3,770 as a deemed dividend. The fair value of the warrants granted was estimated using the Black Scholes Method and the following assumptions: volatility – 170.6%; Term – 6.4 years; Risk Free Rate – 2.79%; dividend rate – 0.00%.

The following table summarizes the warrants that have been issued:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Outstanding at June 30, 2018	4,774,015	$ 0.29	5.2
Granted	214,166,533	$ 0.02	5.8
Exercised	(2,500,000)	$ 0.02	(6.1)
Outstanding at September 30, 2018 (Unaudited)	216,440,548	$ 0.02	5.8

The following table summarizes the warrants by exercise price as of September 30, 2018:

Weighted Average Exercise Price	Number of Shares	Weighted Average Remaining Life (Years)
$ 0.02	214,166,533	5.8
$ 0.15	543,333	6.3
$ 0.50	1,037,501	3.2
$ 0.60	693,181	3.9
	216,440,548	5.8

9. Subsequent Event

In October 2018, the Company issued stock options to purchase 200,000 shares of common stock as part of their annual board of director compensation. The stock options are exercisable at an exercise price of $0.05 at any time from date of issuance until 5 years from the date of issuance.

In October 2018, the Company issued stock options to purchase 100,000 shares of common stock to the Chief Financial Officer as part of her compensation. The stock options are exercisable at an exercise price of $0.07 at any time from date of issuance until 5 years from the date of issuance.

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

This report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, and Section 27A of the Securities Act of 1933. Any statements contained in this report that are not statements of historical fact may be forward-looking statements. When we use the words "intends," "estimates," "predicts," "potential," "continues," "anticipates," "plans," "expects," "believes," "should," "could," "may," "will" or the negative of these terms or other comparable terminology, we are identifying forward-looking statements. Forward-looking statements involve risks and uncertainties, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. These factors include our; research and development activities, distributor channel; compliance with regulatory impositions; and our capital needs. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Except as may be required by applicable law, we do not undertake or intend to update or revise our forward-looking statements, and we assume no obligation to update any forward-looking statements contained in this report as a result of new information or future events or developments. Thus, you should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. You should carefully review and consider the various disclosures we make in this report and our other reports filed with the Securities and Exchange Commission that attempt to advise interested parties of the risks, uncertainties and other factors that may affect our business.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company assumes no obligation and does not intend to update these forward-looking statements, except as required by law. When used in this report, the terms "BioVie", "Company", "we", "our", and "us" refer to BioVie Inc.

The following discussion of the Company's financial condition and the results of operations should be read in conjunction with the Financial Statements and Notes thereto appearing elsewhere in this document.

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In order to comply with the terms of the safe harbor, the Company notes that in addition to the description of historical facts contained herein, this report contains certain forward-looking statements that involve risks and uncertainties as detailed herein and from time to time in the Company's other filings with the Securities and Exchange Commission and elsewhere. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those, described in the forward-looking statements. These factors include, among others: (a) the Company's fluctuations in sales and operating results; (b) risks associated with international operations; (c) regulatory, competitive and contractual risks; (d) product development risks; (e) the ability to achieve strategic initiatives, including but not limited to the ability to achieve sales growth across the business segments through a combination of enhanced sales force, new products, and customer service; and (f) pending litigation.

Management's Discussion

Biovie is a clinical-stage company pursuing the discovery, development, and commercialization of innovative drug therapies targeting life-threatening complications of liver cirrhosis. Our initial disease target is ascites, a serious medical condition affecting about 100,000 Americans and many times more worldwide. Our therapeutic drug candidate BIV201 is based on a drug that is approved in about 40 countries to treat related complications of liver cirrhosis (part of the same disease pathway as ascites), but not yet available in the US. The active agent in BIV201, terlipressin, is a potent vasoconstrictor which is in use for various medical conditions around the world. The goal is for BIV201 to interrupt the ascites disease pathway, thereby halting the cycle of accelerating fluid generation in ascites patients.

Comparison of the three months ended September 30, 2018 to the three months ended September 30, 2017

Research and Development
Research and development expenses were $194,521 for the three months ended September 30, 2018, an increase of $152,667, compared to $41,854 for the three months ended September 30, 2017. In September 30, 2017, the Company began dosing patients with BIV201. During the three months ended September 30, 2018, the Company paid for ongoing Phase 2a clinical trial activities, results analysis and analytical research, and associated regulatory and clinical trial program planning.

Selling, General and Administrative
Selling, general and administrative expenses were $33,638 for the three months ended September 30, 2018, a reduction of $4,437, compared to $38,075 for the three months ended September 30, 2017. The decrease in selling, general and administrative expenses was primarily due to travel and conference expenses that took place in the during the three months ended September 30, 2017.

Professional Fees
Professional fees were $135,230 for the three months ended September 30, 2018, a reduction of $318,381 compared to $453,611 for the three months ended September 30, 2017. In 2017, the Company paid for professional fees related to financial and strategic advisory services with BioVie common stock.

Payroll Expenses
Payroll expenses were $70,693 for the three months ended September 30, 2018, a reduction of $655 compared to $71,348 for the three months ended June 30, 2017. The reduction in payroll expenses is mainly related to a reduction in amortization stock option compensation cost.

We have incurred $491,427 of operating expenses for the three months ended September 30, 2018 as compared to $662,232 for the three months ended September 30, 2017. The decrease in operating expenses for the three months period ended September 30, 2018 from the three months period ended September 30, 2017 primarily was due to the issuance of common stock in September 30, 2017 as compensation for profession services described above.

Capital Resources and Liquidity

As of September 30, 2018 the Company had an accumulated deficit of $5.2 million and as a development stage enterprise, the company expects substantial losses in future periods. The Company's future operations are dependent on the success of the Company's ongoing development and commercialization effort, as well as continuing to secure additional financing.

In July 2018 it completed a capital raise from Acuitas Group Holding, LLC ("Acuitas") and other purchasers and received net proceeds of $3 million and has resumed to further clinical development of BIV201. The Acuitas investment agreement also stipulated that if the clinical development of BIV201 continues, Acuitas may invest an additional $3 million to fund operations in year two, less any federal or FDA grant funding received by the Company.

We cannot assure you that our drug candidate will be developed, work, or receive regulatory approval; that we will ever earn revenues sufficient to support our operations or that we will ever be profitable. Furthermore, since we have no committed source of financing, we cannot assure you that we will be able to raise money as and when we need it to continue our operations. If we cannot raise funds as and when we need them, we may be required to severely curtail, or even to cease, our operations.

If we are unable to raise additional funds in the future, we will need to do one or more of the following:

- delay, scale-back or eliminate some or all of our research and product development programs;
- provide licenses to third parties to develop and commercialize products or technologies that we would otherwise seek to develop and commercialize ourselves;
- seek strategic alliances or business combinations;
- attempt to sell our company;
- cease operations; or
- declare bankruptcy.

As of September 30, 2018, the Company had cash on hand of $2,135,000 and believes we have sufficient funds to meet our operating and capital requirements for at least the next 12 months.

Management intends to attempt to secure additional required funding primarily through additional equity or debt financings. We may also seek to secure required funding through sales or out-licensing of intellectual property assets, seeking partnerships with other pharmaceutical companies or third parties to co-develop and fund research and development efforts, or similar transactions. However, there can be no assurance that we will be able to obtain required funding. If we are unsuccessful in securing funding from any of these sources, we will defer, reduce or eliminate certain planned expenditures in our research protocols. If we do not have sufficient funds to continue operations, we could be required to seek bankruptcy protection or other alternatives that could result in our stockholders losing some or all of their investment in us.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect or change on the Company's financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors. The term "off-balance sheet arrangement" generally means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with the Company is a party, under which the Company has (i) any obligation arising under a guarantee contract, derivative instrument or variable interest; or (ii) a retained or contingent interest in assets transferred to such entity or similar arrangement that serves as credit, liquidity or market risk support for such assets.

Critical Accounting Policies and Estimates

Basis of Presentation
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash
Cash is maintained at financial institutions and, at times, balances may exceed federally insured limits. The Company has never experienced any losses related to these balances.

Financial Instruments
The Company's financial instruments include cash, accounts payable, related party loans and a demand promissory note. The carrying amounts of cash and accounts payable approximate their fair value, due to the short-term nature of these items.

Long-Term Notes Payable
The Company's long-term notes payable include accrued payroll to officers and accrued payments to third party consultants.

Research and Development
Research and development costs are charged to operations when incurred and are included in operating expenses.

Income Taxes
Deferred income tax assets and liabilities arise from temporary differences associated with differences between the financial statements and tax basis of assets and liabilities, as measured by the enacted tax rates, which are expected to be in effect when these differences reverse. Deferred tax assets and liabilities are classified as current or non-current, depending on the classification of the assets or liabilities to which they relate. Deferred tax assets and liabilities not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse.

The Company follows the provisions of FASB ASC 740-10 " *Uncertainty in Income Taxes*" (ASC 740-10), January 1, 2007. The Company has not recognized a liability as a result of the implementation of ASC 740-10. A reconciliation of the beginning and ending amount of unrecognized tax benefits has not been provided since there are no unrecognized benefits at June 30, 2018 and since the date of adoption. The Company has not recognized interest expense or penalties as a result of the implementation of ASC 740-10. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Earnings (Loss) per Share
Basic earnings per share are computed by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share are computed by dividing net income by the weighted average number of shares of common stock outstanding and dilutive options outstanding during the year. For the three months ended September 30, 2018 and 2017 all outstanding options have been excluded from the calculation of the diluted net loss per share since their effect was anti-dilutive.

Stock-based Compensation

The Company has accounted for stock-based compensation under the provisions of FASB ASC 718 – "Stock Compensation" which requires the use of the fair-value based method to determine compensation for all arrangements under which employees and others receive shares of stock or equity instruments (stock options and common stock purchase warrants). For employee awards, the fair value of each stock option award is estimated on the date of grant using the Black-Scholes valuation model that uses assumptions for expected volatility, expected dividends, expected term, and the risk-free interest rate. For non-employees, the fair value of each stock option award is estimated on the measurement date using the Black-Scholes valuation model that uses assumptions for expected volatility, expected dividends, expected term, and the risk-free interest rate. For non-employees, the Company utilizes the graded vesting attribution method under which the entity treats each separately vesting portion (tranche) as a separate award and recognizes compensation cost for each tranche over its separate vesting schedule. Expected volatilities are based on historical volatility of peer companies and other factors estimated over the expected term of the stock options. For employee awards, the expected term of options granted is derived using the "simplified method" which computes expected term as the average of the sum of the vesting term plus the contract term. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the period of the expected term.

Goodwill

Goodwill is recorded when the purchase price paid for an acquisition exceeds the fair value of net identified tangible and intangible assets acquired. The Company performs an annual impairment test of goodwill and further periodic tests to the extent indicators of impairment develop between annual impairment tests. The Company's impairment review process compares the fair value of the reporting unit to its carrying value, including the goodwill related to the reporting unit. To determine the fair value of the reporting unit, the Company may use various approaches including an asset or cost approach, market approach or income approach or any combination thereof. These approaches may require the Company to make certain estimates and assumptions including future cash flows, revenue and expenses. These estimates and assumptions are reviewed each time the Company tests goodwill for impairment and are typically developed as part of the Company's routine business planning and forecasting process. While the Company believes its estimates and assumptions are reasonable, variations from those estimates could produce materially different results.

Impairment of Long-Lived Assets

Long-lived assets, including intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset.

If the carrying amount of an asset exceeds its undiscounted estimated future cash flows, an impairment review is performed. An impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Generally, fair value is determined using valuation techniques such as expected discounted cash flows or appraisals, as appropriate. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated or amortized. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

New Accounting Pronouncements

For a description of recent accounting standards, including the expected dates of adoption and estimated effects, if any, on our financial statements, see “Note 3: Significant Accounting Polices: Recent Accounting Standards” in Part II, Item 8 of this Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable

Item 4. Controls and Procedures

We maintain “disclosure controls and procedures, “ such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulate and communicated to our management, including our Chief Executive Office and Chief Financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our disclosure controls and procedures have been designed to meet reasonable assurance standards. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgement in evaluating the cost-benefit relationship of possible disclosure and procedures. The design of and disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based upon their evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q our Chief Executive Officer and Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level. officer, as appropriate, to allow timely decisions regarding required discourse.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15f and 15d-15(f) under the Exchange Act) that occurred during the first fiscal quarter ended September 30, 2018 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

To our knowledge, neither the Company nor any of our officers or directors is a party to any material legal proceeding or litigation and such persons know of no material legal proceeding or contemplated or threatened litigation. There are no judgments against us or our officers or directors. None of our officers or directors has been convicted of a felony or misdemeanor relating to securities or performance in corporate office.

Item 2. Unregistered sales of equity securities

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

None

Item 5. Other Information

None

Item 6. Exhibits

(a) Exhibit index

Exhibits

31.1	Certification of Chief Executive Officer (Principal Executive Officer) required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer (Principal Financial Officer) required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended.
32.1	Certifications of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certifications of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

BioVie, INC.

Signature	Titles	Date
/s/ Terren Peizer Terren Peizer	Chairman and Chief Executive Officer (Principal Executive Officer)	November 13, 2018
/s/ J.Wendy Kim J.Wendy Kim	Chief Financial Officer	November 13, 2018

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002
AND RULE 13-A14 OF THE EXCHANGE ACT OF 1934

CERTIFICATION

I, Terren Peizer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Biovie, 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 the 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.

Date: November 13, 2018

/s/ Terren S. Peizer

Terren S. Peizer
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002
AND RULE 13-A14 OF THE EXCHANGE ACT OF 1934

CERTIFICATION

I, J.Wendy Kim, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Biovie, 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 the 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.

Date: November 13, 2018

/s/ J.Wendy Kim

J.Wendy Kim
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S. C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Biovie, Inc., (the "Company") on Form 10-Q for the period ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Terren Peizer, Chief Executive Officer and Chairman of the Board of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that, to my knowledge:

(1)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.

Date: November 13, 2018

/s/ Terren S. Peizer

Terren S. Peizer
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S. C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Biovie, Inc., (the "Company") on Form 10-Q for the period ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J.Wendy Kim, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that, to my knowledge:

(1)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.

Date: November 13, 2018

/s/ J.Wendy Kim

J.Wendy Kim
Chief Financial Officer
(Principal Financial and Accounting Officer)