BIOMARK DIAGNOSTICS INC.
("BioMark" or the "Company")
"Amended and Re-stated"
Annual Report
March 31, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: October 12, 2016

The following management's discussion and analysis ("MD&A") should be read together with the consolidated financial statements and accompanying notes for year ended March 31, 2016, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees 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.

1.2 Highlights

In March 2016, BioMark closed a private placement for gross proceeds of $408,954. The proceeds of the private placement are used for the continuation of the Company's Phase 3 clinical trials and general working capital.

Announcements and Highlights during the year:

- BioMark received a grant from NSERC to partner with Dr.Safieddin Safavi Naeini for further enhancement of its Raman Spectroscopy system
- BioMark was selected to present at 11th Annual Conference of the Metabolomics Society in San Francisco
- BioMark received a no objection letter ("NOL") to extend its trials in both Canada and Bangladesh from Health Canada's Office of Clinical Trials
- BioMark engaged LHA to support its initial investor relations program in the US. market

- BioMark announced the award of a grant from the Natural Sciences and Engineering Research Council of Canada (NSERC) to partner with David Chen, Ph.D., Professor, Department of Chemistry at the University of British Columbia, to develop a novel sample enrichment method for surface-enhanced Raman spectrometry (SERS) detection.

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- BioMark announced that the assay validation to analyze the clinical samples from the Company's first 200 - patient trial was to be completed within four weeks.

- BioMark received clearance from Health Canada to commence clinical trial with patented non - invasive, urine - based assay to measure response to treatment for lung cancer.

- BioMark announced that it expected to begin conducting studies following completion of protocol development to validate the use of its patented assays to determine response to surgical intervention for patients with lung cancer, and to further offer a personalized and reliable indicator to monitor persistence, recurrence, or state of a tumor.

- BioMark announced that it completed the internal standards for its assay to meet both Health Canada and FDA requirements for the 200 patient trial completed in Fall of 2015.

- BioMark announced a non-brokered Private Placement for up to 4,000,000 Units at a price of $0. 15 per Unit to raise gross proceeds of up to $600,000.

- BioMark announced that further to its press release of March 9, 2016, it has closed the first tranche of a non - brokered private placement for gross proceeds of $408,954 wherein BioMark issued 2,726,360 units at a price of $0.15 per unit.

- BioMark announced that it has now completed its response to lung cancer chemotherapy treatment protocol and successfully was been granted approval by both Health Canada and the Ethics Review Board. Having received both approvals for this protocol, the Company can now commence its preliminary pilot study at CancerCare Manitoba, expected to commence late July 2016.

1.3 Overall Performance

Nature of Business and 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 165-10551 Shellbridge Way, Richmond, British Columbia, V6X 2W8.

Background

We are a Canadian based company that has purchased all the assets related to, and will continue to develop, an advanced stage cancer diagnostic business. Our cancer diagnostics technology was initially licensed from the University of Manitoba in Canada in 2006 by Bux Group and was subsequently assigned to BioMark Technologies Inc ("BTI"), with whom we completed an asset purchase agreement on September 29, 2014, described in detail below under "Significant Acquisitions and Dispositions".

The diagnostic technology has developed to date into a metabolomics-based diagnostic assay that allows for cancer detection, monitoring and prognosis for treatment.

We are currently focused on bringing our cancer diagnostic kits and detection system up to commercialization standards and we hope to commence export once clinical trials and regulatory acceptance are obtained from Health Canada and other applicable regulatory agencies. Phase 3 clinical trial approval was granted by Health Canada in July, 2012, and the trials commenced at Saint Boniface Research Centre in October, 2013, and expanded to one additional site in Bangladesh. The Phase 3 study focus is on breast, prostate, lung and gastrointestinal cancers. We hope that the multi-site study will aid in accelerating trial completion by mid-2016.

On September 29, 2014, Biomark Cancer Systems Inc. ("BCS"), completed an Asset Purchase Agreement with BTI to purchase the rights, title and interest in and to BTI's advanced stage cancer diagnostic business (the "**Diagnostic Business**") including all related research, technologies and products, and the corresponding intellectual property rights and moral rights thereto.

Pursuant to the Asset Purchase Agreement, we obtained numerous assets relating to the Diagnostic Business. These include: five patents relating to the cancer diagnostic technology, registered or applied for in jurisdictions around the world; all of the diagnostic products, such as assays, kits, technology and detection systems, and any prototypes thereof; a real property lease for office premises; all of the tangible property; all of the know-how; all of the books and records, including all research, clinical studies and trial data, patient lists, plans, manuals and applications; a number of material contracts relating to the Diagnostic Business; all inventory allocated or assigned to the Diagnostic Business as of the closing of the Asset Purchase Agreement; the internationally registered BioMark™ trademarks to which BTI held transfer rights prior to the closing of the Asset Purchase Agreement; the intellectual property rights relating to several governmental and university partnerships; and all governmental approvals required for the lawful operation of the Diagnostic Business, to the extent transferable to BCS under the applicable laws.

BCS assumed some limited liabilities pursuant to the Asset Purchase Agreement relating to the transferred contracts and property lease, as well as to the operation and conduct of the Diagnostic Business after the closing of the Asset Purchase Agreement. BCS also assumed liability for BTI's accounts payable arising out of, relating to or incurred in connection with the Diagnostic Business as they stood at signing, and up to the closing of the Asset Purchase Agreement.

As a result of the Asset Purchase Agreement, to ensure continued involvement of persons possessed of scientific knowledge relating to the Diagnostic Business, BCS entered into several contractor agreements with key individuals involved with the research, technology and development of the Diagnostic Business.

BioMark Diagnostics is developing proprietary, non-invasive, and accurate cancer diagnostic solutions to help detect, monitor and assess treatment for cancer early and cost effectively. The platform technology is also designed to be used for measuring response to treatment and potentially for serial monitoring for cancer survivors. For more information please visit the company website at:
www.biomarkdiagnostics.com

1.4 Results of Operations

The resulting consolidated statements of financial position are presented as a continuance of Biomark Cancer Systems Inc. (formerly Luger Minerals Corp.) and comparative figures presented in the financial statements after the Arrangement are those of the Biomark Cancer Systems Inc.

The Company has generated other income in the amount of $4,410 for the year ended March 31, 2016 and has a negative operating cash outflows in the amount of $960,008 for the year ended March 31, 2016. The Company has recorded a net loss of $1,403,120 for the year ended March 31, 2016. The net loss includes share-based compensation of $91,237. The Company continues to build its patent portfolio and advancing its patent registration to different jurisdictions. These investments are important intangible assets for a biotechnology company but the value is not reported in the current balance sheet.

Consulting service fees decreased by $264,364 compared to the prior year due to increased third-party consulting services and downsizing of operational activities of the Company. The consulting service fees include any consulting services and related expenses.

The filing and transfer agent fees increased by $57,234 mainly due to DTC filings fees for listing on the OTCQB in the U.S.

Research and other expenses slightly increased due to a decrease in lab analytical services and continued research. The Company has no payroll and engages on the basis of consulting services as needed compared to the previous year. The major expenses are related to lab, R&D, and operational activities.

Professional fees for the year ended March 31, 2016, were $138,026 compared to $214,085 for the year ended March 31, 2015. The decrease of $76,059 was mainly due to a reduction in legal and other services.

The office and miscellaneous decreased by $7,414 compared to the previous year due to cost savings measures.

Travel expenses during the period was $38,437compared to $79,291 for the same prior year. The decrease of $40,854 was as a result of reduced travel expenses to investor and scientific forums.

1.5 Summary of Quarterly Results

The following is a summary of the Company's financial results for the most recently completed quarter. There are no quarterly results to report prior to June 30, 2014 as the Company was incorporated on June 19, 2014.

	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015
	$	$	$	$
Total Revenue	-	-	4,410	-
Expenses	700,749	260,892	236,597	209,292
Net Loss	(696,339)	(260,892)	(232,187)	(209,292)
Loss per Share	(0.014)	(0.005)	(0.005)	(0.007)

	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
	$	$	$	$
Total Revenue	-	-	-	-
Expenses	824,516	2,059,839	-	-
Net Loss	(824,516)	(2,059,839)	-	-
Loss per Share	(0.10)	(0.07)	-	-

1.6 Liquidity

The Company has total assets of $33,776 as at March 31, 2016 consisting of cash, amounts receivable and prepaid expenses and has a negative working capital of $554,280.

At March 31, 2016, the Company had cash and cash equivalents of $ 14,132 (March 31, 201 5 – $196,235)) and a working capital deficit of $554,280 (March 31, 201 5 – $147,961). Working capital is defined as current assets less current liabilities. Cash and cash equivalents decreased by $182,103 between FYE 2016 and FYE 2015 due to a decrease in financing during the year and the Company incurring operating expenses.

Cash utilized in operating activities during the three months ended March 31, 2016 was ($310,933) (March 31, 2015 – ($1,106,918)). This difference between March 31, 2016 and March 31, 2015 was an overall decrease in listing and other expenses.

Working Capital decreased by $702,241 from FYE 2016 to FYE 2015 due to a decrease in financing during the year. Total liabilities increased by $505,672 for the FYE March 31, 2016 when compared to the total liabilities at FYE 2015. The Company's cash inflows from financing activities comprised proceeds from common share issuances and cash share subscriptions received, and exercise of stock options during FYE 2016 totaling $128,830.

At March 31, 2016, share capital was $3,134,182 comprising 53,345,776 issued and outstanding Common Shares (March 31, 2015 – $2,420,072 comprising 48,635,040 issued and outstanding Common Shares). Surplus capital at March 31, 2016 is $604,896 (March 31, 2015 – $518,127) the increase is the result of the share based payments for the period.

As a result of the net loss for the year ending March 31, 2016 of $1,403,120 (March 31, 201 5 – ($2,875,155)) the deficit at March 31, 2016 increased to $4,293,358 from $ 2,890,238 as at March 31, 2015.

At present, the Company's operations do not generate cash inflows and its financial success after March 31, 2016 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development stage and to 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.

In order 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 track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of 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 their 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 issuances 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. See subsequent event for additional information.

1.7 Share Capital

As at March 31, 2016, the Company had 53,345,776 common shares issued and outstanding.

1.8 Share Purchase Warrants

As at March 31, 2016, the Company had 1,363,180 shareholder warrants issued and outstanding. On March 15, 2016, the Company completed first tranche of a Non-Brokered Private Placement at a price of $0.15 per unit for proceeds of $408,954, resulting in the issuance of 2,726,360 common shares and 1,363,180 warrants. Each warrant will entitle the holder to purchase an additional common share at an exercise price of $0.50 per share for a period of 12 months following the issuance of the warrants.

1.9 Stock Options

The Company has reserved 4,490,000 common shares under its 2014 Amended Stock Option Plan. The plan provides for the granting of options to directors, employees and consultants. Stock options granted generally have varying expiry terms of up to five years and vesting periods determined at the discretion of the directors.

During the year, there were 40,000 stock options exercised by a consultant. As at March 31, 2016, the Company had outstanding 4,450,000 stock options with a weighted average remaining contractual life of 3.58 years and with a weighted average exercise price of $0.14 per share.

1.10 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.

1.11 Off Balance Sheet Arrangements

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

1.12 Transactions with Related Parties

During the year ended March 31, 2016, the Company entered into the following transactions with related parties:

a) For the year ended March 31, 2016, directors and officers of the company provided consulting services to the company of $312,000. These charges are included in corporate and professional services and wages. Consulting fees by CEO was $240,000 and CFO was $72,000 for the year ended March 31, 2016. (Refer to Note 4 of the audited financial statements)

b) For the year ended March 31, 2016, the Company recognized $125,345 of share-based compensation for stock option held by directors and officers. This amount is included in share-based compensation expense.

c) On May 14, 2014, the Company also entered a General Service Agreement (the "Service Agreement") with BioMark Technologies Inc., Both Biomark Diagnostics and Biomark Technologies are managed by the CEO of the Company. According to the Service Agreement, the Company engaged Biomark Technologies to provide important services that include continuation of research and development, establishing a framework quality management system, IP refinement and filing, establish protocols with key investigators, linking platforms that Biomark Diagnostics can leverage, engage in territorial business development from relationships that Biomark Technologies developed over the years, supplier validation and review, operating capital and other related functions (the "Services"). Biomark Technologies uses subcontractors to perform some of its services. The Company will pay management fees equivalent to cost plus a 25% administration fee to Biomark Technologies and payable upon completion of the Services. For the year ended March 31, 2016, the Company paid $63,611 to Biomark Technologies as administration fees. BTI holds approximately 82% of the common shares of the Company as at March 31, 2016. The CEO owns more than 10% interest in the Company. The term of this Agreement will remain in full force and effect indefinitely until terminated as provided in the Agreement. In the event that either party wishes to terminate this Agreement, that each party will be required to provide 30 days' notice to the other party.

d) On May 14, 2014, the Company entered into an Independent Contractor Agreement (the "Agreement") with the CEO of the Company. According to the Agreement, the CEO will provide consulting services to the Company for one year with a compensation of $240,000 per year plus benefits. In addition, the CEO will be paid a cash bonus equivalent to 30% of the annual salary at the end of each year if the trading price of the Company shares increased by more than 30% from the trading price at the beginning of the year. For the purpose of this calculation, the starting trading price is $0.25 per share. The CEO will also be granted stock options for 1,000,000 shares at a price of $0.25 per share (granted). Finally, if the Company's market capitalization exceeds $200 million USD, the CEO will be paid an additional cash bonus of $500,000. The terms of the CEO agreement is on year to year basis unless terminated accordance to the terms and conditions set forth in the agreement. 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

1.13 Fourth Quarter

The Corporation incurred a net loss of $696,339 in the fourth quarter ended March 31, 2016, compared to a net loss of $824,516 in the same quarter a year earlier. The decrease in net loss in the fourth quarter ended March 31, 2016 was due to a major decrease in professional fees and research and development, intercompany charges.

Net loss, quarter over quarter is influenced by a number of 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 increase 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.

1.14 Subsequent Events

Subsequent to March 31 2016:

a) On June 20, 2016, the Company announced that it has engaged Stockhouse Deal Room in connection with closing the second tranche of its current private placement.

b) On June 24th 2016 – the Company announced that further to its press release dated June 20, 2016, it has closed the second tranche of a non-brokered private placement for gross proceeds of $163,615 wherein BioMark issued 1,090,767 units at a price of $0.15 per unit.

c) On July 5, 2016, the Company announce d that its designated analytical service provider Biopharmaceutical Research Inc (BRI) has completed the raw data collection for the 200 patient trial using an internal standard developed for BioMark that meets Health Canada and US FDA standards.

1.15 Critical Accounting Estimates

Critical Estimates and Assumptions

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

The most significant judgments in applying the Company's financial statements is the classification of financial instruments and the going concern assumption.

1.16 Changes in Accounting Policies

Accounting standards issued but not yet applied

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.7

- IFRS 9 – *Financial Instruments* (effective January 1, 2018) introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.

1.17 Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, accounts receivable, accounts payable and due to a related party.

The Company's financial instruments are exposed to the following risks:

Credit risk

The Company is exposed to credit risk with respect to its loan receivable. To reduce the credit risk of the loan receivable, the Company regularly reviews the collectability. Currently there is no indication that the loan will not be fully recoverable.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The Company intends to meet its current obligations in the following year with funds to be raised through private placements, shares for debt, loans and related party loans.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

1.18 Other MD&A Requirements

A. For more information about the Company, see www.sedar.com. The Company has not filed an AIF Annual Information Form.

B. Information required in the following section 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 March 31, 2016 to which this MD&A relates.

ii) Section 5.4 - *Disclosure of Outstanding Share Data*

a. Authorized:

Unlimited common shares without par value

b. Common Shares Issued:

	Number
Balance, March 31, 2016	54,436,543
Balance, October 12, 2016	54,436,543

As at October 12, 2016 and March 31, 2016, there were 24,000,000 common shares held in escrow.

c. Stock options:

As at the date of the MDA, there are 4,490,000 stock options outstanding to acquire up to 4,490,000 common shares at $0.25 per share exercisable until October 31, 2019. As at March 31, 2016, 4,286,667 options were vested and exercisable. As at October 12, 2016, 3,270,000 options were vested and exercisable.

(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.*

Not applicable.

Risk Factors

The Company is focused on more select market introduction and development of all its product lines while instituting cost control of product development. The failure to generate future sales in the Company's main products could have a significant and adverse affect on the Company.

Additionally, the Company is engaging in prototype development, conducting additional clinical research related to technology positioning, protocol development and regulatory submissions. Negative clinical trials along with regulatory non approval or delays could adversely affect sales, product commercialization and could have a major impact on the Company.

Biomark's success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on the Company. Biomark does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of Biomark areof central importance. In addition, there can be no assurance that Biomark will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

The Company has incurred a net loss for the year ended March 31, 2016 of $1,403,120 and has a deficit of $4,293,358 as at March 31, 2016. The net loss includes share-based compensation of $91,237. Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.