BIOMARK DIAGNOSTICS INC.

Form 51-102F1
Management's Discussion & Analysis
Quarterly Report
For the Quarter Ended June 30, 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" refer to BioMark Diagnostics Inc. and the subsidiaries through which it conducts its business, unless otherwise indicted or the context requires otherwise.

This management's discussion and analysis ("MD&A") should be read together with the unaudited consolidated interim financial statements for the three months ended June 30, 2022, and our 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, clinical research and commercialization activities. As disclosed in the financial statements, these factors indicate the existence of material uncertainty that may raise significant doubt about the Company's ability to continue as a going concern.

Cautionary Statement About Forward-Looking Statements

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

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

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

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

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

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

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

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

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

1.1 Date of Report: August 26, 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 quarter:

- The pandemic has entered the endemic stage with restrictions being relaxed globally. There are still concerns of higher infection rates due to the Omricon BA.4 and BA.5 subvariants that are becoming dominant strains with high transmission rates. BA.4 and BA.5 now account for more than 21% of new cases in the U.S., according to U.S. Centers for Disease Control and Prevention (CDC) estimates as of June 11, 2022. These two new subvariants evolved from the Omicron lineage to become even more contagious and can bypass immunity from a past infection or vaccination, experts say. This means people can be reinfected even if they had Omicron earlier this year. Health care focus is on the fall where there are concerns of a spike in cases due to the annual flu virus. New vaccination schedules for a multi variant vaccine are scheduled for fall in many jurisdictions. 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.

- Beyond covid worriers, businesses are currently facing inflationary headwinds, supply chain bottlenecks and labour shortages. Management is taking measures to counteract any negative impact of these factors after managing the Covid challenges over the past 3 years by instituting resilient operational and financial systems/processes.

- BioMark will be receiving another set of plasma samples from its collaboration with the University of Brescia in Italy under Dr. Paolo Bossi as principal investigator for the study titled "IDENTIFICATION OF CIRCULATING MARKERS TO CUSTOMIZE THE FOLLOW-UP OF HEAD AND NECK CANCER PATIENTS FOR EARLY IDENTIFICATION OF RECURRENCES/SECOND TUMORS". Analysis will be performed at The Metabolomics Innovation Centre using a special mega panel for this important discovery and validation phase of the study. Samples are expected to be shipped in September due to logistic challenges.

- BioMark discovery study in breast cancer is being further refined using the latest advancement in machine learning algorithm. Preliminary data look very encouraging, and discussions have commenced with a large biopharma for use of our biomarker as a companion diagnostic application.

- On May 4th, 2022, BioMark announced that it has closed a $1.5 million financing round to help accelerate commercialization of its liquid biopsy technology. The financing round included a non-brokered private placement for gross proceeds of $1,265,500 and the Company issued 5,062,000 units at a price of $ 0.25 per unit. 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-full purchase warrant. One whole 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. A debt conversion consisting of 1,040,000 units in settlement of the indebtedness in aggregate amount of $260,000 to pay for Due to the Related Party. No Finders' fees were payable

on the private placement. In conjunction with the private round of financing, the Company was also successful in securing a non-dilutive line of credit up to $235,000 through its wholly owned subsidiary BioMark Diagnostic Solutions Inc. in Quebec City. The Company intends to use the $1.5 million to seek lab accreditation, perform an assay validation and verification study, participate in a large-scale lung cancer screening program in Quebec, and perform business development activities in the US.

- As part of it previously announced retrospective study, BioMark is collaborating with TMIC to complete analysis of about 800 plasma samples from lung cancer patients andother lung diseases, covid cases and other cancers. The samples have been analysed and now the interim data analysis was performed in mid-June 2022. The company will be reviewing the data to develop the necessary validation and verification documentation for its Quebec based lab certification slated for late 2022/early 2023. In addition, the data readout will be presented during 2022 ESMO Annual Meeting scheduled in September 2022.

- BioMark continues to be invited to discuss the company, its technology platform, and developments in several high-profile podcasts in Canada and the USA. The latest podcast with Biotech Bros was released on the company website on May 20, 2022. The link was also shared via LinkedIn. The podcast was targeted towards US retail investors.

- On June 7, 2022, BioMark announced that BioMark and the Icahn School of Medicine at Mount Sinai in New York ("Icahn Mount Sinai") entered into collaborative research agreement to work together on clinical studies related to early lung cancer diagnosis for at risk population using a set of proprietary plasma biomarkers and machine learning algorithms discovered and developed by BioMark. This initiative is part of BioMark's effort to commercialize its liquid-biopsy technology that leverages the latest advances in metabolomics and machine learning algorithms in the US. The test developed through this dynamic collaboration would offer the opportunity to screen nearly 16 million individuals eligible for lung cancer screening under current US guidelines could be significantly improved with a widely accessible blood-based cancer screening.

- BioMark and Phytronix presented a poster at the ASMS held in Minneapolis from June 5-9, 2022. Abstract title: "Quantification of Beta-Hydroxybutyric acid and Tryptophan in plasma as metabolic biomarkers of cancer using the LDTD-MS/MS technique". The poster attracted interest from many potential companies in the clinical lab space on the use of this novel integrated technology for cancer screening application.

- BioMark attended the BIO International Convention 2022, held in June 13-16, 2022, in San Diego, CA. The Company presented in several one-on-one meetings with potential investors, strategic biopharma and lab collaborators/partners. Quebec government and Mitacs partially sponsored BioMark's participation and provided access to its booth at the Canadian pavilion. The meetings with specific states and institutions across United States are being followed upon as these avenues will be

critical as BioMark expands its operational footprint into US and other global jurisdictions that have expressed interest in the company's early lung cancer blood-based assay.

- On June 21st, 2022, BioMark announced that it has obtained a novel patent in Japan, No.7038044, further strengthening the Company's intellectual property position worldwide and coverage of its blood-based technology for early lung cancer detection and screening. The Japan Patent Office is the first to issue patent on the Company's biomarker panel for detecting lung cancer, which belongs to a large family of patents that BioMark owns, and complements similar patents currently pending in Canada, China, Europe, and US. In addition, BioMark successfully obtained certificate of registration for BioMark trademark use in Canada under Ref.: Canada R#021131-0028. The issued trademark will be used in Canada in association with the wares and/or services described in the registration which is what the company is planning to introduce firstly on its lung cancer screening assay primed for commercialization early next year.

- On June 30, 2022, BioMark Diagnostic Solution signed a Letter of Intent to work with TransDiag in France. TransDiag has been successful in attracting well-known clinical institutions and collaborators to partner with BioMark to conduct trials that will be useful in assessing, reviewing, and establishing a lung cancer screening platform in Europe, starting in France. The parties are looking to commence a prospective screening program for the early detection of lung cancer later in September 2022. The 2 groups are jointly reviewing international research sponsored programs offered by the Federal government from both counties that encourages collaboration and innovation.

- As part of its international business development plan, BioMark is working with an advisor for Europe and Middle East. The Company is exploring potential partnerships with various medical institutions in Qatar, as well as the Health of Ministry, to setup clinical collaborations and technology development capacity related to early diagnosis and prevention of cancer. Presentations were made to senior government officials in June 2022 and special meetings with the cancer screening steering committee are scheduled for later this fall.

- BioMark continued to entertain discussions with various 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 and to advance its expansion strategy in Quebec and the USA and for general corporate purposes. Exploratory meetings were scheduled at Bio 2022 in June with government agencies from Texas, Maryland and other NIH and NCI funded cancer facilities.

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 Quarter Information

The following information is a summary of the three months ended June 30, 2022, as compared to the three months ended June 30, 2021.

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

	Note	Three months ended June 30, 2022	Three months ended June 30, 2021
		$	$
Revenue		$35,900	-
Expenses:			
Consulting fees	3	97,550	85,050
Depreciation on right-of-use asset	6	93,303	2,587
Depreciation of property and equipment	5	3,301	-
Research and development		149,241	33,272
Professional fees		49,880	21,179
Office and miscellaneous		26,234	13,206
Interest and bank charge		28,252	1,820
Insurance		-	1,742
Filing and transfer agent fees		20,786	134,309
Travel		12,077	1,777
Total operating expenses		480,624	294,942
Other (income) loss:			
Foreign exchange (gain) loss		-	1,316
Government grants		(25,583)	(7,500)
Total Other (income) loss		(25,583)	(6,184)
Net loss and comprehensive loss		(419,141)	(288,758)

For discussion of information refer to sections 1.4 and 1.6.

1.4 Discussion of Operations

Three months ended June 30, 2022, compared to three months ended June 30, 2021

The Company generated revenue of $35,900 for the quarter ended June 30, 2022 compare to $nil for the same period of the last 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.

The net loss increased by $130,383 from $288,758 (June 30, 2021) to $419,141, for the quarter ended June 30, 2022, which was largely due to the increased operating expenses related to the lab operation in Quebec City and the research and development cost for technologies validation and additional clinical trials.

	Note	Three months ended June 30, 2022	Three months ended June 30, 2021
		$	$
Expenses:			
Consulting fees	3	97,550	85,050
Depreciation on right-of-use asset	6	93,303	2,587
Depreciation of property and equipment	5	3,301	-
Research and development		149,241	33,272
Professional fees		49,880	21,179
Office and miscellaneous		26,234	13,206
Interest and bank charge		28,252	1,820
Insurance		-	1,742
Filing and transfer agent fees		20,786	134,309
Travel		12,077	1,777
Total operating expenses		480,624	294,942

The total operating expense increased by $185,682 from $294,942 (June 30, 2021) to $480,624 (June 30, 2022), mainly due to the increased operating expense related to depreciation of right-of-use asset, research and development, and professional fees.

Consulting service fees increased by $12,500 compared to the same period of last year, due to the consulting service rendered from the third party for business development and international collaborations. 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 $90,716 and $3,301 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 5 and Note 6 in the Interim Financial Statement. Under Note 5, computers are recorded at cost and amortized over three years; laboratory equipment is recorded at cost and amortized over five years. Under Note 6, the equipment is related to the newly acquired instruments via the third-party leasing company and is amortized over five years. The office lease includes both the office spaces in Richmond BC and the lab facility in Quebec.

Research and development increased by $115,969 of from $33,272 for the quarter ended June 30, 2021, to $149,241 for the quarter ended June 30, 2022. With resumption of research projects and facility expansion in Quebec, the Company hired and trained highly qualified lab staff members. 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 quarter ended June 30, 2022, were $49,880 compared to $21,179 for the quarter ended June 30, 2021, an increase of $28,701, due to the timing of the required professional services related to the annual audit and the legal counsel for patent application and filings. 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 $13,028 from $13,206 for the quarter ended June 30, 2021, to $26,234 for the quarter ended June 30, 2022, mainly due to the operating costs for the lab facility in Quebec City and the cost related to participating the international conference.

The interest and bank charge increased by $26,432 from $1,820 for the quarter ended June 30, 2021 to $28,252 for the quarter ended June 30, 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 6, Note 7 and Note 8 in the Interim Financial Statement.

Filing and transfer agent fees decreased by $113,523 from $134,309 for the quarter ended June 30, 2021, to $20,786 for the year ended March 31, 2022, mainly due to the limited marketing awareness and communication programs compared to the same period of last year. Travel expenses increased by $10,300 compared to the same period of the previous year due to the costs occurred for attending the international conference. With the resumption of research and business development related activities, the Company anticipates spending a higher amount in the coming quarters for business development and collaborative research.

	Three months ended June 30, 2022	Three months ended June 30, 2021
	$	$
Other (income) loss:		
Foreign exchange (gain) loss	-	1,316
Government grants	(25,583)	(7,500)
Total other (income) loss	(25,583)	(6,184)

The Company had its other income of $25, 583 for the quarter ended June 30, 2022, compared to the total other income of $6,187 for the quarter ended June 30, 2021, an increase of $19,399, mainly due to the increase from the 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 $82,550 for this fiscal year.

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 continues to allocate additional resources towards commercialization related to its liquid biopsy assays especially related to lung cancer screening.

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.

- 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. Trials are scheduled for fall 2022.

- Apply for additional non-dilutive funding from Mitacs, NRC, NSERC Alliance grants, CIHR Society, Can Export, Eureka Program, BSP, EDC, City of Quebec and other federal and or provincial funding grants.

- Patients have been recruited and biological samples are being collected for breast cancer patient trial with our Chinese partner at 2 recognized tumour hospitals designed 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. Company is in the process of filing new patents to support its patent portfolio.

- 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. Apply for state or provincial grants and seek foundation support where applicable such as Maryland Bio Innovation program.

- 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. Post docs are being interviewed to help in clinical trail management and principal investigators support.

- 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.

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

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

- The new biosensors technology is being tested and new patents will be filed. 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.

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
	$	$	$	$
Total Revenue	35,900	24,115	19,818	-
Expenses	480,624	831,104	285,092	179,799
Net Loss	(419,141)	(729,872)	(276,697)	(178,394)
Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

	June 30, 2021	March 31, 2021	December 31, 2021	September 30, 2021
	$	$	$	$
Total Revenue	-	-	-	-
Expenses	294,942	584,904	194,189	187,453
Net Loss	(288,758)	(583,977)	(194,189)	(187,453)
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

ASSETS

	June 30, 2022	March 31, 2022
	$	$
Current		
Cash and cash equivalents	364,956	382,711
Amounts receivable	26,483	82,130
Prepaid expenses	34,155	34,155
	425,594	498,996
Long-term investment	3,200	3,200
Property and equipment	54,293	53,054
Right-of-use asset	823,067	916,370
	1,306,154	1,471,620

LIABILITIES

	June 30, 2022	March 31, 2022
	$	$
Current		
Accounts payable and accrued liabilities	70,586	128,339
Client Deposit	10,685	12352
Current portion of lease liability	327,850	299,316
Due to related parties	658,526	917,224
Short – term debt	144,050	144,050
	1,211,697	1,501,281
Lease liability	411,084	509,728
Government loans	97,511	96,303
	1,720,292	2,107,312

The Company has total assets of $1,306,154 as of June 30, 2022, compared to $1,471,620 reported on March 31, 2022, and has a negative working capital of $786,103. The decrease of asset is mainly due to the decrease of cash, amount receivable and right-of-use asset.

On June 30, 2022, the Company had cash and cash equivalents of $364,956 (March 31, 2021 – $382,711) and working capital deficit decreased by $216,182 from $1,002,285 on March 31, 2022, mainly due to the reduction of account payable and accrued liabilities and due to related parties. Working capital is defined as current assets less current liabilities. Total liabilities decreased by $387,020 from $2,107,312 as of March 31, 2022, to $ 1,7 20,292 as of June 30, 2022, mainly due to the decrease of the lease liabilities and due to related parties. The accounts payable and accrued liabilities reduced by $57,753 from $128,339 (March 31, 2022) to $70,586 (June 30, 2022). Due to the related parties decreased by $258,698 from $917,224 (March 31, 2022) to $658,526 (June 30, 2022) mainly due to the debt conversation occurred during the private placement. The current portion of lease liability increased by $28,534 and lease liability decreased by $98,644 respectively from March 31, 2022, due to the Company's acquisitions of laboratory and computer equipment and the new lease signed for two years for the lab space in Quebec City with the adoption of the new accounting standards. The details of accounting standard and the calculation of depreciation on asset, Right-of-use Asset and Lease Liability are discussed respectively on Note 5 and Note 6 in the unaudited consolidated interim financial statements for the three months ended June 30, 2022.

The Company entered into two agreements to fund operations and project costs of the business with the Government of Canada under the Regional Relief and Recovery Fund (RRRF) and the Canada Emergency Business Account (CEBA). Both government loans 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 8 in the Interim 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 7 in the Interim Financial Statement.

Cash utilized in operating activities for the three months ended June 30, 2022, was $325,102 compared to $307,200 at June 30, 2021, an increase of $17,902 for the same period of the last year.

SHAREHOLDERS' DEFICIENCY

	June 30, 2022	March 31, 2022
	$	$
Share capital	8,238,812	7,121,490
Share subscriptions received	-	662,305
Contributed surplus	1,884,120	1,698,442
Deficit	(10,537,070)	(10,117,929)
	(414,138)	(635,692)

On June 30, 2022, share capital was $8,238,812 comprising 83,286,229 issued and outstanding common shares (March 31, 2022, it was $7,121,490 comprising 77,974,229 issued and outstanding common shares). Contributed Surplus on June 30, 2022 is $1,884,120 (March 31, 2022 - $1,698,442), the increase is the result of the options exercised in June 2022 and the contributed surplus that has been allocated to the share purchase warrants using the residual value method for the private placement closed on May 4, 2022. As a result of the net loss for the three months ended June 30, 2022, of $414,138 and the deficit on June 30, 2022, increased to $10,537,070 compared to $10,117929 on March 31, 2022.

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.

1.8 Off-Balance Sheet Arrangements

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

1.9 Transactions Between Related Parties

During the quarter ended June 30, 2022, the Company entered into the following transactions with related parties:

a) For the quarter ended June 30, 2022, directors and officers of the company provided consulting services to the company of $85,050. These charges are included in consulting fees. Consulting fees from the CEO was $60,000 and the Interim CFO who also performed duties as Project Director was $25,050 for the quarter ended June 30, 2022. As of June 30, 2022, the Company has $554,446 due to CEO (2021 - $663,946). The balance owing to the interim CFO as of June 30, 2022, is $12,533 (2021 - $5,823). The balances due to related parties are unsecured, non-interest bearing and without fixed repayment terms.

b) For the quarter ended June 30, 2022, the Company recognized $nil of share-based compensation for stock options held by director and officers.

c) For the quarter ended June 30, 2022, the Company has the balance of $91,548 owed to BioMark Technologies Inc. BioMark Technologies Inc. which holds approximately 49.23% of the common shares of the Company as of June 30, 2022 (2021 – 52.59%). The CEO owns more than 10% interest in the Company.

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

1.10 Fourth Quarter

N/A

1.11 Proposed Transactions

N/A

1.12 Critical Accounting Estimates

The preparation of these consolidated financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The more significant areas are as follows:

- the estimates and assumptions used in the 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 June 30, 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:

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 consideration of $1,265,500 of which $202,480 has been allocated to the share purchase warrants using the residual value method. 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.

On June 14, 2022, 250,000 shares have been issued upon the exercise of the options at a price of $0.15 per share for gross proceeds of $37,500.

As of June 30, 2022, the Company had 83,286,229 common shares issued and outstanding.

c. Share Purchase Warrants

As of June 30, 2022, the Company had 6,177,579 shareholder warrants issued and outstanding of which 1,115,579 warrant will entitle the holders to acquire one share at a price of $0.45 per share until December 13, 2022, and 5,062,000 warrants will entitle the holders to acquire one share at price of $0.45 per share until May 4, 2024. The Company uses the residual value method to allocate proceeds of the unit amongst the common share and the share purchase warrant.

d. Stock options:

The Company's current stock option plan (the "New Stock Option Plan") was last approved by the shareholders on December 20, 2019. Pursuant to the Existing Plan, the maximum number of common shares of the Company which may be authorized for reservation for the grant of options from time to time shall be 10% of the Company's then issued and outstanding common shares. The plan provides for the granting of options to directors, employees and consultants. The Board of Directors determines the features of the awards, including the exercise price, the term and vesting provisions, provided no stock options will have a term exceeding five years.

The number of options exercisable as of June 30, 2022, was 3,835,000 (2021 – 4,195,000 options). The weighted average life remaining for these options were 2.46 years and weighted average exercise price was $0.30 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 52-109FV2 Certification of Interim Filings is filed on SEDAR.