BIOMARK DIAGNOSTICS INC.

Form 51-102F1
Management's Discussion & Analysis
Quarterly Report
For the Quarter Ended December 31, 2024

About This Management's Discussion & Analysis

All references in this management's discussion and analysis, or MD&A, to "the Company", "BioMark", "we", "us" or "our" refer to BioMark Diagnostics Inc. and the subsidiaries through which it conducts its business, unless otherwise indicated or the context requires otherwise.

This management's discussion and analysis ("MD&A") should be read together with the unaudited consolidated interim financial statements for the nine months ended December 31, 2024, and our annual audited consolidated financial statements and accompanying notes for the year ended March 31, 2024, which have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, or IASB. Our IFRS accounting policies are set out in Note 3 of our annual audited consolidated financial statements for the year ended March 31, 2024. All amounts are stated in Canadian dollars unless otherwise indicated.

Readers should note that the Company will need to raise additional working capital through the sale of common shares, the issuance of debt or by entering into license or collaboration agreements to fund its operation, clinical research and commercialization activities. As disclosed in the financial statements, these factors indicate the existence of material uncertainty that may raise significant doubt about the Company's ability to continue as a going concern.

Cautionary Statement About Forward-Looking Statements

This MD&A includes forward-looking statements within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature are forward-looking, and the words such as "anticipate", "believe", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should", "leading", "intend", "contemplate", "shall" and other similar expressions are generally intended to identify forward-looking statements. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to:

- our expected future loss and accumulated deficit levels
- our projected financial position and estimated cash burn rate
- our expectations about the timing of achieving milestones and the cost of our development programs
- our requirements for, and the ability to obtain, future funding on favorable terms or at all
- our projections for the development of the technology platform and progress of each of technologies, particularly with respect to the timely and successful completion of studies and trials and availability of results from such studies and trials

- our expectations regarding the progress, and the successful and timely completion, of the various stages of the regulatory approval process
- our ability to secure strategic partnerships with larger pharmaceutical and biotechnology companies
- our expectations regarding the acceptance of our technologies by the market
- our inability to accelerate developments due to external shocks such as pandemics or supply chain limitations
- our ability to retain and access appropriate staff, management, and expert advisers
- our expectations with respect to existing and future corporate alliances and licensing transactions with third parties, and the receipt and timing of any payments to be made by us or to us in respect of such arrangements; and
- our strategy with respect to the protection of our intellectual property.

All forward-looking statements reflect our beliefs and assumptions based on information available at the time the assumption was made. These forward-looking statements are not based on historical facts but rather on management's expectations regarding future activities, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities.

By its nature, forward-looking information involves numerous assumptions, inherent risks, and uncertainties, both general and specific, known and unknown, that contribute to the possibility that the predictions, forecasts, projections or other forward-looking statements will not occur. In evaluating forward-looking statements, readers should specifically consider various factors, including the risks outlined under the heading "Risk Factors" in this MD&A. Some of these risks and assumptions include, among others:

- substantial fluctuation of losses from quarter to quarter and year to year due to numerous external risk factors, and anticipation that we will continue to incur significant losses in the future
- uncertainty as to our ability to raise additional funding to support operations
- our ability to commercialize our technologies without additional funding
- the risks associated with the development of technologies which are at clinical trial and at pre-clinical study stage
- reliance on the third parties to plan, conduct and monitor our clinical trials and pre-clinical studies
- our technologies may fail to demonstrate efficacy to the satisfaction of regulatory authorities or may not otherwise produce positive results
- risks related to filing applications to commence clinical trials and to continue clinical trials, if approved
- the risks of delays and inability to complete clinical trials due to difficulties enrolling patients
- risks related to obtain approval from regulatory authority to commercialization of technologies
- competitions from other biotechnology and pharmaceutical companies
- our reliance on the capabilities and experience of our key executives and scientists and the resulting loss of any those individuals

- our ability to adequately protect our intellectual property and trade secrets
- our ability to source and maintain licenses from third-party owners; and
- the risk of patent-related litigation,
- all as more fully described under the heading “Risk Factors” in this MD&A

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guaranteeing of future performance and actual results, or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Any forward-looking statements represent our estimates only as of the date of this MD&A and should not be relied upon as representing our estimates as of any subsequent date. We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or reflect the occurrence of unanticipated events, except as may be required by securities legislation.

1.1 Date of Report: February 28, 2025

1.2 Overall Performance

BioMark Diagnostics Inc. was incorporated under the Business Corporation Act of British Columbia on June 19, 2014. The head office of the Company is located at 130 – 3851 Shell Rd, Richmond, British Columbia, V6X 2W2.

BioMark is a Canadian-based company developing its advanced-stage cancer diagnostic business. BioMark’s cancer diagnostics technology platform leverages "Omics" and machine learning with a focus on cancers that are hard to detect and treat. BioMark Diagnostics is currently focused on bringing its blood-based cancer diagnostic solution to commercialization standards starting with its early lung cancer assay. The Company is currently listed for trading on the Canadian Securities Exchange under the symbol “BUX”, OTC Market under the symbol “BMKDF” and Frankfurt Stock Exchange under the symbol “20B”.

For more information, please visit the company’s website at www.biomarkdiagnostics.com

Announcements and Highlights during the quarter:

- Political tensions with the new US administration and the imposition of tariffs. Tariffs can have a complex and potentially significant impact on Canadian businesses, particularly small diagnostics companies like BioMark. Here's a breakdown of the key areas of concern:

    - Increased Costs: Tariffs on imported goods increase the cost of raw materials, components, and finished products. This can lead to higher prices for consumers and businesses. For a diagnostics company, this could mean increased costs for laboratory equipment, reagents, and other essential supplies.
    - Supply Chain Disruptions: Tariffs can disrupt established supply chains, leading to delays and shortages.
    - Trade Uncertainty: Tariffs can create uncertainty in the marketplace, making it difficult for businesses to plan and invest. This uncertainty can discourage investment and hinder economic growth.
    - Increased Operating Costs: Small companies often have limited resources and may struggle to absorb increased costs. This could impact BioMark's ability to invest in research and development, which is crucial for innovation in the diagnostics industry.

- BioMark acknowledges the current challenging economic climate, particularly for small-cap companies. Investor caution and a skilled labor shortage in bioinformatics are impacting the industry. Financing timelines are extended, making fundraising difficult especially for small cap diagnostic companies.

- In October 2024, a provisional patent was filed to protect new markers and algorithms before the related breast cancer screening paper was published in International Journal For Molecular Science (IJMS)

- BioMark remains committed to commercializing its early lung cancer liquid biopsy franchise and advancing its expansion strategy and to acknowledge the Lung Cancer Awareness Month the Company created a supporting video that can be found at https://www.youtube.com/watch?v=LI1THMD9RYs. The Company has several papers lined up for publication that will demonstrate the robustness of our technology platform in early detection and in addition how leveraging AI/ML can improve the diagnostic accuracy of the assay.

- The Company successfully completed the quarter filing. Unaudited Financial Statements and MD&A were filed in SEDAR and the Canadian Securities Exchange on November 29th, 2024, as required by regulators.

- On December 10, 2024, BioMark announced a groundbreaking study titled "A groundbreaking study published in the International Journal of Molecular Sciences (IJMS) Special Edition demonstrates the potential of BioMark's blood-based assay to accurately predict estrogen receptor (ER) status in breast cancer patients. The study demonstrates the potential of BioMark's blood-based assay to accurately predict estrogen receptor (ER)

status in breast cancer patients. This non-invasive test, leveraging metabolomics and machine learning, holds promise to revolutionize breast cancer diagnosis and treatment.

- BioMark continues its commitment to innovation by presenting new findings at the 47th San Antonio Breast Cancer Symposium (SABCS). On December 11th, 2024, Dr. Jean-François Haince, General Manager and CSO, shared data highlighting how plasma metabolomics can be applied to lobular breast cancer biomarker discovery during the poster session. These insights emphasize the power of machine learning techniques in analyzing complex metabolomic data and identifying significant biomarkers that can differentiate between different subtypes of breast cancer, specifically lobular breast cancer and ductal carcinoma.

- Arthur G. James Comprehensive Cancer Center (Ohio State University) led by Dr. Rolfo and BioMark are collaborating to submit a NIH R01 grant application that focuses on early lung cancer detection using a multi-omics approach. A dedicated team has been set to commence the submission process which is due by mid February 2025.

- The Company successfully held its Annual General Meeting on December 27th, 2024, at 9:00 am (Vancouver Time) from its head office in Richmond, BC. All the motions were passed.

- BioMark is actively pursuing non-dilutive funding through Eureka programs and partnerships with government agencies, including a large European lung cancer screening study. The company is seeking to enhance early-stage lung cancer detection and improve patient outcomes by developing and validating innovative biomarker-based diagnostic tests for the so-called low-risk population which includes young person as well as non-smokers. The study is one of the largest lung cancer screening studies ever undertaken in European countries.

- The company continues focusing on Artificial Intelligence (AI) and building a strong AI infrastructure through strategic collaborations. Most of its assay results will be enriched using AI and ML capabilities.

- BioMark continues to entertain discussions with various financial institutions, individuals, and government agencies to secure non-dilutive funding, favourable loans, and equity investments to accelerate the commercialization of its early lung cancer liquid biopsy franchise, to advance its expansion strategy in the USA and internationally as well as for general corporate purposes.

Risk Factors and Uncertainty

Commercialization and Revenue Generation

BioMark is focused on the commercial introduction of its advanced diagnostic assays, beginning with its early lung cancer assay in Quebec and expanding to other jurisdictions. While strategic partnerships have been established to navigate regulatory landscapes, optimize lab infrastructure, and accelerate clinical validation, the generation of future sales revenue is not guaranteed. Delays in commercialization could significantly impact the timing and realization of revenue streams.

Clinical and Regulatory Risks

The Company's success is contingent upon positive outcomes from ongoing clinical research and regulatory submissions. Negative clinical trial results, regulatory denials, or delays could adversely affect sales and product commercialization plans.

Competitive Landscape

The diagnostic industry is characterized by rapid innovation and intense competition. Existing and emerging market entrants with substantial financial resources, coupled with advancements in genomics, epigenetics, exosomes, and liquid biopsy technologies, pose significant competitive challenges. These factors could negatively impact BioMark's ability to successfully commercialize its products.

Key Personnel

BioMark's success is heavily reliant on the contributions of its key personnel. The loss of any key individual could have a material adverse effect on the Company. Furthermore, there is no assurance that BioMark will be able to attract and retain the necessary talent to support its growth.

Financial Risks and Capital Requirements

Management is actively pursuing additional equity and debt financing, non-dilutive funding, and cost control measures to maintain adequate working capital. However, there is no guarantee of success in these efforts. Failure to secure additional financing on reasonable terms could necessitate curtailment or reduction of operations, potentially impacting the Company's ability to continue as a going concern.

Limited Working Capital

The Company's limited working capital may restrict its ability to capitalize on strategic opportunities and reinvest in product development in a timely manner.

1.3 Discussion of Operations

The following information is a summary of the three months and nine months ended December 31, 2024, as compared to the three months and nine months ended December 31, 2023. The information is presented on the same basis as the consolidated financial statements and should be read in conjunction with the statements and accompanying notes.

		For the three-month period ended		For the nine-month period ended	
	Note	**December 31, 2024**	December 31, 2023	**December 31, 2024**	December 31, 2023
Revenue		**$ 38,563**	$ 41,543	**$ 115,224**	$ 123,415
Expenses					
Consulting fees	3	**85,050**	100,050	**256,921**	295,135
Depreciation on right-of-use asset	6	**54,336**	95,888	**163,009**	282,225
Depreciation of property and equipment	5	**4,158**	3,418	**11,406**	10,096
Research and development		**113,375**	185,105	**550,395**	439,246
Professional fees		**38,044**	25,015	**161,025**	152,783
Office and miscellaneous		**17,956**	22,379	**56,507**	73,820
Interest and bank charges		**14,684**	20,071	**50,228**	67,261
Filing and transfer agent fees		**25,522**	23,083	**68,511**	69,432
Travel		**4,885**	11,620	**25,564**	26,129
Share-based compensation	7	**15,812**	15,795	**336,735**	84,010
Total operating expenses		**373,822**	502,424	**1,680,301**	1,500,137
Other expenses (income)					
Foreign exchange (gain) loss		**(490)**	41	**(490)**	(605)
Tax credit income		**-**	-	**(59,145)**	(193,490)
Government grants		**-**	(54,161)	**-**	(143,010)
Interest income		**-**	-	**(92)**	(3,538)
Total other expenses (income)		**(490)**	(54,120)	**(59,727)**	(340,643)
Net loss and comprehensive loss		**$ (334,769)**	$ (406,761)	**$ (1,505,350)**	$ (1,036,079)

Three months ended December 31, 2024, compared to three months ended December 31, 2023

The Company generated revenue of $38,563 for the quarter ended December 31, 2024, compared to $41,543 for the same period of last year. The net loss decreased by $71,992 from $406,761 (December 31, 2023) to $334,769 for the quarter ended December 31, 2024, which was largely due to the increased expenses for research and development and government grants.

BioMark Diagnostics Inc. wholly owned subsidiary BioMark Diagnostic Solutions Inc. ("BDS") entered into research and collaboration agreements with certain biotech companies. The purpose of entering into these agreements is for BDS to generate revenue and cashflow to finance the research activities of the company. Four agreements were

signed during the quarter, BDS provided biotech companies with access to designated spaces within the premises BDS's leased as well agreed to offer basic bioanalytical lab service as requested. Management elected to present lease payments received under operating leases as Revenue.

The total operating expense decreased by $128,602 from $502,424 (December 31, 2023) to $373,822 (December 31, 2024), mainly due to the reduction in expenses on research and development and depreciation on right-of-use asset. Consulting service fees decreased by $15,000 compared to the same period last year, due to the reduced third-party rendered consulting service relating to business development and international collaborations. There has been no significant change to the compensation for key management. The Company engaged in required services on a consulting basis.

The Depreciation of right-of-use assets decreased by $41,552 due to the Company's renewed lease agreements for the office in Richmond BC and the lab space in Quebec City, QC. The details of accounting standards and the calculation of depreciation on assets, Right-of-use Asset and Lease Liability are discussed respectively on Note 5 and Note 6 in the Interim Financial Statement. Under Note 5, computers are recorded at cost and amortized over three years; laboratory equipment is recorded at cost and amortized over five years. Under Note 6, the equipment is related to the instruments acquired via the third-party leasing company and is amortized over five years.

Research and development decreased by $71,730 from $185,105 for the quarter ended December 31, 2023, to $113,375 for the quarter ended December 31, 2024. With the research projects and facility expansion in Quebec, the Company expects higher research and other related expenses in the coming quarters. The management team will actively seek additional government non-dilutive funding to support the projected increase in research expenses. The major expenses will be related to the recruitment of more highly qualified personnel, assay verification and validation, lab supplies, lab certification, sample acquisition and analysis, publication costs, and other research/business development-related activities, especially in the USA.

Professional fees for the quarter ended December 31, 2024, were $38,044 compared to $25,015 for the quarter ended December 31, 2023, increased by $13,029. The Company anticipates spending a higher amount in the next quarter due to the timing and stage of the patent applications and filings. The Company continues to build its patent portfolio applications/filings and advance its patent registration in different geographic jurisdictions. These investments are important intangible assets for a biotechnology company, yet the value has not been reported or captured in the current balance sheet.

Office and miscellaneous slightly decreased by $4,423 from $22,379 for the quarter ended December 31, 2023, to $17,956 for the quarter that ended December 31, 2024, mainly due to the reduced costs on the lab operation, however, the costs depend on the timing of the required services needed in the lab and could fluctuate with the different period. The company maintains a prudent operational spending policy regardless of the expanded operating activities at its lab facility in Quebec City.

The interest and bank charge decreased by $5,387 from $20,071 for the quarter ended December 31, 2023, to $14,684 for the quarter that ended December 31, 2024, due to the full repayments on the payable interest and the outstanding balance of the short-term loan and government loans when matured. The details of the accounting standard and the calculation of interest on Right-of-use Asset and Lease Liability are discussed respectively in Note 6 in the Interim Financial Statement.

The share-based compensation of $15,812 was reported for the quarter ended December 31, 2024, remained at the similar level compared to $15,795 for the quarter ended December 31, 2023. On October 18, 2024, there were 1,156,250 additional options that became exercisable or issued. The Company used the Black-Scholes option pricing model with weighted average assumptions and resulting values for the granted options. The details of the share-based compensation are discussed on Note 7 in the Interim Statement. The share-based compensation is designed to help the Company to obtain the required consulting service from domain experts and preserve the cash for operating purposes.

Filing and transfer agent fees during the period were slightly increased by $2,439 compared to the previous year. Travel expenses decreased by $6,735 compared to the same period of the previous year, due to the reduction in the costs incurred for attending the international conference. With the resumption of research and business development-related activities, the Company anticipates spending a higher amount in the coming quarters for business development and collaborative research.

The Company had its other income of $490 for the quarter ended December 31, 2024, compared to the total other income of $54,120 for the quarter ended December 31, 2023, a reduction of $53,630, due to the completion of government grants by March 31, 2024, under the Company's Quebec-based subsidiary, "BDS" from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP).

The nine months ended December 31, 2024, compared to nine months ended December 31, 2023

The Company generated revenue of $115,224 for the nine months ended December 31, 2024, and recorded a net loss of $1,505,350. The net loss increased by $469,271 compared to the nine months ended December 31, 2023, which is the combination of increased operating expenses related share-based compensation and decreases in both other incomes from tax credit income and government grants.

Consulting service fees decreased by $38,214 compared to the same period of the previous year, due to the reduced consulting service rendered by the third party for business development and international collaborations. There has been no significant change to the compensation for key management. The Company engaged in required services on a consulting basis. The share-based compensation increased by $252,725 from $ 84,010 (December 31, 2023) to $336,735 as reported for the nine months ended December 31, 2024, due to options issued on April 18, 2024. These options were issued for consulting

services rendered by scientific advisors and consultants to support scientific and research development activities over the past few years due to limited funding resources.

Research and development costs increased by $111,149 from $439,246 for the nine months ended December 31, 2023, to $550,395 for the nine months ended December 31, 2024. The increased expense is mainly due to the costs associated with ongoing clinical trials and expansion of research projects in Quebec.

Professional fees slightly increased by $8,242 mainly due to the timing and stage of the patent filings and required legal services. Office and miscellaneous and interest and bank charges reduced by $17,313 and $17,033 respectively compared to the nine months ended December 31, 2023. Filing and transfer agent fees and travel expenses remained at the same level compared to the same period of the previous year.

The other income decreased by $280,916 from $ 340,643 as of December 31, 2023, to $59,727 as of December 31, 2024, mainly due to the reduction of tax credit income and government grants under the Company's Quebec-based subsidiary, BDS.

Major Project Status

The large-scale early lung cancer multimodal study (5,400 patients) across 7 hospitals based in Quebec has successfully completed blood sample analysis using BioMark's metabolomics assay panel. Preliminary results based on the retrospective cohort is expected in early 2025. Additional data on prospective lung cancer screening cohort will continue to be collected in 2025 as part of the clinical trial design. Pending the outcome of the results the company intends to present at a major cancer symposium.

The company is preparing for its lab certification and accreditation to initially meet international ISO 15189:2012 standard for the Canadian operation and later secure CLIA and CAP accreditation to provide lab services both in Canada and later in the U.S. The anticipated time for the ISO certification is by end of June 2025.

Other Ongoing Operational Objectives

In the coming quarters, BioMark will continue to evolve its business operations to help further leverage its expertise in cancer detection, monitoring, and assessment. The Company will be devoting additional resources towards expediting the commercialization and revenue generation of its most advanced-stage early lung cancer blood-based liquid assay.

- The company will continue to seek and actively raise capital, especially within existing shareholders but also engage with new strategic investors and institutional funds. Management will continue to build a better US story where valuations can be more compelling and in line with other companies in our space. Management maintains

discussions with strategic investors, family funds, and institutional investors as it approaches the commercialization of its lung cancer assay. The Company will also explore the possibility of engaging with IR firms specialized in the biotech arena in the US who can help increase the exposure of BioMark to select investment communities and have access to institutional desks.

- Seek deeper collaborations with several high-profile USA medical institutions and introduce the company to insurance companies (payers), regulatory experts, and biopharma partners as its early lung cancer LDT commercialization efforts gather momentum. The US market is strategic due to its large addressable lung cancer screening market for at-risk populations (estimated at over 16 million annually). The market remains mostly untapped as there's only a 5-6% penetration of image-based screening for the population at risk of developing lung cancer. In addition, the federal government is encouraging expanded accessibility for lung cancer screening initiatives and accessibility across different states, especially for rural communities that have limited resources.

- Advance the discovery study in breast cancer and further refine metabolites panel selection using the latest advancements in machine learning algorithms. In addition, the company will be submitting an abstract for presentation at a large breast cancer symposium slated for late 2024.

- Continue to submit clinical results in peer-reviewed publications and expand the patent portfolio. The company intends to publish at least 4-6 peer-reviewed manuscripts, especially following results of the larger lung cancer trial in Quebec, responding to treatment for late-stage lung cancer, early breast cancer samples from US patients, glioblastoma research clinical work being conducted at the University of Manitoba. It is important to keep our science and discovery relevant to the scientific and biopharma communities. Relevant patents will be filed as needed to protect key discoveries and expand the company's patent estate.

- BioMark management team intends to participate in several high-profile conferences/symposiums such as ASCO, USCAP, ISLB, and San Antonio Breast Cancer Symposium.

- Understand and formulate a US reimbursement strategy with experts in private payors as the company introduces its early lung cancer assay in select markets.

- Seek academic institutions that have relationships with community hospitals across the US to help leverage the value of the company's early lung cancer assay versatility – accessibility, accuracy, and affordability.

- Increase market awareness programs and coverage to help improve corporate visibility, attract capital, and address the valuation gap versus existing peer groups.

- Seek and recruit high-powered board members and advisers who can help the company expand its commercial footprint and access financing in the US and internationally.

- Continue to seek additional funding including non-dilutive resources for its lab operations, certification of its clinical lab, U.S. expansion, business development, and clinical studies from both Canadian, European, and US agencies and foundations to develop the platform for other cancers and assess response to treatment.

1.4 Summary of Quarterly Results

The following information is a summary of the Company's financial results for the eight most recently completed quarters.

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
	$	$	$	$
Total Revenue	38,563	38,348	38,313	39,805
Expenses	373,822	644,891	661,590	584,956
Net Loss	(334,769)	(547,306)	(623,277)	(391,306)
Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
	$	$	$	$
Total Revenue	41,543	42,126	39,746	39,746
Expenses	502,424	498,297	499,416	611,395
Net Loss	(406,761)	(210,463)	(418,855)	(591,506)
Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

The Company's quarterly revenue slightly decreased in 2024 compared to 2023 and remains at a similar level, with expenses fluctuating but generally decreasing year-over-year. The net loss was higher in 2024, particularly in the quarter ended June 30, 2024, but the quarter ended December 31, 2024 showed a slight improvement compared to the same quarter in 2023.

Expense and net loss, quarter over quarter is influenced by various factors including the scope and stage of clinical development and research. Consequently, expenses may vary from quarter to quarter. General and administrative expenses are dependent on the infrastructure required to support the clinical and business development activities of the Company. A material increases in research and development as well as general and administrative costs is anticipated over the short term, as the Company's research and development and regulatory activities increase.

1.5 Liquidity

ASSETS

	December 31, 2024	March 31, 2024
	$	$
Current		
Cash and cash equivalents	88,583	156,749
Amounts receivable	70,812	43,027
	159,395	199,776
Pre-paid expense	34,155	34,155
Long-term investment	3,200	3,200
Property and equipment	26,896	35,795
Right-of-use asset	652,985	815,994
	876,631	1,088,920

LIABILITIES

	December 31, 2024	March 31, 2024
	$	$
Current		
Accounts payable and accrued liabilities	475,614	144,422
Client Deposit	8,344	8,344
Current portion of lease liability	92,376	351,775
Due to related parties	944,036	739,829
	1,520,370	1,244,370
Lease liability	454,157	454,156
	1,974,527	1,698,526

As of December 31, 2024, The Company has total assets of $876,631 compared to $1,349,244 as reported on December 31, 2023, resulting in a negative working capital of $1,360,975. The reduction in assets is mainly due to the decrease in cash and cash equivalents and right-of-use assets.

On December 31, 2024, the Company had cash and cash equivalents of $88,583 compared to $313,032 on December 31, 2023. Working capital is defined as current assets less current liabilities. The working capital deficit increased by $378,810 from December 31, 2024 ($982,165) mainly due to the increase in accounts payable and accrued liabilities and Due to related parties, along with the decrease in cash and cash equivalents. Total liabilities increased by $65,512 from $1,909,015 as of December 31, 2023, to $1,974,527 as of December 31, 2024, mainly due to the combination of the increased accounts payable and accrued liabilities and due to the related parties, and the reduction of government loan and short-term loan. The accounts payable and accrued liabilities increased by $393,783 from $81,831 (December 31, 2023) to $475,614 (December 31, 2024). Due to the related parties decreased by $208,760 from $735,276 (December 31, 2023) to $944,036 (December 31,

2024) mainly due to the accumulated unpaid consulting fees to the CEO and CFO. The long-term Lease liability decreased by $92,353 for the same period of the previous year. The details of accounting standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 5 and Note 6 in the unaudited consolidated interim financial statements for the nine months ended December 31, 2024.

The loans with the Government of Canada under the Regional Relief and Recovery Fund (RRRF) and the Canada Emergency Business Account (CEBA) were fully paid off, which decreased from $ 100,000 (December 31, 2023) to $nil (December 31, 2024). In addition, both the interest payable and the outstanding balance of the short-term loan that BDS entered with R&D Capital Inc. (the "Lender"), were fully repaid, reduced from $95,951 (December 31, 2023) to $nil (December 31, 2024).

SHAREHOLDERS' DEFICIENCY

	December 31, 2024	March 31, 2024
	$	$
Share capital	10,138,812	10,138,812
Share subscriptions received	1,030,325	350,000
Contributed surplus	3,084,124	2,352,010
Deficit	(15,351,157)	(13,450,428)
	(1,097,896)	(609,606)

On December 31, 2024, the share capital was $10,138,812 comprising 90,886,229 issued and outstanding common shares (December 31, 2023, it was $10,176,812 comprising 90,886,229 issued and outstanding common shares). Contributed Surplus on December 31, 2024, is $3,084,124 (December 31, 2023 - $2,322,540), the increase is the result of the contributed surplus that has been allocated to the additional options became exercisable on October 18, 2024, using the Black Scholes option pricing model with weighted average assumptions and resulting values for grants. As a result of the net loss for the nine months ended December 31, 2024, of $1,097,896 (December 31, 2023 – $559,771) the deficit on December 31, 2024, increased to $15,351,157 compared to $13,059,122 on December 31, 2023.

At present, the Company's operations do not generate sufficient cash inflows from the commercialization of its early lung cancer detection assay. Revenue consists primarily of income generated on the lab research and development services rendered to the third parties, and its financial success after December 31, 2024, is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development stage and successfully bring the Company's technologies to the point that they may be out-licensed so that the Company achieves profitable operations. The research and development process can take many years and is subject to factors that are beyond the Company's control. Valuable patents have been granted and filed that came from research

activities conducted by the Company. Some of these patents could be licensed based on the application. Several of the Company's diagnostic assays are near commercialization pending regulatory approval.

To finance the Company's future research and development and to cover administrative and overhead expenses in the coming years, the Company may raise money through equity sales. Many factors influence the Company's ability to raise funds, including the Company's record of accomplishment, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to various factors, including the progress of research activities. Management believes it will be able to raise equity capital as required in the long term but recognizes there will be risks involved that may be beyond its control. Should those risks fully materialize, it may not be able to raise adequate funds to continue its operations.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on funding through future equity issuance and through short-term borrowing in order to finance ongoing operations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.6 Capital Resources

The Company does not have any other commitments for material capital expenditures. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.7 Off-Balance Sheet Arrangements

There is no off-balance sheet arrangements to which the Company is committed.

1.8 Transactions Between Related Parties

During the quarter ended December 31, 2024, the Company entered into the following transactions with related parties:

a) For the quarter ended December 31, 2024, directors and officers of the company provided consulting services to the company of $85,050. These charges are included in consulting fees. Consulting fees from the CEO was $60,000 and the Interim CFO who also performed duties as Project Director was $25,050 for the quarter ended December 31, 2024. As of December 31, 2024, the Company has $737,681 due to CEO (2023 - $542,881). The balance owing to the interim CFO as of December 31, 2024, is $156,557 (2023 - $100,848).

b) For the quarter ended December 31, 2024, the Company has a balance of $49,798 (2023 - $91,548) owed to BioMark Technologies Inc. BioMark Technologies Inc. which holds approximately 45.12% of the common shares of the Company as of December 31, 2024, (2023 – 45.12%). The CEO owns more than 10% interest in the Company.

c) Additionally, on April 1, 2021, the Company entered into an Independent Contractor Agreement (the "Agreement") with the CEO of the Company. According to the Agreement, the Company shall pay the CEO $20,000 with applicable tax per calendar month; to be paid monthly or in such other installments and at such other times as the Consultant and the Company may mutually agree in writing. The Company shall pay all reasonable business and out-of-pocket expenses actually and properly incurred by the CEO from time to time in furtherance of or in connection with the Services including, but not limited to, all reasonable travel and other business expenses. The CEO will be entitled to a cash bonus in the amount of $250,000 upon the Company achieving a market capitalization of at least $75 million USD over a period of 30 trading days. According to the Agreement, the Company engaged CEO service to provide important services that include develop and direct the corporate strategy, resource allocation, review acquisitions or partnerships, drive or generate revenue growth, hire, and retain staff as necessary, support in capital raise rounds, manage past relationships and build business and collaborations. The Company has not compensated the CEO with a cash bonus based on these trading price calculations.

1.9 Fourth Quarter

N/A

1.10 Proposed Transactions

N/A

1.11 Critical Accounting Estimates

N/A

1.12 Changes in Accounting Policies Including Initial Adoption

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's financial statements.

1.13 Financial Instruments and Other Instruments

Financial Instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Financial assets and financial liabilities, including derivatives, are recognized in the consolidated statement of

financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The Company's financial instruments consist of cash and cash equivalents, accounts payable and accrued liabilities, client deposit, Due to related parties and lease liabilities, which were measured at amortized cost. The Company may be exposed to risks of varying degrees of significance from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. A discussion of the types of risks the Company is exposed to and how such risks are managed by the Company is provided in Note 12 to the Annual Financial Statements.

Other Instruments

Intangible Assets

Under IAS 38, an "intangible asset" is an identifiable non-monetary asset without physical substance. It is sometimes difficult to assess whether an internally generated intangible asset qualifies for because of problems in: (a) identifying whether and when there is an identifiable asset that will generate expected future economic benefits; and (b) determining the cost of the asset reliably. In some case, the cost of generating an intangible asset internally cannot be distinguished from the cost of maintaining or enhancing the entity's internally generated goodwill or of running day-to-day operation.

To assess whether an internally generated intangible asset meets the criteria for recognition, an entity classifies the generation of the asset into (a) the research phase, and (b) the development phase. BioMark has nine patent families under the research phase and the development phase, however, the technology has not been commercialized yet. The Company is the process to demonstrate that the asset will generate probable future economic benefits but has the challenge of distinguishing the development phase from the research phase. Currently, the Company treats the expenditure on the project development as if it were incurred in the research phase, the costs are expensed as incurred, and the intangible assets have not been recognized on the financial statement. With the further development of the technology, BioMark will reassess the criteria of IAS 38 and apply to the applicable accounting treatment accordingly.

1.14 Other MD&A Requirements

(a) More information regarding the Company is available on the Company's website www.biomarkdiagnostics.com and under the Company's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR+") website, www.sedarplus.ca

(b) Information required in the following sections of National Instrument 51-102, if applicable:

(i) Section 5.3 – Additional Disclosure for Venture Issuers without Significant Revenue.

An analysis of material components of the Company's general and administrative expenses is disclosed in the Statement of Comprehensive Loss forming part of the Financial Statements for the period ended December 31, 2024, to which this MD&A relates.

(ii) Section 5.4 – Disclosure of Outstanding Share Data; and

a. Authorized:

Unlimited common shares without par value

b. Common Shares Issued:

As of December 31, 2024, the Company had 90,886,229 common shares issued and outstanding.

c. Share Purchase Warrants

Information regarding the Company's outstanding warrants is summarized below:

	Expiry Date	Number of Warrants Outstanding	Number of Warrants Exercisable		Weighted Average Exercise Price
Balance, as at March 31, 2022		2,337,579	2,337,579	$	0.32
Exercised	April 19, 2021	(1,190,000)	(1,190,000)	$	0.20
Expired	December 13, 2021	(32,000)	(32,000)	$	0.45
Balance, as at March 31, 2023		1,115,579	1,115,579	$	0.45
Issued	May 4, 2024	5,062,000	5,062,000	$	0.45
Issued	December 29, 2023	7,600,000	7,600,000	$	0.45
Balance, as at March 31, 2024		13,777,579	13,777,579	$	0.45
Expired	December 13, 2024	(1,115,579)	(1,115,579)	$	0.45
Balance, as at December 31, 2024		12,662,000	12,662,000	$	0.45

As of December 31, 2024, the Company had 12,662,000 shareholder warrants issued and outstanding of which 5,062,000 warrants will entitle the holders to acquire one share at price of $0.45 per share until May 4, 2026, and 7,600,000 warrants will entitle the holders to acquire one share at price of $0.45 per share until December 29, 2026. The weighted average life remaining for these warrants was 1.73 years.

d. Stock options:

The Company's current stock option plan (the "Stock Option Plan (2022)") was last approved by the shareholders on December 20, 2022. Pursuant to the Existing Plan, the maximum number of common shares

of the Company that may be authorized for reservation for the grant of options from time to time shall be 15% of the Company's issued and outstanding common shares. The plan provides for the granting of options to directors, employees, and consultants. The Board of Directors determines the features of the awards, including the exercise price, the term, and vesting provisions.

Information regarding the Company's outstanding share purchase options is summarized below:

	Expiry Date	Number of Options Outstanding		Weighted Average Exercise Price
Balance, March 31, 2022, Outstanding		4,135,000	$	0.29
Expired	June 9, 2022	(50,000)	$	0.30
Exercised	June 15, 2022	(250,000)	$	0.15
Expired	March 2, 2023	(100,000)	$	0.25
Granted	July 14, 2025	2,410,000	$	0.40
Granted	August 3, 2025	212,000	$	0.40
Balance, March 31, 2023, Outstanding		6,357,000	$	0.34
Balance, March 31, 2024, Outstanding		6,357,000	$	0.34
Granted	April 18, 2027	4,625,000	$	0.45
Expired	December 31, 2024	(3,735,000)	$	0.30
Balance, December 31, 2024, Outstanding		7,247,000	$	0.43
Balance, December 31, 2024, Exercisable		4,934,500	$	0.42

On October 18, 204, 1,156,250 options became exercisable. During the nine-month period ended December 31, 2024, the Company recorded a total share-based compensation expense of $336,735 (2023 - $84,010).

The number of options exercisable as of December 31, 2024, was 4,934,500 (2023 – 5,701,500 options). The weighted average life remaining for these options was 1.36 years.

(iii) Section 5.7 – Additional Disclosure for Reporting Issuers with Significant Equity Investees.
Not Applicable.

(c) Disclosure required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* and, as applicable, Form 52-109F1 *Certification of Annual Filings – Full Certificate*, Form 52-109F1R *Certification of Refiled Annual Filings*, or Form 52-109F1 *AIF Certification of Annual Filings in Connection with Voluntarily Filed AIF*.

Form 52-109FV2 Certification of Interim Filings is filed on SEDAR.