Condensed Interim Financial Statements
(Expressed in Canadian Dollars)

MIRACULINS INC.

Three and six months ended May 31, 2013
(Unaudited)

In accordance with National Instruments 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited financial statements for the three and six months ended May 31, 2013.

MIRACULINS INC.

Condensed Interim Statements of Financial Position
(Unaudited)

	Note	May 31, 2013	November 30, 2012
Assets			
Current assets:			
Cash		$ 634,442	$ 911,808
Accounts receivable	12	25,029	87,555
Prepaid expenses		67,321	37,278
Inventory	4	200,253	217,645
Total current assets		927,045	1,254,286
Non-current assets:			
Property and equipment		30,449	22,641
Intangible assets	5	981,592	1,041,785
Total non-current assets		1,012,041	1,064,426
Total assets		**$ 1,939,086**	**$ 2,318,712**
Liabilities and Shareholders' (Deficiency) Equity			
Current liabilities:			
Accounts payable and accrued liabilities		$ 279,448	$ 373,430
Current portion of long-term debt	8	951,889	-
Accrued interest on long-term debt	8	16,154	16,154
Deferred collaborative research and option fees	7	-	11,655
Total current liabilities		1,247,491	401,239
Non-current liabilities			
Long-term debt	8	-	927,072
Royalty obligation	6	901,000	830,000
Total non-current liabilities		901,000	1,757,072
Shareholders' (deficiency) equity:			
Share capital	9	11,881,550	10,965,391
Contributed surplus		2,649,055	2,592,963
Warrants	9	493,435	427,580
Deficit		(15,233,445)	(13,825,533)
Total (deficiency) equity		(209,405)	160,401
Going concern	2(c)		
Commitments and contingencies	10		
Subsequent events	8 &9		
Total liabilities and equity		**$ 1,939,086**	**$ 2,318,712**

The accompanying notes are an integral part of these condensed interim financial statements

MIRACULINS INC.

Condensed Interim Statements of Net Loss and Comprehensive Loss
(Unaudited)

	Note	Three months ended May 31, 2013	Three months ended May 31, 2012	Six months ended May 31, 2013	Six months ended May 31, 2012
Revenues					
Product sales		$ -	$ -	$ 31,520	$ -
License Fees		-	-	24,990	-
Collaborative research and option fee income	7	-	38,640	11,655	70,215
		-	38,640	68,165	70,215
Expenses					
Cost of goods sold	4	-	-	13,806	-
Selling, general and administration		648,003	555,910	1,203,165	930,068
Research and development		21,046	128,138	96,061	261,151
Total operating expenses		669,049	684,048	1,313,032	1,191,219
Finance Income (Costs)					
Finance income		2,445	4,509	4,303	5,980
Finance expense	6 & 8	(81,601)	(72,052)	(167,435)	(144,330)
Foreign exchange (loss) gain, net		825	(49)	87	(1,904)
Net finance costs		(78,331)	(67,592)	(163,045)	(140,254)
Net loss and comprehensive loss for the period		$ 747,380	$ 713,000	$ 1,407,912	$ 1,261,258
Basic and diluted loss per share		$ 0.01	$ 0.01	$ 0.01	$ 0.02

The accompanying notes are an integral part of these condensed interim financial statements

MIRACULINS INC.

Condensed Interim Statements of Changes in Shareholders' (Deficiency) Equity
(Unaudited)

	Note	Share Capital	Contributed Surplus	Warrants	Deficit	Total
Balance, November 30, 2011		$ 8,900,757	$ 2,076,021	$ 214,131	$ (11,127,805)	$ 63,104
Loss and comprehensive loss for the period		-	-	-	(1,261,258)	(1,261,258)
Transactions with owners, recorded directly in equity						
Issue of common shares	9	2,005,875	-	-	-	2,005,875
Share-based payments	9	-	216,277	-	-	216,277
Stock options exercised	9	58,759	(28,759)	-	-	30,000
Warrants granted	9	-	-	427,580	-	427,580
Warrants expired	9	-	214,131	(214,131)	-	-
Total transactions with owners		2,064,634	401,649	213,449	-	2,679,732
Balance, May 31, 2012		$ 10,965,391	$ 2,477,670	$ 427,580	$ (12,389,063)	$ 1,481,578

	Note	Share Capital	Contributed Surplus	Warrants	Deficit	Total
Balance, November 30, 2012		10,965,391	$ 2,592,963	$ 427,580	$ (13,825,533)	$ 160,401
Loss and comprehensive loss for the period		-	-	-	(1,407,912)	(1,407,912)
Transactions with owners, recorded directly in equity						
Issue of common shares	9	916,159	-	-	-	916,159
Share-based payments	9	-	33,695	-	-	33,695
Warrants granted	9	-	-	88,252	-	88,252
Warrants expired	9	-	22,397	(22,397)	-	-
Total transactions with owners		916,159	56,092	65,855	-	1,038,106
Balance, May 31, 2013		$ 11,881,550	$ 2,649,055	$ 493,435	$ (15,233,445)	$ (209,405)

The accompanying notes are an integral part of these condensed interim financial statements

MIRACULINS INC.

Condensed Interim Statements of Cash Flows
(Unaudited)

	Note	Six months ended May 31, 2013	Six months ended May 31, 2012
Cash provided by (used in):			
Operating activities:			
Net loss for the period		$ (1,407,912)	$ (1,261,258)
Items not involving cash:			
Amortization	5	98,105	8,416
Stock-based compensation	9	33,695	216,277
Finance expense	6 & 8	167,435	144,330
Change in non-cash working capital balances:			
Accounts receivable		62,526	27,866
Prepaid expenses		(30,043)	(93,607)
Inventory		17,392	(5,603)
Accounts payable and accrued liabilities		(62,331)	(82,066)
Obligation under project funding agreement		-	-
Deferred collaborative research and option fee		(11,655)	6,225
		(1,132,788)	(1,039,420)
Financing activities:			
Issuance of common shares and warrants, net of share issue costs		971,911	2,433,455
Exercise of stock options		-	30,000
Repayment of obligation under finance lease		-	(16,711)
Interest paid		(61,383)	(61,953)
Royalties paid	10	(9,386)	-
		901,142	2,384,791
Investing activities:			
Purchase of property and equipment		(11,080)	(9,840)
Proceeds on sale of property and equipment		-	26,575
Patent and trademark costs	5	(34,640)	(18,981)
		(45,720)	(2,246)
(Decrease) increase in cash		(277,366)	1,343,125
Cash, beginning of the period		911,808	683,169
Cash, end of the period		$ 634,442	$ 2,026,294
Supplemental cash flow information:			
Non-cash financing activities:			
Warrants issued as share issue costs	9	$ 12,823	$ 18,521
Shares issued on exercise of license agreement	9	$ 32,500	$ -
Shares issued to settle amount payable	9 & 11	$ -	$ 64,296

The accompanying notes are an integral part of these condensed interim financial statements

1. Reporting entity:

Miraculins Inc. (the "Company") is a company domiciled and incorporated in Canada. The address of the Company's registered office is 6-1250 Waverley Street, Winnipeg, Manitoba, Canada. The Company's common shares are publicly traded on the TSX Venture Exchange. The Company has as its main focus the acquisition and/or development of diagnostic opportunities in areas where there are unmet clinical needs. The Company's two primary technology programs are in the areas of cardiovascular disease and maternal health. Miraculins cardiovascular health program is focused on the PreVu Non-invasive Skin Cholesterol Test ("PreVu"), a non-invasive tool for risk assessment of coronary artery disease and the program was launched in the market with a pilot program in October of 2012, and then with the commercial roll-out which occurred during the first quarter of fiscal 2013. The Company's maternal health program is centred on biomarkers for preeclampsia and a licensing agreement was signed during the first quarter of fiscal 2013.

2. Basis of presentation:

(a) Statement of compliance

The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and have been prepared using the same accounting policies and methods of application as those used in the Company's audited financial statements for the year ended November 30, 2012. The condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended November 30, 2012.

The condensed interim financial statements were authorized for issue by the Board of Directors on July 26, 2013.

(b) Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value.

(c) Going concern

These condensed interim financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. There is substantial doubt about the Company's ability to continue as a going concern as the Company has experienced operating losses and cash outflows from operations since incorporation and has accumulated a deficit of $15,233,445 as at May 31, 2013.

2. Basis of preparation of financial statements (continued):

(c) Going concern (continued)

Management has forecast that its expected expenditure levels and contracted commitments will exceed the Company's net cash flows and working capital early in the fourth quarter of fiscal 2013 unless further financing is obtained. The Company's future operations including the completion of the launch of its products are dependent upon its ability to secure additional funds, generate product sales, negotiate collaboration or license agreements with upfront payments, and/or obtain research grant funding. While the Company is striving to achieve these plans, there is no assurance that these and other strategies will be achieved or such sources of funds will be available or obtained on favourable terms or obtained at all. Historically, the Company has obtained funding via the issuance of shares and warrants and long-term debt and expects to require additional capital early in the fourth quarter of fiscal 2013. If the Company cannot secure additional financing on terms that would be acceptable to it, generate product sales, negotiate collaboration or license agreements with upfront payments, and/or obtain research grant funding, the Company will have to consider additional strategic alternatives which may include, among other strategies, cost curtailments, delays of product launch expenditures, exploring the monetization of certain intangible assets, as well as seeking to outlicense and/or divest assets.

The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on many factors, including, but not limited to the successful completion of the actions taken or planned, some of which are described above, which are intended to mitigate the adverse conditions and events which raise doubt about the validity of the going concern assumption used in preparing these financial statements. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs or that the above described and other strategies will be sufficient to permit the Company to continue as a going concern.

These condensed interim financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these condensed interim financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used.

(d) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(e) Use of significant estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Areas where management has made critical judgments in the process of applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the commencement of the period of use of acquired intellectual property.

Information about key assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes to the financial statements for the year ended November 30, 2012.

2. Basis of preparation of financial statements (continued):

(e) Use of significant estimates and judgments (continued)

- Note 3b(ii): Valuation of the royalty obligation
- Note 3d: The measurement and valuation of inventory
- Note 3f(i): The estimation of accruals for research and development costs
- Note 3f(ii): The measurement and period of use of acquired intellectual property
- Note 3f(iii): The measurement and period of use of patents and trademarks
- Note 3i(ii): The assumptions and valuation technique used to estimate the value of share-based payment transactions

3. New standard and interpretations not yet adopted:

Certain new standards, interpretations and amendments to existing standards issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are not yet effective up to the date of issuance of the Company's financial statements are listed below. The Company is assessing the impact of these pronouncements on its results and financial position. The Company intends to adopt those standards when they become effective.

IFRS 9 *Financial Instruments: Classification and Measurement*

IFRS 9 (2009) replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement,* on the classification and measurement of financial assets. The Standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9 (2010), for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive income ("OCI"), with the remainder of the change recognized in profit and loss.

IFRS 9 (2010) supersedes IFRS 9 (2009) and is effective for annual periods beginning on or after January 1, 2015, with early adoption permitted. For annual periods beginning before January 1, 2015, either IFRS 9 (2009) or IFRS 9 (2010) may be applied.

The Company intends to adopt IFRS 9 (2010) in its financial statements for the annual period beginning on December 1, 2015. The extent of the impact of adoption of IFRS 9 (2010) has not yet been determined.

3. New standard and interpretations not yet adopted (continued):

IFRS 13 - *Fair Value Measurement*

In May 2011, the IASB published IFRS 13 *Fair Value Measurement,* which is effective prospectively for annual periods beginning on or after January 1, 2013, with earlier application permitted. The disclosure requirements of IFRS 13 need not be applied in comparative information for periods before initial application. IFRS 13 replaces the fair value measurement guidance contained in individual IFRSs with a single source of fair value measurement guidance. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price. The standard also establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements to provide information that enables financial statement users to assess the methods and inputs used to develop fair value measurements and, for recurring fair value measurements that use significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income. IFRS 13 explains how to measure fair value when it is required or permitted by other IFRSs. IFRS 13 does not introduce new requirements to measure assets or liabilities at fair value, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards.

The Company intends to adopt IFRS 13 prospectively in its financial statements for the annual period beginning on December 1, 2013. The extent of the impact of adoption of IFRS 13 has not yet been determined.

Annual Improvement to IFRSs 2009-2011 Cycle - Various Standards

In May 2012, the IASB published Annual Improvements to IFRSs - 2009-2011 Cycle as part of its annual improvements process to make non-urgent but necessary amendments to IFRS effective for annual periods beginning on or after January 1, 2013 with retrospective application.

The impending changes that potential have an effect on the Company include:

- IAS 1 *Presentation of Financial Statements* - the changes involve amendments to the presentation and disclosure of comparative information beyond the minimum and the presentation of the opening statement of financial position.

The Company intends to adopt the amendments to the standards in its financial statements for the annual period beginning on December 1, 2013. The extent of the impact of the adoption of the amendments has not yet been determined.

4. Inventory:

	May 31, 2013	November 30, 2012
Parts inventory	$ 151,498	$ 176,902
Finished goods	48,755	40,743
	$ 200,253	$ 217,645

Inventory expensed within cost of goods sold during the three and six months ended May 31, 2013 was nil and $13,806 respectively (2012 - nil and nil) and relates to inventory sold to external customers. The Company did not have any expired or unuseable inventory during the three and six months ended May 31, 2013 (2012 - nil and nil).

5. Intangible assets:

Cost	Patents	Trademarks	Technology licence	Acquired intellectual property	Total
Balance November 30, 2011	$ 136,845	$ 15,614	$ 30,770	$ 818,687	$ 1,001,916
Additions	71,748	26,488	15,000	-	113,236
Disposals	-	-	(30,770)	-	(30,770)
Change due to write-downs	(21,471)	-	-	-	(21,471)
Balance November 30, 2012	187,122	42,102	15,000	818,687	1,062,911
Additions	28,121	6,519	-	-	34,640
Balance May 31, 2013	$ 215,243	$ 48,621	$ 15,000	$ 818,687	$ 1,097,551

Accumulated amortization	Patents	Trademarks	Technology licence	Acquired intellectual property	Total
Balance November 30, 2011	$ 798	$ -	$ 20,770	$ -	$ 21,568
Amortization	4,808	-	11,875	13,645	30,328
Disposals	-	-	(30,770)	-	(30,770)
Balance November 30, 2012	5,606	-	1,875	13,645	21,126
Amortization	5,464	-	7,500	81,869	94,833
Balance May 31, 2013	$ 11,070	$ -	$ 9,375	$ 95,514	$ 115,959

Carrying value	Patents	Trademarks	Technology licence	Acquired intellectual property	Total
At November 30, 2012	$ 181,516	$ 42,102	$ 13,125	$ 805,042	$ 1,041,785
At May 31, 2013	$ 204,173	$ 48,621	$ 5,625	$ 723,173	$ 981,592

The Company has considered indicators of impairment and performed required impairment testing for acquired intellectual property not in use as at May 31, 2013 and November 30, 2012. The Company began amortizing its acquired intellectual property relating to the PreVu technology in November 2012 in connection with the Company's pilot launch of this technology. As part of its ongoing review of all intellectual property, the Company did not record any impairment write-down during the three and six months ended May 31, 2013 and 2012. The impairment losses recorded to date relate to patent applications no longer being pursued which consequently have no future value associated with them.

For the three and six months ended May 31, 2013, amortization and derecognition expenses are recognized in selling, general and administrative expense for PreVu related assets and research and development expense for other assets. During the three and six month ended May 31, 2012, amortization and derecognition expenses are recognized in research and development expense.

5. Intangible assets (continued):

On October 15, 2008, the Company acquired worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia from Mount Sinai Hospital ("MSH") in Toronto, Canada. The Company paid an annual license maintenance fee of $10,000 in fiscal 2011 and $15,000 in fiscal 2012 and will pay $20,000 in subsequent years. The Company will also pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products, if any, along with other milestone payments. If the Company sub-licenses any rights under the MSH license agreement (the "MSH Agreement") to a third party, the Company shall pay MSH a stipulated percentage of sub-license fee and sub-license royalty fee (Note 10(c)). The royalty, sub-license, and sub-license royalty fees, if any, are to be paid either monthly or quarterly. The agreement terminates on the expiration or final determination of the invalidity of the last patent issued under the MSH Agreement. On January 8, 2010, the Company and MSH amended the royalty and fee structure of the MSH Agreement (Note 9). In conjunction with Alere's decision to license under the Alere Agreement on January 10, 2013, a royalty of $6,234 became payable to MSH and was paid during the six months ended May 31, 2013 and is recorded within finance expense (2012 - nil).

6. Royalty obligation:

On September 3, 2010, the Company completed the acquisition of all relevant assets, including intellectual property, licenses and regulatory approvals, inventories, data and marketing materials required to commercialize the PreVu Skin Cholesterol Test ("PreVu") from PreMD Inc. ("PreMD").

Miraculins is obligated to pay a 10 percent ongoing royalty on gross revenue associated with PreVu to PreMD (Note 10(c)). The Company retains the right to buy-out the royalty at anytime for a one-time payment of $1,000,000. The initial value assigned to the royalty obligation, based on an expected value approach, was estimated at $547,000. The royalty obligation is revalued each period and its value at May 31, 2013 was $948,848 (November 30, 2012 - $877,000). The estimated current portion of the royalty obligation of $47,848 (November 30, 2012 - $47,000) is included within accounts payable and accrued liabilities in the statement of financial position. Royalties for the three and six months ended May 31, 2013 total nil and $3,152 respectively in regards to the royalty obligation (2012 - nil and nil), with payments made during the three and six months ended May 31, 2013 of $3,152 and $3,152 respectively (2012 - nil and nil). Royalty payments will reduce the royalty obligation when paid and the accretion of the royalty obligation for the three and six months ended May 31, 2013 of $38,000 and $75,000 respectively (2012 - $31,000 and $62,000) is recorded within finance expense in the statement of net loss and comprehensive loss.

7. Deferred collaborative research and option fees:

The Company recognizes collaborative research and option fee income, if any, when underlying contractual services are performed or when milestones are achieved in accordance with the terms of the specific agreement. Up-front payments received for the use of technology where further services are to be provided or fees received on the signing of collaborative research agreements are recognized over the period of performance of the related activities. Amounts received in advance of recognition are included in deferred collaborative research and option fees. For the three and six months ended May 31, 2013, the Company recognized collaborative research and option fees in the amount of nil and $11,655 respectively (2012 - $38,640 and $70,215). As at May 31, 2013, there were no deferred collaborative research and option fees recorded (November 30, 2012 - $11,655).

8. Long-term debt:

On October 12, 2011, the Company entered into a non-convertible secured loan agreement with a private lender (the "Lender") for $1,000,000. The promissory note evidencing the loan was issued at a discount for a purchase price of $950,000 and in addition the Lender received 1,428,571 common shares of the Company with a fair value of $71,428, net of issue costs of $1,050.

The effective interest rate on the long-term debt is 18.15%. Interest expense for the three and six months ended May 31, 2013 was $42,816 and $84,818 respectively (2012 - $39,976 and $80,372). The initial value assigned to the long-term debt, based on a fair value approach, was $878,571. As at May 31, 2013, the amortized cost of the long-term debt was $951,889 (November 30, 2012 - $927,072).

The loan matures on April 12, 2014 and bears interest at 12% per annum, payable interest only on a quarterly basis, except in the case of the first interest payment, which was payable on April 12, 2012. Any overdue payments bear additional interest at a rate of 6%, for a combined interest rate of 18% on any overdue payment. In certain circumstances, the Company has the option to satisfy its obligations with respect to any interest payable on the loan by issuing common shares at a discounted price. Interest payable at May 31, 2013 is $16,154 (November 30, 2012 - $16,154).

The loan is secured by a general security interest in favour of the Lender over all tangible and intangible assets of the Company.

Subsequent to May 31, 2013, the Company and the Lender agreed to defer payment of the July 2013 interest payment of $30,000 for a thirty day period.

9. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares and an unlimited number of class A common voting shares.

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	Number of Common Shares		Amount
Balance, November 30, 2011	69,422,728	$	8,900,757
Exercise of stock options (Note 9(c))	300,000		58,759
Issued for cash, net of issue costs of $87,272 (1)	22,293,559		1,941,579
Shares issued to settle amount payable (Note 11(b))	952,533		64,296
Balance May 31, 2012	92,968,820	$	10,965,391
Balance, November 30, 2012	92,968,820		10,965,391
Issued upon exercise of license agreement (2)	250,000		32,500
Issued for cash, net of issue costs of $85,216 (3)	11,677,223		883,659
Balance, May 31, 2013	104,896,043	$	11,881,550

9. Capital stock (continued):

(b) Shares issued and outstanding (continued):

(1) On March 29, 2012, the Company closed a private placement offering (the “Q2 2012 Offering”) of 22,293,559 units (the "Units") at a price of $0.11 per Unit, for aggregate gross proceeds to the Company of $2,452,292. Each Unit is comprised of one common share (a "Share") and one half of one Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to purchase one Share at a price of $0.16 at any time within twenty-four months from the date of issuance of the Warrant and are callable, at the option of the Company, at any time after four months following their issuance, in the event that the Shares traded at or above $0.25 per Share for any five out of 10 consecutive trading days. There were 11,146,780 warrants issued within the Q2 2012 Offering. The fair value equal to $405,185, net of warrant issue costs, was assigned to the warrants upon issuance. Included in warrant issue costs of $18,256 is $3,874 of non-cash compensation recognized for warrants issued related to the Q2 2012 offering.

Certain persons assisted the Company by introducing potential subscribers for the Offering and were paid a finder's fee of up to 10% of the total subscription proceeds received from subscribers introduced to the Company by each particular person. Additionally, these persons were issued compensation warrants ("Compensation Warrants") equal to up to 10% of the total number of Units subscribed for by subscribers introduced to the Company by each particular person. Each Compensation Warrant entitled the holder thereof to purchase one Share at a price of $0.14 per Share for a period of twelve months from the date of the Q2 2012 Offering. There were 503,047 Compensation Warrants issued.

Included in share issue costs of $87,272 is $18,521 of non-cash compensation recognized from warrants issued related to the Q2 2012 Offering.

(2) On January 8, 2010, the Company announced that it had entered into a Collaborative Research and Option Agreement (the "Alere Agreement") with Alere, Inc. ("Alere") (formerly "Inverness Medical Innovations") to advance and commercialize Miraculins’ preeclampsia technology. In connection with the Alere Agreement, the Company amended certain terms of its MSH Agreement (Note 5). In consideration for the amendments, Miraculins will issue 250,000 common shares from treasury to MSH if Alere exercises its option to license under the Alere Agreement.

Alere exercised its option on January 10, 2013 to license under the Alere Agreement, and the Company issued 250,000 common shares to MSH with fair value of $32,500.

(3) On April 5, 2013, the Company closed a private placement offering (the "Q2 2013 Offering") of 11,677,223 units ("Units") at a price of $0.09 per Unit with aggregate gross proceeds to the Company of $1,050,950. Each Unit is comprised of one common share (a "Share") and one half of one Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to purchase one Share at a price of $0.11 at any time within twelve months from the date of issuance of the Warrant. There were 5,838,612 warrants issued within the Q2 2013 Offering. The fair value equal to $75,429, net of warrant issue costs, was assigned to the warrants upon issuance. Included in warrant issue costs of $6,656 is $482 of non-cash compensation recognized for warrants issued related to the Q2 2013 offering.

Certain persons assisted the Company by introducing potential subscribers for the Offering and were paid a finder's fee of 8% of the total subscription proceeds received from subscribers introduced to the Company by each particular person. Additionally, these persons were issued compensation warrants ("Compensation Warrants") equal to 8% of the total number of Units subscribed for by subscribers introduced to the Company by each particular person. Each Compensation Warrant entitles the holder thereof to purchase one Share at a price of $0.09 per Share for a period of twelve months from the date of issue.

9. Capital stock (continued):

(c) Options:

The Company has a stock option plan which is administered by the Board of Directors of the Company with stock options granted to directors, management, employees, management company employees and consultants as a form of compensation. The number of common shares reserved for issuance of stock options is limited to a maximum of 10% of the issued and outstanding shares of the Company at any one time.

Changes in the number of options outstanding during the three months ended May 31, 2013 and 2012 are as follows:

		2013		2012
	Shares	Weighted average exercise price	Shares	Weighted average exercise price
Balance, beginning of period	8,085,000	$ 0.12	4,205,000	$ 0.15
Granted	-	-	3,080,000	0.10
Exercised	-	-	(300,000)	0.10
Forfeited, cancelled or expired	(600,000)	0.10	(190,000)	0.52
Balance, end of period	7,485,000	0.12	6,795,000	0.12
Options exercisable, end of period	6,818,333	$ 0.12	5,618,334	$ 0.12
Weighted average fair value per unit of option granted during the period		$ -		$ 0.08

Options outstanding at May 31, 2013 consist of the following:

Range of exercise prices	Outstanding number	Weighted average remaining contractual life	Weighted average exercise price	Exercisable number
$0.10 - $0.15	7,151,667	5.54 years	$0.12	6,818,313
$0.16 - $0.20	333,333	9.23 years	$0.18	-
$0.10 - $0.20	7,485,000	5.71 years	$0.12	6,818,313

For the three and six months ended May 31, 2013, compensation expense of $7,500 and $33,695 (2012 - $86,735 and $216,277) was recorded in selling, general and administrative expenses to recognize options granted.

The compensation expense was determined based on the fair value of the options at the date of measurement using the Black-Scholes option pricing model with the following weighted average assumptions:

	May 31, 2013	May 31, 2012
Expected option life	3.7 years	3.4 years
Risk free interest rate	1.25%	1.20%
Dividend yield	nil	nil
Expected volatility	139.60%	145.15%

9. Capital stock (continued):

(c) Options (continued):

Subsequent to May 31, 2013, the Company issued 2,575,000 stock options at an exercise price of $0.10 per common share, to certain directors, officers, employees, consultants and management company employees of the Company.

(d) Warrants

Changes in the number of warrants outstanding during the six months ended May 31, 2013 and 2012 are as follows:

			2013			2012
	Warrants	Amount	Weighted average exercise price	Warrants	Amount	Weighted average exercise price
Balance, beginning of period	11,649,827	$ 427,580	$ 0.16	6,248,332	$ 214,131	$ 0.18
Granted, pursuant to private placement (note 9(b))	6,507,901	88,252	0.11	11,649,827	427,580	0.16
Expired	(503,047)	(22,397)	0.14	(6,248,332)	(214,131)	0.18
Balance, end of period	17,654,681	$ 493,435	$ 0.14	11,649,827	$ 427,580	$ 0.16
Weighted average remaining contractual life (years)			0.83 years			1.78 years

The fair value of warrants was determined at the date of measurement using an option pricing model with the following weighted average assumptions:

	May 31, 2013	May 31, 2012
Expected life	1.0 years	2.0 years
Risk free interest rate	1.42%	1.18%
Dividend yield	nil	nil
Expected volatility	71.01%	99.24%

(e) Per share amounts

The weighted average number of common shares outstanding for the six months ended May 31, 2013 and 2012 was 96,821,059 and 77,947,439, respectively. The dilution created by options and warrants has not been reflected in the per share amounts as the effect would be anti-dilutive.

10. Commitments and contingencies:

(a) Commitments

As at May 31, 2013 and in the normal course of business, the Company has obligations to make future payments, representing contracts and other commitments that are known and committed.

Payments due in the next five years by fiscal year ending November 30 are as follows:

2013 - remaining	$	103,000
2014		94,333
2015		80,500
2016		20,000
2017		20,000
2018		20,000
	$	337,833

Effective January 1, 2013 the Company amended the terms of the business and administration services agreement with Genesys Venture Inc. ("GVI"), including the provision of Chief Financial Officer services. The Company is committed to pay $8,333 per month or $100,000 per annum for a period of one year.

(b) Guarantees

The Company periodically enters into research and license agreements with third parties that include indemnification provisions customary in the industry. These guarantees generally require the Company to compensate the other party for certain damages and costs incurred as a result of claims arising from research and development activities undertaken on behalf of the Company. In some cases, the maximum potential amount of future payments that could be required under these indemnification provisions could be unlimited. These indemnification provisions generally survive termination of the underlying agreement. The nature of the indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay. Historically, the Company has not made any indemnification payments under such agreements and no amount has been accrued in the accompanying financial statements with respect to these indemnification obligations.

(c) Royalties

The Company is obligated to pay royalties to PreMD based on any future commercial sales of PreVu Skin Cholesterol test equal to 10 percent of gross revenue associated with PreVu (Note 6). The Company retains the right to buy-out the royalty at anytime for a one-time payment of $1,000,000. Royalties for the three and six months ended May 31, 2013 total nil and $3,152 respectively in regards to the royalty obligation (2012 - nil and nil), with payments of $3,152 and $3,152 made during the and six three months ended May 31, 2013 respectively (2012 - nil and nil).

The Company is obligated to pay royalties to Canada-Israel Industrial Research and Development Foundation ("CIIRDF") based on any future product revenues, if any, from the exploitation of the preeclampsia technology contemplated in the project funding agreement equal to 2.5 percent up to a maximum of the amounts funded under the agreement. To May 31, 2013, no royalties are due and/or payable.

The Company is obligated to pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products related to the worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia, if any, along with other milestone payments. If the Company sub-licenses any rights under the MSH Agreement to a third party, the Company shall pay MSH a stipulated percentage of sub-license fee and sub-license royalty fee (Note 5). In conjunction with Alere's decision to license under the Alere Agreement on January 10, 2013, a royalty of $6,234 became payable to MSH and was paid during the six months ended May 31, 2013 and is recorded within finance expense (2012 - nil).

11. Related party transactions:

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors and President & CEO are key management personnel.

In addition to their salaries, the Company also provides non-cash benefits and participation in the Stock Option Plan (Note 9(c)). Compensation paid to key management personnel for the three and six months ended May 31, 2013 and 2012 is as follows:

	Three Months Ended May 31, 2013	Three Months Ended May 31, 2012	Six Months Ended May 31, 2013	Six Months Ended May 31, 2012
Salaries, fees and short-term employee benefits	$ 69,500	$ 68,696	$ 136,417	$ 108,696
Short-term benefits and insurance premiums	$ 837	$ 868	1,674	1,674
Share-based payments	$ 7,500	$ -	21,289	88,065
	$ 77,837	$ 69,564	$ 159,380	$ 198,435

(b) Key management personnel and shareholder and director transactions

Directors and key management personnel controlled eight percent of the voting shares of the Company as at May 31, 2013.

As of November 30, 2011 $68,712 was owed to GVI, a party which was related to the Company until November 1, 2011, when a director who controlled GVI resigned from the Board of Directors, which bore interest at 12% per annum, calculated and compounded on a monthly basis until September 30, 2011. On January 20, 2012, the payable to GVI was settled in exchange for $4,416 of cash and 952,533 Common Shares with a fair value of $64,296 being issued to GVI for payment for services rendered in accordance with the terms of an agreement between the two parties.

The Company has an on-going consulting agreement with a shareholder to provide services as needed from time to time. For the three and six months ended May 31, 2013, $12,068 and $21,068 respectively (2012 - $62,500 and $65,500) has been recorded in selling, general and administration expenses relating to this consulting agreement. As at May 31, 2013, $15,000 (November 30, 2012 - nil) is recorded in prepaid expenses in relation to this contract.

12. Government assistance:

During the three and six months ended May 31, 2013, the Company recorded nil and $62,433 (2012 - nil and $19,942) in government assistance to support the commercialization of the PreVu technology. The funding has been recorded with $51,734 as a reduction of the related research expenditures and $10,699 as a reduction of intangible assets (2012 - $19,942 and nil, respectively). As at May 31, 2013, no amount of government assistance is recorded in accounts receivable (November 30, 2012 - $67,567).