BioMark Diagnostics Inc.

Form 51-102F1
Management's Discussion & Analysis
Annual Report
For the Year Ended March 31, 2022

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" refers to BioMark Diagnostics Inc. and the subsidiaries through which it conducts its business, unless otherwise indicated or the context requires otherwise.

This management's discussion and analysis ("MD&A") should be read together with the annual audited consolidated financial statements and accompanying notes for the year ended March 31, 2022, 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, 2022. 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, set up its lab facility, complete planned clinical trials, and pre-clinical studies. 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 the 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 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
- competition 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: July 8, 2022

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 130 – 3851 Shell Rd, Richmond, British Columbia, V6X 2W2.

BioMark is a Canadian based company that is developing its advanced stage cancer diagnostic business. BioMark’s cancer diagnostics technology platform leverages "Omics" and machine learning with a focus on cancers that are hard to detect and treat. BioMark Diagnostics is currently focused on bringing its blood-based cancer diagnostic solution to commercialization standards starting with its early lung cancer assay. 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 year:

- Many companies have been negatively impacted over the past 36 months due to the effects COVID-19 has had on the economy, and more specifically the healthcare industry. The pandemic is now entering an endemic stage as restrictions are being lifted. There are ongoing concerns of rising infection rates in some countries that have a direct impact on the supply chain globally and on our aptitude of conducting clinical trial abroad. 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 and resiliently. Management has been working on non-dilutive financing arrangements with various government institutions and strategic investors across Canada and United States. In addition, management is in communications with its Board on operational plans to accelerate our research and commercialization initiatives.

- BioMark started this fiscal year by announcing an agreement with several long-time accredited investors and insiders to exercise approximately 2,000,000 warrants issued in connection with the Company's private placement of units completed in April 2019, with the warrant exercise price of $0.20 per share. All the warrants were exercised before the warranty maturity date of April 16, 2021. The gross proceeds to the Company from the exercise of the warrants was expected to be approximately $400,000. In addition, BioMark announced that its common shares were eligible for electronic clearing and settlement through the Depository Trust Company ("DTC"). DTC is a subsidiary of the Depository Trust & Clearing Corporation, a US company that manages the electronic clearing and settlement of publicly traded companies. Through an electronic method of clearing securities, DTC eligibility simplifies the process of trading and transferring the Company's common shares between brokerages in the United States with the aim of increasing liquidity.

- On April 29, 2021, BioMark announced that its wholly owned subsidiary, BioMark Diagnostic Solutions Inc. ("BDS"), would be setting up an operating diagnostic laboratory in Quebec, Canada, with the primary objective to drive the clinical validation and verification work on its proprietary liquid biopsy platform for early lung cancer detection, monitoring and predicting response to treatment. In addition, the lab operations would be aiming to offer future services to generate revenues.

- On May 31, 2021, BioMark announced that it changed its auditors from Manning Elliott LLP ("Former Auditor") to PricewaterhouseCoopers LLP ("Successor Auditor"). The Former Auditor resigned as the auditor of the Company effective May 17th, 2021, and the Board of Directors of the Company appointed the Successor Auditor effective as of the same date, until the next Annual General Meeting of the Company.

- On June 1, 2021, BioMark announced that BDS was successful in receiving non-dilutive / sponsored research funding of up to $825,000 to develop an early-stage lung cancer screening assay using BioMark's proprietary liquid biopsy platform. A major portion of the funding will be provided by the Consortium for Industrial Research and Innovation in Medical Technology (MEDTEQ+) and Spark grant from the Canadian Cancer Society (CCS, grant # 707073), the Canadian Institutes of Health Research – Institute of Cancer Research (CIHR-ICR, grant # 0590008438), and Brain Canada Foundation. This initiative entitled "A Pan Canadian initiative for the development of a liquid biopsy assay for lung cancer screening" is being led by Dr. Philippe Joubert and a team of leading clinicians, academic researchers, and data scientists from different provinces in Canada.

- BioMark participated in the 2021 Biotechnology Innovation Organization (BIO) International Convention digital event which convened over 6,000 participants virtually from over 50 countries. The conference was held from June 10 to June 18, 2021, and BioMark used the BIO One-on-One Partnering to connect with biotech innovators across the globe. The Company engaged in preliminary discussions with several financial and biotech companies.

- BioMark's Launch Online Grant Program was approved on June 14, 2021, to support the Company in doing digital improvements to its existing website functionality. BioMark has developed a new website with more functionality and search optimization with the support of Alacrity Canada.

- On June 29, 2021, BioMark announced that it will expand its treatment response clinical trial to advanced lung cancer patients receiving immunotherapy. Since immunotherapy is now the standard of care for lung cancer, BioMark amended the study protocol to include participants receiving immunotherapy and added the Institut Universitaire de Cardiologie et de Pneumologie de Québec (IUCPQ) as an additional site under the supervision of Dr Philippe Joubert. Health Canada approved the amended clinical trial application (CTA) and has granted a Letter of No Objection (NOL) for its application entitled "Excretion of Acetylamantadine (AA) by Lung Cancer Patients During a Chemotherapy Regimen With or Without Immunotherapy". The amended protocol was intended to test the hypothesis that downregulation of SSAT1 activity as reflected by a reduced plasma concentration of acetylamantadine will occur earlier than can be detected by other diagnostic testing methods used to determine the efficacy of chemotherapy combined or not to immunotherapy in patients with a diagnosis of stage III and IV lung cancer. This amendment approval from Health Canada would facilitate the study and permit achieving the required sample size in a timely manner.

- In August 2022, BioMark filed for a series of national phase entries in USA, Europe, China, Canada and Brazil for one of its family of patent related to lung cancer metabolite panel. The Intellectual Property (IP) portfolio of the Company now include 7 distinct families of patents offering worldwide protection on early lung cancer detection and SSAT1 use for response to treatment in lung and brain

cancers. BioMark's IP represents a significant asset providing early and cost-effective lung cancer management via a simple and accessible blood test which will result in significant cost savings downstream, avoiding expensive treatment, hospital admissions and ultimately saving lives.

- In addition to its IP portfolio for the early detection and screening of lung cancer, BioMark successfully completed filing of a provisional patent application on October 14, 2021, related to a new therapeutic drug target from its glioblastoma studies conducted in collaboration with Dr. Donald Miller and his group at the Department of Pharmacology & Therapeutics, Kleysen Institute for Advanced Medicine University of Manitoba.

- In October 2021, BioMark completed lab equipment purchases and installation of an integrated system with vendors for its Quebec based lab facilities. Additionally, BioMark hired two highly qualified staff members. Staff training and quality management systems are being designed as the Company prepares for the verification and validation study related to the early-stage lung cancer detection study funded under sponsored research program with MedTeq. The company also intends to hire more highly qualified personnel in the upcoming months to further augment its technical and bio-informatics capacity, as commercialization drive intensifies. The Company plans to offer its liquid biopsy based metabolomic assay for early lung cancer detection from its Quebec-based subsidiary by early 2023.

- BioMark participated to the III Annual Congress of the International Society of Liquid Biopsy held virtually on October 22, 2021. The company showcased its innovative technology to a targeted audience which 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) and 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 from Dr. Miller's group at the sixth biennial Canadian Cancer Research Conference that was be held virtually from Nov 8-11, 2021.

- On November 16, 2021, BioMark announced that BDS entered into an agreement to receive advisory services and funding of up to$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. The Company is planning to use the funding to support ongoing validation and verification studies and will also gain access to technical and business development support from NRC IRAP.

- On November 25, 2021, BioMark announced that 1,115,579 warrants due to expire

on December 13, 2021, were extended to December 13, 2022, as a continuing effort to improve corporate value for its shareholders.

- On November 30, 2021, BioMark announced its Quebec-based wholly owned subsidiary BDS would be participating in a sponsored research project which aimed to develop new screening tools that use artificial intelligence and combine radiomic, genetic, and metabolomic biomarkers to identify individuals who may benefit from more invasive tests, including lung biopsy. Total funding for this collaborative research project will be about $3.5 million and is made possible in part with the financial support of 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. BDS will collaborate with pharma companies AstraZeneca and Pfizer Canada and use data and samples from Institut Universitaire de Cardiologie et Pneumologie du Québec-Université Laval's biobank. This prospective study involving eight Quebec hospitals will recruit up to 4,000 patients as part of a national lung cancer screening pilot program in the province of Quebec.

- On December 16, 2021, BioMark presented the Company at the Entrepreneurial Competition in life sciences – DEVTECH 2021. BioMark finished in the top 5 and received a grant that supported the Company 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".

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

- BioMark, IUCPQ and Laval University had their first team kick off meeting related to its 4000-patient trial and 8 hospitals in mid-February. The multimodal study has been aggressively recruiting patients for this important research project that is conducted in collaboration with pharma companies AstraZeneca and Pfizer Canada as well as IUCPQ Foundation. This prospective study seeks to validate the performance of the assay as well as genomic and radiomic biomarkers in detecting early-stage lung disease and distinguishing between benign and malignant nodules in a clinical screening population.

- Dr. Andrew Maksymiuk presented BioMark's lung cancer research and clinical trials during the annual Hematology/Oncology Grand Rounds, held February 22nd, 2022, at CancerCare Manitoba. This was a virtual event. The presentation covered BioMark' early-stage lung cancer metabolic assay, SSAT1 assay to help monitor response to treatment following radio and chemotherapy and the new trials at IUCPQ to assess the performance of Acetyl Amantadine quantification in liquid-biopsies to monitor treatment response in advanced lung cancer patients treated with immunotherapy.

- Preliminary discussions were initiated with a French group that is looking at introducing a national lung cancer screening program with support from medical institutions, regulators, and local labs in France. The group approached BioMark after conducting a thorough review of existing lung cancer screening and early detection technologies. Both BioMark and the French group have been in active dialogue on developing and selecting an effective business model, reviewing 2 existing calls for proposal in Europe for introducing an effective lung cancer screening program, selecting medical institutions and oncologists willing to participate in this venture.

- BioMark and Phytronix research and scientific team's abstract presentation has been accepted and is scheduled to be presented at the American Society for Mass Spectroscopy (ASMS) Conference on Mass Spectrometry and Allied Topics scheduled from June 5 - 9, 2022 at the Minneapolis Convention Center, Minneapolis, MN. The poster is titled: *Quantification of Beta-Hydroxybutyric acid and Tryptophan in plasma as metabolic biomarkers of cancer using the LDTD-MS/MS technique.* Highlights of the study demonstrated that selected plasma metabolites can be repeatedly quantified in less than 10 seconds using the Luxon-MS/MS system allowing rapid and accurate quantification of cancer biomarkers from blood samples. These results illustrate how metabolomics fingerprinting has the potential to map out early biochemical changes in cancer cells and hence provides an opportunity for faster and more sensitive early diagnosis when treatment can be more effective

- BioMark continued to entertain discussions with numerous financial institutions and government agencies to secure non-dilutive funding, favourable loans, and equity investments to accelerate the commercialization of its early lung cancer liquid biopsy franchise. This will allow the Company to advance its expansion strategy in Quebec, the USA and for general corporate purposes.

- The Company has reached out to 3 major medical institutions in United States as it begins to pursue its US expansion plans. Business partnership activities are being explored to conduct clinical trials and establish new centres of excellence for early lung cancer screening and glioblastoma. Parties are looking to sign potential agreements and schedule visits to the collaborating centres. The Company is in the final phase of reviewing and signing a collaboration research agreement with its first medical institution involving early lung cancer diagnosis using its proprietary metabolomics-based panel.

- BioMark had several meetings with different advocacy groups both in Canada and United states that focus on lung cancer as it prepares to activate collaborations in USA for its early lung cancer liquid biopsy technology. The groups include Cancer Early Detection Alliance; Lung Cancer Foundation of America and Bloodpac. In Canada, BioMark's team are in dialogue with Oncology Education to explore ways to engage with the oncology community domestically.

Risk Factors and Uncertainty

The Company is highly focused on introducing its advanced tests led by its early lung cancer assay in Quebec and then in other jurisdictions. It has cultivated strong clinical partners that understand the regulatory landscape, lab infrastructure requirements and challenges required to conduct proof of concept studies and accelerate commercialization. This will reduce the associated market development risk and limit capital deployment.

The failure to generate planned future revenue stream sales from the Company's main services and products could have a significant and adverse affect on the Company. The delays in commercialization could impact the timing of revenue generation.

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 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, seek non-dilutive financing and implementing cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurances 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 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 delayed, research on GMB (glioblastoma) study at CancerCare Manitoba was granted ethics approval and clinical trial commenced after COVID-19 restrictions were temporarily lifted. Further patient recruitment and analysis to assess the response to treatment following radio/chemotherapy in GBM patients is underway at CanacerCare Manitoba on several patients who completed and some undergoing treatment. Suspensions and delays on research and potential grant application due to COVID-19 impacted the BioMark's timeline of the research and commercialization timeline. The potential milestone payment from our Chinese partner have been delayed as the local authority instituted very tough Covid -19 zero tolerance policy across China. BioMark is still awaiting confirmation on the status of the clinical initiatives undertaken by our its Chinese partner.

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 was intended to provide an alternative for a low-cost, accurate system for coronavirus screening. Bio-Stream acquired and is in the formative clinical validation phase of the next generation bio-sensor technology for the detection of Covid -19 and other pathogen related viruses. Bio-Stream Diagnostics platform offers an alternative detection tool to polymerase chain reaction (PCR) detection arrays and other detection systems for pathogen detection. Both the 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 synergies in combining these technologies. 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. Bio-Stream Diagnostics is still developing the system and is collecting data from clinical samples for validation prior to regulatory submission and commence commercialization and deployment through strategic partnership or selective licensing.

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 Annual Information

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

	March 31, 2022	March 31, 2021	March 31, 2020
	$	$	$
Total Expenses	1,590,937	1,097,732	1,472,328
Net Loss	1,453,903	1,094,190	1,215,282
Loss Per share	0.02	0.02	0.02
Total Assets	1,471,620	952,939	637,295
Distribution or Cash Dividends	None	None	None

For discussion of annual information refer to sections 1.4 and 1.5.

1.4 Discussion of Operations

	2022	2021
	$	$
Revenue	43,933	0

The Company generated its revenues of $43,933 for the year ended March 31, 2022 and recorded a net loss of $1,453,903 for the year ended March 31, 2022.

Revenues increased by $43,933 from $ nil for the year ended March 31, 2021, to $43,933. During the year, BioMark Diagnostics Inc. wholly owned subsidiary BioMark Diagnostic Solutions Inc. ("BDS") entered into research and collaboration agreements with certain biotech companies. The purpose of entering into these agreements is for BDS to make some revenue and generate cash to finance the research activities of the company. As part, of three agreements signed during the year, BDS agreed to give laboratory and bioanalytical services as well as provide biotech companies with an access to designated spaces within the premises BDS's leased. Management elected to present lease payments received under operating leases as Revenue.

The net loss increased by $359,713 from $1,094,190 (March 31, 2021) to $1,453,903, for the year ended March 31, 2022, which was largely due to the increased operating expenses related to the lab operation in Quebec City and the research development cost in technologies validation and additional clinical trials.

	2022	2021
	$	$
Expenses:		
Consulting fees	340,200	385,000
Depreciation of right-of-use asset	173,475	11,256
Depreciation of property and equipment	6,147	2,430
Research and development	497,773	118,432
Professional fees	224,308	88,046
Office and miscellaneous	80,986	19,500
Interest and bank charges	49,683	4,138
Filing and transfer agent fees	213,379	66,052
Travel	4,986	7,397
Share-based compensation	-	395,481
Total operating expenses	1,590,937	1,097,732

The total operating expense increased by $493,205 from $1,097,732 (March 31, 2021) to $1,590,937 (March 31, 2022), mainly due to the increased operating expense related to depreciation of right-of-use asset and research, the lab operation costs in Quebec City, and the increase of the filing and transfer agent fees.

Consulting service fees decreased by $44,800 compared to the prior year, mainly due to the reduced use of third-party consulting service. There has been no significant change to the compensation for key management. The Company engaged required services on a consulting basis.

The Deprecation of right-of-use assets and property and equipment increased by $162,219 and $3,987 respectively due to the Company's acquisitions of laboratory and computer equipment and signing of a two-year lease to accommodate its lab space in Quebec. The Company is also committed to an office lease for its office in Richmond, British Columbia for a three - year term expiring on October 31, 2023. The details of accounting standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 3, Note 6 and Note 7 in the Audited Consolidated Annual Financial Statement. Under Note 6, computers are recorded at cost and amortized over three years; laboratory equipment is recorded at cost and amortized over five years. Under Note 7, 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.

Research and other expense increased by $379,341 of from $118,432 for the year ended March 31, 2021, to $497,773 for the year ended March 31, 2022. With 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 and clinical trials resume, the Company expects higher research and other related expenses in the coming fiscal year. The management team will actively seek additional government non-dilutive funding to support the projected increase in research expenses. 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 especially in USA.

Professional fees for the year ended March 31, 2022, were $224,308 compared to $88,046 for the year ended March 31, 2021, an increase of $136,262. The professional fees related to legal counsel for corporate matters and patent filing fee increased mainly due to the legal service rendered for the research and development collaboration activities and the patent application and ongoing filings costs. The Company anticipates spending a higher amount in the next fiscal year due to timing and stage of the patent applications and 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 a biotechnology company, yet the value as not reported or captured in the current balance sheet.

Office and miscellaneous increased by $61,486 from $19,500 for the year ended March 31, 2021, to $80,986 for the year ended March 31, 2022, mainly due to the operating costs for the lab facility in Quebec City, the cost for the Company's website development and institution of a robust social media program.

The interest and bank charge increased by $45,545 from $4,138 for the year ended March 31, 2021 to $49,683 for the year ended March 31, 2022 due to the interest accretion on lease liability, short term loan and long-term government loan. The details of accounting standard and the calculation of interest on Right-of-use Asset and Lease Liability, short-term loan and long-term loans are discussed respectively on Note 7, Note 8 and Note 9 in the Audited Consolidated Annual Financial Statement.

Filing and transfer agent fees increased by $147,327 from $66,052 for the year ended March 31, 2021, to $213,379 for the year ended March 31, 2022, mainly due to fees related to a three-month marketing campaign program designed to increase awareness and communication strategy during the first quarter in Canada. There was also a six-month program with US based advisory group to increase BioMark's exposure to the investment community within USA. Both services were performed a through a third-party advisory group. In April 2021, the Company's common shares were eligible for electronic clearing and settlement through the Depository

Trust Company ("DTC"). DTC eligibility simplifies the process of trading and transferring the Company's common shares between brokerages in the United States and the monthly co-agent fee was applied for the eligibility. In addition, the Company engaged in a monthly market-making program with Venture Liquidity Providers Inc. since August 2021.
Travel expenses slightly reduced by $2,411 compared to the previous year due to Covid-19 travel restrictions. With the resumption of research and business development related activities, the Company anticipates spending a higher amount in the next fiscal year for business development and collaborative research.

No share-based compensation was reported for the year ended March 31, 2022, which decreased by $395,481 from $395,481 (March 31, 2021) to $nil (March 31, 2022). The share-based compensation is designed to help the Company to obtain the required consulting service from domain experts and preserve the cash for operating purposes.

	2022	2021
	$	$
Other expenses (income)		
Foreign exchange loss	1,114	10,082
Gain on settlement of debt	-	(2,615)
Government grants	(94,215)	(10,949)
Interest income	(-)	(60)
Total other (income) loss	(93,101)	(3,542)

In addition, the Company had its other income of $93,101 for the year ended March 31, 2022, compared to the total other income of $3,542 for the year ended March 31, 2021, which is a combination of the reduction from foreign exchange loss of $8,968 and an increase to government grants.

The Company's Quebec-based subsidiary, "BDS" entered into an agreement to receive advisory services and funding of up to $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. Under this program, NRC IRAP will reimburse up to 80% of eligible project salaries and 50% of eligible contractor costs. The Company qualified to receive $87,000 for the year ended March 31, 2022 in funding under the terms of this contribution agreement. The Company recognized $86,715 for the year ended March 31, 2022.

The Company received the Launch Online Grant Program funding of $7,500. The grant, received from the Province of British Columbia, is to support businesses and to build an online shop or online booking system, 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 was managed by Alacrity Canada.

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.

- Continue to seek and actively raise capital especially within existing shareholders but also new strategic investors and institutional funds. Continue to build a better US story where valuations can be more in line with other companies in our space given the achievements of critical milestones over the past 12 months. Maintain discussions with strategic investors, family funds and institutional investors given the heightened interest in diagnostics and the Company's new therapeutic target. The Company will also explore to engage with IR firms specialized in biotech arena in US who can increase the exposure of BioMark to select investment community.

- Health Canada Submission was initiated for its SSAT1 amantadine early cancer diagnostic system. Additional information has been requested following dialogue with appropriate officials handling the application.

- Commence testing of clinical samples from CancerCare Manitoba and expand trial to IUCPQ following the approval from Health Canada for its late-stage lung cancer response to treatment application related to SSAT1 assay. The response to treatment will also include immunotherapy. Most of the response to immunotherapy trials will be conducted at IUCPQ under Dr. Joubert.

- Apply for additional non-dilutive funding from Mitacs, NRC, NSERC Alliance grants, CIHR Society, Can Export, Eureka Canada 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. This study has been delayed several times due to on and off Covid 19 resurgence and Chinese government's zero tolerance policy

- Continue to submit clinical results in peer review 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 especially in the USA. Apply for state or provincial grants and seek foundation support where applicable.

- Increase market awareness programs and coverage to help improve corporate visibility, attract capital and address valuation gap versus existing peer group.

- 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 retrospective study for early lung cancer detection that was funded under the Medteq program, and the 4000-patient trial funded under CqDM SynergiQ program

- 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 high-profile conferences such as BIO conference held in June 2022. In addition, the Company intends to participate in other high-profile conferences such as ASMS, IASLC and ESMO as new data is captured.

- Continue the glioblastoma (GBM) study at CancerCare Manitoba and potentially expand to 2 additional institutions in USA. 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 in 2022 to demonstrate the efficacy of its new therapeutic target related to Glioblastoma treatment.

Bio-Stream Diagnostics Inc - COVID-19 and a broader Pathogen Platform

- 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. This OCET based biosensor platform offers multiple applications that can be leveraged for other respiratory pathogens.

- Publish key data in peer reviewed journals

- Seek strategic investment or license the technology for different point of care applications

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. This information is unaudited.

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
	$	$	$	$
Total Revenue	24,115	19,818	-	-
Expenses	831,104	285,092	179,799	294,942
Net Loss	(729,872)	(276,697)	(178,394)	(288,758)
Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
	$	$	$	$
Total Revenue	-	-	-	-
Expenses	584,904	194,189	187,453	131,186
Net Loss	(583,977)	(194,189)	(187,453)	(128,571)
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

	2022	2021
	$	$
ASSETS		
Current		
Cash and cash equivalents	382,711	877,678
Amounts receivable	82,130	27,166
Prepaid expenses	34,155	18,165
	498,996	923,009
Long-term investment	3,200	3,200
Property and equipment	53,054	-
Right-of-use asset	916,370	26,730
	1,471,620	952,939

LIABILITIES

	2022	2021
	$	$
Current		
Accounts payable and accrued liabilities	128,339	27,124
Client Deposit	12,352	-
Current portion of lease liability	299,316	9,708
Due to related parties	917,224	885,585
Short – term debt	144,050	-
	1,501,281	922,417
Lease liability	509,728	18,009
Government loans	96,303	91,607
	2,107,312	1,032,033

The Company has total assets of $1,471,620 as of March 31, 2022 and has a negative working capital of $1,002,285. Total assets increased by $518,681 compared to $952,939 reported on March 31, 2021, mainly due to the increase of amount receivable, property and equipment and right-of-use. Working capital is defined as current assets less current liabilities. Compared to the positive working capital of $592 as of March 31, 2021, the negative working capital of $1,002,285 is mainly due to the increase of the current liabilities related to accounts payable and accrued liabilities, current portion of lease liability and short-term loan.

On March 31, 2022, the Company had cash and cash equivalents of $382,711 (March 31, 2021 - $877,678), which was a decrease of $494,967 due to the increased cash expense on the expansion in Quebec City, including the lab operation, new hirings and purchasing of the lab equipment. etc.

Total liabilities increased by $1,075,279 from $1,032,033 on March 31, 2021 to $2,107,312 on March 31, 2022 which was the combination of an increased current liabilities related to accounts payable and accrued liabilities, current portion of lease liability and short-term loan and the increase of long-term lease liability. Current lease liability and long-term lease liability increased by $289,608 and $491,719 respectively 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 Company is also committed to an office lease for its office in Richmond, British Columbia for a three - year term expiring on October 31, 2023. The details of accounting standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 3, Note 6 and Note 7 in the Audited Consolidated Annual Financial Statement. Under Note 6, computers are recorded at cost and amortized over three years; laboratory equipment is recorded at cost and amortized over five years. Under Note 7, 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.

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, 2023. If the Company repays 75% of the advance by December 31, 2023, 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, 2023, the balance owing will become due in 24 monthly payments commencing January 31, 2024 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%.

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, 2023. If the Company repays 75% of the aggregate amount advanced on or before December 31, 2023, the remaining 25% will be forgiven. Any amounts owing subsequent to December 31, 2023, 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, 2022.

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. The details of long-term loans are discussed on Note 9 in the Audited Annual Financial Statement.

On February 8, 2022, the Company's Quebec-based subsidiary, "BDS" entered a term loan agreement with R & D Capital Inc, (the "Lender") a corporation duly incorporated under the Business Corporations Act (Québec) The Lender grants BDS a term loan, at a fixed rate, in a principal amount not to exceed $235,000 (the "Loan"), for the financing of the tax credits i) scientific research and experimental development and ii) investment and innovation (C3i); for said Fiscal Year (hereinafter the "Tax Credits ").

The first disbursement of $150,000 out of the proceeds of the Loan, minus the financing fees of $5,950, was obtained. The Loan bears interest at a monthly rate of 1.40%, corresponding to a yearly rate of 16.80%, for a term of 12 months calculated as of the date of the first disbursement.

The details of short-term loan are discussed on Note 8 in the Audited Annual Financial Statement.

Cash utilized for operating activities during the year ended March 31, 2022, was $1,203,928 compared to $807,300 at March 31, 2021, mainly due to the infrastructure expansion for the lab operation at Quebec City and increased the research and development projects.

SHAREHOLDERS' DEFICIENCY

	2022	2021
	$	$
Share capital	7,121,490	6,876,090
Share subscriptions received	662,305	3,000
Contributed surplus	1,698,442	1,632,429
Deficit	(10,117,929)	(8,590,613)
	(635,692)	(79,094)

At March 31, 2022, share capital was $7,121,490 comprising 77,974,229 issued and outstanding common Shares (March 31, 2021 – $6,876,090 comprising 76,784,229 issued and outstanding Common Shares). Most the increase in shares outstanding is related to the raise of capital through the exercising of warrants. Surplus capital at March 31, 2022 is $1,625,029 (March 31, 2021 – $1,632,429). The decrease is mainly as a result of share-based compensation that was recognized for a total amount of $7,400 related to the exercise of warrants. As a result of the net loss for the year ending March 31, 2022 of $1,453,903 (March 31, 2021 – $1,094,190) and the deficit at March 31, 2022 increased to $10,117,929 from $ 8,590,613 as at March 31, 2021.

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 March 31, 2022, 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 section 1.11 - 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.

See section 1.11 – subsequent events.

1.8 Off-Balance Sheet Arrangements

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

1.9 Transactions Between Related Parties

During the year ended March 31, 2022, the Company entered into the following transactions with related parties:

a) For the year ended March 31, 2022, directors and officers of the Company provided consulting services to the Company of $340,200. These charges are included in consulting fees. Consulting fees by CEO was $240,000 and CFO/Project Director was $100,200 for the year ended March 31, 2022. The Company has $784,446 (2021 - $732,946) and $41,230 (2021 – $44,520) due to CEO and CFO respectively. (Refer to Note 4 of the audited financial statements)

b) For the year ended March 31, 2022, the Company recognized $nil of share-based compensation for stock options held by directors and officers.

c) For the year ended March 31, 2022, 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 March 31, 2022 (2021 – 53.40%). 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

The Corporation incurred a net loss of $729,872 in the fourth quarter ended March 31, 2022, compared to a net loss of $583,977 in the same quarter a year earlier. The increase in net loss in the fourth quarter ended March 31, 2022 was

mainly due to the increase in research and development and professional fees related to patent filings.

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 Subsequent Events

Subsequent events post March 31, 2022, that were instigated to increase working capital to help deliver on future activities:

On May 4, 2022, the Company closed a non-brokered private placement of 5,062,000 units at a price of $0.25 per unit for a total gross proceed of $1,265,500. The securities issued under the private placement will be subject to a hold period of four months and one day. Each unit consists of one common share and one share purchase warrant. One share purchase warrant will entitle the holder thereof to purchase one common share of the Company at $0.45 per share for a period of two years from the closing date of the private placement, subject to an acceleration clause. Of the 5,062,000 units, 1,040,000 were issued to settle outstanding debt to related party of $260,000. No Finders' fees were payable on the private placement.

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 warrants extension and share-based compensation

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

New standards and interpretations not yet adopted

In January 2020, the IASB issued amendments to IAS 1 "Presentation of financial statements" to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023. The Corporation is currently evaluating the impact of this amendment on its consolidated financial statements.

The IASB issued amendments to IAS 12, "Income Taxes", on May 7, 2021. The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Company has assessed the impact of amendments to IAS 12 and there will be no impact on the consolidated financial statements of the Company as a result of the adoption of this standard.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that are expected to have a material impact on the consolidated financial statements of the Company.

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 2022 and 2021.

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 March 31, 2022 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, 2022, the Company had 77,974,229 common shares issued and outstanding.

	Number
Balance, March 31, 2022	77,974,229
Balance, July 8, 2022	83,286,229

c. Share Purchase Warrants

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, 2021 and $3,000 was received in cash in advance of year ended March 31, 2021.

On November 25, 2021, 1,115,579 warrants due to expire on December 13, 2021, were extended to December 13, 2022. The estimated fair value of the warrant extension is $73,413 which has been recorded as an increase to share capital with the offsetting entry recorded to deficit. This fair value was estimated using the Black-Scholes model that calculated for the difference between the extended period and the remaining period when the decision was undertaken to extend the warrants. The assumptions used were as follows for the two periods respectively: no expected dividend yield, 100% and 112% expected volatility, 0.80% and 0.11% risk-free interest rate and 1.05 and 0.05 years warrant expected life.

As of March 31, 2022, the number of warrants exercisable was 1,115,579 (2021 – 2,337,579 warrants). The weighted average life remaining for these warrants was 0.70 years and weighted average exercise price was $0.45 per warrants.

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.

During the year ended March 31, 2022, the Company did not issue any options and the Company did not issue common shares from the exercise of share options neither. 60,000 options expired on December 31, 2021.

The number of options exercisable as at March 31, 2022 was 4,135,000 (2021 – 4,195,000 options). The weighted average life remaining for these options was 2.53 years and weighted average exercise price was $0.29 per option.

(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.