BIOMARK DIAGNOSTICS INC.

Form 51-102F1
Management's Discussion & Analysis
Annual Report
For the Year Ended March 31, 2018

1.1 Date of Report: July 27th, 2018

The following management's discussion and analysis ("MD&A") should be read together with the condensed consolidated financial statements and accompanying notes for the year ended March 31, 2018, 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 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.

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

Announcements and Highlights during the year:

- BioMark completed a detailed literature review with The Metabolomics Innovation Centre (TMIC) to establish cross over links for its customized lung cancer fingerprint assay to help rule out potential lung related diseases. A complete actual biological sample assessment will be conducted in due time at TMIC.

- BioMark team completed a visit to Japan partially funded by Going Global Innovation Program offered by Global Affairs Canada. Meetings were arranged by Canadian Trade Commission officials based in Tokyo. The objective of the meetings was to assess potential research collaborations with Japanese companies operating in the diagnostic arena. Future meetings will be scheduled pending a successful response from the initial interaction of the Japanese institutions.

- BioMark announced the closing of its previous private placement on May 7th, 2017.

- BioMark announced a Private Placement on May 9, 2017(the "Offering"). The Offering will be for up to 5,000,000 Units at a price of $0.10 to raise gross proceeds of up to $500,000. Each Unit is composed of one common share (a "Share") of the Company and one-half of a Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to acquire one Share at a price of $0.15 per Share for a period of two years after the date of issuance. Finder's fees may be payable. The private placement and finder's fees are subject to regulatory approval. The proceeds of the Offering will be used for the regulatory submission activities, further product development, marketing initiatives and general working capital.

- BioMark successfully closed the first tranche as per new release on June 29th. 2017. The Issuer issued 6,397,909 units at a price of CAD $0.10 per unit for gross proceeds of $ 639,790.87. Each unit consists of one common share of the Issuer and one-half of one share purchase warrant.

- An Interim CFO was announced on June 19th, 2017 as per news release.

- Ethics approval was obtained for extension of tissue sample studies with CancerCare Manitoba and TMIC.

- Conducted and completed annual audit – Audited Financial Statement and MD&A filed in SEDAR and Canadian Securities Exchange as required by regulators in July 2018.

- On September 18th, 2017, BioMark announce that its patent family titled "METHOD FOR ASSAYING NONSPERMINE/SPERMIDINE ACTIVITY OF SPERMINDINE/SPERMINE N1-ACETYLTRANSFERASE (SSAT)" which was issued in United States has now been prosecuted to allowance and issued in the following countries: Canada, Italy, Spain, Belgium, Switzerland, France, United Kingdom, and Germany.

- On September 20th, 2017, BioMark announced that it has successfully closed the second tranche of private placement as per the announcement

on May 9th, 2017. The Issuer issued 1,873,000 units at a price of CAD $0.10 per unit for gross proceeds of $ 187,300. Each unit consists of one common share of the Issuer and one-half of one share purchase warrant.

- BioMark submitted the final report for the existing Going Global Innovation Program offered by Global Affairs Canada and aim to apply for the new program once BioMark have the confirmation to revisit Japan for further potential collaboration.

- On October 2nd, 2017, BioMark Diagnostics Inc. was pleased to announce that it has appointed four distinguished experts to its scientific and medical advisory team. Announcements related to each adviser will be made through appropriate news release.

- On October 25th, 2017, BioMark announced that its patent titled "A METHOD FOR ASSAYING THE ACTIVITY OF SPERMIDINE/SPERMINE N1-ACETYLTRASFERASE" has been prosecuted to allowance and issued in China.

- BioMark shipped a large lung cancer cohort samples to TMIC for analysis. TMIC will utilize the customized assays that it developed for BioMark to re-validate the samples. This study is being conducted under Dr. Maksymuik of CancerCare Manitoba and Saint Boniface Research Centre in Manitoba. Samples analyses are scheduled to be analysed by end of December at TMIC facilities.

- On November 1, 2017, BioMark provided the latest clinical trial and research update.

- On November 22, 2017, BioMark Diagnostics Inc. held its Annual General Meeting at 11th Floor - 1050 West Pender St., Vancouver, BC V6E 3S7 on Wednesday, at 11:00 a.m. (Vancouver Time).

- On December 5th, 2017, BioMark announced that Dr. Ian Smith has been elected to become a board director of the company.

- Clinical trial samples from Bangledesh have been run at BRI and BioMark awaits results that will been sent to SBRC for biostatician and Drs. Maksymuik / Sitar / Ramjiawan / Tappia to review and commence submission to Health Canada. In February, the biostatistican had completed data analysis of the sample and that a team is now working on putting a package for submitting an application of its assay to Health Canada.

- On Feb 26th, 2018, BioMark announced that it received NSERC Engage Grant for studies with Dr. Don Miller of University of Manitoba. The focus of the studies will be on understanding the role of SSAT1 (Spermine Spermidine Acetyl Transferase 1) in brain cancer

- BioMark team visited Japan under the Going Global Innovation imitative. Discussions with various Japanese entities were held and now a comprehensive discussion is planned between key Japanese and Canadian groups. Announcements will be made following successful conclusion of the discussions.

- BioMark met with the principal investigators, regulatory team and the biostatistician in Winnipeg to discuss the status of its application to Health Canada for its Amandatine assay.

- BioMark and TMIC (The Metabolomics Innovation Centre) have completed preliminary analysis of samples for its Lung Cancer Panel metabolites. The results for staging are encouraging and additional clinical parameters are being incorporated to increase the robustness of the assay. In addition, additional metabolites have been identified to boost the assay functionality to assess lung cancer subtypes.

- BioMark and TMIC (The Metabolomics Innovation Centre) team had a detailed conference call with a key Japanese medical and scientific group. Both parties in principal are structuring a collaborative framework to commence clinical activities which will be announced when both parties have agreed with the terms and responsibilities.

Risk Factors and Uncertainty

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.

The Company is engaged in conducting additional clinical research related to technology positioning 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. Additionally, industry evolution and existing or new market entrants can impact the competitive position of BioMark. New detection and screening technologies in genomics, epigenetics, exosomes, and liquid biopsy incorporating big data can negatively impact BioMark commercialization efforts.

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. The contributions of these individuals to the immediate operations of BioMark are of 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.

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.

1.3 Selected Annual Information

The following information is a summary of the Company's financial data for the three most recently completed financial years.

	March 31, 2018	Marc 31, 2017	March 31, 2016
	$	$	$
Total Expenses	726,747	721,006	1,407,530
Net Loss	726,747	715,424	1,403,120
Loss Per share	0.01	0.01	0.03
Total Assets	51,746	39,572	33,766
Distribution or Cash Dividends	None	None	None

Concentration of clinical trials in 2016, reductions in operating expenses including reduced use of consultants were major factors that caused the variations in 2017 and 2018. These are discussed in detail under sections 1.4 and 1.5.

1.4 Discussion of Operations

The Company has generated no revenues for the year ended March 31, 2018 and has recorded a net loss of $726,747 for the year ended March 31, 2018. The net loss includes share-based compensation of $88,145 compared to the prior year of $9,942, which was the fair value of the remaining vested options granted in 2015 year-end and new options granted in 2018.

Professional fees for the year ended March 31, 2018 were $58,390 compared to $136,146 for the year ended March 31, 2017, a decrease of $ 77,756. The Company continues to build its patent portfolio applications/filings and advancing its patent registration to different jurisdictions and the costs in this fiscal year was lower due to timing and stage of the filings. The company anticipates a higher amount in 2019. 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 $40,489 compared to the prior year due to reduced third-party consulting services. The filing and transfer agent fees increased by $35,078 mainly due to the investor marketing campaign in Europe following fund-raising initiatives.

Research and other expense slightly increased by $6,246 due to the leveraging of government funds. Some research costs were offset by support through NSERC grant for work with Dr. Don Miller from University of Manitoba. The Company is expecting to increase research and other related expense in the next fiscal year. 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.

The office and miscellaneous remained at similar levels due to existing rental agreements. Travel expenses during the period was $21,843 compared to $18,153 for the prior year. The slight increase of $3,690 was as a result of increased travel expenses to visits to Japan and to clinical trial sites.

Upcoming Potential 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. Some key business objectives initiatives include:

- Actively raise capital especially with institutional, family funds and strategic investors

- Submit an application to Health Canada for diagnostic application of its SSAT1 initially using LCMS. The LCMS is the industry gold reference standard, hence to gain recognition the company is focusing on this analytical methodology; See notes below on activities related to our clinical trials.

- Revalidate and advance the clinical commercialization of its customized fingerprint assay with The Metabolomics Innovation Centre (TMIC) and authorized lab service company for lung cancer. A larger cohort of samples with an emphasis of earlier stage lung cancer samples will be sourced through registered bio depository centres across America and analyzed at partner labs after the kits are optimized at TMIC. In addition, the company will enhance its supporting software as needed for the assay through services rendered at Alberta Machine Intelligence Institute. The company anticipates the completion of the sample validation by end of this fiscal year.

- Continue to research and develop better quantification technologies or methods that will enhance the signal detection and reduce overall costs associated with sample collection and preparation. The company's goal is to lower cost detection costs associated with our platform;

- Conduct and appropriately register the clinical trials which include measuring response to radiation and chemotherapy and surgical intervention for lung cancer and glioblastoma;

- Developing stronger industry collaborations both locally and internationally;

- Publish in leading journals to highlights its discoveries

- Seek strong industrial partners to engage in co -development projects

- Apply for appropriate government grants with partner institution

1.5 Summary of Quarterly Results

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

	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
	$	$	$	$
Total Revenue	-	-	-	-
Expenses	147,536	176,375	218,422	184,414
Net Loss	(147,536)	(176,375)	(218,422)	(184,414)
Loss per Share	(0.002)	(0.003)	(0.004)	(0.003)

	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
	$	$	$	$
Total Revenue	5,582	-	-	-
Expenses	243,409	111,757	150,306	215,534
Net Loss	(237,827)	(111,757)	(150,306)	(215,534)
Loss per Share	(0.004)	(0.002)	(0.003)	(0.004)

1.6 Liquidity

The Company has total assets of $51,746 as at March 31, 2018 consisting of cash and amounts receivable and has a negative working capital of $902,006.

At March 31, 2018, the Company had cash and cash equivalents of $36,632 (March 31, 2017 - $17,489), which was increased by $19,143 due to increased capital raise over the fiscal year and net of cash used for daily operations and working capital deficit decreased by $163,018 from fiscal 2017 mainly due to repayment to related parties. Working capital is defined as current assets less current liabilities.

Total liabilities decreased by $152,424 from March 31, 2017 which are largely accounts payable and accrued liabilities. Cash utilized in operating activities during the year ended March 31, 2018 was $770,417 (March 31, 2017 – $109,549). This difference between March 31, 2018 and March 31, 2017 was related to repayments to parties offering services, related parties, and general operating expenses.

At March 31, 2018, share capital was $4,086,774 comprising 62,794,119 issued and outstanding common Shares (March 31, 2017 – $3,249,024 comprising 54,436,543 issued and outstanding common Shares). Surplus capital at March 31, 2018 is $698,329 (March 31, 2017 – $647,543) the increase is the result of the share-based compensation recognized for the year. As a result of the net loss for the year ending March 31, 2018 of $726,747 (March 31, 2017 – ($715,424)) the deficit at March 31, 2018 increased to $5,735,529 from $ 5,008,782 as at March 31, 2017.

At present, the Company's operations do not generate cash inflows and its financial success after March 31, 2018 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.

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 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 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 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.

See section 1.11 – subsequent events.

1.8 Off-Balance Sheet Arrangements

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

1.9 Transactions Between Related Parties

During the year ended March 31, 2018, the Company entered into the following transactions with related parties:

a) For the year ended March 31, 2018, directors and officers of the company provided consulting services to the company of $330,000. These charges are included in consulting fees. Consulting fees by CEO was $240,000 and Interim CFO/Project Director was $90,000 for the year ended March 31, 2018. The Company has $522,946 and $96,020 due to CEO and Interim CFO respectively. During the year ended March 31, 2018 the interim CFO advanced $8,200 to the Company. (Refer to Note 4 of the audited financial statements)

b) For the year ended March 31, 2018, the Company recognized $28,757 of share-based compensation for stock options held by directors and officers, which were granted in 2017. This amount is included in share-based compensation expense.

c) On May 14, 2014, the Company 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, 2018, the Company paid $1,174 to Biomark Technologies as administration fees (2017 - $15,928). BTI holds approximately 65.30% of the common shares of the Company as at March 31, 2018 (2017 – 75%). 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 are 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.

1.10 Fourth Quarter

The Corporation incurred a net loss of $147,536 in the fourth quarter ended March 31, 2018, compared to a net loss of $237,827 in the same quarter a year earlier. The decrease in net loss in the fourth quarter ended March 31, 2018 was due to a major decrease in consulting fees, clinical trial and research and legal fee.

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.

1.11 Proposed Transactions

Subsequent events post March 31, 2018 that were instigated to increase working capital to help deliver on future activities:

a) Subsequent to year end the Company has received a total of $162,100 from investors for share subscriptions.

b) On May 12, 2018 the Company entered into a loan agreement which grants the lender the rights to convert the loan into shares. The Company has received $10,000 in proceeds in accordance with the loan agreement.

1.12 Critical Accounting Estimates

The preparation of the consolidated 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. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The more significant areas are as follows:

- the estimates and assumptions used in the share-based payments; and
- the fair value measurements for financial instruments;

The Company also made judgments, apart from those involving estimates, in applying accounting policies. Actual results may differ from these estimates.

Significant areas where management's judgment has been applied include:

- Classifying categories of financial assets and financial liabilities in accordance with IAS 39, Financial instruments: recognition and measurement;
- Evaluating if the criteria for recognition of provisions and contingencies are met in accordance with IAS 37, Provisions, contingent liabilities and contingent assets; and
- The assessment of the Company's ability to continue as a going concern.

1.13 Changes in Accounting Policies including Initial Adoption

During the year ended March 31, 2018, the Company did not adopt any new accounting standards and interpretations.

New accounting standards issued but not yet effective

Certain new standards, interpretations, amendments, and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

• IFRS 9: New standard that replaced IAS 39 for classification and measurement, tentatively effective for annual periods beginning on or after January 1, 2018.
• IFRS 15: New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers, effective for annual periods beginning on or after January 1, 2018.
• IFRS 16: Leases: New standard to establish principles for recognition, measurement, presentation, and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

Based on current expectations, the Company does not expect these standards to have a significant impact on the financial statements.

1.14 Financial Instruments and Other Instruments

Fair values

The Company's financial instruments include cash, accounts payable and due to related parties. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

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 (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market date.

Credit risk

The Company is not exposed to credit risk.

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.

1.15 Other MD&A Requirements

(a) More information about the Company is on SEDAR at www.sedar.com.

(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 March 31, 2018 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 at March 31, 2018, the Company had 62,794,119 common shares issued and outstanding.

	Number
Balance, March 31, 2018	62,794,119
Balance, July 27, 2018	62,794,119

Share Purchase Warrants

As at March 31, 2018, the Company had 4,896,839 shareholder warrants issued and outstanding.

On June 24, 2016, the Company closed a non-brokered private placement of 983,767 units at $0.15 per unit for a total consideration of $147,565. Each warrant will entitle the holder to acquire one share at a price of $0.30 per share for a period of one year. The Company also issued 107,000 units as share issuance costs with a fair value of $16,050. The Company uses

the residual value method to allocate proceeds of the unit amongst the common share and the share purchase warrant. A value of $0.06 per warrant was allocated to the contributed surplus for a total amount of $32,723.

On June 29, 2017, the Company closed a non-brokered private placement of 6,397,909 units at $0.10 per unit for total consideration of $639,791. Each unit is composed of one common share and one-half of a share purchase warrant. Each warrant will entitle the holder to acquire one share at a price of $0.15 per share for a period of two years. Included in this placement was 50,000 units at $0.10 per unit issued for consulting services of $5,000. In connection with the private placement, the Company paid finder's fees of $21,700 cash and issued 216,000 share purchase warrants at a fair value of $9,641. Each warrant will entitle the holder to acquire one share at a price of $0.15 per share for a period of two years.

On September 18, 2017, the Company closed a non-brokered private placement of 1,873,000 units at $0.10 per unit for total consideration of $187,300. Each unit is composed of one common share and one-half of a share purchase warrant. Each warrant will entitle the holder to acquire one share at a price of $0.15 per share for a period of two years.

c. Stock options:

The Company's current stock option plan (the "Existing Plan") was last approved by the shareholders on September 17, 2015. Pursuant to the Existing Plan, the maximum number of common shares of the Company which may be authorized for reservation for the grant of options from time to time shall be 20% of the Company's then 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, provided no stock options will have a term exceeding five years.

On June 15, 2017, the Company granted 250,000 stock options to the interim CFO. The stock options can be exercised at $0.15 per share for a period of five years and vested immediately. The fair value of the stock options was $16,802.

On September 15, 2017, the Company granted 1,400,000 stock options to directors, officers, consultants, and employees. Stock options granted to a consultant (300,000) can be exercised at $0.15 per share until September 15, 2018. The fair value of the stock options is $6,334. Stock options granted to directors, officers, and consultants (1,100,000 options) vest at 25% at the date of grant and 25% every six months thereafter. These stock options can be exercised at $0.15 per share for a period of three years. The fair value of the vested options is $18,009.

(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 52-109F1 Certification of Annual Filings is filed on SEDAR.