

**Biomark Diagnostics Inc.**  
**Condensed Consolidated Interim**  
**Financial Statements**

For the nine-month period ended  
December 31, 2021 and 2020

(Stated in Canadian Dollars)

(Unaudited - Prepared by Management)

---

## **NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

---

Under National Instrument 51-102, if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor. The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for review of condensed consolidated interim financial statements by an entity's auditor.

**Biomark Diagnostics Inc.**  
**Condensed Consolidated Interim Statement of Financial Position**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

	Note	December 31, 2021	March 31, 2021
<b>Assets</b>			
<b>Current</b>			
Cash		\$ 179,299	\$ 877,678
Amount receivable		31,770	27,166
Prepaid expenses		77,072	18,165
		288,141	923,009
Long-term investments	4	3,200	3,200
Property and equipment	5	56,127	-
Right-of-use asset	6	1,043,603	26,730
		\$ 1,391,071	\$ 952,939
<b>Liabilities and Shareholders' Deficiency</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		\$ 30,120	\$ 27,124
Lease liability	6	291,214	9,708
Due to related parties	3	861,921	885,585
		1,183,255	922,417
Long-term lease liability	6	583,487	18,009
Long-term government loans	7	95,124	91,607
		1,861,866	1,032,033
<b>Shareholders' Deficiency</b>			
Share capital	8	7,121,490	6,876,090
Shares to be issued	8	97,330	3,000
Contributed surplus		1,625,029	1,632,429
Deficit		(9,314,644)	(8,590,613)
		(470,795)	(79,094)
		\$ 1,391,071	\$ 952,939

**Nature and Operations and Going Concern (Note 1)**  
**Commitments (Note 11)**

On behalf of the Board

*"Rashid Ahmed Bux"*

Rashid Ahmed Bux, Director

*"Bram Ramjiawan"*

Dr. Bram Ramjiawan, Director

**Biomark Diagnostics Inc.**  
**Condensed Consolidated Interim Statement of**  
**Comprehensive Loss**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

	Note	For the three-month period ended		For the nine-month period ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Revenue</b>		\$ 19,818	\$ -	\$ 19,818	\$ -
<b>Expenses</b>					
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
<b>Total operating expenses</b>		<b>285,092</b>	194,189	<b>759,833</b>	512,828
<b>Other income</b>					
Foreign exchange (gain) loss		668	-	579	-
(Gain) loss on settlement of debt		-	-	-	(2,615)
Government grants		(9,063)	-	(16,563)	-
<b>Total other income</b>		<b>(8,395)</b>	-	<b>(15,984)</b>	(2,615)
<b>Comprehensive loss</b>		<b>\$ (276,697)</b>	\$ (194,189)	<b>\$ (724,031)</b>	\$ (510,213)
<b>Basic and diluted loss per share</b>		<b>\$ -</b>	\$ -	<b>\$ -</b>	\$ (0.01)
<b>Weighted average number of common shares outstanding</b>		<b>72,313,729</b>	72,867,051	<b>72,313,729</b>	<b>72,867,051</b>

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

**Biomark Diagnostics Inc.**  
**Condensed Consolidated Interim Statement of Cash Flows**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

<b>For the nine-month period ended</b>	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>Cash flows from operating activities</b>		
Comprehensive loss	\$ (724,031)	\$ (510,213)
Items not affecting cash		
Shares-based compensation	-	12,602
Interest accretion on long-term government loans	3,517	-
Interest on right-of-use of asset	8,682	-
Depreciation of equipment	3,074	-
Depreciation on right-of-use of asset	46,242	6,945
Gain on debt settlement	-	(2,615)
	<u>(662,516)</u>	<u>(493,281)</u>
Changes in non-cash working capital items related to operations:		
Amounts receivable	(4,604)	(4,688)
Prepaid expenses	(58,907)	(20,304)
Accounts payable and accrued liabilities	2,996	(73,282)
	<u>(723,031)</u>	<u>(591,555)</u>
<b>Cash flows from investing activity</b>		
Purchase of investments	-	(3,200)
Purchase of capital assets	(59,201)	-
	<u>(59,201)</u>	<u>(3,200)</u>
<b>Cash flows from financing activities</b>		
Advances from related parties	267,908	267,941
Repayment of advances to related parties	(291,572)	(307,444)
Repayment of lease liability	(224,813)	(8,664)
Proceeds from common shares, net of issuance costs	-	82,500
Exercise of warrants	235,000	166,575
Share subscriptions received	97,330	39,500
Proceeds from long-term government loans	-	100,000
	<u>83,853</u>	<u>340,408</u>
<b>Decrease in cash</b>	<b>(698,379)</b>	<b>(254,347)</b>
<b>Cash, beginning of period</b>	<b>877,678</b>	<b>611,803</b>
<b>Cash, end of period</b>	<b>\$ 179,299</b>	<b>\$ 357,456</b>

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

**Biomark Diagnostics Inc.**  
**Condensed Consolidated Statement of Changes in Deficiency**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

	Number of Shares	Share Capital	Share Subscriptions Received	Contributed Surplus	Deficit	Total
Balance, March 31, 2020	72,313,729	\$ 5,433,171	\$ (144,668)	\$ 1,768,793	\$ (7,496,423)	\$ (439,127)
Share subscriptions received	-	-	39,500	-	-	39,500
Exercise of options	550,000	107,598	-	(25,098)	-	82,500
Exercise of warrants	1,110,500	197,625	-	(31,050)	-	166,575
Share-based compensation	-	-	-	12,602	-	12,602
Comprehensive loss	-	-	-	-	(510,213)	(510,213)
Balance, December 31, 2020	73,974,229	5,738,394	(105,168)	1,725,247	(8,006,636)	(648,163)
Balance, March 31, 2021	76,784,229	6,876,090	3,000	1,632,429	(8,590,613)	(79,094)
Share subscription received	-	-	97,330	-	-	97,330
Exercise of warrants	1,190,000	245,400	(3,000)	(7,400)	-	235,000
Comprehensive loss	-	-	-	-	(724,031)	(724,031)
Balance, December 31, 2021	77,974,229	\$ 7,121,490	\$ 97,330	\$ 1,625,029	\$ (9,314,644)	\$ (470,795)

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

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**1. Nature and Operations and Going Concern**

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 its early-stage cancer diagnostic technology platform. Biomark Diagnostics' cancer diagnostics liquid biopsy leverages "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".

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. As at December 31, 2021, the Company had accumulated deficit of \$9,314,644. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. The Company's ability to continue its operations is uncertain and is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future.

These consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a forced liquidation. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This has impacted the Company in terms of delays in clinical trials, the conduct of additional research, business development, and delays in establishing potential partnerships. It is not possible for the Company to predict the duration or magnitude of the results of the outbreak and its effects on the Company's business or ability to raise funds. Management continues to monitor the situation.

---

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**2. Basis of Preparation**

**Statement of Compliance**

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These condensed consolidated interim financial statements should be read in conjunction with the Company's financial statements for the year ended March 31, 2021.

These financial statements are based on the accounting policies consistent with those disclosed in Note 3 to the 2021 annual consolidated financial statements.

**Basis of Measurement and Consolidation**

The consolidated financial statements have been prepared on a going concern basis and are based on historical costs, except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, BioMark Cancer Systems Inc. ("BioMark Cancer"), BioMark Diagnostic Solutions Inc. ("BioMark Diagnostic Solutions") and BioMark Cancer Diagnostics USA Inc. ("BioMark Cancer Diagnostics USA"). BioMark Cancer was incorporated on February 27, 2014, under the *Business Corporation Act of British Columbia*. BioMark Diagnostic Solutions was incorporated on August 17, 2020, under the *Business Corporation Act of Quebec*. BioMark Cancer Diagnostics USA was incorporated on January 2, 2019, in the State of Delaware, United States. All material inter-company balances and transactions have been eliminated upon consolidation.

The consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the functional currency for the Company and its wholly owned subsidiaries.

---



**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

**3. Related Parties Transactions and Balances**

During the period ended December 31, 2021, the Company has the following transactions with and balances owed to BTI:

	<b>December 31, 2021</b>	December 31, 2020
Owing to BTI	<b>\$ 91,548</b>	\$ 108,120

BTI 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.

**Key Management Compensation**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members. Short-term key management compensation consists of the following:

	<b>For the three-month period ended</b>		<b>For the nine-month period ended</b>	
	<b>December 31, 2021</b>	December 31, 2020	<b>December 31, 2021</b>	December 31, 2020
<b>Transactions</b>				
Consulting fees:				
CEO	<b>\$ 60,000</b>	\$ 60,000	<b>\$ 180,000</b>	\$ 180,000
Interim CFO	<b>25,050</b>	22,500	<b>75,150</b>	72,500
	<b>\$ 85,050</b>	\$ 82,500	<b>\$ 255,150</b>	\$ 252,500

As at December 31, 2021, the Company has \$741,946 (2020 - \$767,445) due to the CEO and \$28,428 (2020 - \$40,895) due to the Interim Chief Financial Officer ("CFO"). The balances due to related parties are unsecured, non-interest bearing and without fixed repayment terms.

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**3. Related Parties Transactions and Balances (Continued)**

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.

---

**4. Long-term Investments**

On June 3, 2020, the Company entered into a license agreement with Bio-Stream Diagnostics Inc. ("Bio-Stream") to provide Bio-Stream with the right to use one of its patents registered to the Company for a one-time cash fee of \$10. Bio-Stream was incorporated in the province of Alberta on June 1, 2020 by the Company, Stream - ML Technologies Inc., Merogenomics Inc., and Gamble Technologies Limited. The Company obtained 45% of Bio-Stream's issued and outstanding common shares upon incorporation, and the Company's CEO has been appointed as one of the four directors. In July 2021 Bio-Stream acquired a new technology based on bio-sensor platform which will reduce the company's ownership percentage in Bio-Stream to less than 35%. Bio-Stream was formed to focus on developing and providing a low-cost COVID-19 detection solution in less-than-30 seconds.

---

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**5. Property and Equipment**

	<b>Computers</b>	<b>Equipments</b>	<b>Total</b>
<b>Cost</b>			
Balance, as at March 31, 2021	\$ -	\$ -	\$ -
Additions	3,405	55,796	59,201
	<hr/>	<hr/>	<hr/>
Balance, as at December 31, 2021	\$ 3,405	\$ 55,796	\$ 59,201
	<hr/>	<hr/>	<hr/>
<b>Accumulated amortization</b>			
Balance, as at March 31, 2021	\$ -	\$ -	\$ -
Amortization for the year	284	2,790	3,074
	<hr/>	<hr/>	<hr/>
Balance, as at December 31, 2021	\$ 284	\$ 2,790	\$ 3,074
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
March 31, 2021	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
December 31, 2021	\$ 3,121	\$ 53,006	\$ 56,127
	<hr/>	<hr/>	<hr/>

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

**6. Right-of-use Asset and Lease Liability**

	Equipment	Office Lease	Total
<b>Cost</b>			
At March 31, 2020	\$ -	\$ 18,851	\$ 18,851
Additions during the year	-	31,041	31,041
Disposals during the year	-	(18,851)	(18,851)
At March 31, 2021	-	31,041	31,041
Additions during the year	674,765	388,350	1,063,115
At December 31, 2021	\$ 674,765	\$ 419,391	\$ 1,094,156
<b>Accumulated Depreciation</b>			
At March 31, 2020	\$ -	\$ 11,906	\$ 11,906
Depreciation for the year	-	11,256	11,256
Disposals during the year	-	(18,851)	(18,851)
At March 31, 2021	-	4,311	4,311
Depreciation of the period	22,301	23,941	46,242
At December 31, 2021	\$ 22,301	\$ 28,252	\$ 50,553
<b>Net Book Value</b>			
At March 31, 2020	\$ -	\$ 6,945	\$ 6,945
At March 31, 2021	\$ -	\$ 26,730	\$ 26,730
At December 31, 2021	\$ 652,464	\$ 391,139	\$ 1,043,603
<b>Lease Liability</b>			
	Equipment	Office Lease	Total
At March 31, 2020	\$ -	\$ 8,664	\$ 8,664
Additions during the year	-	31,041	31,041
Lease payments made	-	(12,773)	(12,773)
Interest on lease liability	-	785	785
At March 31, 2021	-	27,717	27,717
Additions during the year	674,765	388,350	1,063,115
Lease payment made	(202,457)	(22,356)	(224,813)
Interest on lease liability	6,246	2,436	8,682
At December 31, 2021	\$ 478,554	\$ 396,147	\$ 874,701
Short-term portion of lease liability at December 31, 2021	\$ 105,141	\$ 186,073	\$ 291,214
Long-term portion of lease liability at December 31, 2021	\$ 373,413	\$ 210,074	\$ 583,487

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

**6. Right-of-use Asset and Lease Liability (Continued)**

Lease repayments for the next years are as follows :

2022	\$	291,214
2023		332,604
2024		142,795
2025		<u>108,088</u>
	\$	<u>874,701</u>

**7. Long-term Loans**

**As of December 31, 2021**

	<b>CEBA COVID-19 Relief Line of Credit</b>	<b>RRRF</b>	<b>Total</b>
Balance at March 31, 2020	\$ -	\$ -	\$ -
Proceeds from loans	60,000	40,000	100,000
Fair value measurement adjustment – classified as government grants	<u>(5,036)</u>	<u>(3,357)</u>	<u>(8,393)</u>
Fair value of proceeds from loans at inception – March 31, 2021	54,964	36,643	91,607
Interest accretion	<u>2,110</u>	<u>1,407</u>	<u>3,517</u>
Balance at December 31, 2021	<u>\$ 57,074</u>	<u>\$ 38,050</u>	<u>\$ 95,124</u>

On July 27, 2020, the Company entered into an agreement to fund operations and project costs of the business with the Government of Canada under the Regional Relief and Recovery Fund (RRRF). The Company was advanced an interest free contribution of \$40,000. No repayments on the advance are due until December 31, 2022. If the Company repays 75% of the advance by December 31, 2022, the remaining 25% of the advance will be forgiven under the terms of the agreement. Repayments of the Contribution can be made at any time at the discretion of the Company. Shall the contribution not be repaid by December 31, 2022, the balance owing will become due in 36 monthly payments commencing January 31, 2023 and ending December 31, 2025. Any amounts owing at December 31, 2025 will become immediately due bearing interest at the average bank rate plus 3%.

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**7. Long-term Loans (Continued)**

On August 18, 2020, the Company entered into a loan with a major Canadian bank by way of a Government sponsored COVID-19 relief line of credit under the Canada Emergency Business Account (CEBA). The revolving line of credit is interest free and due on December 31, 2022, up to a maximum of \$60,000. There is no repayment schedule inherent in the agreement outside of the above due date and the line of credit is interest free until December 31, 2022. If the Company repays 75% of the aggregate amount advanced on or before December 31, 2022, the remaining 25% will be forgiven. Any amounts owing subsequent to December 31, 2022, can be extended to December 31, 2025 at an interest rate of 5% per annum. The Company has drawn on the line of credit in full as at March 31, 2021.

Both advances noted above are interest free and are discounted to their fair value at the inception of the loan. The discounted portion is accounted for as other income in the current year. Interest on the loan is charged using the effective interest rate method and recorded as interest accretion.

---

**8. Share Capital**

**a) Authorized**

Unlimited common shares, without par value.

**b) Issued**

Common shares issued and outstanding - see consolidated statements of changes in deficiency

On April 19, 2019, the Company closed a non-brokered private placement of 2,000,000 units at \$0.10 per unit for total consideration of \$200,000, of which \$7,400 has been allocated to the share purchase warrants using the residual value method. Each unit is composed of one common share and one share purchase warrant. Each warrant will entitle the holder to acquire one share at a price of \$0.20 per share for a period of two years. Of the 2,000,000 units, 370,000 units were issued to settle outstanding debt with the CEO of \$37,000.

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**8. Share Capital (Continued)**

On June 17, 2019, the Company issued 1,000,000 common shares at \$0.165 per share to settle outstanding debt with the CEO and interim CFO of \$150,000, a loss on settlement of debt in the amount of \$15,000 has been recognized.

On December 13, 2019, the Company closed a private placement of 2,031,157 units at \$0.30 per unit for total consideration of \$609,347 of which \$81,246 has been allocated to the share purchase warrants using the residual value method. Each unit is composed of one common share and one-half share purchase warrant. Each warrant will entitle the holder to acquire one common share at a price of \$0.45 per share for a period of two years. In connection with the private placement, the Company paid finder's fees of \$9,600 cash and issued 32,000 share purchase warrants at a fair value of \$4,845.

On December 13, 2019, the Company issued 200,000 units consisting of one common share and one-half share purchase warrant for the settlement of \$60,000 of outstanding debt with the CEO and interim CFO. Each warrant will entitle the holder to acquire one common share at a price of \$0.45 per share for a period of two years. The Company has allocated \$8,000 to the share purchase warrants using the residual value method.

During the year ended March 31, 2020, the Company issued 19,998 common shares at a price per share of \$0.30 for a total amount of \$5,999 to consultants for services.

During the year ended March 31, 2020, the Company issued 2,047,455 common shares from the exercise of share purchase warrants for gross proceeds of \$307,119, of which \$120,000 was receivable at year-end.

During the year ended March 31, 2021, the Company issued 2,550,000 common shares from the exercise of share options for gross proceeds of \$582,500.

During the year ended March 31, 2021, the Company issued 1,920,500 common shares from the exercise of share purchase warrants for gross proceeds of \$328,575.

On April 15, 2021, the Company issued 1,190,000 common shares from the exercise of share purchase warrants for gross proceeds of \$238,000, of which \$235,000 was received the quarter ended June 30, 2020 and \$3,000 was received in cash in advance of year ended March 31, 2021.

During the quarter ended December 31, 2021, \$97,330 was received in cash for shares to be issued.

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

**8. Share Capital (Continued)**

**c) 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.

On December 31, 2019, the Company granted 3,735,000 stock options to directors, officers, consultants and employees. These options can be exercised at \$0.30 per share until December 31, 2024. The fair value of the stock options is \$847,282.

On December 31, 2019, the Company granted 60,000 stock options to consultants. These options can be exercised at \$0.30 per share until December 31, 2021. The fair value of the stock options is \$8,613.

On June 9, 2020, the Company granted 150,000 stock options to consultants. These options can be exercised at \$0.30 per share until June 9, 2022. The fair value of the stock options is \$12,602.

On March 2, 2021, the Company granted 2,100,000 stock options to consultants. These options can be exercised at \$0.25 per share until March 2, 2023. The fair value of the stock options is \$382,879.

The Company used the Black-Scholes option pricing model with weighted average assumptions and resulting values for grants as follows:

	<b>March 2, 2021</b>	June 9, 2020
<b>Assumptions:</b>		
Weighted average share price	\$ <b>0.24</b>	\$ 0.30
Weighted average risk-free interest rate (%)	<b>0.25%</b>	1.69%
Expected life (years)	<b>2.00 years</b>	4.96 years
Weighted average expected volatility (%)	<b>154%</b>	222%
Expected dividend	<b>Nil</b>	Nil
Expected forfeiture rate	<b>Nil</b>	Nil

The weighted average fair value of each option granted was \$0.18 (2020 - \$0.23).



**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

**8. Share Capital (Continued)**

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

	Expiry Date	Number of Options Outstanding	Weighted Average Exercise Price
Balance, March 31, 2020		5,145,000	\$ 0.26
Granted	June 9, 2022	150,000	\$ 0.30
Granted	March 2, 2023	2,100,000	\$ 0.25
Exercised	September 15, 2020	(550,000)	\$ 0.15
Exercised	March 2, 2023	(2,000,000)	\$ 0.25
Expired	September 15, 2020	(550,000)	\$ 0.15
Cancelled	June 9, 2022	(100,000)	\$ 0.30
Balance, March 31, 2021		4,195,000	\$ 0.29
Expired	December 31, 2021	(60,000)	\$ 0.30
Balance, December 31, 2021		4,135,000	\$ 0.29

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

**d) Warrants:**

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

	Expiry Date	Number of Warrants Outstanding	Number of Warrants Exercisable	Weighted Average Exercise Price
Balance, March 31, 2020		4,258,079	4,258,079	\$ 0.25
Exercised	October 4, 2020	(1,110,500)	(1,110,500)	\$ 0.15
Exercised	April 19, 2021	(810,000)	(810,000)	\$ 0.20
Balance, March 31, 2021		2,337,579	2,337,579	\$ 0.32
Exercised	April 19, 2021	(1,190,000)	(1,190,000)	\$ 0.20
Expired	December 13, 2021	(60,000)	(60,000)	\$ 0.45
Extended	December 13, 2022	1,115,579	1,115,579	\$ 0.45
Balance, December 31, 2021		1,115,579	1,115,579	\$ 0.45

The number of warrants exercisable as at December 31, 2021 was 1,115,579 (2020 - 3,147,579 warrants).

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**9. Financial 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.

---

**Biomark Diagnostics Inc.**  
**Notes to Consolidated Interim Financial Statements**  
**(Stated in Canadian Dollars)**  
**(Unaudited - Prepared by Management)**

**December 31, 2021**

---

**10. Capital Risk Management**

The Company defines its capital as shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technologies and to maintain a flexible capital structure for its projects for the benefit of its shareholders. As the Company is in the development stage, its principal source of funds is from the issuance of common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash. The Company is not subject to externally imposed capital requirements.

---

**11. Commitments**

- a) The Company is committed to an Independent Contractor Agreement with the CEO as described in Note 3.
-