IntelGenx Technologies Corp.
Form 10QSB
November 16, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

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

For the Quarter Ended September 30, 2006

or

[ ] 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 000-31187

INTELGENX TECHNOLOGIES CORP.

(Exact name of small business issuer as specified in its charter)

Delaware	**87-0638336**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6425 Abrams, Ville Saint Laurent, Quebec H4S 1X9, Canada

(Address of principal executive offices)

(514) 331-7440

(Issuer's telephone number)

(Former Name, former Address, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

The number of shares outstanding of the issuer's common equity, as of the latest practicable date. (November 16, 2006

) Class A 16,007,489

Check whether the issuer is a shell company (as defined in Rule 12b-2 of the Exchange Act. Yes [ ] No [X]

Transitional Small Business Disclosure Format (Check one): Yes [ ] No [X]

IntelGenx Technologies Corp.
Form 10-QSB

TABLE OF CONTENTS

On August 10, 2006, pursuant to a vote by our shareholders, we changed our corporate name from Big Flash Corp. to IntelGenx Technologies Corp.

PART I

Item 1.

Financial Statements

The accompanying unaudited balance sheets of IntelGenx Technologies Corporation at September 30, 2006 and (audited) December 31, 2005, related unaudited statements of operations, stockholders' equity (deficit) and cash flows for the nine months ended September 30, 2006 and 2005 and statements of operations for the three month ended September 30, 2006 and 2005 have been prepared by management in conformity with accounting principles generally accepted in the United States. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the period ended September 30, 2006, are not necessarily indicative of the results that can be expected for the fiscal year ending December 31, 2006 or any other subsequent period.

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Consolidated Balance Sheet
(Expressed in U.S. Funds)

	September 30, 2006 (Unaudited)	December 31, 2005
Assets		
Current		
Cash	$ 468,826	$ 10,938
Accounts receivable	102,720	5,858
Income taxes recoverable	9,792	9,400
Prepaid expenses	103,592	3,186
Investment tax credits receivable	94,664	69,576
	779,594	98,958
Property and Equipment	163,592	100,176
	$ 943,186	$ 199,134
Liabilities		
Current		
Accounts payable and accrued liabilities	149,345	67,322
Current maturity of long-term debt	12,540	14,000
	161,885	81,322
Loan Payable, Shareholder	89,850	86,253
Long-Term Debt (note 5)	105,095	63,386
Shareholders' Equity (Deficiency)		
Capital Stock (note 6)	925,748	77
Additional Paid-in-Capital (note 7)	69,420	-
Accumulated Other Comprehensive Income	4,768	4,825
Accumulated Deficit	(413,580)	(36,729)
	586,356	(31,827)
	$ 943,186	$ 199,134

See accompanying notes

Approved on Behalf of the Board:

____________________________Director

____________________________Director

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Consolidated Statement of Shareholders' Equity
For the Period Ended September 30, 2006
(Expressed in U.S. Funds)
(Unaudited)

	Capital Stock		Additional Paid-In	Accumulated Other Comprehensive	Accumulated	**Total Shareholders'**
	Number	Amount	Capital	Income	Deficit	**Equity**
Balance - December 31, 2005	10,000	$ 77	$ -	$ 4,825	$ (36,729)	**$ (31,827)**
March 9, 2006 - recall and cancellation of issued shares	(10,000)	(77)	-	-	-	**(77)**
March 9, 2006 - issue of common shares	10,991,000	77	-	-	-	**77**
April 28, 2006 - issue of common shares	3,191,489	792,421	-	-		**792,421**
April 28, 2006 - asset acquired (note 1)	1,825,000	133,250	-	-	-	**133,250**
Foreign currency translation adjustment for the period	-	-	-	(57)	-	**(57)**
Warrants issued	-	-	19,420	-	-	**19,420**
Stock options issued	-	-	50,000		-	**50,000**
Net loss for the period	-	-	-	-	(376,851)	**(376,851)**
Balance - September 30, 2006	16,007,489	$ 925,748	$ 69,420	$ 4,768	$ (413,580)	**$ 586,356**

See accompanying notes

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Consolidated Statement of Shareholders' Equity
For the Period Ended September 30, 2005
(Expressed in U.S. Funds)
(Unaudited)

Accumulated

Accumulated

Retained Earnings

Other

during the

Total

Capital Stock

Comprehensive

Development

Shareholders'

Number

Amount

Income

Stage

Equity

Balance - December 31, 2004

10,000

$

77

$

6,493

$

88,791

$

95,361

Foreign currency translation adjustment for the period

-

-

2,289

-

2,289

Net loss for the period

-

-

-

(73,120)

(73,120)Balance - September 30, 2005

10,000

$

77

$

8,782

$

15,671

$

24,530

See accompanying notes

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Consolidated Statement of Operations and Comprehensive Loss
(Expressed in U.S. Funds)
(Unaudited)

	Three-Month Period ended September 30		Nine-Month Period ended September 30	
	2006	2005	**2006**	2005
Revenue	**$ 17,298**	$ -	**$ 205,984**	$-
Expenses				
Research and development	**128,937**	5,180	**368,638**	40,351
Administrative salaries	**80,100**	849	**110,254**	16,809
Travel	**5,841**	(56)	**16,706**	436
Advertising and promotion	**1,460**	253	**3,342**	253
Telecommunications	**1,968**	542	**5,268**	1,831
Professional fees	**14,180**	46	**20,824**	1,422
Office and general	**4,535**	501	**12,561**	4,135
Taxes and insurance	**1,048**	840	**2,397**	2,224
Rent	**6,804**	6,197	**20,961**	17,388
Interest and bank charges	**254**	198	**926**	1,667
Interest and financing fees on long-term debt and loan payable, shareholder	**4,173**	2,096	**31,378**	4,202
Amortization-laboratory and office equipment	**5,748**	5,429	**20,539**	14,656
Amortization - leasehold improvements	**2,815**	1,105	**5,126**	2,984
Amortization - computer equipment	**776**	351	**1,239**	949
Foreign exchange	**55**	(377)	**897**	(313)
Investor relations services	**33,312**	-	**33,312**	-
Research and development tax credits	**(25,434)**	(1,305)	**(71,533)**	(25,867)
	266,572	21,849	**582,835**	83,127
Loss Before Income Taxes	**(249,274)**	(21,849)	**(376,851)**	(83,127)
Income taxes - current		**-**	-	(10,007)
Net Loss	**(249,274)**	(21,849)	**(376,851)**	(73,120)
Other Comprehensive Income (Loss)				
Foreign currency translation adjustment	**(358)**	4,154	**(57)**	2,289
Comprehensive Loss	**$(248,916)**	$(17,695)	$**(376,794)**	$(70,831)
Basic Weighted Average Number of Shares Outstanding	**16,007,489**	10,991,000	**13,777,938**	10,991,000
Basic and Diluted Loss Per Common Share	**(0.02)**	-	**(0.03)**	-

(note 9)
See accompanying notes

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Statement of Cash Flows
(Expressed in U.S. Funds)
(Unaudited)

	Nine-Month Period ended September 30	
	2006	2005
Funds Provided (Used) -		
Operating Activities		
Net loss	**$ (376,851)**	$ (73,120)

Amortization	**26,904**	18,589
Investor relations services	**33,312**	-
Financing fee paid in warrants	**19,420**	-
Share-based compensation	**50,000**	-
	(247,215)	(54,531)
Changes in non-cash operating elements of working capital	**(39,954)**	(11,235)

	(287,169)	(65,766)
Financing Activities		
Bank indebtedness	**-**	26,787
Increase in long-term debt	**53,754**	-
Repayment of long term debt	**(16,724)**	-
Loan payable, shareholder	**-**	33,968
Issue of capital stock (note 6)	**1,341,750**	-
Transaction costs (note 6)		

(549,329)

-

829,451

60,755

Investing Activities

Additions to property and equipment

(86,155) (1,266)**Increase (Decrease) in Cash**

456,127

(6,277)**Effect of Foreign Exchange on Cash Balance**

1,761

(204)

Cash

Beginning of Period

		10,938
		6,481
End of Period		
		$
		468,826
	$	-

See accompanying notes

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Notes to Consolidated Interim Financial Statements
September 30, 2006
(Expressed in U.S. Funds)
(Unaudited)

1.

Basis of Presentation and Reorganization of the Corporation

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with U.S. generally accepted accounting principles for interim financial information and item 310(b) of Regulation S-B and are prepared using the same accounting policies as outlined in note 3 of IntelGenx Corp. financial statements for the year ended December 31, 2005 and 2004 except for those discussed in note 4 below. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2006 are not necessarily indicative of the results that may be expected for the year ended December 31, 2006. The unaudited financial statements should be read in conjunction with the financial statements and notes thereto included in the IntelGenx Corp. audited financial statements for the years ended December 31, 2005 and 2004.

Reorganization of the Corporation

On April 28, 2006, IntelGenx Corp. entered into a share exchange agreement with IntelGenx Technologies Corp. (formerly Big Flash Corporation), an inactive public shell company, for the acquisition by IntelGenx Technologies Corp. of all the issued and outstanding shares of IntelGenx Corp.

Under accounting principles generally accepted in the United States, the share exchange is considered to be a capital transaction in substance, rather than a business combination. That is, the share exchange is equivalent to the issuance of stock by IntelGenx Corp. for the net monetary assets of IntelGenx Technologies Corp. accompanied by a recapitalization, and is accounted for as a change in capital structure. Accordingly, the accounting for the share exchange is identical to that resulting from a reverse acquisition, except no goodwill is recorded. Under reverse takeover accounting, the post reverse acquisition comparative historical financial statements of the legal acquirer, IntelGenx Technologies Corp., are those of the legal acquiree, IntelGenx Corp., which is considered to be the accounting acquirer. All of the IntelGenx Corp. shares, through a series of exchanges, were exchanged for shares of IntelGenx Technologies Corp. common shares and/or exchangeable shares of 6544361 Canada Inc. a wholly-owned subsidiary of IntelGenx Technologies Corp. The exchangeable shares are exchangeable for common shares of IntelGenx Technologies Corp. on a one for one basis. Until such time as the holders of the exchangeable shares wish to exchange their shares for IntelGenx Technologies Corp. shares, the IntelGenx Technologies Corp. shares are held in trust by a trustee on behalf of the exchangeable shareholders. The trustee shall be entitled to the voting rights in IntelGenx Technologies Corp. stated in the terms of the exchange and voting agreement and shall exercise these voting rights according to the instructions of the holders of the exchangeable shares on a basis of one vote for every exchangeable share held. These financial statements reflect the accounts of the balance sheets, the results of operations and the cash flows of IntelGenx Corp. at their carrying amounts, since it is deemed to be the accounting acquirer.

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Notes to Consolidated Interim Financial Statements
September 30, 2006
(Expressed in U.S. Funds)
(Unaudited)

1.

Basis of Presentation and Reorganization of the Corporation (Cont'd)

The results of operations, the cash flows and the assets and liabilities of IntelGenx Technologies Corp. have been included in these consolidated financial statements since April 28, 2006, the acquisition date. Amounts reported for the periods prior to April 28, 2006 are those of IntelGenx Corp.

The fair value assigned to the asset of IntelGenx Technologies Corp. acquired on April 28, 2006 is as follows:

Asset	
Prepaid investor relations services	**$ 133,250**
Asset Acquired	**$ 133,250**

As part of the transaction, a shareholder of IntelGenx Technologies Corp. forgave the due to shareholder and related interest payable amounting to $23,160 and IntelGenx Technologies Corp. issued 325,000 common shares in consideration of investor relations services to be rendered.

2.

Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The Company has reported a net loss of $413,580 from inception (June 15, 2003) to September 30, 2006. The Company has reported deficient cash flows from operating activities of $428,981 from inception (June 15, 2003) to September 30, 2006. To date, these losses and cash flow deficiencies have been financed principally through long-term debt, debt from related parties and common shares issuance. Additional capital and/or borrowings will be necessary in order for the Company to continue in existence until attaining and sustaining profitable operations.

Management has continued to develop a strategic plan to develop a management team, maintain reporting compliance and establish contracts with pharmaceutical companies. Management anticipates generating revenue through development contracts during the year. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

3.

Nature of Business

The Company specializes in the development of pharmaceutical products in co-operation with various pharmaceutical companies. Prior to March 31, 2006, the Company was in the development stage and its efforts were focused on establishing contracts with pharmaceutical companies and the development of

pharmaceutical products. The Company completed the development stage of its operations when the Company commenced consistently generating revenues from its operations in April 2006.

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Notes to Consolidated Interim Financial Statements
September 30, 2006
(Expressed in U.S. Funds)

4.

Significant Accounting Policies

Share-Based Payments

The Company accounts for share-based payments in accordance with the provisions of FAS 123R "Share-based payments (Revised)" and accordingly recognizes in its financial statements share-based payments at their fair value. In addition, it will recognize in the financial statements an expense based on the grant date fair value of stock options granted to employees. The expense will be recognized on a straight-line basis over the vesting period and the offsetting credit will be recorded in additional paid-in capital. Upon exercise of options, the consideration paid together with the amount previously recorded as additional paid-in capital will be recognized as capital stock. When options are forfeited because the service requirements are not met, any expense previously recorded is reversed in the period of forfeiture. The Company uses the Black-Scholes-Merton option pricing model to determine the fair value of the options.

5.

Long-Term Debt

During the nine-month period ended September 30, 2006, the Company obtained an additional loan from Business Development Bank of Canada, of $53,754 bearing interest at the lender's prime rate plus 1.5% per annum, maturing in 2011 and payable in annual instalments of $8,550.

6.

Capital Stock

	September 30, 2006	December 31 2005
Authorized without limit as to number and without par value - common shares		
Issued - 16,007,489 (2005 - 10,000) common shares	**$ 925,748**	**$ 77**

On March 9, 2006, the Company recalled and cancelled its 10,000 issued and outstanding common shares and issued in exchange 10,991,000 common shares.

On April 28, 2006 IntelGenx Corp. issued 3,191,489 common shares for cash consideration of $1,341,750. The transaction costs related to the share issuance amounted to $549,329.

On the same date, IntelGenx Corp. completed a share exchange transaction with IntelGenx Technologies Corp. in which it acquired an asset of $133,250.

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Notes to Consolidated Interim Financial Statements
September 30, 2006
(Expressed in U.S. Funds)

7.

Additional Paid-In Capital

Warrants

During the nine-month period ended September 30, 2006, IntelGenx Technologies Corp. issued 100,000 stock purchase warrants exercisable into common shares at $0.41 per share which expire on April 28, 2008. The stock purchase warrants were issued in payment of a financing fee. The stock purchase warrants were accounted for at their fair value, as determined by the Black-Scholes-Merton valuation model, of $19,420, using the following assumptions:

Expected volatility	85%
Expected life	2 years
Risk-free interest rate	3.91%
Dividend yield	Nil

As at September 30, 2006, no stock purchase warrants were exercised.

Stock options

On September 26, 2006, for the first time, the Company granted 225,000 stock options to certain of its directors to purchase common shares. The stock options are immediately exercisable at $0.41 per share and expire in five years. The Company is currently developing a stock option plan under which future grants would be made.

As a result of the grant, the Company recorded a compensation expense of $50,000 in the three month period ended September 30, 2006.

The stock options were accounted for at their fair value, as determined by the Black-Scholes valuation model, of $50,000, using the following assumptions:

	2006
Expected volatility	88%
Expected life	2.5 years
Risk-free interest rate	4.78%
Dividend yield	Nil
Fair value of options at grant date	$ 0.22

As at September 30, 2006, no stock options were exercised.

IntelGenx Technologies Corp.
(Formerly Big Flash Corporation)

Notes to Consolidated Interim Financial Statements
September 30, 2006
(Expressed in U.S. Funds)

8.

Related Party Transactions

During the nine-month period ending September 30, 2006, the Company incurred expenses of approximately $13,602 (2005 - $8,596) for laboratory equipment leased from a shareholder and $4,305 (2005 - $3,849) for interest on the loan payable shareholder.

The Company has entered into employment contracts with certain executives. For the nine months ended September 30, 2006, the research and development expense and the administrative salaries expense include $108,000 and $56,000 respectively paid to executives.

The transaction costs (see note 6) include approximately $95,000 paid to a company controlled by an executive.

Included in accounts payable and accrued liabilities is approximately $26,000 (2005 - $43,000) payable to shareholders.

The above related party transactions have been measured at the exchange amount which is the amount of the consideration established and agreed to by the related parties.

9.

Loss Per Share

Basic loss per share is calculated based on the weighted average number of shares outstanding during the period. The warrants and stock options have been excluded from the calculation of diluted loss per share since they are anti-dilutive.

10. Subsequent Events

On October 13, 2006, pursuant to the registration statement of September 15, 2006, IntelGenx Corp. filed an amended registration statement to allow certain stockholders to resell up to an aggregate of 5,116,489 common shares for estimated proceeds of up to $3,070,000.

Item 2: MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with the financial statements for the three and nine month periods ended September 30, 2006 and notes thereto appearing elsewhere in this Form 10-QSB. On August 10, 2006, pursuant to a vote by our shareholders, we changed our corporate name from Big Flash Corp. to IntelGenx Technologies Corp. Unless otherwise indicated or the context otherwise requires, the "Company" we," "us," and "our" and "Intelgenx" refer to IntelGenx Technologies Corp. and its subsidiaries including IntelGenx Corp.
IntelGenx Corp. is reporting its financial results in U.S. dollar, therefore in this MD&A, unless otherwise noted, all dollar amounts are expressed in U.S. dollars.

Overview

Company Background

IntelGenx is a drug delivery company established in 2003 and headquartered in Montreal, Quebec, Canada, which focuses on the development of novel oral immediate-release and controlled-release products for the generic pharmaceutical market. IntelGenx's business strategy is to develop pharmaceutical products based on its proprietary drug delivery technologies and then license commercial rights for such products to pharmaceutical partners once the viability of a product has been demonstrated. We expect a partner company will, in some cases, fund development of the licensed products, complete the Food and Drug Administration ("FDA") regulatory approval process relating to the licensed products, and assume responsibility for marketing and distributing such products.

In addition, the Company anticipates that it may undertake full development of certain products without seeking a partner until the product reaches the marketing and distribution stage. The Company will assess the potential for successful development of a product and associated costs, and then determine at which stage it is most prudent to seek a partner, balancing such costs against the potential for additional returns earned by partnering later in the development process.

The Company has also undertaken a strategy under which it will work with pharmaceutical companies in order to develop new dosage forms in addition to already existing ones for pharmaceutical products for which patent protection is about to expire. Under §(505)(b)(2) of the Food, Drug & Cosmetics Act, FDA will grant a market exclusivity of up to three years for such a new dosage form. The Company anticipates significant returns from successfully obtaining market exclusivity in this manner.

The Company is currently continuing to develop the existing products in its pipeline and may also perform research and development on other potential products as the opportunities present themselves. The Company does not currently plan to acquire a manufacturing facility. The Company currently purchases and or leases, on an as-needed basis, the equipment necessary for performing research and development activities related to its products.

The Company will hire new personnel, primarily in the area of research and development, on an as-needed basis as the Company enters into partnership agreements and increases its research and development activities.

Recent Developments

On April 28, 2006, the Company entered into a Share Exchange Agreement, whereby the Company, (through its wholly-owned subsidiary 6544361 Canada, Inc., a Canadian company) acquired 100% of the issued and outstanding common stock and warrants of IntelGenx Corp., a Canadian corporation . Pursuant to the Share Exchange Agreement, and several separate related agreements, the Company issued, as consideration for the IntelGenx Corp. common stock, 14,507,489 shares of the Company s common stock to various shareholders of IntelGenx Corp., along with 100,000 common stock purchase warrants to an IntelGenx Corp. shareholder. The warrants granted are exercisable at $0.41 per share of common stock, and expire on April 28, 2008. Upon completion of the acquisition, the total shares of common stock issued by the Company pertaining to the acquisition of IntelGenx Corp. constituted 68.7% of the 16,007,489 shares of common stock of the Company then outstanding. Following the completion of the acquisition, IntelGenx Corp. continued its operations as a controlled subsidiary of the Company.

Since we did not have any substantial assets or operations during the two fiscal years prior to the IntelGenx Corp. Acquisition, IntelGenx Corp. is deemed to be the accounting acquirer of IntelGenx Technologies Corp. and the discussion of operations below relate to the operations of IntelGenx Corp.

Results of Operations nine months period ended September 30, 2006 compared to the nine months period ended September 30, 2005.

	2006	2005	Increase/ (Decrease)	Percentage Change
Revenue	$ 205,984	$ 0	$ 205,984	%
Research and development	368,638	40,351	382,287	814%
General and Administrative	192,313	44,498	147,815	332%
Interest and financing fees	32,304	5,869	26,435	450%
Net income (loss)	(376,851)	(73,120)	303,731	415%

Revenue

Our revenues from R&D services provided are $205,984 for the first three quarters of 2006, compared to $0 for the same period in 2005. Management believes that we may begin to realize increased sales revenues in 2007 resulting from the commercialization of our pre-natal vitamin supplement. Upon commercialization, we would receive royalty revenue on product sales. Our prenatal vitamin supplement is presently at the scale up manufacturing stage and we expect that it will be ready to enter the commercialization phase in the second half of 2007. We also expect increased revenue from additional research and development service contracts for which we are presently in discussions with potential clients. If we are successful in signing on potential clients, we could receive some upfront fees and research and development fees during 2007.

Research and development

Costs related to research and development increased from $40,351 in the nine month period ended September 30,2005 to $368,638 for the same period in 2006, which reflects the commencement of some projects with certain partners started in 2005 and 2006. Management believes that with funding provided by the private placement of common stock (See "Business Recent Developments"), research and development expenses will increase significantly during the remainder of 2006 and into 2007.

General and Administrative

General administrative expenses increased by $147,815 (332%) from $44,498 for the nine month period ended September 30, 2005 to $192,313 for the nine month period ended September 30, 2006. Included in the amount are $50,000 for the issuance of options granted to three non-employee board members as non cash compensation. The additional increase is attributed to an increase in corporate operations. Management expects General and Administrative expenses from operation to remain at this level for the reminder of the year.

Interest Expenses

We incurred interest and financing fee expenses of $32,304 in the nine month period ended September 30, 2006 compared to $5,869 for the same period in 2005. Included in the interest expense for the first nine month of 2006 are $19,420 representing the value of 100,000 warrants issued as a non-cash financing fee payment for a bridge loan. Since the loan was received and repaid in the first nine month of this year and the warrants are a one time expense, Management expects the interest expense to be significantly lower for the rest of 2006.

Net Loss

We recorded a net loss of $378,312 in the nine month period ended September 30, 2006 compared to a net loss of $73,120 for the same period in 2005. Management believes that we will continue to operate at a net loss until such time as we can complete our business development efforts and begin to realize increased sales revenues by early 2007.

Income tax Losses

We have approximately $100,000 of Canadian and provincial income tax losses as of December 31, 2005, which may be carried forward and offset against taxable income in future years. The use of these losses to reduce future income taxes will depend on the generation of sufficient taxable income prior to the expiration of the carryforwards after the year 2015. In the event of certain changes in control, there will be an annual limitation on the amount of the income tax losses carryforwards which can be used. No tax benefit regarding these losses has been reported in the financial statements for the year ended December 31, 2005 nor for the nine month ended September 30, 2006 because management believes there is a 50% or greater chance that the carryforward will not be used. Accordingly, the potential tax benefit of the loss carryforward is offset by a valuation allowance of the same amount.

Prepaid Expenses

At September 30, 2006 our Balance Sheet shows prepaid expenses of $103,592 compared to $3,186 for the same period in 2005. The increase is due to the issuance of 325,000 shares in consideration of investor relations services to be rendered. $33,312 of the total amount of the investor relations contract was expensed in the last quarter of the reporting period.

Liquidity and Capital Resources

At September 30, 2006, we had cash on hand of $468,826. We also had accounts receivable of $102,720, $85,854 of the amount is the expected sales tax refund, receivable in the first quarter of 2007. We also had income taxes recoverable of $9,794 and estimated investment tax credits receivable of $94,664.

At September 30, 2006, we had accounts payable and accrued liabilities of $161,885. Of these liabilities, approximately $26,000 was payable to shareholders and $105,987 was due for legal and accounting expenses in connection with the transaction in April 28, 2006. Our current portion of the long term debt was $12,540.

At September 30, 2006, we had an operating line of credit in place with a maximum of $45,000 of which $0 was borrowed.

Management believes that our cash supply and expected tax refunds will be sufficient to satisfy our cash requirements for the next eight to ten months, even in the unlikely event, that no additional revenue would be received in the next months.

At September 30, 2006, we had total assets of $943,186 and shareholders equity of $586,356.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Forward-Looking and Cautionary Statements

This report contains certain forward-looking statements that involve risks and uncertainties relating to, among other things, our future financial performance or future events. Forward-looking statements give management s current expectations, plans, objectives, assumptions or forecasts of future events. All statements other than statements of current or historical fact contained in this Form 10QSB, including statements regarding our future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "estimate," "plans," "potential," "projects," "ongoing," "expects," "management believes," "we believe," "we intend," and similar expressions. These statements involve known and unknown risks, estimates, assumptions and uncertainties that could cause actual results to differ materially from the results set forth in this Form 10-QSB. You should not place undue reliance on these forward-looking statements. You should be aware that our actual results could differ materially from those contained in the forward-looking statements due to a number of factors such as: continued development of our technology;

lack of product revenues

successful completion of clinical trials and obtaining regulatory approval to market

ability to protect our intellectual property

dependence on collaborative partners

ability to generate positive cash flow

ability to raise additional capital if and when

necessary dependence on key personnel;

competitive factors;

the operation of our business; and

general economic conditions.

These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward looking statements These forward-looking statements speak only as of the date on which they are made, and except to the extent required by federal securities laws, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Item 3. Controls and Procedures.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934. Based upon that evaluation, our chief executive officer and principal financial officer concluded that our disclosure controls and procedures are effective to cause the material information required to be disclosed by us in the reports that we file or submit under the Exchange Act to be recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. There have been no significant changes in our internal controls or in other factors which could significantly affect internal controls subsequent to the date we carried out our evaluation.

PART II

Item 1. Legal Proceedings

There are no material pending legal proceedings to which we are a party or to which any of our property is subject and to the best of our knowledge, no such actions against us are contemplated or threatened.

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

In connection with our acquisition of IntelGenx, we issued the following unregistered shares of our common stock:

3,191,489 shares of our common stock issued to 34 shareholders of IntelGenx in exchange for 3,191,489 IntelGenx common stock;

325,000 shares of our common stock issued as a non-refundable retainer, and in full payment of investor relations services to be rendered by Mr. Patrick J. Caruso pursuant to an agreement entered into between us and Mr. Caruso, and

100,000 shares of common stock issuable upon the exercise of purchase warrants issued to Mr. Caruso in exchange for 100,000 common stock purchase warrants of IntelGenx.

We also acquired, through Exchangeco, 10,991,000 shares of IntelGenx, held by its principal shareholders pursuant to a share exchange agreement dated April 10, 2006, in exchange for 10,991,000 Class A special shares of Exchangeco. The Exchangeco special shares are convertible into shares of our common stock on a one for one basis.

Item 3. Defaults Upon Senior Securities

This Item is not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

We held our annual meeting of shareholders on August 10, 2006.

At the meeting each of our directors was unanimously approved by the shareholders. In addition, the following matters were unanimously approved by the shareholder:

The shareholders approved the change of the company name from Big Flash Corp. to IntelGenx Technologies Corp. The appointment of RSM Richter as independent accountants for 2006 and 2007 was approved by the shareholders.

The Terms of the IntelGenx 2006 Stock Option Plan were approved by the shareholders.

Item 5. Other Information

This Item is not applicable.

Item 6. Exhibits

(a) Exhibits:

Exhibit 31.1
Certification of C.E.O. Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.2
Certification of Principal Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.1
Certification of C.E.O. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.2
Certification of Principal Accounting Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTELGENX TECHNOLOGIES CORPORATION

Date: November 14, 2006 By: /S/Horst Zerbe

Horst Zerbe
President, C.E.O. and
Director

Date: November 14, 2006 By: /S/ Joel Cohen

Joel Cohen
Chief Financial
Officer and
Director