BIOMARK DIAGNOSTICS INC.

Form 51-102F1
Management's Discussion & Analysis
Quarterly Report
For the Quarter Ended December 31, 2021

About This Management's Discussion & Analysis

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

This management's discussion and analysis ("MD&A") should be read together with the unaudited consolidated interim financial statements for the nine months ended December 31, 2021, and our annual audited consolidated financial statements and accompanying notes for the year ended March 31, 2021, which have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, or IASB. Our IFRS accounting policies are set out in Note 3 of our annual audited consolidated financial statements for the year ended March 31, 2021. All amounts are stated in Canadian dollars unless otherwise indicated.

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

Cautionary Statement About Forward-Looking Statements

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

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

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

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

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

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

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

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

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

1.1 Date of Report: February 28, 2022

1.2 Overall Performance

BioMark Diagnostics Inc. (“BioMark Diagnostics” or the “Company”) was incorporated on June 19, 2014, under the Business Corporation Act of British Columbia. The head office of the Company is 130 – 3851 Shell Rd, Richmond, British Columbia, V6X 2W2. The ultimate parent of BioMark Diagnostics is BioMark Technologies Inc. (“BTI”), which is located at the same address as the Company.

The Company is developing a multianalyte panel to detect metabolites shed by cancer cells in the blood with an eye on commercializing a test for the early detection and screening of cancer. Biomark Diagnostics’ cancer diagnostics liquid biopsy platform leverage "Omics" and machine learning which allows for early cancer detection. BioMark Diagnostics Inc. is currently focused on bringing its cancer diagnostic tests and detection solution to commercialization. The Company is currently listed for trading on the Canadian Securities Exchange under the symbol “BUX”, OTC Market under the symbol “BMKDF” and Frankfurt Stock Exchange under the symbol “20B”.

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

Announcements and Highlights during the quarter:

- Even though COVID-19 pandemic management measures intensify along with aggressive vaccination, testing and vaccine verification programs being implemented, there is still concerns of infection rates due to the Omricon BA.1 and BA.2 variants still spreading globally. The company remains hopeful but vigilant. Financial, operational and recovery measures instituted by the management team aided in sustaining business viability over the past 24 months and the company intends to navigate through the endemic phase diligently.

- BioMark completed lab equipment installation and started calibration of its system with vendors for its Quebec based lab facilities. Additionally, BioMark hired and trained two highly qualified lab staff members, who started in October 2021. The company will be hiring more highly qualified personnel in the upcoming months to further augment its technical and lab capacity as commercialization momentum continues.

- BioMark successfully completed filing a provisional patent on October 14, 2021, related to new discoveries from its glioblastoma studies conducted in collaboration with Dr. Don Miller and his group at the Department of Pharmacology & Therapeutics, Kleysen Institute for Advanced Medicine University of Manitoba.

- BioMark participated in the III annual Congress of the International Society of Liquid Biopsy that was held on October 22, 2021. The company showcased its innovative technology to a targeted audience that included health policy makers, clinicians, biopharma and researchers with compelling data from previous studies that demonstrated the ability of its assays to detect early-stage lung cancer at very high levels of sensitivity and specificity using metabolomics and machine learning. The presentation was made by Dr. David Wishart (Director at The Metabolomics Innovation Centre -TMIC) who is also a key scientific collaborator with BioMark.

- On November 8th, 2021, BioMark announced that the diagnostic and therapeutic capabilities of its SSAT cancer marker were featured in two virtual poster presentations during the sixth biennial Canadian Cancer Research Conference that was held virtually from Nov 8-11, 2021.

- On November 10th, 2021, BioMark announced that it recognized Lung cancer Month and wanted to raise awareness of the challenges that come from diagnosis of lung cancer. BioMark posted relevant short articles related to this fatal disease in different social media sites during November. The campaign aimed to encourage both men and women to know their risks for lung cancer and to consider annual screening to gain an advantage on the disease through earlier diagnosis.

- On November 16, 2021, BioMark announced that its Quebec-based subsidiary, BioMark Diagnostic Solutions Inc ("BDS")., received advisory services and funding of up to CAD $169,550 from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP) to support research and development of its liquid biopsy assay for the early detection and screening of lung cancer.

- On November 25, 2021, BioMark reported its operational update for the second quarter ended September 30, 2021. The Company also announced that it extended the warrant exercise term on a continuing effort to improve corporate value for its shareholders.

- On November 30, 2021, BioMark announced its Quebec-based wholly owned subsidiary BioMark Diagnostic Solutions Inc. ("BDS") will collaborate with pharma companies AstraZeneca and Pfizer Canada as well as the Quebec Heart and Lung Institute (IUCPQ) in a $3.5 million sponsored research project to develop screening tools for the early detection of lung cancer. The research project aims to develop a new screening tool that use artificial intelligence and combine radiomic, genetic, and BioMark's proprietary liquid-biopsy assay to enhance the efficiency of current lung cancer screening program and facilitate the identification of individuals who would benefit from more invasive tests, such as lung biopsy. Financial support for the project is being provided in part by the Ministère de l'Économie et de l'Innovation (MEI) as part of CQDM's SynergiQC program and from an exceptional donation made by Mr. Normand Lord to the IUCPQ Foundation.

- On December 16, 2021, BioMark presented and won the Entrepreneurial Competition in life sciences – DEVTECH 2021. BioMark received a grant that will support BioMark to participate in the virtual conferences entitled "Redefining Early-Stage Investments – RESI 2022 and Biotech Showcase 2022. In addition, an "Innovation" package was offered by the Ministry of Economy and Innovation (MEI) for "BIO International Convention" that will be held in San Diego from June 13 to 16 2022.

- On December 20, 2021, BioMark Diagnostics Inc. held its Annual General Meeting at 130 – 3851 Shell Rd, Richmond, BC, V6X 2W2 at 9:00 a.m. (Vancouver Time). All the motions were passed.

- On December 20, 2021, BioMark was selected to present Company's updates in the Innovator's Pitch Challenge at Digital RESI JPM held from January 11–13th, 2022.

Risk Factors and Uncertainty

The Company is focused on selected markets for the introduction and development of its product line while instituting cost control of product development. The failure to generate future sales from 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 denials 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's commercialization efforts. The scale and size of new competitors can impact BioMark's ability to introduce its tests.

BioMark's success will largely depend on certain key personnel. The loss 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 the upmost importance. In addition, there is 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, seek non-dilutive financing and implement necessary 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.

The Impact of COVID-19 Pandemic

The novel coronavirus pandemic (COVID-19) has caused a global disruption and has significantly impacted businesses across all sectors and the healthcare industry is not spared.

The COVID-19 pandemic has had both operational and commercial impact for BioMark. The application for Translational Research Partnerships Program with Cancer Research Society and Dr. Phillipe Joubert from IUCPQ in Quebec was halted due to the impact of COVID-19. The research on GMB (glioblastoma) studies at CancerCare Manitoba were granted ethics approval and clinical trials commenced after

strict COVID-19 restrictions were temporarily lifted. Further analysis to assess the response to treatment following radio/chemotherapy in GBM patients is underway at CanacerCare Manitoba on several patients undergoing treatment. Suspensions and delays on research and potential grant application due to COVID-19 can and will impact the timeline of the research and commercialization for BioMark's technology platform. The potential milestone payment from our Chinese partner will be delayed and depend on when the local authority allows / permits the planned clinical trial to commence and be the completed due to the tough COVID-19 restrictions in China.

Realizing the rapidly changing environment, BioMark responded by examining its deep expertise in quantification technology patents and the technical and regulatory expertise to address the COVID-19 pandemic positively. BioMark's Raman Spectrometer was originally developed for work in early cancer diagnostics. It was created to assist in ultra-low detection of a very small exogenous molecule in urine samples. The size of the molecule is much smaller than that of a typical virus and the system was repurposed to assess the possibility of detecting the COVID virus. In June 2020, BioMark partnered with Stream.ML and Merogenomics to form Bio-Stream Diagnostics Inc. ("Bio-Stream Diagnostics"), a new company, focused on providing low-cost COVID-19 detection in less-than-30 seconds. Leveraging Raman spectroscopy and the power of machine learning, the Bio-Stream platform will provide low-cost, accurate results in coronavirus screening. Bio-Stream acquired and is in the process of clinical validation of the next generation bio-sensor technology for the detection of Covid -19 and other viruses. Bio-Stream Diagnostics platform is to develop an alternative detection tool to polymerase chain reaction (PCR) detection arrays and other detection systems for pathogen detection. Surface-enhanced Raman spectroscopy (SERS) and bio-sensor technologies are uniquely suited to detect viruses and small molecules, and machine learning is well-suited for the analysis of this type of data. Hence there is very strong complementary synergies in combining these technologies. This will be a turnkey testing system, complete with a biosensor test along with a compact spectrometer, software, model execution, scanning instructions, and SERS substrates for disposable sample collection. Collectively, this team has the necessary experience of medical-based product delivery and machine learning distribution from a global commercialization perspective. Each company will be contributing distinct IPs and technical expertise in the venture. Officers from the 3 companies will be directors of the new company. Bio-Stream Diagnostics is still developing the system and is collecting data from clinical samples for validation prior to regulatory submission prior to commercialization and deployment.

BioMark's management team has instituted financial, operational and recovery measures to ensure that its business remains viable over the next 12 months and beyond. Financial measures include cost cutting initiatives and considering applying for lines of credit through financial institutions at attractive terms, tapping into government grants/support programs. In addition, management is in communications with its board on liquidity plans and operational plans to kick start our research and commercialization initiatives. BioMark ensures that all relevant risks will be disclosed and tailored to the company's specific situation.

1.3 Selected Quarter Information

The following information is a summary of the three and nine months ended December 31, 2021, as compared to the three and nine months ended December 31, 2020.

The information is presented on the same basis as the consolidated financial statements and should be read in conjunction with the statements and accompanying notes.

		For the three-month period ended		For the nine-month period ended	
	Note	**December 31, 2021**	December 31, 2020	**December 31, 2021**	December 31, 2020
Revenue		**$ 19,818**	$ -	**$ 19,818**	$ -
Expenses					
Consulting fees	3	**85,050**	87,500	**255,150**	252,500
Depreciation on right-of-use asset	6	**41,069**	992	**46,242**	6,945
Depreciation on asset	5	**3,074**	-	**3,074**	-
Research and other		**66,119**	64,646	**131,576**	83,994
Professional fees		**28,869**	19,876	**70,915**	79,508
Office and miscellaneous		**18,033**	9,892	**46,015**	24,590
Interest and bank charges		**9,652**	-	**13,349**	-
Filing and transfer agent fees		**32,229**	10,508	**189,542**	46,154
Travel		**997**	775	**3,970**	6,535
Share-based compensation	8	**-**	-	**-**	12,602
Total operating expenses		**285,092**	194,189	**759,833**	512,828
Other income					
Foreign exchange (gain) loss		**668**	-	**579**	-
(Gain) loss on settlement of debt		**-**	-	**-**	(2,615)
Government grants		**(9,063)**	-	**(16,563)**	-
Total other income		**(8,395)**	-	**(15,984)**	(2,615)
Comprehensive loss		**$ (276,697)**	$ (194,189)	**$ (724,031)**	$ (510,213)

For discussion of information refer to sections 1.4 and 1.6.

1.4 Discussion of Operations

Three months ended December 31, 2021, compared to three months ended December 31, 2020

The Company generated revenue of $19,818 by providing R&D lab services in Quebec City for the quarter ended December 31, 2021 and recorded a net loss of $276,697. The net loss increased by $82,508 compared to the previous year of $194,189. This was due to an increase of depreciation for right-of-use asset and filing and transfer agent fees.

Consulting fee for the key management personnel decreased by $2,450 compared to the same period of last year. Research and other expense remained roughly at remains at the same level with a slight increase of $1,473 from $64,646 for the quarter ended December 31, 2020, to $66,119 for the quarter ended December 31, 2021. With the resumption of research projects and facility expansion in Quebec, the Company hired and trained two highly qualified lab staff members and currently both are in the reported payroll system. As normality begins and postponed research projects resumes, the Company expects higher research and other related expenses in the coming quarters. The major expenses will be related to the recruitment of more highly qualified personnel, assay verification and validation, lab supplies, lab certification, sample acquisition and analysis, publication costs and other research/business development related activities.

The Deprecation on right-of-use asset and depreciation on asset respectively increased by $40,077 and $3,074 for the same period of the last year due to the Company's acquisitions of laboratory and computer equipment and signing of a two-year lease to accommodate the lab space in Quebec. The details of accounting standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 5 and Note 6 in the unaudited consolidated interim financial statements for the nine months ended December 31, 2021. Under Note 5, computers are recorded at cost and amortized over three years; laboratory equipment is recorded at cost and amortized over five years. Under Note 6, the equipment is related to the newly acquired instruments via the third-party leasing company and is amortized over five years. The office lease includes both the office spaces in Richmond BC and the lab facility in Quebec.

Professional fees increased by $8,993 compared to the same period of last year. The company anticipates spending a higher amount in the next quarter due to timing and stage of the patent filings. The Company continues to build its patent portfolio applications/filings and advancing its patent registration to different jurisdictions. These investments are important intangible assets for any biotechnology company, yet the value is not reported or captured in the current balance sheet. Office and miscellaneous increased by $8,993 from $9,892 for the quarter ended December 31, 2020, to $18,033 for the quarter ended December 31, 2021, mainly due to the cost for the website development and institution of a robust social media program.

The interest and bank charge increased by $ 9,652 from $nil for the same period of last year due to the interest accretion on lease liability and long-term government loan. Filing and transfer agent fees increased by $21, 721 from $10,508 for the quarter ended December 31, 2020, to $32,229 for the quarter ended December 31, 2021 due to the short term market awareness program in USA. Travel remains at the same level and no share-based compensation was reported for this quarter and the same period of previous year.

Other income increased by $ 8,395 which includes an increase of $ $9,063 from government grants and a foreign exchange loss of $668. In November 2021, the Company's Quebec-based subsidiary, BioMark Diagnostic Solutions Inc, received advisory services and funding of up to CAD $169,550 from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP) to support research and development of its liquid biopsy assay for the early detection and screening of lung cancer for two years. As of December 31, 2021, the Company has recognized $9,063 of this NRC IRAP funding in government grants on the consolidated Interim Statement of Comprehensive Loss.

The nine months ended December 31, 2021 compared to nine months ended December 31, 2020

The Company generated revenue of $19,818 for the nine months ended December 31, 2021 by providing R&D lab service in Quebec and has recorded a net loss of $724,031. The net loss increased by $213,818 compared to the nine months ended December 31, 2020. This was due to increased filing and transfer agent fees, depreciation on right-of-use asset, research and other, and Interest and bank charges.

Filing and transfer agent fees increased by $143,388 mainly due to fees related to a three-month marketing campaign program designed to increase awareness and communication strategy through a third-party advisory group during the first quarter in Canada and a six-month program with US based advisory group to increase BioMark's exposure to the investment community within USA. In addition, started in the second quarter the company engaged in a monthly market-making program. Research and other increased by $47,582 from $83,994 for the nine months ended December 31, 2020, to $131,576 for the nine months ended December 31, 2021. The increased expense is mainly due to the occurred costs as research projects resume and commercialization efforts accelerates in Quebec.

Depreciation on right-of-use asset and Depreciation on asset respectively increased by $39,297 and $3,074 due to the Company's acquisitions of laboratory and computer equipment and the new lease signed for two years for the lab space in Quebec City. The details of accounting standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 5 and Note 6 in the unaudited consolidated interim financial statements for the nine months ended December 31, 2021.

The interest and bank charge increased by $ 13,349 which was $nil for the same period of the last year, mainly due to the interest accretion on lease liability and long-term government loan. Consulting fee for the key management personnel slightly increased slightly $2,650 compared to the same period of last year.

The reduction of $21,425 for Professional fees was mainly due to the timing and stage of patent filings, required legal services and accounting services. The Company anticipates spending a higher amount in the coming quarters. The share-based compensation decreased by $12,602 compared to $nil as reported for the nine months ended December 31, 2021, due to the issued options in the same period of last year for the services rendered to support administrative services, business development and market awareness activities. Travel expenses reduced by $2,565 compared to the same period last year due to Covid -19 travel restrictions.

Other income increased by $13,369 from $ 2,615 as of December 31, 2020, to $15,984 as of December 31, 2021, mainly due to two government grants. The Launch Online Grant Program of $7,500 approved on June 14th, 2021, from the Province of British Columbia to support businesses to make improvements to existing e-commerce functionality and/or booking systems, and to fund digital customer acquisition activities to respond to changing customer expectations and help gain access to local customers and markets otherwise out of reach. This program will be managed by Alacrity Canada. In November 2021, the Company's Quebec-based subsidiary, BioMark Diagnostic Solutions Inc, received advisory services and funding of up to CAD $169,550 from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP) to support research and development of its liquid biopsy assay for the early detection and screening of lung cancer for two years. As of December 31, 2021, the Company has recognized $9,063 of this NRC IRAP funding in government grants on the consolidated Interim Statement of Comprehensive Loss.

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. The company will be devoting resources towards commercialization related to its liquid biopsy assays.

Expected Objectives: Revenue Generation, Licensing, Commercialization, Focussed Clinical Application, develop deeper Industry Collaboration, seek sponsored research, hiring technical staff to run lab facility.

- Actively raise capital especially with institutional, family funds and strategic investors. Continue to build a better US story where valuations can be more in line with other companies in our space. Maintain discussions with VC, family funds and institutional investors given the heightened interest in diagnostic company investment. The company will also explore IR firms in US who can increase the exposure of BioMark to this investment community.

- Health Canada Submission was initiated, and additional information has been requested following dialogue with appropriate officials handling the application.

- Commence and expand trial at an additional site (IUCPQ) following the

approval from Health Canada for its lung cancer response to treatment application related to SSAT1 assay

- Apply for additional non-dilutive funding from Mitacs, NSERC Alliance grants, CIHR Society, Going Global and other federal and or provincial funding grants.

- Await the 300-lung and breast cancer patient trial results with our Chinese partner at 2 recognized tumour hospitals on Canadian Health standards. After trials are completed, results will be analyzed and submitted to CFDA for a larger scale trial. BioMark and its partner intend to publish papers and present key findings from the trials if the results are successful.

- Peer reviewed publications and expand patent portfolio – Target to publish 4-6 peer reviewed manuscripts especially following results of the larger trial in Quebec, glioblastoma research clinical work being conducted at University of Manitoba and at the University of British Columbia. It is important to keep our science and discovery relevant to the scientific and the biopharma communities. Relevant patents will be filed as needed to protect key discoveries.

- Build stronger base and infrastructure in US and Quebec – Expand physical presence, clinical partnerships, and research support at existing partner sites. Seek two or more additional institutions to partner with BioMark. Apply for state or provincial grants and seek foundation support.

- Increase market awareness programs to help improve corporate visibility and attract capital.

- Institute a strong social media campaign and participate in international podcasts and interviews.

- Increase staff size in Quebec to help in lab operation, accelerate commercialization, expand expertise in machine learning/analytics and business development. In addition, add clinical research support in Quebec to expedite the 1000 -1200 retrospective early lung cancer samples trial that was funded under the Medteq program.

- Develop a Lab Developed test (LDT) that will be optimized and tested at an accredited reference laboratory. Build appropriate standards and leverage lab infrastructure to beta test the assay. Refine the algorithms using AI.

- Seek and continue to develop deeper partnership / relationships with large biopharma for early lung cancer screening program both in Canada and US. BioMark management team will be participating in several conferences such as BIO conference to be held in June 2022. The company intends to participate in other high-profile conferences such as ASMS, IASLC and Lancet Cancer Summit as new data is captured.

- Commence a focussed glioblastoma (GBM) study at CancerCare Manitoba and potentially at 2 universities in Maryland that can further generate future revenues for the SSAT amantadine assay. Key indications for GBM would include ideas to optimize the system for gliomas; discriminate or correlate with specific mutations, grading of tumors, differentiate progression from pseudo progression and measuring disease burden/volume. Results from this study are expected to enable the principal researchers to obtain funding from important agencies such as CIHR, Canada Brain Foundation and National Institute of Health (NIH). Furthermore, an orphan status can be granted by FDA should our test demonstrate efficacy over existing diagnostic measurement standards. There is a possibility of filing for a breakthrough designation with FDA using our assay. The company intends to conduct in vivo studies by late May/June 2022 to demonstrate the efficacy of its new therapeutic target related to Glioblastoma treatment.

<u>Bio-Stream Diagnostics Inc - COVID-19 and a broader Pathogen Platform</u>

- Multi centre collaborations – Qatar University; University of Alberta, Access Lab, Alberta Precision Lab – Continue the co development venture to expedite development and commercialization of the COVID-19 rapid and cost-effective antigen-based test. Leverage resources, sample preparation, access to samples from hospitals, invite virologists, gain access to addition ML capacity, demonstrate repeatability of our tests at different sites.

- The new biosensors technology is being tested and new patents will be filed in labs. This OCET based biosensor platform offers multiple applications that can be used for other respiratory pathogens.

- Develop standard operating procedures (SOPs), implement regulatory framework using Green Guru, and SciNote to support scientific data sharing and compliance.

- Test different biological mediums beyond nasal swabs – saliva. Increase convenience and include additional novelty – hence increase our patent portfolio on a going basis.

- Institute QMS and internal scientific measurements that are required by regulatory agencies – Health Canada and FDA

- Seek strategic investment

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.

	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
	$	$	$	$
Total Revenue	19,818	-	-	-
Expenses	285,092	179,799	294,942	584,904
Net Loss	(276,697)	(178,394)	(288,758)	(583,977)
Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	$	$	$	$
Total Revenue	-	-	-	-
Expenses	194,189	187,453	131,186	279,672
Net Loss	(194,189)	(187,453)	(128,571)	(285,909)
Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

For the detailed discussion refer to sections 1.4 and 1.6.

1.6 Liquidity

Financial Condition and Cash Flow

The Company has total assets of $1,391,071 as of December 31, 2021, compared to $404,195 reported on December 31, 2020, and has a negative working capital of $895,114. The increase of asset is mainly due to the increase of property and equipment and right-of-use asset.

On December 31, 2021, the Company had cash and cash equivalents of $179,299 (December 31, 2020 – $357,456). Working capital deficit increased by $341,321 from December 31, 2020 ($553,793) mainly due to the increase of lease liability. Working capital is defined as current assets less current liabilities. Total liabilities increased by $809,508 from $1,052,358 as of December 31, 2020 to $ 1,861,866 as of December 31, 2021 mainly due to the increase of the lease liabilities. The accounts payable and accrued liabilities reduced by $5,777 from $35,897 (December 31, 2020) to $30,120 (December 31, 2021). Due to the related parties decreased by $54,540 from $916,461 (December 31, 2020) to $861,921 (December 31, 2021) mainly occurred by the unpaid compensations for key management personnel. The increased Lease liability and Long-term lease liability increased by $291,214 and $ 583,487 respectively for the same period of the previous year due to the Company's acquisitions of laboratory and computer equipment and the new lease signed for two years for the lab space in Quebec City with the adoption of the new accounting standards. The details of accounting

standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 5 and Note 6 in the unaudited consolidated interim financial statements for the nine months ended December 31, 2021.
Cash utilized in operating activities for the nine months ended December 31, 2021, was $723,031 compared to $591,555 at December 31, 2020, due to the increased business activities in Quebec.

On December 31, 2021, share capital was $7,121,490 comprising 77,974,229 issued and outstanding common shares (December 31, 2020, it was $5,738,394 comprising 73,974,229 issued and outstanding common shares). Contributed Surplus on December 31, 2021 is $1,625,029 (December 31, 2020 - $1,725,247), the decrease is the result of the warrants exercised in April 2021. As a result of the net loss for the nine months ended December 31, 2021, of $724,031 (December 31, 2020 – $510,213) the deficit on December 31, 2021 increased to $9,314,644 compared to $8,006,636 on December 31, 2020.

At present, the Company's operations do not generate cash inflows from the commercialization. Revenue consists primarily of income generated on the lab research and development services rendered to the third parties, and its financial success after December 31, 2021, is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development stage and successfully bring the Company's technologies to the point that they may be out licensed so that the Company achieves profitable operations. The research and development process can take many years and is subject to factors that are beyond the Company's control. Valuable patents have been granted and filed that came from research activities conducted by the company. Some of these patents could be licensed based on the application. Several of the company's diagnostic assays are near commercialization pending regulatory approval.

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 events 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.

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 quarter ended December 31, 2021, the Company entered into the following transactions with related parties:

a) For the quarter ended December 31, 2021, directors and officers of the company provided consulting services to the company of $85,050. These charges are included in consulting fees. Consulting fees from the CEO was $60,000 and the Interim CFO who also performed duties as Project Director was $25,050 for the quarter ended December 31, 2021. As of December 31, 2021, the Company has $741,946 due to CEO (2020 - $767,445). The balance owing to the interim CFO as of December 31, 2021, is $28,428 (2020 - $40,895). The balances due to related parties are unsecured, non-interest bearing and without fixed repayment terms.

b) For the quarter ended December 31, 2021, the Company recognized $nil of share-based compensation for stock options held by director and officers.

c) For the quarter ended December 31, 2021, the Company has the balance of $91,548 owed to BioMark Technologies Inc. BioMark Technologies Inc. which holds approximately 52.59% of the common shares of the Company as at December 31, 2021 (2020 – 55.43%). The CEO owns more than 10% interest in the Company.

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

support in capital raise rounds, manage past relationships and build business and collaborations. The Company has not compensated the CEO with a cash bonus based on these trading price calculations.

1.10 Fourth Quarter

N/A

1.11 Proposed Transactions

N/A

1.12 Critical Accounting Estimates

The preparation of these 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

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make 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 IFRS 9, Financial Instruments;

- 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, which is described in Note 1.

1.13 Changes in Accounting Policies including Initial Adoption

Adoption of new pronouncements

A number of amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2021 and have not been applied in preparing these consolidated financial statements nor does the Company expect these amendments to have a significant effect on its consolidated financial statements.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (Effective January 1, 2022 [possibly deferred to January 1, 2023])

The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to January 1, 2023.

The following improvements were finalized in May 2020:
• IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities.

• IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.

1.14 Financial Instruments and Other Instruments

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 data.

No financial assets were measured at fair value in 2021 and 2020.

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, the issuance of shares for debt, loans and related party loans. See Note 1.

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 December 31, 2021, to which this MD&A relates.

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

a. Authorized:

Unlimited common shares without par value

b. Common Shares Issued:

As of December 31, 2021, the Company had 77,974,229 common shares issued and outstanding.

c. Share Purchase Warrants

As of December 31, 2021, the Company amended the term of 1,15,579 non-broker warrants (the "Warrants") issued in relation to a private placement financing that closed on December 13, 2019. The Warrants carry an exercise price per share of C$0.45 and are scheduled to expire on December 13, 2021. The Company extended their term by one year and the warrants will be exercisable until December 13, 2022, at an exercise price per share of C$0.45. All other terms of the warrants will remain unchanged. These Warrants are the only non-listed warrants currently outstanding, and the amendments do not apply to 32,000 broker warrants issued to finders or agents as compensation.

d. Stock options:

The Company's current stock option plan (the "New Stock Option Plan") was last approved by the shareholders on December 20, 2019. 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 10% 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.

The number of options exercisable as of December 31, 2021, was 4,135,000 (2020 – 4,095,000 options).

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

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

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