UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2022

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___to ____

Commission File Number: 001-36833

VOLITIONRX LIMITED

(Exact name of registrant as specified in its charter)

Delaware	**91-1949078**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

13215 Bee Cave Parkway
Suite 125, Galleria Oaks B
Austin, Texas 78738
(Address of principal executive offices)

+1 (646) 650–1351
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.001 per share	**VNRX**	**NYSE American, LLC**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated Filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).☐ Yes ☒ No

As of May 5, 2022, there were 53,846,973 shares of the registrant's $0.001 par value common stock issued and outstanding.

VOLITIONRX LIMITED

QUARTERLY REPORT ON FORM 10-Q
FOR THE THREE MONTHS ENDED MARCH 31, 2022

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Use of Terms

Except as otherwise indicated by the context, references in this Quarterly Report on Form 10-Q to the "Company," "VolitionRx," "Volition," "we," "us," and "our" are references to VolitionRx Limited and its wholly owned subsidiaries, Volition Global Services SRL, Singapore Volition Pte. Limited, Belgian Volition SRL, Volition Diagnostics UK Limited, Volition America, Inc., Volition Germany GmbH, and its majority-owned subsidiary, Volition Veterinary Diagnostics Development LLC. Additionally, unless otherwise specified, all references to "$" refer to the legal currency of the United States of America.

Nucleosomics™ and Nu.Q® and their respective logos are trademarks and/or service marks of VolitionRx and its subsidiaries. All other trademarks, service marks and trade names referred to herein are the property of their respective owners.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022, or this Report, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward-looking statements are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this Report or incorporated by reference into this Report are forward-looking statements. These statements include, among other things, predictions of earnings, revenues, expenses or other financial items; plans or expectations with respect to our development activities or business strategy; statements concerning clinical studies and results; statements concerning industry trends; statements regarding anticipated demand for our products, or the products of our competitors; statements relating to manufacturing forecasts, and the potential impact of our relationship with contract manufacturers and original equipment manufacturers on our business; statements relating to the commercialization of our products, assumptions regarding the future cost and potential benefits of our research and development efforts; forecasts of our liquidity position or available cash resources; statements relating to the impact of pending litigation; statements regarding the anticipated impact of the COVID-19 pandemic and statements relating to the assumptions underlying any of the foregoing. Throughout this Report, we have attempted to identify forward-looking statements by using words such as "may," "believe," "will," "could," "project," "anticipate," "expect," "estimate," "should," "continue," "potential," "plan," "forecasts," "goal," "seek," "intend," other forms of these words or similar words or expressions or the negative thereof (although not all forward-looking statements contain these words).

We have based our forward-looking statements on our current expectations and projections about trends affecting our business and industry and other future events. Although we do not make forward-looking statements unless we believe we have a reasonable basis for doing so, we cannot guarantee their accuracy. Forward-looking statements are subject to substantial risks and uncertainties that could cause our future business, financial condition, results of operations or performance, to differ materially from our historical results or those expressed or implied in any forward-looking statement contained in this Report.

Some significant factors that may impact our estimates and forward-looking statements include, but are not limited to:

- *Our inability to generate any significant revenue or achieve profitability;*
- *Our need to raise additional capital in the future;*
- *Our expectations to expand our product development, research and sales and marketing capabilities could give rise to difficulties in managing our growth;*
- *Our limited experience with direct sales and marketing;*
- *The material weaknesses in our internal control over financial reporting that we have identified;*
- *The possibility that we may not be able to continue to operate, as indicated by the "going concern" opinion from our auditors;*
- *Our ability to successfully develop, manufacture, market, and sell our future products;*
- *Our ability to timely obtain necessary regulatory clearances or approvals to distribute and market our future products;*
- *The acceptance by the marketplace of our future products;*
- *The highly competitive and rapidly changing nature of the cancer diagnostics market;*
- *Our reliance on third parties to manufacture and supply our intended products, and such manufacturers' dependence on third-party suppliers;*
- *Our dependence on third-party distributors;*
- *Protection of our patents, intellectual property and trade secrets;*
- *Business disruptions and economic and other uncertainties surrounding the COVID-19 pandemic; and*
- *Other risks identified elsewhere in this Report, as well as in our other filings with the Securities and Exchange Commission, or the SEC.*

In addition, actual results may differ as a result of additional risks and uncertainties of which we are currently unaware or which we do not currently view as material to our business. For these reasons, readers are cautioned not to place undue reliance on any forward-looking statements. Our actual financial condition and results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed with the SEC on March 30, 2022, or our Annual Report, this Report, the documents that we file as exhibits to this Report and the documents that we incorporate by reference into this Report, with the understanding that our future results may be materially different from what we currently expect. The forward-looking statements we make speak only as of the date on which they are made. We expressly disclaim any intent or obligation to update any forward-looking statements after the date hereof to conform such statements to actual results or to changes in our opinions or expectations. If we do update or correct any forward-looking statements, readers should not conclude that we will make additional updates or corrections.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

VOLITIONRX LIMITED
Condensed Consolidated Balance Sheets
(Expressed in United States Dollars, except share numbers)

	March 31, 2022 $	December 31, 2021 $
ASSETS	(UNAUDITED)	
Current Assets		
Cash and cash equivalents	23,732,379	20,581,313
Accounts receivable	72,371	12,510
Prepaid expenses	1,263,149	598,367
Other current assets	888,827	786,642
Total Current Assets	25,956,726	21,978,832
Property and equipment, net	4,721,065	4,911,077
Operating lease right-of-use assets	830,257	383,551
Intangible assets, net	175,391	216,876
Total Assets	31,683,439	27,490,336
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	2,205,240	1,542,457
Accrued liabilities	3,538,881	3,828,501
Deferred revenue	10,000,000	12,512
Management and directors' fees payable	97,640	71,303
Current portion of long-term debt	1,333,316	797,855
Current portion of finance lease liabilities	46,656	48,958
Current portion of operating lease liabilities	249,051	171,166
Current portion of grant repayable	42,036	43,100
Total Current Liabilities	17,512,820	6,515,852
Long-term debt, net of current portion	2,031,875	2,270,767
Finance lease liabilities, net of current portion	486,690	511,086
Operating lease liabilities, net of current portion	594,392	217,305
Grant repayable, net of current portion	246,970	253,221
Total Liabilities	20,872,747	9,768,231
STOCKHOLDERS' EQUITY		
Common Stock		
Authorized: 100,000,000 shares of common stock, at $0.001 par value		
Issued and outstanding: 53,790,261 shares and 53,772,261 shares, respectively	53,790	53,772
Additional paid-in capital	155,655,418	154,730,938
Accumulated other comprehensive income	30,422	148,326
Accumulated deficit	(144,622,666)	(136,988,636)
Total VolitionRx Limited Stockholders' Equity	11,116,964	17,944,400
Non-controlling interest	(306,272)	(222,295)
Total Stockholders' Equity	10,810,692	17,722,105
Total Liabilities and Stockholders' Equity	31,683,439	27,490,336

(The accompanying notes are an integral part of these condensed consolidated financial statements)

VOLITIONRX LIMITED
Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)
(Expressed in United States Dollars, except share numbers)

	Three Months Ended March 31,	
	2022 $	2021 $
Revenues		
Services	60,254	-
Product	53,957	25,530
Total Revenues	114,211	25,530
Operating Expenses		
Research and development	3,590,053	3,873,079
General and administrative	2,602,152	1,810,160
Sales and marketing	1,598,983	427,401
Total Operating Expenses	7,791,188	6,110,640
Operating Loss	(7,676,977)	(6,085,110)
Other Income (Expenses)		
Interest income	2	1,721
Interest expense	(41,032)	(42,181)
Total Other Income (Expenses)	(41,030)	(40,460)
Net Loss	(7,718,007)	(6,125,570)
Net Loss attributable to Non-Controlling Interest	83,977	9,424
Net Loss attributable to VolitionRx Limited Stockholders	(7,634,030)	(6,116,146)
Other Comprehensive (Loss) / Income		
Foreign currency translation adjustments	(117,904)	134,133
Net Comprehensive Loss	(7,835,911)	(5,991,437)
Net Loss Per Share – Basic and Diluted	(0.14)	(0.12)
Weighted Average Shares Outstanding – Basic and Diluted	53,775,096	50,928,742

(The accompanying notes are an integral part of these condensed consolidated financial statements)

VOLITIONRX LIMITED
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)
(Expressed in United States Dollars, except share numbers)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Non Controlling Interest	Total
	Shares #	Amount $	$	$	$	$	$
Balance, December 31, 2021	53,772,261	53,772	154,730,938	148,326	(136,988,636)	(222,295)	17,722,105
Common stock issued for cash	3,000	3	9,464	-	-	-	9,467
Common stock issued for settlement of RSUs	15,000	15	(15)	-	-	-	-
Stock-based compensation	-	-	915,031	-	-	-	915,031
Foreign currency translation	-	-	-	(117,904)	-	-	(117,904)
Net loss for the period	-	-	-	-	(7,634,030)	(83,977)	(7,718,007)
Balance, March 31, 2022	53,790,261	53,790	155,655,418	30,422	(144,622,666)	(306,272)	10,810,692
Balance, December 31, 2020	48,607,017	48,607	126,526,239	(59,978)	(110,173,971)	(47,179)	16,293,718
Common stock issued for cash	4,183,533	4,184	20,324,744	-	-	-	20,328,928
Common stock issued for cashless exercise of stock options and settlement of RSUs	80,451	80	(80)	-	-	-	-
Stock-based compensation	-	-	555,342	-	-	-	555,342
Tax withholdings paid related to stock-based compensation	-	-	(23,758)	-	-	-	(23,758)
Foreign currency translation	-	-	-	134,133	-	-	134,133
Net loss for the period	-	-	-	-	(6,116,146)	(9,424)	(6,125,570)
Balance, March 31, 2021	52,871,001	52,871	147,382,487	74,155	(116,290,117)	(56,603)	31,162,793

(The accompanying notes are an integral part of these condensed consolidated financial statements)

VOLITIONRX LIMITED
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Expressed in United States Dollars)

	Three Months Ended March 31,	
	2022	**2021**
	$	**$**
Operating Activities		
Net Loss	(7,718,007)	(6,125,570)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	224,310	227,342
Amortization of operating lease right-of-use assets	65,361	50,046
Stock-based compensation	915,031	555,342
Changes in operating assets and liabilities:		
Prepaid expenses	(664,782)	(792,793)
Accounts receivable	(59,861)	(14,238)
Other current assets	(102,185)	86,907
Deferred Revenue, current and non-current	10,000,000	-
Accounts payable and accrued liabilities	361,237	(87,002)
Management and directors' fees payable	25,750	(15,690)
Right-of-use assets operating leases liabilities	(57,008)	(49,485)
Net Cash Provided By / (Used In) Operating Activities	2,989,846	(6,165,141)
Investing Activities:		
Purchases of property and equipment	(124,648)	(483,940)
Net Cash Used In Investing Activities	(124,648)	(483,940)
Financing Activities:		
Net proceeds from issuances of common stock	9,467	20,328,928
Tax withholdings paid related to stock-based compensation	-	(23,758)
Proceeds from long-term debt	620,549	79,590
Payments on long-term debt	(250,711)	(161,727)
Payments on finance lease obligations	(13,133)	(14,722)
Net Cash Provided By Financing Activities	366,172	20,208,311
Effect of foreign exchange on cash	(80,304)	57,744
Net Change in Cash	3,151,066	13,616,974
Cash and cash equivalents – Beginning of Period	20,581,313	19,444,737
Cash and cash equivalents – End of Period	23,732,379	33,061,711
Supplemental Disclosures of Cash Flow Information:		
Interest paid	41,032	42,181
Non-Cash Financing Activities:		
Common stock issued on cashless exercises of stock options and settlement of vested RSUs	15	80
Offering costs from issuance of common stock	-	119,029

(The accompanying notes are an integral part of these condensed consolidated financial statements)

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 1 – Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The interim consolidated financial statements of VolitionRx Limited (the "Company", "VolitionRx," "we" or "us") for the three months ended March 31, 2022 and March 31, 2021, respectively, are unaudited. Our consolidated financial statements are prepared in accordance with the requirements for unaudited interim periods and, consequently, do not include all disclosures required to be made in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In the opinion of our management, the accompanying consolidated financial statements contain all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of our financial position as of March 31, 2022, and our results of operations and cash flows for the periods ended March 31, 2022 and March 31, 2021, respectively. The results of operations for the periods ended March 31, 2022 and March 31, 2021, respectively, are not necessarily indicative of the results for a full-year period. These interim consolidated financial statements should be read in conjunction with the financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the Securities and Exchange Commission (the "SEC") on March 30, 2022.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company also regularly evaluates estimates and assumptions related to deferred income tax asset valuation allowances, useful lives of property and equipment and intangible assets, borrowing rate used in operating lease right-of-use asset and liability valuations, impairment analysis of intangible assets, and valuations of stock-based compensation.

The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations could be affected.

Principles of Consolidation

The accompanying condensed consolidated financial statements for the period ended March 31, 2022 include the accounts of the Company and its subsidiaries. The Company has two wholly-owned subsidiaries Singapore Volition Pte. Limited ("Singapore Volition") and Volition Global Services SRL ("Volition Global"). Singapore Volition has one wholly-owned subsidiary, Belgian Volition SRL ("Belgian Volition"). Belgian Volition has four subsidiaries, Volition Diagnostics UK Limited ("Volition Diagnostics"), Volition America, Inc. ("Volition America"), Volition Germany GmbH ("Volition Germany"), and its one majority-owned subsidiary Volition Veterinary Diagnostics Development LLC ("Volition Vet"). See Note 8(f) for more information regarding Volition Vet, Volition Germany and Volition America. All intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Company considers interest bearing deposits with original maturity dates of three months or less to be cash equivalents. The Company invests excess cash from its operating cash accounts in overnight investments and reflects these amounts in cash and cash equivalents in the condensed consolidated balance sheets at fair value using quoted prices in active markets for identical assets. As of March 31, 2022, cash and cash equivalents totaled approximately $23.7 million, of which $10.2 million was held in an overnight money market account.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 1 - Basis of Presentation and Summary of Significant Accounting Policies (continued)

Accounts Receivables

Trade accounts receivable are stated at the amount the Company expects to collect. Due to the nature of the accounts receivable balance, the Company believes the risk of doubtful accounts is minimal and therefore no allowance is recorded. If the financial condition of the Company's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. The Company may provide for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Company has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of March 31, 2022, the accounts receivable balance was $72,371 and the allowance for doubtful debts was $nil.

Revenue Recognition

The Company adopted Accounting Standards Codification ("ASC")606, "*Revenue from Contracts with Customers,"* effective January 1, 2019. Under ASC 606, the Company recognizes revenues when the customer obtains control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company recognizes revenues following the five step model prescribed under ASC 606: (i) identify contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenues when (or as) the Company satisfies the performance obligation(s).

The Company generates product revenues from the sale of its Nu.Q® Vet Cancer Screening Test, from the sale of nucleosomes, and from the sale of Research Use Only kits. In addition, revenue is received from external third parties for Nu.Q® Discover services the Company performs for them in its laboratory.

Revenues, and their respective treatment for financial reporting purposes under ASC 606, are as follows:

Royalty

The Company receives royalty revenues on the net sales recognized during the period in which the revenue is earned, and the amount is determinable from the licensee. These are presented in "Royalty" in the consolidated statements of operations and comprehensive loss. The Company does not have future performance obligations under this revenue stream. In accordance with ASC 606, the Company records these revenues based on estimates of the net sales that occurred during the relevant period from the licensee. The relevant period estimates of these royalties are based on preliminary gross sales data provided by Customers and analysis of historical gross-to-net adjustments. Differences between actual and estimated royalty revenues are adjusted for in the period in which they become known.

Product

The Company includes revenue from product sales recognized during the period in which goods are shipped to third parties, and the amount is deemed collectable from the third parties. These are presented in "Product" in the consolidated statements of operations and comprehensive loss.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 1 - Basis of Presentation and Summary of Significant Accounting Policies (continued)

Services

The Company includes revenue recognized from laboratory services performed in the Company's laboratory on behalf of third parties in "Services" in the consolidated statements of operations and comprehensive loss.

For each development and/or commercialization agreement that results in revenues, the Company identifies all performance obligations, aside from those that are immaterial, which may include a license to intellectual property and know-how, development activities and/or transition activities. In order to determine the transaction price, in addition to any upfront payment, the Company estimates the amount of variable consideration at the outset of the contract either utilizing the expected value or most likely amount method, depending on the facts and circumstances relative to the contract. The Company constrains (reduces) the estimates of variable consideration such that it is probable that a significant reversal of previously recognized revenue will not occur throughout the life of the contract. When determining if variable consideration should be constrained, management considers whether there are factors outside the Company's control that could result in a significant reversal of revenue. In making these assessments, the Company considers the likelihood and magnitude of a potential reversal of revenue. These estimates are re-assessed each reporting period as required.

Licensing

The Company includes revenue recognized from the licensing of certain rights to third parties in "Licensing" in the consolidated statements of operations. For each development and/or commercialization agreement that results in revenues, the Company identifies all performance obligations, aside from those that are immaterial, which may include a license to intellectual property and know-how, development activities and/or transition activities. In order to determine the transaction price, in addition to any upfront payment, the Company estimates the amount of variable consideration at the outset of the contract either utilizing the expected value or most likely amount method, depending on the facts and circumstances relative to the contract. The Company constrains (reduces) the estimates of variable consideration such that it is probable that a significant reversal of previously recognized revenue will not occur throughout the life of the contract. When determining if variable consideration should be constrained, management considers whether there are factors outside the Company's control that could result in a significant reversal of revenue. In making these assessments, the Company considers the likelihood and magnitude of a potential reversal of revenue. These estimates are re-assessed each reporting period as required.

Deferred Revenue (Contract Liabilities) and Contract Assets

Deferred revenue consists of amounts for which we have an unconditional right to bill, and/or amounts for which payment has been received–including non-refundable amounts, but have not been recognized as revenue because the related performance obligations are deemed incomplete. As at March 31, 2022, the Company recorded $10.0 million as deferred revenue in respect of a non-refundable payment received in relation to a licensing and product supply agreement with Heksa Corporation. As at March 31, 2021, the Company recorded $nil deferred revenue.

Contract assets include costs and services incurred on contracts with open performance obligations. These contract assets were immaterial as of March 31, 2022.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, "Earnings Per Share," which requires presentation of both basic and diluted earnings per share ("EPS") on the face of the statement of operations and comprehensive loss. Basic EPS is computed by dividing net loss available to common stockholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. As of March 31, 2022, 6,346,268 potential common shares equivalents from warrants, options, and restricted stock units ("RSUs") were excluded from the diluted EPS calculations as their effect is anti-dilutive.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 1 - Basis of Presentation and Summary of Significant Accounting Policies (continued)

Foreign Currency Translation

The Company has functional currencies in Euros, US Dollars and British Pounds Sterling and its reporting currency is the US Dollar. Management has adopted ASC 830-20, *"Foreign Currency Matters – Foreign Currency Transactions"*. All assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. For revenues and expenses, the weighted average exchange rate for the period is used. Gains and losses arising on translation of foreign currency denominated transactions are included in other comprehensive income (loss).

Research and Development

In accordance with ASC 730, the Company follows the policy of expensing its research and development costs in the period in which they are incurred. The Company incurred research and development expenses of $3.6 million and $3.9 million during the three-months ended March 31, 2022, and March 31, 2021, respectively.

Stock-Based Compensation

The Company records stock-based compensation in accordance with ASC 718, "*Compensation – Stock Compensation"*. Under the provisions of ASC 718, stock-based compensation cost is measured at the grant date, based on the fair value of the award, and is recognized over the employee's requisite service period, which is generally the vesting period. The fair value of our stock options and warrants is estimated using a Black-Scholes option valuation model. Restricted stock units are valued based on the closing stock price on the date of grant. Refer to Note 7 for further details.

Reclassification

Certain amounts presented in previously issued financial statements have been reclassified to be consistent with the current period presentation. The Company has reclassified the prior period comparative amounts in Part I, Item 2. "*MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*" of the Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, in relation to Research and Development expenses, General and Administrative expenses and Sales and Marketing expenses to be consistent with the current year classification.

Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect. The Company does not believe there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

COVID-19 Pandemic Impact

As of the date of this filing, there continue to be widespread concerns regarding the ongoing impacts and disruptions caused by the COVID-19 pandemic in the regions in which the Company operates. As a result of the COVID-19 pandemic, the Company has experienced and may continue to experience disruptions that could impact our clinical trials, including delays enrolling patients and in sample collection.

The extent to which the COVID-19 pandemic will impact the Company's business, financial condition, and results of operations in the future is highly uncertain and will be affected by a number of factors. These include the duration and extent of the COVID-19 pandemic, the development of new variants of the COVID-19 virus that may be more contagious or virulent than previous versions, the scope of mandated or recommended containment and mitigation measures, the effect of government stabilization and recovery efforts, and the success of vaccine distribution programs.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 2 - Going Concern

The Company's condensed consolidated financial statements are prepared using U.S. GAAP applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has incurred losses since inception of $144.6 million, has had negative cash flows from operations on an annual basis, and has minimal revenues, which creates substantial doubt about its ability to continue as a going concern for a period of at least one year from the date of issuance of these condensed consolidated financial statements.

The future of the Company as an operating business will depend on its ability to obtain sufficient capital contributions, financing and/or to generate revenues as may be required to sustain its operations. Management plans to address the above as needed by (a) securing additional grant funds, (b) obtaining additional financing through debt or equity transactions, (c) granting licenses to third parties in exchange for specified up-front and/or milestone payments and (d) developing and commercializing its products on an accelerated timeline. Management continues to exercise tight cost controls to conserve cash.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually attain profitable operations. The accompanying condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 3 - Property and Equipment

The Company's property and equipment consisted of the following amounts as of March 31, 2022 and December 31, 2021:

	Useful Life	Cost $	Accumulated Depreciation $	March 31, 2022 Net Carrying Value $
Computer hardware and software	3 years	589,517	445,310	144,207
Laboratory equipment	5 years	3,019,021	1,531,605	1,487,416
Office furniture and equipment	5 years	309,799	219,544	90,255
Buildings	30 years	2,123,879	255,424	1,868,455
Building improvements	5-15 years	1,268,648	271,064	997,584
Land	Not amortized	133,148	-	133,148
		7,444,012	2,722,947	4,721,065

	Useful Life	Cost $	Accumulated Depreciation $	December 31, 2021 Net Carrying Value $
Computer hardware and software	3 years	599,944	474,169	125,775
Laboratory equipment	5 years	3,032,108	1,434,347	1,597,761
Office furniture and equipment	5 years	293,427	213,244	80,183
Buildings	30 years	2,177,641	243,750	1,933,891
Building improvements	5-15 years	1,293,258	256,309	1,036,949
Land	Not amortized	136,518	-	136,518
		7,532,896	2,621,819	4,911,077

During the three-month periods ended March 31, 2022 and March 31, 2021, the Company recognized $202,423 and $204,049, respectively, in depreciation expense.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 4 - Intangible Assets

The Company's intangible assets consist of patents, mainly acquired in the acquisition of Belgian Volition. The patents are being amortized over the assets' estimated useful lives, which range from 8 to 20 years.

	Cost $	Accumulated Amortization $	March 31, 2022 Net Carrying Value $
Patents	1,135,896	960,505	175,391

	Cost $	Accumulated Amortization $	December 31, 2021 Net Carrying Value $
Patents	1,178,135	961,259	216,876

During the three-month periods ended March 31, 2022 and March 31, 2021, the Company recognized $21,887 and $23,293, respectively, in amortization expense.

The Company amortizes the patents on a straight-line basis with terms ranging from 8 to 20 years. The annual estimated amortization schedule over the next five years is as follows:

2022	$	64,991
2023	$	86,655
2024	$	23,745
Total Intangible Assets	**$**	**175,391**

The Company periodically reviews its long-lived assets to ensure that their carrying value does not exceed their fair market value. The Company carried out such a review in accordance with ASC 360 Topic *"Property, Plant and Equipment"* as of December 31, 2021. The result of this review confirmed that the ongoing value of the patents was not impaired as of December 31, 2021.

Note 5 - Related Party Transactions

See Note 6, *Common Stock*, for common stock issued to related parties and Note 7,*Stock-Based Compensation,* for stock options, warrants and RSUs issued to related parties. The Company has agreements with related parties for the purchase of products and consultancy services which are accrued under management and directors' fees payable (see condensed consolidated balance sheets).

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 6 - Common Stock

As of March 31, 2022, the Company was authorized to issue100 million shares of common stock par value $0.001 per share, of which 53,790,261 and 53,772,261 shares were issued and outstanding as of March 31, 2022 and December 31, 2021, respectively.

Stock Option Exercises and RSU Settlements

On March 28, 2022, 15,000 RSUs vested and resulted in the issuance of15,000 shares of common stock.

Equity Distribution Agreement

On September 24, 2021, the Company entered into an equity distribution agreement (the "2021 EDA") with Cantor Fitzgerald & Co. Inc. ("Cantor")and Oppenheimer & Co. Inc. ("Oppenheimer"), to sell shares of its common stock having an aggregate offering price of up to $25.0 million from time-to-time, through an "at the market offering program" pursuant to the Company's effective "shelf" registration statement on Form S-3 (File No. 333-259783) and related prospectuses, through Cantor and Oppenheimer each acting as the Company's agent and/or principal. The Company was not obligated to sell any shares under the 2021 EDA. During the three months ended March 31, 2022, the Company raised aggregate net proceeds (net of brokers' commissions and fees) of $9,464 under the 2021 EDA through the sale of 3,000 shares of its common stock. From inception through March 31, 2022, the Company raised aggregate net proceeds (net of brokers' commissions and fees) of approximately $0.7 million under the 2021 EDA through the sale of 193,600 shares of its common stock. For additional information regarding the 2021 EDA, see Note 9,*Subsequent Events.*

Note 7 – Stock-Based Compensation

a) Warrants

The following table summarizes the changes in warrants outstanding of the Company during the three-month period ended March 31, 2022:

	Number of Warrants	Weighted Average Exercise Price ($)
Outstanding at December 31, 2021	485,000	3.88
Granted	-	-
Outstanding at March 31, 2022	485,000	3.88
Exercisable at March 31, 2022	485,000	3.88

Below is a table summarizing the warrants issued and outstanding as of March 31, 2022, which have an aggregate weighted average remaining contractual life of3.71 years.

Number Outstanding	Number Exercisable	Exercise Price ($)	Weighted Average Remaining Contractual Life (Years)	Proceeds to Company if Exercised ($)
125,000	125,000	2.47	0.91	308,750
50,000	50,000	3.45	3.92	172,500
125,000	125,000	3.95	4.76	493,750
185,000	185,000	4.90	4.84	906,500
485,000	485,000			1,881,500

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

a) Warrants (continued)

Stock-based compensation expense related to warrants of $39,013 and $148,364 was recorded in the three months ended March 31, 2022 and March 31, 2021, respectively. There is no remaining expense to be recognized. As of March 31, 2022, the total intrinsic value of warrants outstanding was $67,500.

b) Options

The following table summarizes the changes in options outstanding of the Company during the three-month period ended March 31, 2022:

	Number of Options	Weighted Average Exercise Price ($)
Outstanding at December 31, 2021	5,027,518	3.87
Granted	-	-
Exercised	-	-
Expired/Cancelled	-	-
Outstanding at March 31, 2022	5,027,518	3.87
Exercisable at March 31, 2022	3,937,518	4.00

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Below is a table summarizing the options issued and outstanding as of March 31, 2022, all of which were issued pursuant to the 2011 Equity Incentive Plan (for option issuances prior to 2016) or the 2015 Stock Incentive Plan (for option issuances commencing in 2016) and which have an aggregate weighted average remaining contractual life of 6.00 years. As of March 31, 2022, an aggregate of 6,000,000 shares of common stock were authorized for issuance under the 2015 Stock Incentive Plan, of which 336,352 shares of common stock remained available for future issuance thereunder.

Number Outstanding	Number Exercisable	Exercise Price ($)	Weighted Average Remaining Contractual Life (Years)	Proceeds to Company if Exercised ($)
635,000	635,000	3.25	2.87	2,063,750
2,717	2,717	3.35	1.42	9,102
1,060,000	10,000	3.40	9.35	3,604,000
800,000	760,000	3.60	8.10	2,880,000
1,682,837	1,682,837	4.00	4.51	6,731,348
11,801	11,801	4.35	1.20	51,334
89,163	89,163	4.38	5.82	390,534
50,000	50,000	4.80	4.76	240,000
696,000	696,000	5.00	4.99	3,480,000
5,027,518	3,937,518			19,450,068

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

b) Options (continued)

Stock-based compensation expense related to stock options of $394,053 and $355,076 was recorded in the three months ended March 31, 2022 and March 31, 2021, respectively. Total remaining unrecognized compensation cost related to non-vested stock options is $1,064,229 and is expected to be recognized over a period of 1.51 years. As of March 31, 2022, the total intrinsic value of stock options outstanding was $nil.

c) Restricted Stock Units (RSUs)

Below is a table summarizing the RSUs issued and outstanding as of March 31, 2022, all of which were issued pursuant to the 2015 Stock Incentive Plan.

	Number of RSUs	Weighted Average Share Price ($)
Outstanding at December 31, 2021	810,750	3.33
Granted	38,000	2.81
Vested/Settled	(15,000)	3.59
Cancelled	-	-
Outstanding at March 31, 2022	833,750	3.30

Effective February 8, 2022, the Company granted aggregate RSUs of 8,000 shares of common stock to an employee in exchange for services provided to the Company. These RSUs vest over two years, with 50% vesting on each of February 8, 2023 and February 8, 2024, subject to continued service, and will result in total compensation expense of $22,640.

Effective March 1, 2022, the Company granted aggregate RSUs of 30,000 shares of common stock to various employees in exchange for services provided to the Company. These RSUs vest over two years, with 50% vesting on each of March 1, 2023 and March 1, 2024, subject to continued service, and will result in total compensation expense of $84,300.

On March 28, 2022, 15,000 RSUs vested and resulted in the issuance of 15,000 shares of common stock.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 7 – Stock-based Compensation (continued)

c) Restricted Stock Units (RSUs) (continued)

Below is a table summarizing the RSUs issued and outstanding as of March 31, 2022 and which have an aggregate weighted average remaining contractual life of 0.92 years.

Number Outstanding	Share Price ($)	Weighted Average Remaining Contractual Life (Years)
30,000	2.81	1.42
8,000	2.83	1.36
39,809	3.04	1.01
610,191	3.31	0.86
38,000	3.32	0.94
23,000	3.38	1.21
43,500	3.51	1.09
26,250	3.52	0.04
15,000	3.59	0.98
833,750		

Stock-based compensation expense related to RSUs of $481,962 and $51,902 was recorded in the three months ended March 31, 2022 and March 31, 2021, respectively. Total remaining unrecognized compensation cost related to non-vested RSUs is $1,435,500. As of March 31, 2022, the total intrinsic value of the RSUs outstanding was $7,440.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 8 – Commitments and Contingencies

a) Finance Lease Obligations

In 2016, the Company entered into a capital lease with ING Asset Finance Belgium S.A. ("ING") to purchase a property located in Belgium for €1.12 million, maturing in May 2031 with implicit interest of 2.62%. As of March 31, 2022, the balance payable was $533,346.

In 2018, the Company entered into a capital lease with BNP Paribas leasing solutions to purchase a freezer for the Belgium facility for €25,000, that matured in January 2022 with implicit interest of 1.35%. The leased equipment is amortized on a straight-line basis over 5 years. As of March 31, 2022, the balance payable was $nil.

The following is a schedule showing the future minimum lease payments under finance leases by years and the present value of the minimum payments as of March 31, 2022.

2022	$	44,760
2023	$	59,680
2024	$	59,679
2025	$	59,679
2026	$	59,680
Greater than 5 years	$	320,764
Total	$	604,242
Less: Amount representing interest	$	(70,896)
Present value of minimum lease payments	$	533,346

b) Operating Lease Right-of-Use Obligations

As all the existing leases subject to the new lease standard ASC 842 *("Leases")* were previously classified as operating leases by the Company, they were similarly classified as operating leases under the new standard. The Company has determined that the identified operating leases did not contain non-lease components and require no further allocation of the total lease cost. Additionally, the agreements in place did not contain information to determine the rate implicit in the leases, so the Company used its incremental borrowing rate as the discount rate. The Company's weighted average discount rate is 2.45% and the weighted average remaining lease term is 35 months.

During the three months ended March 31, 2022, the Company entered into a new lease agreement. The lease is initially for 62 months and the initial rent is $7,642 a month. In connection with the new lease agreement the Company recorded $461,341 of right-of-use assets in exchange for right-of-use liabilities.

As of March 31, 2022, operating lease right-of-use assets and liabilities arising from operating leases were $830,257 and $843,443, respectively. During the three months ended March 31, 2022, cash paid for amounts included for the measurement of lease liabilities was $55,975 and the Company recorded operating lease expense of $72,865.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 8 – Commitments and Contingencies

b) Operating Lease Right-of-Use Obligations (continued)

The following is a schedule showing the future minimum lease payments under operating leases by years and the present value of the minimum payments as of March 31, 2022.

2022	$	206,063
2023	$	266,837
2024	$	166,837
2025	$	120,887
2026	$	120,400
Total Operating Lease Obligations	$	881,024
Less: Amount representing interest	$	(37,581)
Present Value of minimum lease payments	$	843,443

The Company's office space leases are short-term and the Company has elected under the short-term recognition exemption not to recognize them on the balance sheet. During the three months ended March 31, 2022, the Company recognized $20,854 in short-term lease costs associated with office space leases. The annual payments remaining for short-term office leases were as follows:

2022	$	23,037
Total Operating Lease Liabilities	$	23,037

c) Grants Repayable

In 2010, the Company entered into an agreement with the Walloon Region government in Belgium for a colorectal cancer research grant for €1.05 million. Per the terms of the agreement, €314,406 of the grant is to be repaid, by installments over the period from June 30, 2014 to June 30, 2023. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 6% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €314,406 and the 6% royalty on revenue, is equal to twice the amount of funding received As of March 31, 2022, the grant balance repayable was $61,026.

In 2018, the Company entered into an agreement with the Walloon Region government in Belgium for a colorectal cancer research grant for €605,000. Per the terms of the agreement, €181,500 of the grant is to be repaid by installments over 12 years commencing in 2020. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 3.53% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €181,500 and the 3.53% royalty on revenue, is equal to the amount of funding received As of March 31, 2022, the grant balance repayable was $119,102.

In 2020, the Company entered into an agreement with the Walloon Region government in Belgium for a research grant for €929,433. Per the terms of the agreement, €278,830 of the grant is to be repaid by installments over 15 years commencing in 2022. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 4.34% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €278,830 and the 4.34% royalty on revenue, is equal to the amount of funding received As of March 31, 2022, the grant balance repayable was $51,530.

In 2020, the Company entered into an agreement with the Walloon Region government in Belgium for a research grant for €495,000. Per the terms of the agreement, €148,500 of the grant is to be repaid by installments over 10 years commencing in 2023. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 2.89% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €148,500 and the 2.89% royalty on revenue, is equal to the amount of funding received. As of March 31, 2022, the grant balance repayable was $57,348.

($ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

c) Grants Repayable (continued)

As of March 31, 2022, the total grant balance repayable was $289,006 and the payments remaining were as follows:

2022	$	43,195
2023	$	41,537
2024	$	18,026
2025	$	19,842
2026	$	26,081
Greater than 5 years	$	140,325
Total Grants Repayable	$	289,006

d) Long-Term Debt

In 2016, the Company entered into a 7-year loan agreement with Namur Invest for €440,000 with a fixed interest rate of 4.85%, maturing in December 2023. As of March 31, 2022, the principal balance payable was $146,891.

In 2016, the Company entered into a 15-year loan agreement with ING for €270,000 with a fixed interest rate of 2.62%, maturing in December 2031. As of March 31, 2022, the principal balance payable was $209,267.

In 2017, the Company entered into a 7-year loan agreement with SOFINEX for up to €1 million with a fixed interest rate of 4.50%, maturing in September 2024. As of March 31, 2022, €1 million had been drawn down under this agreement and the principal balance payable was $665,738.

In 2018, the Company entered into a 4-year loan agreement with Namur Innovation and Growth for €500,000 with a fixed interest rate of 4.0%, maturing in June 2022. As of March 31, 2022, the principal balance payable was $42,250.

In 2019, the Company entered into a 4-year loan agreement with Namur Innovation and Growth for €500,000 with a fixed interest rate of 4.80%, maturing in September 2024. As of March 31, 2022, the principal balance payable was $405,646.

On October 13, 2020, the Company entered into a 10-year loan agreement with Namur Invest for a maximum of €830,000 with fixed interest rate of 4.00%, maturing March 2031. As of March 31, 2022, the amount that has been drawn down under this agreement was €761,106, representing a principal balance payable of $844,496.

On November 23, 2021, the Company entered into a 3 ½ year loan agreement with SOFINEX for a maximum of €450,000 with fixed interest rate of 5.00%, maturing June 2025. As of March 31, 2022, the amount that has been drawn down under this agreement was €450,000, representing a principal balance payable of $499,304.

On February 5, 2022, the Company entered into a 9-month loan agreement with First Insurance Funding for a maximum of $620,549 with fixed interest rate of 3.57%, maturing November 2022. As of March 31, 2022, the amount that has been drawn down under this agreement was $620,549 and the principal balance payable was $551,599.

($ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

d) Long-Term Debt (continued)

As of March 31, 2022, the total balance for long-term debt payable was $3,365,191 and the payments remaining were as follows:

2022	$	1,250,098
2023	$	818,927
2024	$	669,827
2025	$	221,222
2026	$	136,460
Greater than 5 years	$	598,386
Total	$	3,694,920
Less: Amount representing interest	$	(329,729)
Total Long-Term Debt	$	3,365,191

e) Collaborative Agreement Obligations

In 2016, the Company entered into a research co-operation agreement with DKFZ in Germany for a five-year period for €400,000. As of March 31, 2022, $221,913 is still to be paid by the Company under this agreement.

In 2018, the Company entered into a research collaboration agreement with the University of Taiwan for a three-year period for a cost to the Company of up to $2.55 million payable over such period. As of March 31, 2022, $510,000 is still to be paid by the Company under this agreement.

In 2019, the Company entered into a funded sponsored research agreement with the Texas A&M University ("TAMU") in consideration for the license granted to the Company for a five-year period for a cost to the Company of up to $400,000 payable over such period. As of March 31, 2022, $18,994 is still to be paid by the Company under this agreement.

On September 16, 2020, the Company entered into a research agreement for the bioinformatic analysis of cell-free DNA fragments from whole-genome sequencing with the Hebrew University of Jerusalem for six months for a cost to the Company of €54,879. Subsequently the parties entered into an amendment to the agreement with an additional cost to the Company of €155,115. As of March 31, 2022, $16,771 is still to be paid by the Company under the amended agreement.

As of March 31, 2022, the total amount to be paid for future research and collaboration commitments was approximately $767,678 and the payments remaining were as follows:

2022 - remaining	$	767,678
2022 - 2026	$	-
Total Collaborative Agreement Obligations	$	767,678

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

f) Other Commitments

Volition Vet

On October 25, 2019, the Company entered into an agreement with TAMU for provision of in kind services of personnel, animal samples and laboratory equipment in exchange for a non-controlling interest of 7.5% in Volition Vet with an additional 5%, vesting in a year from the date of the agreement, giving TAMU in aggregate, a 12.5% equity interest as of such date. As of March 31, 2022, TAMU has a 12.5% equity interest in Volition Vet.

Volition Germany

On January 10, 2020, the Company, through its wholly-owned subsidiary Belgian Volition, acquired an epigenetic reagent company, Octamer GmbH ("Octamer"), based in Munich, Germany, and hired its founder for his expertise and knowledge to be passed to Company personnel. On March 9, 2020, Octamer was renamed to Volition Germany GmbH (or "Volition Germany").

Upon considering the definition of a business, as defined in ASC 805 "Business Combinations," paragraph 805-10-20, which is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return, the Company has determined that this did not constitute a business. This is primarily due to the fact that additional inputs are needed in the form of training personnel further to produce outputs. Accordingly, the Company has treated this transaction as the hiring of a member of management, described below, rather than accounting for the transaction as a business combination.

The Company agreed to terms of the transaction on December 13, 2019 and closed on January 10, 2020. Pursuant to the transaction agreement, the Company purchased all outstanding shares of Octamer. In exchange, the Company agreed to issue 73,263 newly issued restricted shares of Company common stock valued at $333,969 (based on the $4.56 per share volume weighted trading price for the five days prior to December 13, 2019), committed to pay approximately €50,000, subject to adjustments, and agreed to pay off certain Octamer expenses leading up to the agreement (representing net liabilities of $6,535). At closing, the Company issued 73,263 restricted shares of Company common stock, paid an adjusted amount of approximately $357,000 (€321,736) and recorded a holdback liability of $55,404 (€50,000) to be paid after the holdback period of9 months following the closing (subject to offset for breaches of representations and warranties). During the year ended December 31, 2021, an amount of €43,152 was paid in full settlement of the amount due. The Company has no further financial obligations under the transaction agreement.

In connection with the transaction agreement, the Company also entered into a two-year Managing Director's agreement with the founder of Octamer to continue to manage Volition Germany for a payment of € 288,000 payable in equal monthly installments over such two-year period and a royalty agreement with the founder providing for the payment of royalties in the amount of 6% of net sales of Volition Germany's nucleosomes as reagents to pharmaceutical companies for use in the development, manufacture and screening of molecules for use as therapeutic drugs for a period of five years post-closing.

The Company recorded approximately $753,000 in compensation expense during the year 2020, as a result of cash paid, holdback liability, stock issued and assumption of expenses. As of March 31, 2022, $nil is still to be paid by the Company under the Managing Director's agreement and $ 217 is payable under the 6% royalty agreement on sales to date (towards the Company's aggregate minimum royalty obligation of $134,217).

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

f) Other Commitments (Continued)

Volition America

On November 3, 2020, the Company entered into a professional services master agreement with Diagnostic Oncology CRO, LLC to conduct a pivotal clinical trial and provide regulatory submission and reimbursement related services. Under the terms of the agreement Diagnostic Oncology CRO, LLC will provide ad hoc consulting assistance on a project-by-project basis related to the review and assessment of existing data and information to prepare recommended intended use claims and coverage/reimbursement plans to support the preparation of FDA pre-submissions, clinical trial protocol development and study administration, and potential 510k regulatory marketing submissions of the Company's diagnostic tests, including those proposed for use as an adjunct diagnostic tool for common and aggressive forms of Non-Hodgkin's Lymphoma. The initial projects contemplated by the agreement relating to Non-Hodgkin's Lymphoma obligate the Company to pay in aggregate of up to $2.9 million over a period of 22 months. Such payment obligations are on a project-by-project basis as deliverables are executed and subject to certain terms and conditions. Additionally, the Company may terminate the agreement or any project with or without cause upon at least 30 days' prior written notice. Unless earlier terminated, the term of the agreement is until December 31, 2025 or such later date as when all projects have been completed. As of March 31, 2022, $9,588 is payable by Company for services rendered under the agreement.

g) Legal Proceedings

There are no legal proceedings which the Company believes will have a material adverse effect on its financial position.

h) Commitments in Respect of Corporate Goals and Performance-Based Awards

In August 2021 and October 2021 the Compensation Committee of the Board of Directors approved the granting of equity-based awards under the 2015 Stock Incentive Plan as well as cash bonuses, vesting upon achievement of certain corporate goals focused around product development and commercialization, to various personnel including directors, executives, members of management, consultants and employees of the Company and/or its subsidiaries.

Conditional upon the achievement by July 1, 2022 of all specified corporate goals as set forth in the minutes of the Compensation Committee, as well as continued service by the award recipient, the Company at the sole discretion of the Chief Executive Officer and the Chief Financial Officer would pay a cash bonus to such award recipient. The Company estimates the total compensation expense based on current recipients to be $805,840. As of March 31, 2022, the Company has accrued compensation expense of $601,000 based on the probable outcomes related to the prescribed performance targets.

As discussed in detail in Note 8 -*Stock-Based Compensation,* of the notes to consolidated financial statements contained in the Annual Report on Form 10-K for the year ended December 31, 2021, an aggregate of 1,000,000 stock options and 500,000 restricted stock units were issued under the 2015 Stock Incentive Plan in connection with the August and October 2021 grants.

As of March 31, 2022, the Company has recognized compensation expense of $941,848 in relation to such stock options and $803,207 in relation to such restricted stock units, based on the probable outcomes related to the prescribed performance targets on the outstanding awards.

VOLITIONRX LIMITED
Notes to the Condensed Consolidated Financial Statements (Unaudited)
($ expressed in United States Dollars)

Note 9 – Subsequent Events

RSU and Warrant Grants

Effective April 4, 2022, the Company granted RSUs of 32,000 shares of common stock to employees of the Company and/or its subsidiaries in exchange for services provided to the Company and/or its subsidiaries. The RSUs shall vest in two equal installments at 12 months and 24 months from the grant date, subject to continued service, and will result in total compensation expense of $94,400.

Effective April 4, 2022, the Company granted RSUs of 104,000 shares of common stock to employees of the Company and/or its subsidiaries in exchange for services provided to the Company and/or its subsidiaries. The RSUs shall vest in three equal installments at 12 months, 24 months and 36 months from the grant date, subject to continued service, and will result in total compensation expense of $306,800.

Effective April 4, 2022, the Company granted a warrant to purchase 54,000 shares of common stock to a Company employee for services to the Company and/or its subsidiaries. This warrant shall vest in two equal installments at 12 months and 24 months from the grant date, subject to continued service and expire on April 4, 2028 and April 4, 2029, respectively, with an exercise price of $3.05 per share. The Company has calculated the estimated fair market value of this warrant at $80,901, using the Black-Scholes model and the following assumptions: term 3.5 years, stock price $2.95, exercise price $3.05, 71.07% volatility, 2.53% risk-free rate, and no forfeiture rate.

Subsequent to March 31, 2022, 76,250 RSUs vested and resulted in the issuance of 56,712 shares of common stock (the remaining 19,538 shares of common stock were withheld for taxes and returned as authorized and unissued shares under the 2015 Stock Incentive Plan).

Equity Distribution Agreements

Termination of Equity Distribution Agreement

Effective May 7, 2022, the Company terminated its 2021 EDA and no further sales of the Company's common stock will be made under the 2021 EDA. From April 1, 2022 to May 7, 2022, the Company made no additional sales under the 2021 EDA.

END NOTES TO FINANCIALS

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis of our financial condition and results of operations should be read together with our Unaudited Condensed Consolidated Financial Statements and the related notes included elsewhere in this Report and in our Annual Report. This discussion and analysis contains forward-looking statements that are based on our current expectations and reflect our plans, estimates and anticipated future financial performance. These statements involve numerous risks and uncertainties, including those related to the anticipated impact on our business from, and our response to, the COVID-19 pandemic. Our actual results may differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including those set forth in the section entitled "Risk Factors" in this Report and in our Annual Report, as well as our other public filings with the SEC. Please refer to the section of this Report entitled "Cautionary Note Regarding Forward-Looking Statements" for additional information.

Overview

Volition is a multi-national epigenetics company that applies its Nucleosomics™ platform through its subsidiaries to develop simple, easy to use, cost-effective blood tests to help diagnose and monitor a range of life-altering diseases including certain cancers and diseases associated with NETosis such as sepsis and COVID-19. Our mission is to save lives and improve outcomes for millions of people and animals worldwide. Early diagnosis and monitoring have the potential to not only prolong the life of patients, but also to improve their quality of life.

Our blood tests are based on the science of Nucleosomics™, which is the practice of identifying and measuring nucleosomes in the bloodstream or other bodily fluid-an indication that disease is present. We are primarily focused on human diagnostics and monitoring but also have a subsidiary focused on animal diagnostics and monitoring.

We have five key pillars of focus, all of which use the same proprietary Nu.Q® platform to commercialize in different areas.

- **Nu.Q® Vet** - cost-effective, easy-to-use cancer screening blood test for dogs and other animals
- **Nu.Q® NETs -** monitoring the immune system to save lives
- **Nu.Q® -** detecting cancer early to save lives
- **Nu.Q® Capture** - capturing and concentrating samples for more accurate diagnosis
- **Nu.Q® Discover** - a complete solution to profiling nucleosomes

Our research and development activities are centered in Belgium, with an innovation laboratory in California, and additional offices in Texas, London, and Singapore, where we focus on bringing our diagnostic and disease monitoring products to market.

Commercialization Strategy

We believe, given the global prevalence of cancer and diseases associated with NETosis, and the low-cost, accessible and routine nature of our tests, Nu.Q® could potentially be used throughout the world.

We have developed and are continuing to develop a large portfolio of intellectual property ("IP"), centered around the science of identifying and measuring nucleosomes in the bloodstream. We call this science Nucleosomics™. Our technologies have a large range of applications, both in humans and animals, to screen, diagnose, and risk stratify patients, as well as to monitor treatments, disease progression and potential remissions. While we initially focused on screening for cancer, we have broadened the range of indications our blood tests can detect to include several diseases associated with NETosis, including sepsis and COVID-19, which is estimated to be responsible for one in five deaths worldwide.

We aim to remain an IP powerhouse in the Nucleosomics™ space and expect to monetize our IP and technologies through licensing and distribution contracts with companies with established distribution networks on a worldwide or regional basis, in both human and animal care.

To this end, on March 28, 2022, Volition entered into a license and product supply agreement with Heska Corporation, a leading global provider of advanced veterinary diagnostics. In exchange for granting Heska Corporation exclusive worldwide rights to sell the Nu.Q® Vet Cancer Test at the point of care for companion animals, Volition received a $10 million upfront payment on signing and is eligible to receive up to an additional $18 million based upon the achievement of near and mid-term milestones. In addition, Volition has granted Heska non-exclusive rights to sell the Nu.Q® Vet Cancer Screening Test in kit format for companion animals, through Heska's network of central reference laboratories.

Following the roll-out of our Nu.Q® Vet canine cancer screening test and Nu.Q® Discover, the next series of products we anticipate launching are as follows:

- a canine cancer monitoring test;
- NETosis related screening and monitoring tests for use in sepsis and COVID-19;
- cancer tests for humans in Non-Hodgkin's Lymphoma, colorectal cancer and lung cancer.

Our Nucleosomics™ technology is transferable to multiple platforms including ELISA 96-well plates and, bead-based chemiluminescent and we are currently working on transferring our technology to the widely-utilized homogeneous immunoassay, or HIA, platform and several point of care platforms to enable rapid turnaround of results in–clinic and in the doctor's office.

Additionally, we are working on complete nucleosome analysis with our Nu.Q® Capture technology. The goal of this project is to investigate ways to specifically target circulating tumor DNA ("ctDNA"). The ability to enrich ctDNA will allow us to use mass spectrometry to analyze histone and DNA modifications, and to sequence DNA present around nucleosomes. This information could enable cancer diagnosis to identify the tissue of origin of a particular cancer.

Developments - COVID-19 Pandemic

Since the beginning of the COVID-19 pandemic in March 2020, we have implemented contingency planning to protect the health and well-being of our employees and to mitigate the impacts of the pandemic on our business. We have implemented travel restrictions as well as protocols limiting visitor access to our facilities, and we are following social distancing practices. As a result of the COVID-19 pandemic, we have experienced and may continue to experience disruptions that could impact our clinical trials, including:

- delays in enrolling patients in clinical trials;
- delays in sample collection; and
- diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as clinical trial sites and hospital staff supporting the conduct of our clinical trials.

The extent to which the COVID-19 pandemic will impact our business, financial condition, and results of operations in the future remains uncertain and will be affected by a number of factors outside of our control, including the duration and extent of the pandemic, the development of new variants of the COVID-19 virus that may be more contagious or virulent than previous versions, the scope of mandated or recommended containment and mitigation measures, the effect of government stabilization and recovery efforts, and the success of vaccine distribution programs.

Liquidity and Capital Resources

We have financed our operations since inception primarily through private placements and public offerings of our common stock. As of March 31, 2022, we had cash and cash equivalents of approximately $23.7 million.

Net cash provided by operating activities was $3.0 million for the three months ended March 31, 2022 and net cash used in operating activities was $6.2 million for the three months ended March 31, 2021, respectively. The increase in cash provided from operating activities for the period ended March 31, 2022 when compared to same period in 2021 was primarily due to a $10.0 million payment received pursuant to our license and product supply agreement with Heska Corporation, partly offset by higher payroll costs, and higher amounts paid to suppliers during the period.

Net cash used in investing activities was $0.1 million and $0.5 million for the three months ended March 31, 2022 and March 31, 2021, respectively. The decrease was primarily due to a decrease in purchases of laboratory equipment.

Net cash provided by financing activities was $0.4 million for the three months ended March 31, 2022 and net cash provided by financing activities was $20.2 million for the comparable period ended March 31, 2021. The decrease in cash provided by financing activities for the period ended March 31, 2022 when compared to same period in 2021 was primarily due to $18.9 million in net cash received from the issuance of shares of common stock in a registered public offering in February 2021 and $1.5 million in net cash received from the issuance of shares of common stock under our ATM facility during the period ended March 31, 2021.

The following table summarizes our approximate contractual payments due by year as of March 31, 2022.

Approximate Payments (Including Interest) Due by Year

Description	Total $	2022 (Remaining) $	2023 - 2026 $	2027 + $
Finance Lease Obligations	604,242	44,760	238,718	320,764
Operating Lease Obligations	904,061	229,100	674,961	-
Grants Repayable	289,006	43,195	105,486	140,325
Long-Term Debt	3,694,920	1,250,098	1,846,436	598,386
Collaborative Agreements Obligations	767,678	767,678	-	-
Total	6,259,907	2,334,831	2,865,601	1,059,475

We intend to use our cash reserves to fund further research and development activities and launch new products. We do not currently have sufficient revenues to cover our annual expenses and expect to rely on financing our operations in future periods, mainly through the sale of equity or debt securities, and licensing rights, to provide sufficient funding to execute our strategic plan. However, there can be no assurance that we will be successful in raising additional funds, or that we will be able to do so on terms that are satisfactory to us.

In the event that additional financing is delayed, we will prioritize the maintenance of our research and development personnel and facilities, primarily in Belgium, and the maintenance of our patent rights. In such instance, the completion of clinical validation studies and regulatory approval processes for the purpose of bringing products to the in vitro diagnostics markets would be delayed. In the event of an ongoing lack of financing, it may be necessary to discontinue operations, which will adversely affect the value of our common stock.

We have not attained profitable operations on an ongoing basis and are dependent upon obtaining financing to pursue any extensive activities. For these reasons, our auditors stated in their report on our audited financial statements for the fiscal year ended December 31, 2021 an explanatory paragraph regarding factors that raise substantial doubt that we will be able to continue as a going concern.

Results of Operations

Comparison of the Three-Months Ended March 31, 2022 and March 31, 2021.

The following table sets forth our results of operations for the three months ended on March 31, 2022 and March 31, 2021, respectively.

	Three Months Ended March 31,		Increase (Decrease)	Increase (Decrease)
	2022 $	2021 $	$	%
Services	60,254	-	60,254	>100%
Product	53,957	25,530	28,427	>100%
Total Revenues	**114,211**	**25,530**	**88,681**	**>100%**
Research and development	3,590,053	3,873,079	(283,026)	(7%)
General and administrative	2,602,152	1,810,160	791,992	44%
Sales and marketing	1,598,983	427,401	1,171,582	>100%
Total Operating Expenses	**7,791,188**	**6,110,640**	**1,680,548**	**28%**
Interest income	2	1,721	(1,719)	(100%)
Interest expense	(41,032)	(42,181)	1,149	(3%)
Total Other Income / (Expenses)	**(41,030)**	**(40,460)**	**(570)**	**1%**
Net Loss	**(7,718,007)**	**(6,125,570)**	**1,592,437**	**26%**

Revenues

Our operations are transitioning from a research and development focused stage to a commercialization stage. Revenues during the three-months ended March 31, 2022 were $114,211, compared with $25,530 for the three-months ended March 31, 2021. The main source of revenue during the three months ended March 31, 2022 was services revenues from our Nu.Q® Discover offering and product revenues from sales of the Nu.Q® Vet Cancer Screening Test and H3.1 kits. The primary source of revenue during the three-months ended March 31, 2021 was direct sales of the Nu.Q® Vet Cancer Screening Test via the Gastrointestinal Laboratory at Texas A&M University.

Operating Expenses

Total operating expenses increased to $7.8 million for the three months ended March 31, 2022 from $6.1 million for the three months ended March 31, 2021, as a result of the factors described below.

Research and Development Expenses

Research and development expenses declined to $3.6 million from $3.9 million and for the three-months ended March 31, 2022 and March 31, 2021, respectively. This decline was primarily related to lower direct and other research and development expenses, partly offset by higher personnel expenses and stock-based compensation. The number of full-time equivalent ("FTE") personnel we employed in this division increased by 10 to 55 compared to the prior year period.

	Three Months Ended March 31,		
	2022	2021	Change
	$	$	$
Personnel expenses	1,775,719	1,492,444	283,275
Stock-based compensation	191,167	90,127	101,040
Direct research and development expenses	1,331,283	1,642,619	(311,336)
Other research and development	145,333	402,017	(256,684)
Depreciation and amortization	146,551	245,872	(99,321)
Total research and development expenses	**3,590,053**	**3,873,079**	**(283,026)**

General and Administrative Expenses

General and administrative expenses increased to $2.6 million from $1.8 million for the three-months ended March 31, 2022 and March 31, 2021, respectively. This increase was primarily due to higher personnel expenses and stock-based compensation during the period. The FTE personnel number within this division increased by 5 to 19 compared to the prior year period.

	Three Months Ended March 31,		
	2022	2021	Change
	$	$	$
Personnel expenses	1,173,180	617,071	556,109
Stock-based compensation	444,801	333,866	110,935
Legal and professional fees	505,853	560,778	(54,925)
Other general and administrative	347,384	266,927	80,457
Depreciation and amortization	130,934	31,518	99,416
Total general and administrative expenses	**2,602,152**	**1,810,160**	**791,992**

Sales and Marketing Expenses

Sales and marketing expenses increased to $1.6 million from $0.4 million for the three-months ended March 31, 2022 and March 31, 2021, respectively. This increase was primarily due to higher personnel expenses, stock-based compensation and direct marketing and professional fees during the period. The FTE personnel number within this division increased by 11 to 18 compared to the prior year period.

	Three Months Ended March 31,		
	2022	2021	Change
	$	$	$
Personnel expenses	1,017,091	184,137	832,954
Stock-based compensation	279,063	131,349	147,714
Direct marketing and professional fees	290,643	111,915	178,728
Depreciation and amortization	12,186	-	12,186
Total sales and marketing expenses	**1,598,983**	**427,401**	**1,171,582**

Other Income (Expenses)

For the three-months ended March 31, 2022, the Company's other expenses were $41,030 compared to other expenses of $40,460 for the three-months ended March 31, 2021. This increase in other expenses was primarily related to the decrease in interest earned during the period.

Net Loss

For the three-months ended March 31, 2022, the Company's net loss was $7.7 million, an increase of approximately $1.6 million in comparison to a net loss of $6.1 million for the three-months ended March 31, 2021. The change was a result of the factors described above.

Going Concern

We have not attained profitable operations on an ongoing basis and are dependent upon obtaining external financing to continue to pursue our operational and strategic plans. For these reasons, management has determined that there is substantial doubt that the business will be able to continue as a going concern without further financing.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Future Financings

We may seek to obtain additional capital through the sale of debt or equity securities if we deem it desirable or necessary. These sales may include the sale of equity securities from time to time through an "at the market offering program" under an Equity Distribution Agreement. However, we may be unable to obtain such additional capital when needed, or on terms favorable to us or our stockholders, if at all. If we raise additional funds by issuing equity securities, the percentage ownership of our stockholders will be reduced, stockholders may experience additional dilution, or such equity securities may provide for rights, preferences or privileges senior to those of the holders of our common stock. If additional funds are raised through the issuance of debt securities, the terms of such securities may place restrictions on our ability to operate our business.

Critical Accounting Policies and Estimates

Our interim condensed consolidated financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles, or U.S. GAAP, applied on a consistent basis. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on current facts, historical experiences, information from third party professionals and various other factors that it believes to be reasonable under the circumstances. Actual results could differ materially and adversely from those estimates made by management. To the extent there are material differences between the estimates and the actual results, future results of operations could be affected.

Recently Issued Accounting Pronouncements

The Company has implemented all applicable new accounting pronouncements that are in effect. The Company does not believe that there are any other applicable new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company and are not required to disclose this information.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by our company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including our Principal Executive and Principal Financial Officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management carried out an evaluation, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer have concluded, as they previously concluded as of December 31, 2021, that our disclosure controls and procedures were not effective as of March 31, 2022, because of material weaknesses in our internal control over financial reporting, as referenced below and described in detail in our Annual Report.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

In our Annual Report, the deficiencies identified involved the segregation of duties in some areas of finance.

We have already taken steps towards remediating such deficiencies including:

- hired an additional full-time Business Controller in Belgium with an appropriate level of experience;
- hired an experienced financial planning and analysis manager to implement forecasting and budgeting processes;
- changed organizational reporting lines and reallocated certain responsibilities to improve segregation of duties; and
- implemented additional review procedures at each month end close.

We intend to take additional measures around certain processes we have identified which we believe once implemented in conjunction with the completed actions above will mitigate and remedy this weakness.

We also intend to take additional steps to further strengthen the control environment. Such measures include but may not be limited to:

- recruitment of a specialist in Human Resources to recommend and implement relevant policies and processes that will strengthen the control environment;
- further strengthening our internal processes and reviews, including formal documentation thereof;
- preparation of risk-control matrices to identify key risks and develop and document policies to mitigate those risks; and
- engaging additional resources if necessary to help us assess, document, design and implement control activities related to internal control over financial reporting.

As we continue to evaluate and test the remediation plan outlined above, we may also identify additional measures to address the material weaknesses or modify certain of the remediation procedures described above. We also may implement additional changes to our internal control over financial reporting as may be appropriate in the course of remediating the material weakness. Management, with the oversight of our audit committee, will continue to take steps necessary to remedy the material weakness to reinforce the overall design and capability of our control environment.

Changes in Internal Control over Financial Reporting

Except for the ongoing remediation of the material weaknesses in internal controls over financial reporting noted above, no changes in our internal control over financial reporting were made during the fiscal quarter ended March 31, 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations of the Effectiveness of Disclosure Controls and Internal Controls

Our management, including our Principal Executive Officer and Principal Financial Officer, does not expect that our disclosure controls and internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control.

The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the ordinary course of business, we may be subject to claims, counter claims, lawsuits and other litigation of the type that generally arise from the conduct of our business. We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which our directors, officers or any affiliates, or any registered or beneficial stockholders, is an adverse party or has a material interest adverse to our interest.

ITEM 1A. RISK FACTORS

There have been no material changes in our assessment of risk factors affecting our business since those presented in Part I, Item 1A of our Annual Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Recent Sales of Unregistered Securities

None.

Repurchase of Equity Securities

No equity securities were repurchased during the first quarter of 2022.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Termination of Equity Distribution Agreement

Effective May 7, 2022, the Company terminated its Equity Distribution Agreement dated September 24, 2021 with Cantor Fitzgerald & Co. and Oppenheimer & Co. Inc. (the "2021 EDA") and no further sales of the Company's common stock will be made under the 2021 EDA. From inception through May 7, 2022, the Company raised aggregate net proceeds (net of brokers' commissions and fees) of approximately $0.7 million under the 2021 EDA through the sale of 193,600 shares of its common stock.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.1†	License and Supply Agreement between Belgian Volition and Heska Corporation, dated March 28, 2022.					X
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.					X
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.					X
32.1*	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					
101.INS	XBRL Instance Document.					X
101.SCH	XBRL Taxonomy Extension Schema Document.					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					X

† Portions of this exhibit are redacted pursuant to Item 601(a)(6) and/or Item (b)(10)(iv) under Regulation S-K. The registrant agrees to furnish supplementally any omitted schedules to the SEC upon request.

* The certifications attached as Exhibit 32.1 accompany this Quarterly Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed “filed” by the registrant for purposes of Section 18 of the Exchange Act and are not to be incorporated by reference into any of the registrant’s filings under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in any such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VOLITIONRX LIMITED

Dated: May 11, 2022

By: */s/ Cameron Reynolds*
Cameron Reynolds
President and Chief Executive Officer
(Authorized Signatory and Principal Executive Officer)

Dated: May 11, 2022

By: */s/ Terig Hughes*
Terig Hughes
Chief Financial Officer and Treasurer
(Authorized Signatory and Principal Financial and Accounting Officer)

EXHIBIT 10.1

Certain confidential information contained in this document, marked by brackets as [***], has been omitted because it is not material and the registrant customarily and actually treats it as private or confidential. In addition, certain personal information contained in this document, marked by brackets as [***], has been omitted from this exhibit pursuant to Item 601(a)(6) under Regulation S-K.

MASTER LICENSE AND PRODUCT SUPPLY AGREEMENT

This master license and product supply agreement ("**Agreement**") is by and between Belgian Volition SRL, a company organized and existing under the laws of Belgium, with offices at 22 Rue Phocas Lejeune, Parc Scientifique Crealys 5032 Isnes, Belgium ("**Volition**"), and Heska Corporation, with offices at 3760 Rocky Mountain Ave., Loveland, Colorado 80538 ("**Heska**"), and is effective as of March 28, 2022 ("**Effective Date**"). Heska and Volition are referred to herein individually as a "Party" and collectively as the "Parties".

Volition develops, manufactures and markets kits and services, including under the Nu.Q® platform, for among other uses, the screening in canines for certain cancers, including with Volition Veterinary Diagnostics Development LLC. The Nu.Q® platform is protected by a variety of intellectual property and proprietary technology that involves the capture and/or detection of nucleosomes.

Heska is a global leader in the provision of diagnostic solutions and related services to animal health practitioners and offices.

The Parties are establishing this Agreement regarding technologies for cancer testing, screening, monitoring and other cancer-related activities and services in the field of Companion Animals, and to have a first option for other cancer and non-cancer indications therefor, all as described in the terms and conditions of this Agreement.

The Parties hereby agree as follows:

1. Definitions. The terms in this Section 1 have the meanings ascribed to them below. Additionally, Schedule E attached and incorporated herein by reference, which addresses order and purchase terms, and other provisions herein contain additional defined terms.

"**Affiliate**" means any entity that directly or indirectly: (a) controls; (b) is controlled by; or (c) is under common control with a Party; where "control", "controlled" and "controlling" mean: (i) the power to direct the management and policies of such entity; or (ii) the power to appoint or remove a majority of the board of directors or managers of such entity; provided, however that an entity will be deemed to be an Affiliate of a Party if such Party holds the power to vote more than 50% of the voting securities of such entity directly or indirectly, or, or has the right to receive 50% or more of the profits or earnings of such entity. An Affiliate is entitled to the benefits of an Affiliate under this Agreement for only the period of time the entity qualifies as an Affiliate under this definition, and all obligations under this Agreement that accrued to the entity while an Affiliate shall survive until fulfilled even though the entity no longer qualifies as an Affiliate.

"**Applicable Law**" means each applicable law, statute, regulation, rule and code then in force in the country(ies) in which a Party performs or permits any of the activities contemplated by this Agreement.

"**Approval**" means each clearance, approval, registration, license or certification required from any Regulatory Authority or agency to place a product or service on the market for use in Diagnosis.

"**Biomarker**" means each biomarker specified in Schedule A attached and incorporated herein by reference, and any additional New Biomarkers.

"**Cartridge**" means each cartridge of Heska that includes the Components. The term "Cartridge" shall be broadly interpreted under this Agreement to allow for any delivery format of the Components that is utilized in the Field, including LFT where applicable.

"**CDA**" means the confidentiality agreement between the Parties of December 21, 2020, and the obligations of confidentiality under the term sheet between the Parties signed March 4, 2022.

"**Central Laboratory**" means any laboratory that: (a) receives veterinary samples and runs tests, or provides screening, monitoring or other testing services or other similar services for multiple third-parties; and (b) is not at the same immediate physical location as the place where animals received veterinary care or service. For clarity, the Central Laboratory could be placed within the same hospital or medical complex.

"**Collateral Material**" means each promotional, technical, educational, marketing, merchandising material and/or other similar material, whether printed or in electronic or other format, used to promote and/or sell Licensed Services.

"**Commercially Sustainable**" means, with respect to a Party, such Party's economics hereunder are Viable Economics, as determined by such Party in its good faith.

"**Companion Animals**" mean animals that are generally pets (for example dogs, cats, rabbits, horses and exotic animals). The term "Companion Animals" does not include production animals.

"**Components**" means the three key components supplied by Volition specified in Schedule A, and improvements to the H3.1 Biomarker made by Volition during the Term, and other key components for New Biomarkers or New Tests as may be added to this Agreement pursuant to Section 3.2.

"**Confidential Information**" means any information or material disclosed by one Party ("**Disclosing Party**") to the other Party ("**Receiving Party**") in writing, orally or by observation, whether under the CDA or this Agreement, including all notes, analyses, customer information, customer lists, supplier information, manufacturing, regulatory, clearances, complaints, technical information, forecasts, sales and other financial results, performance data, records, budgets, and business, marketing, development, sales, and other commercial strategies, and summaries and other materials prepared for or by the Receiving Party to the extent therein that contain, are based on, or otherwise reflect, to any degree, any of the foregoing and which is not information or material that is: (a) in the public domain other than through acts or omissions of Receiving Party, or anyone that accessed the Confidential Information from Receiving Party; (b) lawfully disclosed to Receiving Party without restriction by a third party which is not bound directly or indirectly by any duties of confidence; (c) independently developed by personnel of Receiving Party without use or knowledge of any Confidential Information by such personnel, as evidenced by contemporaneously written records; or (d) was rightfully in the possession of Receiving Party prior to its disclosure by or on behalf of the Disclosing Party, as evidenced by the Receiving Party's competent evidence. The terms and conditions of this Agreement are deemed Confidential Information of both Volition and Heska.

"**Diagnosis**" means the medical management of an animal by making a decision in relation to the diagnosis or detection of the presence, absence, severity and/or progression of a disease. The term "**Diagnostics**" shall have a corresponding meaning.

"**Diagnostic New Test**" means technology that provides for Diagnosis of cancers in Companion Animals for POC, and excludes a New Test to the extent, and only to the extent, such New Test has other uses or provides for services other than Diagnosis (such as the testing, screening and monitoring of cancer). The option granted to Heska with respect to Diagnostic New Tests and the Parties' right to negotiate the terms thereof will be governed by the provisions of Section 3.3, and not Section 3.2.

"**Direct Gross Margin**" means a fraction (expressed as a percentage), (a) the numerator of which is the direct costs used to manufacture one unit of Components, including direct labor (and for avoidance of doubt, excluding any indirect costs, such as indirect research and development, research and development for human, indirect labor, marketing, accounting, insurance, overhead and other non-direct expenses), and (b) the denominator of which is the Price of one unit of Components to Heska.

"**Extension**" means an additional period of time during which Heska will provide Volition an annual written report by each January 30 evidencing Heska's Reasonable Best Efforts undertaken in such annual reporting period to achieve the first commercial sale to which the additional period of time applies.

"**Field**" means an immunoassay technology that screens, monitors, or otherwise tests for cancers for Companion Animals. For purposes of this Agreement, "Field" excludes Diagnostics.

"**Force Majeure Event**" means an event, circumstance or cause beyond a Party's reasonable control, including elements of nature or acts of God, war, mobilization, civil commotion, disorder or riots, terrorism, embargoes, supplier failure, domestic or foreign governmental regulations, laws, orders, fires, floods, strikes, rebellions, lockouts or other labor difficulties, shortages of or inability to obtain materials, shipping space and pandemics, including any associated recommended health measures, whether related to COVID-19 or another pandemic.

"**Heska Instrument**" means a Platform, as such instrument may be upgraded by Heska from time to time, and/or each New Platform that may be added to this Agreement pursuant to Section 3.2(b).

"**IFU**" means the instructions for use of the Kits specified in Schedule G attached and incorporated herein by reference, as may be updated by Volition from time to time, and which shall be supplied by Heska to Permitted Laboratory with each Kit (by weblink or in the box). The definition of "IFU" shall only include Volition's updates to the instructions set forth on Schedule G to the extent Heska actually receives such updates from Volition.

"**including**" (and words of similar import, such as "include" and "includes") shall be deemed to be followed by the words "without limitation."

"**KC Gross Margin**" means a fraction (expressed as a percentage), (a) the numerator of which is the estimated projected Price of one unit of Components purchased from Volition, and (b) the denominator of which is the estimated projected selling price of a Cartridge to Heska's customers.

"**Kit**" means each kit specified in Schedule A, and any other additional kits purchased by Heska from Volition under the terms of or as contemplated in this Agreement.

"**LFT**" means Volition's lateral flow test with Components for POC in the Field.

"**Licensed Rights**" means the Patent Rights, Technical Information and Trademarks.

"**Licensed Services**" means in relation to a: (a) Cartridge, its internal use to perform a Test by a Veterinarian who has entered into a contract with Heska or its Subcontractors to provide Cartridges with Heska Instrumentation in the Field at the POC or a Central Laboratory, and to provide the results thereof to the Permitted Customer; or (b) Kit, its internal use by Heska or the applicable Subcontractor to perform the applicable Test according to the IFU, in the Field, for Permitted Customers and to provide the results thereof to such Permitted Customers.

"**Marketing Plan**" means the marketing plan of Heska and Volition, as mutually determined and agreed upon by the Parties, to promote the provision of the Licensed Services, in accordance with Section 3.9.

"**New Biomarker**" means each biomarker that is not the H3.1 Biomarker or its improvement, whether to be used alone or in combination with the H3.1 Biomarker, in immunoassays in the Field for POC.

"**New Platforms**" mean each new instrument or mechanism for performing tests in the Field for POC, in each case other than (a) Heska's initial Platform as of the Effective Date, as such instrument or mechanism may be modified or upgraded by Heska from time to time or (b) LFT.

"**New Tests**" means each technology that screens, monitors or otherwise tests for cancers in Companion Animals for POC, in each case other than the Components, LFT, Platform Improvements, imaging technology, and Diagnostic New Tests. The option granted to Heska with respect to New Tests and the Parties' right to negotiate the terms thereof will be governed by the provisions of Section 3.2 for New Tests in the Field, and not Section 3.3, and Non-Cancer Indications will be governed by Section 3.3.

"**Non-Cancer Indications**" means each technology that screens, monitors or otherwise tests for non-cancer indications (excluding Diagnostics) in Companion Animals for POC.

"**Patent Rights**" means each patent and/or patent application owned by Volition and its Affiliates, or for which Volition or its Affiliates holds rights, the use of which is necessary in order for Heska to provide the Licensed Services in accordance with the terms and conditions of this Agreement.

"**Permitted Customer"** means in relation to a: (a) Cartridge, the patient (or such patient's designee) obtaining the report of the use thereof from the Veterinarian; or (b) Kit, Veterinarians and such Veterinarians' patient (or such patient's designee) obtaining the report from the use thereof.

"**Permitted Laboratory**" means each Central Laboratory owned and controlled by Heska, including those specified in Schedule B attached and incorporated herein by reference, and any additional Central Laboratory that becomes an Affiliate of Heska or an Affiliate of Heska from time to time upon written notice from Heska.

"**person**" means an individual, corporation, partnership, joint venture, limited liability company, Regulatory Authority, unincorporated organization, trust, association or other entity.

"**Platform**" means any instrument or mechanism for performing tests in the Field for POC, as such instrument or mechanism may be modified or upgraded by Heska from time to time.

"**POC**" means any physical location where a test is performed at the same location as where animals are cared for or treated and/or samples are taken from animals (or at a proximate different location owned by the owner of such physical location or an Affiliate thereof), including veterinary offices, surgical centers or hospitals, pet stores, vehicles that care for or treat animals, and retail settings where animal care or treatment is offered. Notwithstanding the above, POC excludes Central Laboratories.

"**Ready To Commercialize**" means, with respect to a given country for POC: (a) that a New Biomarker, New Test, Non-Cancer Indication or Diagnostic New Test, as applicable, (i) is the subject of a peer reviewed paper evidencing clinical utility being published in a Recognized Journal; or (ii) is ready to offer to third parties in such given country utilizing a developed commercial dossier validated by the Steering Committee; or (b) that a New Platform is fully validated for performance of the applicable Licensed Services; provided, however, that in each case, all permits, licenses and other approvals must have been obtained from applicable Regulatory Authorities in such given country for Volition to produce (or caused to be produced) and commercialize such New Biomarker, New Test, Non-Cancer Indication or Diagnostic New Test, or for Heska to implement the New Platform.

"**Reasonable Best Efforts**" means any of the practices, methods and act which in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected by third parties in the veterinary diagnostic industry to accomplish the desired result consistent with reliability, safety, expedition, economics, law and regulation.

"**Recognized Journal**" means the following periodicals: (a) [***]; (b) any other veterinary-related journal of similar, reputable stature in the U.S. or internationally; and (c) any other periodical agreed to by the Parties in writing.

"**Regulatory Authority**" means the U.S. Department of Agriculture or other similar regulatory body, agency or entity and their respective successors anywhere in the world, that grants approvals, licenses, registrations, authorizations on behalf of any national, multi-national, regional, state, or local agency, department, administration, bureau, fund, commission, council or other governmental entity relevant to the manufacture, marketing and/or sale of products or services, or the fulfillment of the Parties' respective obligations hereunder.

"**Related Distributor/User**" means each Affiliate of Heska who is a subsidiary to whom Heska distributes Cartridges and Kits, or such subsidiary uses Kits, and for whom Heska agrees on behalf of each such subsidiary that: (a) the subsidiary shall comply with the terms of this Agreement applicable to such subsidiary's distribution or use, including Sections 3.8-3.12 and 5.1, the intent of which is to protect the intellectual property rights, brand and reputation of Volition; and (b) the rights granted to the subsidiary by Heska are personal and are not further assignable, transferable or delegable and terminate as provided in this Agreement.

"**Research Use Only**" means research use only sales by Volition or an Affiliate to a transferee who: (a) does not charge, or otherwise provide to a third party, for use, unless for purposes of supporting Volition product enhancements and/or growth opportunities whether to new indications or otherwise; and/or (b) is the end user of the Components.

"**Sample Kits**" means as of the Effective Date enzyme linked immunosorbent assay kits produced by Volition designed to validate the Tests, or any other product that replaces such kits from time to time and which is intended by Volition to validate the Tests; and Heska shall only use such kits and products solely to validate the Platform, Components or Tests.

"**Samples**" means blood taken from common Companion Animals.

"**Subcontractor**" means with respect to Heska, each Permitted Laboratory, Related Distributor/User or a Third Party Distributor/User.

"**Target Economics**" means [***].

"**Technical Information**" means unpatented information and materials, including Confidential Information, relating to the Components and Kit (including the IFU) which is necessary or advisable in order for Heska and its Subcontractors and Veterinarians to provide the Licensed Services in accordance herewith.

"**Test**" means each assay performed by: (a) an applicable Permitted Laboratory or a Subcontractor on a sample using a Kit with the Heska Instrumentation; or (b) a Veterinarian on a sample using a Cartridge. "Test" shall also include any New Test added to this Agreement pursuant to the terms of Section 3.2.

"**Third Party Distributor/User**" means each third party, excluding Related Distributors/Users, who has an enforceable agreement with Heska for the distribution of Cartridges to Veterinarians and Kits to Central Laboratories or to use Kits in their respective Central Laboratories. Such enforceable agreement shall: (a) include the terms and conditions of this Agreement applicable to such distribution or use, including those set forth in Sections 3.8-3.12 and 5.1, the intent of which is to protect the intellectual property rights, brand and reputation of Volition; and (b) provide that the rights granted to such third party by Heska are personal and are not further assignable, transferable or delegable and terminates consistent with the terms of this Agreement.

"**Trademarks**" means those trademarks as listed in Schedule C attached and incorporated herein by reference, as may be amended by mutual agreement of the Parties from time to time.

"**Veterinarian**" means each veterinary professional (and their employees while so employed thereby) who has entered into a contract with Heska or its Subcontractors for Cartridges with Heska Instrumentation in the Field, who care for pets (for example, dogs, cats, horses and exotic animals) practicing in a companion or small animal clinic or care setting and shall be construed broadly to include practitioners that practice in Companion Animal hospitals, mixed hospitals (meaning some percentage of their customers have horses or other animals that are not pets (including production animals) in addition to companion or small animals; provided that nothing shall imply rights are granted to promote use for production animals.

"**Viable Economics**" means [***].

"**Volition's Branding Guidelines**" means Volition's guidelines for use of the Trademarks set out in Schedule H attached and incorporated herein by reference, as may be amended by Volition.

2. Structure.

2.1 Obligations of Volition. According to the terms and conditions of this Agreement, Volition shall use Reasonable Best Efforts to: (a) supply or cause to be supplied to Heska, Components on an exclusive basis for POC (excluding Research Use Only sales) and non-exclusive for Kits to Central Laboratories, in each case in the Field; (b) promptly inform Heska of any improvements in the H3.1 Biomarker, [***]; (c) promptly inform Heska (through the Steering Committee or otherwise) of any New Biomarkers, New Tests, Non-Cancer Indications and Diagnostic New Tests; and (d) if, at any time, there is a Central Laboratory new kit for a New Biomarker for which Volition has licensed for POC in the Field that Volition intends to launch to third parties, then it will promptly notify Heska in writing thereof and Heska may elect (by providing written notice to Volition) for such new kit to be included in the definition of "Kit" under this Agreement (to be deemed included upon Heska delivering such written consent to Volition), [***]; and (e) not directly or indirectly sell on a retail basis (whether directly to the pet owner, or around veterinarians, or otherwise) any Components in the Field (or any future products (within the subject of exclusivity rights) added as contemplated herein) during the Term.

2.2 Obligations of Heska. According to the terms and conditions of this Agreement Heska shall: (a) use Reasonable Best Efforts to make, or have made for it, Cartridges for performing Tests at a POC with Heska Instruments; (b) promptly inform Volition through the Steering Committee of any New Platforms; and (c) Heska will buy from Volition or its Affiliates: (i) its and its Subcontractors'; and (ii) any Veterinarians' orders made by such Veterinarians to Heska or Subcontractors for the Components and Kits (as those terms are defined without the limitation to Volition and Heska).

2.3 Structure. Section 3 of this Agreement provides for Heska to have exclusive option to access to cancer indications in the Field (through New Biomarkers, and New Tests) and Diagnostic New Tests and Non-Cancer Indications for POC for Companion Animals. If Heska recommends that it make retail sales for POC in the Field then the Parties will negotiate in good faith a separate agreement (with exclusivity for Heska) to the extent Volition is not prohibited by law from doing so.

2.4 Steering Committee. Upon the execution of this Agreement, the Parties shall promptly establish a technical and business development committee ("**Steering Committee**").

(a) Composition. Unless otherwise agreed to by the Parties in writing, the Steering Committee shall consist of two members to represent each Party. Upon obtaining the other Party's written consent, a Party may appoint more than two members provided that the other Party makes the same number of additional appointments. Either Party may at any time, by giving five days prior written notice to the other, replace any of its members on the Steering Committee, provided that any such replacement shall hold a sufficiently senior management position to enable him or her to carry out the responsibilities of the Steering Committee on behalf of the respective Party.

(b) Responsibilities. The Steering Committee will act as an advisory non-binding body, but will have the ability to make the determinations under the definition of "Ready to Commercialize", clause (vi) below in this Section 2.4, and Section 3.12. In particular, the Steering Committee's responsibilities shall include: (i) monitoring, supervising and reviewing the progress of the sales and support of the initial products and instruments of this Agreement, including the changing economics; (ii) discussing each potential Subcontractor to whom Heska desires to grant rights pursuant to Section 3.8; (iii) promptly disclosing and updating the Parties on the development of New Biomarkers, New Tests, New Platforms, Non-Cancer Indications and Diagnostic New Tests; (iv) identifying and discussing issues and problems related to the supply, promotion, distribution, sale and/or performance of Licensed Services; (v) discussing promising indications that Volition is developing; (vi) recommending that the LFT is ready for commercialization; (vii) discussing marketing efforts with respect to the Licensed Services; and (viii) performing such other responsibilities as may be mutually agreed in writing by the Parties. Each Steering Committee member shall have one vote in any matter requiring the Steering Committee's action or approval. All Steering Committee decisions shall be made by a vote of the majority of the Steering Committee members and no Steering Committee vote may be taken unless all of the Steering Committee members are present.

(c) Meetings. The Steering Committee shall meet no less than once each quarter, or so frequently as the Parties may agree otherwise, in person or by video or telephone conference. These meetings (if in person) shall, unless otherwise agreed, occur by rotation at either Party's location. To address any issues requiring decisions by the Steering Committee, any member of the Steering Committee may request an interim meeting of the Steering Committee upon at least ten days' prior written notice to each other member of the Steering Committee (which interim meeting shall be by video or telephone conference, unless otherwise agreed by the Parties in writing), and such written notice shall include the date, time, and the agenda of such meeting, which shall be reasonably scheduled during normal business hours to the extent reasonably possible given the locations of the Parties. Any Steering Committee member may designate a substitute of equivalent experience and seniority to attend and perform the functions of that Steering Committee member at any Steering Committee meeting on notice to the other Party at least five days before such Steering Committee meeting. Each Party shall bear its own costs for participation in the Steering Committee.

(d) The Steering Committee has only the powers specifically delegated to it by this Agreement and has no formal authority to act on behalf of any party in connection with any third party. Without limiting the foregoing, the Steering Committee has no authority to, and shall not purport to or attempt to: (i) negotiate agreements on behalf of any party; (ii) make representations or warranties on behalf of any party; (iii) waive rights of any party; (iv) extend credit on behalf of any party; (v) amend, modify, or waive compliance with this Agreement, or (vi) take or grant licenses of, transfer ownership, or otherwise encumber intellectual property on behalf of any party.

(e) When the Steering Committee recommends that Volition is ready to launch its LFT, then LFT shall be deemed to be included in this Agreement on an exclusive basis in the Field at POC, and Heska shall have an obligation to explore the commercial sale of Cartridges for LFT in those countries for which the Steering Committee recommends it is applicable within a reasonable period of time from such inclusion in this Agreement.

3. Intellectual Property.

3.1 License. Volition grants and Heska accepts on a:

(a) Cartridge-by-Cartridge basis, an exclusive (including as to Volition, but excluding Research Use Only sales of Volition), non-transferable license in the Field, without the right to sublicense, under the Licensed Rights to: (i) promote using the Collateral Material in compliance with this Agreement; and (ii) make, have made and distribute Cartridges directly or through Subcontractors to Veterinarians to perform Licensed Services using the relevant Cartridge; and

(b) Kit-by-Kit basis, a non-exclusive, non-transferable license in the Field, without the right to sublicense, under the Licensed Rights to: (i) promote using the Collateral Material in compliance with this Agreement; (ii) distribute Kits directly or through Subcontractors who are Affiliates; and (iii) perform and have performed by Subcontractors, Licensed Services using the relevant Kit;

3.2 Options for New Biomarkers and New Tests. Volition grants to Heska the option to negotiate rights to New Biomarkers and New Tests as set forth in this Section 3.2 (each, an "**Option**"). Volition shall not enter into any contracts or negotiations with, or offer New Biomarkers or New Tests, to persons other than Heska without first complying with the terms and conditions set forth below:

(a) Volition shall promptly notify Heska in writing of each New Biomarker or New Test for which it is Ready To Commercialize in a given country in the Field (each an "**Option Notice**").

(b) Upon receiving an Option Notice, the Parties will use their Reasonable Best Efforts to negotiate the Price of such New Biomarker or New Test by taking ([***] Heska shall promptly notify Volition in writing of each New Platform applicable to the Components, Cartridges or Tests for which Heska is Ready to Commercialize, and the Parties will use the same method above to determine the economics using the Target Economics as a guide, in connection therewith; provided, however, that if a New Platform [***]. For the avoidance of doubt, incremental direct manufacturing costs and direct gross margins will not take into account any costs or margins already accounted for in the current economics). If applicable, the Target Economics will be negotiated by the Parties in good faith not to exceed [***] from such notice of the New Biomarker, New Test or New Platform, provided that either Party may elect if reasonably justified to unilaterally extend this [***] period [***] by giving written notice to the other Party at least [***] prior to the end of such [***] period (collectively, the "**Option Period**").

(c) If after the Option Period the Parties have failed to reach agreement on the Target Economics for a New Platform (if applicable), then Volition cannot offer its Components in the Field for that New Platform to a third party during the Term.

(d) If after the Option Period the Parties have failed to reach agreement on the Target Economics for a New Biomarker or a New Test, then for a period of [***] thereafter ("**Negotiation Period**"), Volition shall provide Heska the right to accept the complete economic terms which a third party is willing to accept (as evidenced by a non-binding term sheet, letter agreement or other equivalent writing) (the "**Third Party Economic Terms**"), which decision Heska shall make within [***] of receiving written notice from Volition of the Third Party Economic Terms (in such non-binding term sheet, letter agreement or other writing.

(e) If Volition changes or agrees to change the Third Party Economic Terms after delivering such terms to Heska regarding a potential transaction, Volition may not proceed with such other third party without first complying again with the above provisions so long as the Negotiation Period has not expired; provided however that if Volition provides Heska with the required written notice less than [***] prior to the end of the Negotiation Period, Heska will continue to have [***] to elect whether to accept the complete Third Party Economic Terms. Except for the foregoing, Volition has no further obligation to Heska regarding the subject matter of an Option.

(f) Any New Test for which Heska exercises its Option and the Parties negotiate and agree upon the Target Economics or Third Party Economic Terms, as applicable, shall be exclusive to Heska for POC in the Field for Companion Animals and the terms of this Agreement applicable to Components shall apply to such New Test, as applicable. Upon Heska exercising an Option with respect to a New Test, and the Parties successful negotiation of the Target Economics or Heska's acceptance of the Third Party Economic Terms, as applicable, then the definition of Field solely with respect to such New Test shall be deemed to be expanded to include all technology of such New Test.

3.3 Non-Cancer Indications and Diagnostic New Tests. Volition grants to Heska the option to negotiate rights to Non-Cancer Indications and Diagnostic New Tests exclusively for POC and non-exclusively for Central Laboratories as set forth in this Section 3.3 (the "**Non-Cancer or Diagnostic New Test Option**"). Volition shall not enter into any contracts or negotiations with, or offer Non-Cancer Indications or Diagnostic New Tests to, persons other than Heska without first complying with the terms and conditions set forth below:

(a) Volition shall promptly notify Heska in writing of each Non-Cancer Indication or Diagnostic New Test for which Volition is Ready to Commercialize ("**Non-Cancer or Diagnostic New Test Option Notice**").

(b) Upon Heska receiving a Non-Cancer or Diagnostic New Test Option Notice, the Parties will use their Reasonable Best Efforts to negotiate a license and supply agreement for Companion Animals at POC. The period for such negotiation shall not exceed the longer of: (i) [***] from Heska's receipt of the Non-Cancer or Diagnostic New Test Option Notice; or (ii) the date on which a peer reviewed paper evidencing clinical utility pertaining to such Non-Cancer Indication or Diagnostic New Test, as applicable, is accepted for publication in a Recognized Journal.

(c) If the Parties fail to reach agreement on the terms during such [***] period, then for a period of [***] thereafter (the "**New Agreement Negotiation Period**"), Volition shall provide Heska the right to accept the deal that a third party is willing to accept (as evidenced by a non-binding term sheet, letter agreement, or other equivalent writing) to accept (the "**Third Party Deal Terms**"), which decision Heska shall make within [***] of receiving written notice of the Third Party Deal Terms.

(d) If Volition changes or agrees to change the Third Party Deal Terms after delivering such terms to Heska regarding a potential transaction, Volition may not proceed with such other third party without first complying again with the above provisions so long as the New Agreement Negotiation Period has not expired; provided, however, that if Volition provides Heska with the required written notice less than [***] prior to the end of the Negotiation Period, Heska will continue to have [***] to elect whether to accept the terms. Except for the foregoing, Volition has no further obligation to Heska regarding the subject matter of a Non-Cancer Indication or Diagnostic New Test.

3.4 Technology Transfer & Training. Volition shall provide Heska with reasonable access to the Technical Information that is reasonably required by Heska to exercise its rights under this Agreement (which with respect to the initial Components and Kits, shall begin within thirty (30) days of the Effective Date).

(a) At Volition's expense, Volition shall provide Heska and its employees and independent contractors with training (excluding the Heska Instrumentation) to: (i) perform and promote the Licensed Services, including training on the sales, use and reading of Tests, Components, Cartridges and Kits; and (ii) address frequently asked questions and technical/clinical support questions, for the purpose of enabling Heska and its employees and independent contractors to provide customer support for initial ("**First Level**") inquiries.

(b) Second level technical/clinical support (being inquiries that are not solved at the First Level) ("**Second Level**") shall be provided by Heska employees and independent contractors, to the extent such employees and independent contractors have been appropriately trained by Volition. If Volition has not appropriately trained Heska's employees and representatives with respect to such Second Level inquiries, then Volition shall, at its expense, provide Heska's employees and independent contractors with the necessary training, as reasonably requested by Heska.

(c) For inquiries that remain unresolved after the Second Level, Volition or its delegee shall make Reasonable Best Efforts to provide third level ("**Third Level**") support to Heska employees and independent contractors, as reasonably requested by Heska. All training and support are expected to be virtual and shall be limited to a reasonable number of hours. Should Third Level training and support be requested by Heska (excluding the Heska Instrumentation), Volition shall provide such support to Heska's employees and independent contractors as requested by Heska, and Volition shall invoice Heska the hourly rate of such personnel. Heska shall pay all undisputed amounts of each such invoice within 30 days of receiving such invoice from Volition. Heska will train Subcontractors and Veterinarians in accordance with the training provided by Volition to Heska's employees and independent contractors.

(d) Unless otherwise agreed, no other Technical Information shall be provided and Volition has no additional technology transfer or training obligation. For clarity, Volition is not required to disclose trade secrets even if included in the Licensed Rights, unless the Platform manufacturer or other party (including Heska) requires trade secrets in order for Heska to perform its obligations hereunder in which case Volition will make such disclosures directly thereto under separate agreement.

3.5 Excluded Rights. Unless expressly permitted by a separate written agreement between the Parties, Heska agrees to not practice or, have practiced by its subsidiaries, and agrees to instruct its Subcontractors and Veterinarians to not practice, the Licensed Rights outside of the Field or in any manner other than performing Licensed Services as expressly permitted in Section 3.1. Without limiting the generality of this Section 3.5, Heska shall not, and shall instruct its Subcontractors and Veterinarians to not: (a) provide the Components in and of themselves; (b) use the Kits in any POC facility; (c) provide the Licensed Services to any customer which is not a Permitted Customer; (d) permit the Cartridges to be resold other than by a Subcontractor or reused; or (e) use the Components, Cartridges, Kit or Tests for Diagnosis or, with respect to the Kits only, contrary to the IFU. Under no circumstances shall (i) Heska reverse engineer, or cause or support another person to reverse engineer, the Components (including in the Cartridges or Kits), the Kits, or Volition's Confidential Information, (ii) Volition reverse engineer the Cartridges, or Heska's Confidential Information.

3.6 Regulatory Status. Heska will coordinate with Volition as it selects countries outside the United States in which to distribute Cartridges for Licensed Services at the POC. Volition will make Reasonable Best Efforts to prepare the necessary data and apply to the applicable Regulatory Authority for the necessary regulatory authorizations for product approvals of the Components, Kits and Tests, and Heska will reimburse Volition's reasonable and undisputed out-of-pocket expenses within 30 days' receipt of each invoice; provided however, that each Party's expenses pursuant to the succeeding two sentences will be the sole responsibility of such Party. Heska will prepare and apply to Regulatory Authorities, at Heska's expense, for the necessary regulatory authorizations for the actual commercial sale of Kits, Components, New Biomarkers and New Tests and/or providing Licensed Services. Volition will prepare and apply to Regulatory Authorities, at Volition's expense, for the necessary regulatory authorizations for the manufacturing, use and its sales to Heska (other than actual commercial sales, which will be the responsibility of Heska as set forth above) related to the Kits and Components. All regulatory authorizations shall be held in the name of the Party who secured such regulatory authorization, provided, however, for the avoidance of doubt, product approvals of the Kit and Components will be in Volition's name. Heska acknowledges that no Approvals have been issued with respect to the Components and the Kits as of the Effective Date, and that accordingly Heska shall clarify in all its promotional material relating to the Components and Kits (and shall instruct its Subcontractors and Veterinarians to also clarify) that such items are only suitable for screening, testing and monitoring and not for Diagnosis. Heska shall not, and shall instruct its Subcontractor and Veterinarians to not: (a) promote the Components and/or the Kits and/or Tests as suitable for Diagnosis; (b) make any regulated label claims in relation to the Components and the Kits or Tests (other than those provided by Volition); or (c) apply for any regulatory authorizations, including Approvals anywhere in the world in relation to the Components and the Kits or the Tests.

3.7 Reservation of Rights. Each Party reserves all rights, titles and interests not expressly granted hereunder. Nothing contained in this Agreement or a Party's performance hereunder shall be construed as conferring, by implication, estoppel or otherwise, upon the other Party, any party in privity therewith, or any customer of any of the foregoing, any right, title or interest under any intellectual or tangible property right at any time. Nothing herein restricts Volition's or its Affiliate's ability to sell or otherwise distribute and provide: (a) Components for Research Use Only sales; or (b) Kits to third parties or perform and grant others the right to perform Licensed Services with respect to the Kits. Volition is responsible for the filing, prosecuting, registering, maintaining, defending and enforcing the Licensed Rights, as it sees fit, in its sole discretion and without expense to Heska. Heska shall reasonably cooperate if requested in connection therewith at Volition's expense.

3.8 Subcontracting. Heska may elect to distribute through Subcontractors: (a) Cartridges to POC to have Licensed Services performed by Veterinarians; and (b) Kits to have Licensed Services performed by a Subcontractor. Heska shall: (i) provide prompt notice to Volition of each Subcontractor; (ii) instruct each Subcontractor to comply with the terms and conditions in this Agreement applicable to its distribution and/or use; and (iii) remain liable for Subcontractor's compliance herewith such that any acts or omissions that would be a breach of this Agreement if done by Heska (provided Heska had solely those rights for which it is permitted to grant Subcontractors under this Section 3.8), will be a breach by such Subcontractor, and be deemed a breach by Heska hereof. Heska will consider in good faith not using any Subcontractor objected to in good faith by Volition's representatives on the Steering Committee. If Volition determines, in good faith, that a Subcontractor has breached its obligations, then Heska will provide notice of such breach and terminate such engagement and/or agreement if the Subcontractor has failed to cure such breach during the period provided therefor in this Agreement if Heska would have had to cure.

3.9 Branding & Trademarks. Heska and those of its Subcontractors and Veterinarians whom Heska has permitted will be able to advertise itself as an authorized provider of the applicable Licensed Services. Heska intends but shall not be obligated to co-brand the Licensed Services so that each Cartridge, Kit and Licensed Service, and all Collateral Material feature an approved Trademark and approved Heska trademark, provided that such co-branding does not result in breach of this Agreement. Heska shall, and shall instruct its Subcontractors to, communicate clearly and effectively in the Collateral Material provided with the Cartridges, Kits and Tests, that such Cartridges, Kits and Tests are provided under license from Volition. Heska shall not, and shall instruct its Subcontractors and Veterinarians to not, make claims that are not approved by the Parties. Heska intends but shall not be obligated to promote the Licensed Services under the Trademarks, and where Heska does so, Heska shall, and shall instruct its Subcontractors and Veterinarians to, promote the Licensed Services under the Trademarks using solely the Collateral Materials provided by Heska which Collateral Materials must be consistent with Heska's obligations hereunder. In relation to its use of the Trademarks, Heska shall, and shall instruct its Subcontractors and Veterinarians to, comply with the Trademark Use Provisions set out in Schedule D attached and incorporated herein by reference. Heska shall not use or exploit, and Heska shall instruct its Subcontractors or Veterinarians to not use or exploit, in any manner, any of the Trademarks, including all intangible rights, titles and interests evidenced thereby or embodied therein, including common law rights, designs, styles and logos, and the goodwill associated with any and all of the foregoing, except pursuant to the terms and conditions of this Agreement and in such manner and media as may be specified in Schedule D or in Volition's Branding Guidelines. Heska shall maintain quality standards for all Licensed Services. Heska shall be responsible for the cost of any Collateral Material, including all translations of Collateral Material. Heska shall promote and use the Cartridges and Kits and perform the Tests in compliance with all Applicable Law and shall instruct its Subcontractors' and Veterinarians' to do the same. Heska agrees to take, and shall instruct its Subcontractors and Veterinarians take, any reasonable corrective actions requested by Volition to ensure compliance with this Section 3.9 and agrees not to continue to sell Kits or Cartridges thereto until such corrective actions are made. Where Heska does not either: (a) co-brand in compliance with the terms and conditions of this Agreement, or (b) voluntarily comply with the terms and conditions of this Agreement as if co-branding (excluding the use of any Trademarks), including to submit any Collateral Material to Volition for its review and comment prior to providing such Collateral Material to other persons, then Heska shall assume all responsibility for liabilities that could have mitigated had Heska followed the co-branding terms.

3.10 Reputation & Stewardship. Heska and Volition shall use the highest level of care, skill and diligence in accordance with applicable best practices and maintain all licenses and consents required to perform their respective obligations or exercise their respective rights hereunder in the Field. Heska shall not, and shall not cause its Subcontractors or Veterinarians to, and shall instruct its Subcontractors and Veterinarians to not cause or knowingly become involved in any situation or occurrence, or do anything in relation to the Trademarks, which could, in Volition's reasonable opinion, bring the Trademarks or Volition into public disrepute, contempt, scandal or ridicule, that shocks, insults or offends the community, or which could otherwise diminish or damage the goodwill attaching to the Trademarks, the business of Volition or any other trademarks or trade names of Volition. Volition and Heska shall, and Heska shall instruct its Subcontractors and Veterinarians to, not engage in any act of fraud, dishonesty or willful misconduct in connection with the performance of its obligations under this Agreement. If, in Volition's reasonable opinion, Volition shall inform Heska in writing of the same and Heska is in breach of this Section 3.10, Volition may instruct Heska to immediately cease, the use and display of the Trademarks and remove all signs, furnishings, printed material, emblems, slogans or other distinguishing characteristics which may be connected with Volition or the Trademarks. If, in Volition's reasonable opinion, a Subcontractor or Veterinarian is engaging in any act of fraud, dishonesty or willful misconduct with respect the transactions contemplated in this Agreement or has otherwise failed to act in accordance with this Section 3.10, Volition shall inform Heska in writing of the same and Heska shall use Reasonable Best Efforts to cooperate with Volition in protecting its Trademarks and agrees not to continue to sell Kits or Cartridges to a Subcontractor or Veterinarian until such corrective actions are made by such Subcontractor or Veterinarian to remove the non-compliance with this Section 3.10. REGARDLESS OF ANYTHING HEREIN TO THE CONTRARY, UNDER NO CIRCUMSTANCES SHALL: (I) HESKA PROVIDE OR GIVE PERMISSION TO ANOTHER PERSON TO PROVIDE THE COMPONENTS OR CARTRIDGES OTHER THAN FOR LICENSED SERVICES; (II) HESKA (OTHER THAN DISTRIBUTING TO A SUBCONTRACTOR IN COMPLIANCE HEREWITH) SELL, AUTHORIZE THE SALE, DISTRIBUTE, TRANSFER OR OTHERWISE PROVIDE KITS TO ANY THIRD PARTY OR GIVE PERMISSION TO ANOTHER PERSON TO SO ACT; OR (III) HESKA MAKE OR GIVE PERMISSION TO ANOTHER PERSON TO MAKE ANY CHANGES TO THE KITS OR IFU. IF HESKA BECOMES AWARE THAT A PERSON, INCLUDING A VETERINARIAN OR SUBCONTRACTOR IS PROVIDING SERVICES, THAT IF PERFORMED IN COMPLIANCE WITH THIS AGREEMENT WOULD BE LICENSED SERVICES, WITH SUPPLIES PURCHASED FROM ANY ENTITY OTHER THAN VOLITION OR HESKA, THEN HESKA WILL PROMPTLY INFORM VOLITION OF THE SAME AND NOT SELL KITS OR CARTRIDGES TO SUCH PERSON UNTIL SUCH PERSON CEASES SUCH NON-COMPLIANCE.

3.11 Diligence. Heska shall, and shall require that its Subcontractors and Veterinarians, use Reasonable Best Efforts to diligently perform the Licensed Services in accordance with this Agreement and the IFU. For Kits, Cartridges and New Tests added to this Agreement after the Effective Date, Heska shall, either directly or through its Subcontractors, use Reasonable Best Efforts to diligently market and sell such Kits, Cartridges and New Tests in the Field, which among other things, shall include Heska including the Kits and Cartridges on Heska's product lists and/or holding out the Kits and Cartridges for sale to third parties. Without limiting the foregoing, from time to time as a Party may request at reasonable intervals, Heska and Volition shall work together in good faith to create or amend a Marketing Plan. Each Marketing Plan shall include a sufficient dollar amount (as such amounts shall be agreed to by the Parties in the Marketing Plan) to be used for launching, and then supporting the Licensed Services, including market development, tradeshows, key opinion leader engagement activities, internal customer-facing training, internal lab training and implementation, internal lab operations and customer support system integration on operation. Subject to Section 3.4, Heska shall provide support to its and Subcontractors' customers at its expense. Heska shall not, and shall instruct its Subcontractors and Veterinarians to not, do or omit to do anything which causes or would reasonably be expected to cause Volition to lose any license, authority, consent or permission on which it relies for the purposes of performing its obligations or granting the licenses or other rights hereunder. Volition shall not do or omit to do anything which causes or would reasonably be expected to cause Heska to lose any license, authority, consent or permission on which it relies for the purposes of performing its obligations hereunder. Heska shall, at reasonable intervals upon request, keep Volition updated regularly on the progress of the Licensed Services, and promptly raise and discuss with Volition any actual or anticipated problems or difficulties relating thereto. Upon written request of Volition at reasonable intervals, Heska shall provide progress reports on its then-current activities (including Heska's performance as it relates to the current Marketing Plan) in a form mutually agreeable to the Parties and sufficient to evidence Heska's compliance herewith, and any such reports shall be deemed Confidential Information of both Parties.

3.12 Performance Data. Upon request from Volition on at least an annual basis or more frequently if agreed by the Steering Committee, Heska shall, and shall require that its Subcontractors, provide to Volition, and Heska hereby permits, and shall require that its Subcontractors permit, the irrevocable and fully paid-up use of anonymized data results from Test performance, to the extent such underlying information is available, for Volition's internal research and development purposes to assist in continuous improvement of the Kit.

3.13 Product Changes. Volition shall give Heska reasonable advance notice of any material changes to the Components or Kits to enable Heska, and Heska will take such actions that are necessary or desirable to allow Heska to continue to provide the Licensed Services without interruption or degradation. Volition shall cooperate with Heska, at Heska's request and expense, to provide updated Collateral Material and reasonable training if required to implement these changes.

4. Supply & Payment.

4.1 Components & Kits.

(a) During the Term, unless the Parties mutually agree otherwise, Heska agrees to buy from Volition or its Affiliates those requirements as described in Section 2.2(c) of the Components and Kits (as those terms are defined without the limitation to Volition and Heska), pursuant to the supply terms in Schedule E, attached and incorporated herein by reference, at the per Component and Kit prices set out in Schedule F, attached and incorporated herein by reference ("**Price**"). Price excludes all equipment, including Heska Instrumentation, needed to run the Test, all of which shall be the responsibility of Heska. Price is exclusive of shipping, VAT and sales tax, export/import duties, tariffs and the like, where applicable. Heska shall be responsible for all taxes, assessments, duties and other governmental fees of any nature whatsoever that are levied on the Components and Kits, including import taxes and duties levied by any Regulatory Authority.

(b) During the Term, Volition shall use Reasonable Best Efforts to provide Sample Kits to Heska free of charge (and subject to the limited use as set forth in the definition of "Sample Kits) upon receiving written request from Heska for such Sample Kits from time to time. Volition shall supply such Sample Kits in amounts reasonably requested by Heska, and at times mutually agreed upon by the Parties.

(c) During the Term, Volition shall use commercially reasonable efforts to obtain for Heska's benefit to use for purposes or validating Components, Cartridges, Platforms or New Tests, or Heska to obtain directly, in either case at no charge to Heska unless Heska so agrees, Samples from the same providers of Samples as previously provided by Volition to Heska or other providers of Samples mutually agreeable to the Parties (" **Permitted Providers**"), in such quantities as reasonably agreed by the Permitted Provider of Samples or Volition following a request in writing by Heska from time to time. The Parties acknowledge that Volition's obligation under this Section 4.1(c) does not require Volition to pay any amounts to Permitted Providers in connection with obtaining the Samples or require Samples to be provided if the providers of the same do not agree to do so.

4.2 Commercially Sustainable. Beginning the January 1, 2025, Price for Components and Kits shall be increased annually in accordance with Schedule F. If a Party, in its good faith, has determined that this Agreement has not been Commercially Sustainable for such Party for a period of [***].

4.3 Reserved.

4.4 Milestone Payments. Heska shall pay Volition up to $28,000,000 in milestone payments as follows upon the achievement of the following:

(a) $10,000,000 no later than two (2) business days after the Effective Date. This payment enables and Volition shall provide to Heska the lowest band price on Kits that Volition makes available to third parties (" **Kit Pricing**") and Heska desires to add pursuant to the terms of this Agreement;

(b) $6,500,000 upon the earlier of: (i) the first commercial sale by or on behalf of Heska of a Cartridge usable on a Platform for *screening* of canine lymphoma and hemangiosarcoma in the POC setting; or (ii) December 31, 2024 (or if such first commercial sale has not been achieved by such date due to (A) a Force Majeure Event, (B) Volition's breach of this Agreement that prevents Heska from validating Components and Kits, or (C) Heska not receiving sufficient Sample Kits and Samples to validate the Components and Kits ("**Tolling Period Events**")), then the first date after December 31, 2024 on which such Tolling Period Events no longer exists; provided, however, [***];

(c) $6,500,000 upon the earlier of: (i) first commercial sale by or on behalf of Heska of a Cartridge usable on a Platform for *monitoring* of canine lymphoma and hemangiosarcoma in the POC setting; or (ii) December 31, 2024 (or if such first commercial sale has not been achieved by such date due to Tolling Period Events, then the first date after December 31, 2024 on which such Tolling Period Events no longer exists; provided, however, that if Heska demonstrates that despite its Reasonable Best Efforts the Cartridge will not perform on a Platform, then Heska may elect to either terminate this Agreement, or pay the $6,500,000 contemplated in this Section 4.4(c) for an Extension; and

(d) $5,000,000 upon the earlier of: (i) first commercial sale by or on behalf of Heska of a Cartridge usable on Heska's Platform for *screening* or *monitoring* of lymphoma in felines; or (ii) the 9-month anniversary of the first peer reviewed paper evidencing clinical utility for the screening or monitoring of lymphoma in felines being published in a Recognized Journal.

Each milestone and corresponding milestone payment may only be achieved once. If an Extension applies to a particular milestone payment(s) above, Heska must achieve the applicable first commercial sale by the end of the Extension. If Heska fails to achieve a first commercial sale by the end of an Extension Period, then Volition may terminate this Agreement in whole or part immediately by providing written notice to Heska. Termination of this Agreement is Volition's sole and exclusive right with respect to Heska failing to achieve a first commercial sale as contemplated above.

4.5 Conditions of Payment. Heska shall pay all undisputed invoiced amounts to Volition in United States dollars, within 30 days of the applicable invoice being received by Heska, to the bank account specified in such invoice. All payments under this Agreement are non-refundable and non-creditable and made without right to off-set. Late payments shall bear interest at a rate of 1.5% per month or the maximum amount permitted by law. The interest shall be calculated on the overdue sum from the due date until payment, whether before or after judgment, and shall accrue each day during the period at the rate stated above. Acceptance of late payments does not negate or waive any other right or remedy to which Volition may be entitled.

4.6 Records. The Parties shall keep and maintain (and Heska shall require all of its Subcontractors to keep and maintain) complete, accurate and continuous records regarding any activities and/or payments relating to this Agreement for the longer of (a) three years following the end of the calendar year to which they pertain, or (b) the period required by Applicable Law, including records of: (i) inquiries received in relation to Licensed Services; (ii) complaints relating to the Licensed Services; and (iii) other records reasonably requested by the other Party.

4.7 Audit. For so long as records are legally required to be kept in connection with the activities under this Agreement, either Party or its representative may, upon reasonable but not less than 15 days written notice, and at such Party's sole expense, during normal business hours, audit and copy the records kept by the other Party and Subcontractors at the source where such records are kept. Neither Party may exercise this right more than once in any calendar year unless such Party determines in good faith that a breach of this Agreement has occurred and has provided the other Party with notice of such breach. All information and materials made available to or otherwise obtained or prepared in connection with such audit will be deemed the audited Party's Confidential Information.

4.8 Notices. All notices provided under this Agreement shall be in writing, sent to the Party at its address above or email address below, or as otherwise designated by the Party in accordance with this provision, and shall be deemed duly given or made: (a) on the date received in person; (b) on the date sent by email to the address specified below, if confirmation of delivery is received; or (c) three days after deposit with an internationally recognized carrier for overnight delivery service with charges prepaid.

If to Volition: Email address: [***]

If to Heska: Email address: [***]

5. Confidentiality.

5.1 Treatment of Confidential Information. The Parties agree that the CDA terminates on the Effective Date without the need for a further writing, and all Confidential Information, including that which was shared thereunder, shall be governed by this Agreement. Subject to the other provisions of this Section 5 and Section 8.6, Receiving Party shall not disclose, use, or otherwise provide access to Confidential Information during or for five years after the Term; provided, however, that with respect to Confidential Information identified as a trade secret by a disclosing Party, such obligations survive the Term and continue until such Confidential Information is no longer a trade secret under Applicable Law, other than due to a breach of this Agreement. No Party is obligated to disclose or receive the other's Confidential Information that is a trade secret and shall be given prior notice of such disclosure occurring. Receiving Party agrees to maintain all Confidential Information using at least the same degree of care it employs to protect its own similarly valuable confidential information, and in no event less than a reasonable standard of care.

5.2 Right to Disclose.

(a) To the extent it is reasonably necessary to fulfill its obligations or exercise its rights under this Agreement, Receiving Party may disclose Confidential Information on the condition that the Party to whom Receiving Party provides the Confidential Information has agreed: (i) to maintain Confidential Information for at least as long as and to the same extent as Receiving Party is required; and (ii) is permitted to use the Confidential Information only to the extent Receiving Party is entitled to use the Confidential Information. In no event shall Heska or anyone receiving Confidential Information from Heska use Volition's Confidential Information in any manner detrimental to Volition, its Affiliates or their respective rights.

(b) If Receiving Party is required by law, regulation (including stock exchange rule, court order or legal process) to disclose any of the Confidential Information, then it may do so provided that it has, if permitted by law, promptly notified the Disclosing Party of its intent to make such disclosure. Receiving Party shall use its Reasonable Best Efforts to assist the Disclosing Party, at Disclosing Party's sole cost and expense, in seeking to obtain a protective order or confidential treatment, if requested in writing by Disclosing Party.

5.3 Injunctive Relief. Given the nature of the Confidential Information and the competitive damage that would result to the Disclosing Party upon unauthorized disclosure, use of, or access to Confidential Information, the Parties hereby agree that monetary damages would not be a sufficient remedy for any breach or threatened breach of this Section 5, and, therefore, in addition to and not in lieu of any other remedies, Disclosing Party may seek specific performance and injunctive and other equitable relief as a remedy for any breach or threatened breach of this Section 5 in any competent jurisdiction and without showing actual monetary damages in connection with such remedy.

6. Representations, Warranties, Covenants and Disclaimers.

6.1 Mutual Statements. Each Party represents and warrants that: (a) it is an entity duly organized, validly existing, and in good standing in the jurisdiction of its formation; (b) it is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required for the purposes of this Agreement; (c) it has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder; (d) when executed and delivered by each of Party this Agreement will constitute the legal, valid, and binding obligation of each Party, enforceable against the other Party in accordance with its terms; (e) the execution and delivery of this Agreement has been duly authorized and no further approval, corporate or otherwise, is required in order to execute, deliver and perform this valid and binding agreement in accordance with the terms and conditions herein; and (f) it shall comply and require, with respect to Volition, its subcontractors performing Volition's obligations hereunder, and with respect to Heska its Subcontractors, to comply with those Applicable Laws regarding its performance under this Agreement, including data protection laws, health and safety, export control laws, anti-bribery laws and anti-corruption and not engage in any activity, practice or conduct which would constitute such an offence under any such Applicable Laws. Heska shall inform its Subcontractors, and Volition shall inform its subcontractors performing Volition's obligations hereunder, of any reasonable anti-bribery policy of the other Party that such Party receives in writing form the other Party. Volition additionally makes product warranties solely in Schedule E, and for clarity not under this Section 6.1.

6.2 Representations, Warranties and Covenants of Volition. Volition represents, warrants, and covenants to Heska that: (a) it has the full right, power, and authority to grant the rights and licenses granted under this Agreement, and as of the Effective Date to perform its obligations under this Agreement; (b) no claim, lien, or action exists or is threatened against Volition as of the Effective Date that would interfere with Heska's or its Subcontractors and Veterinarians use or sale of the Components or Kits, Volition's intellectual property licensed to Heska hereunder, or Volition's Confidential Information; (c) it has, as of the Effective Date, the right to grant the licenses as it grants them in Section 3; (d) it has not and, subject to Section 8.4(b), will not grant any license in conflict with the licenses as it granted them in Section 3; (e) the Kits and the Components are not subject to Volition's knowledge, as of the date hereof, to any Approvals in the United States for screening; (f) [***], including any disclosure requirements of the United States Patent and Trademark Office and any foreign patent office, and has timely paid all filing and renewal fees payable with respect thereto as of the Effective Date; and (g) as of the Effective Date: (i) [***] (including any interference, nullity, opposition, inter partes, or post-grant review or similar invalidity or patentability proceedings before the United States Patent and Trademark Office or any foreign patent office), and (ii) it has no knowledge [***].

6.3 Representations, Warranties and Covenants of Heska. Heska represents, warrants and covenants to Volition that: (a) it has the full right, power, and authority to commit its Affiliates to comply with the obligations under this Agreement, and as of the Effective Date to perform its obligations under this Agreement; and (b) no claim, lien, or action exists or is threatened against Heska as of the Effective Date that would interfere with Heska's or its Subcontractors' and Veterinarians' use or sale of the Cartridges, Kits, New Tests or Platforms, Heska's intellectual property necessary to perform its obligations hereunder, or Heska's Confidential Information.

6.4 Disclaimers. EXCEPT AS SET FORTH IN SECTION 6.1 (INCLUDING SCHEDULE E) AND SECTIONS 6.2 AND 6.3, NEITHER PARTY MAKES ANY REPRESENTATION OR WARRANTY AND EACH PARTY EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING THE UNIFORM COMMERCIAL CODE, THE CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ANY IMPLIED WARRANTIES ARISING FROM ANY COURSE OF DEALING, USAGE, OR TRADE PRACTICE, WITH RESPECT TO THE SCOPE, VALIDITY OR ENFORCEABILITY OF THE LICENSED RIGHTS, THAT ANY PATENT SHALL ISSUE BASED UPON ANY OF THE PENDING PATENT RIGHTS, THAT THE LICENSED SERVICES OR COLLATERAL MATERIAL SHALL NOT INFRINGE INTELLECTUAL PROPERTY RIGHTS AND THAT AN EXPORT CONTROL LICENSE IS REQUIRED, OR THAT IF REQUIRED, IT SHALL BE ISSUED. UNLESS PROHIBITED BY APPLICABLE LAW, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS AND USE, PROVIDED NOTHING IN THE FOREGOING SHALL LIMIT A PARTY'S REMEDIES OR ABILITY TO RECOVER DAMAGES, INCLUDING INCREASED DAMAGES FOR WILLFUL INFRINGEMENT OR MISAPPROPRIATION OF TRADE SECRETS, IN THE EVENT IT ASSERTS INTELLECTUAL PROPERTY RIGHTS.

6.5 Liability Cap. NOTHING IN THIS AGREEMENT LIMITS ANY LIABILITY WHICH CANNOT LEGALLY BE LIMITED, INCLUDING DEATH OR PERSONAL INJURY CAUSED BY NEGLIGENCE, FRAUD, OR FRAUDULENT MISREPRESENTATION. SUBJECT TO THE FOREGOING, EACH PARTY'S TOTAL AND AGGREGATE LIABILITY TO THE OTHER PARTY FOR ALL LOSS OR DAMAGE SHALL NOT EXCEED $[***] ("LIABILITY CAP"). NOTWITHSTANDING THE ABOVE, THIS LIABILITY CAP SHALL NOT APPLY TO FRAUD, OR FRAUDULENT MISREPRESENTATION OR ANY LIABILITY ARISING UNDER [***].

7. Indemnification and Insurance.

7.1 Indemnification.

(a) Volition shall indemnify, hold harmless, and defend Heska, its Affiliates, and their respective officers, directors, employees, representatives, independent contractors and agents ("**Heska Indemnitees**") from and against any and all third party claims, losses, damages and/or liability of whatsoever kind or nature, as well as all costs and expenses, including reasonable attorneys' fees and court costs ("**Losses**") which arise or may arise at any time out of or relating to: (i) Volition's act or omission of gross negligence or willful misconduct relating to this Agreement; (ii) any material breach of [***]; (iii) any material breach of [***]; (iv) claims against any Heska Indemnitee alleging that Kits or Components, in and of themselves, infringe any valid and enforceable intellectual property right of another person who is not a Heska Indemnitee, or (v) [***]; provided, however, that in no event shall Volition have the foregoing indemnification obligation with respect to Losses that (A) arise solely from Heska's material breach of this Agreement, or (B) are ascribed to the items for which Heska provides indemnification in Section 7.1(b).

Further, if Losses arise related to an infringement claim under clause (iv) above, in addition to Heska's other remedies under this Agreement, Volition shall, at its own expense, exercise one of the following at as determined by Volition in its reasonable discretion: (A) obtain for Heska the right to continue to purchase Components and Kits from Volition or its Affiliates consistent with this Agreement; (B) modify the Kits and Components so they are non-infringing and in compliance with this Agreement; or (C) at Heska's discretion, replace any Kits and Components with non-infringing ones that comply with this Agreement, or accept the cancellation and return (at Volitions' expense) of any infringing Kits and Components without Heska having any cancellation liability, and refund to Heska any amount paid for such infringing Kits and Components. Notwithstanding anything to the contrary herein, Volition is not required to supply and Heska shall not be obligated to buy infringing goods or goods with infringing uses, and Volition shall not be in breach or non-fulfillment of any representation, warranty or covenant if it ceases to provide Kits and Components as a result thereof; provided, however, that in such case, nothing in this Agreement shall prevent Heska from obtaining products similar to the Kits and Components (as those terms are defined without the limitation to Volition and Heska) from other persons, until such time that Volition notifies Heska in writing that it is again able to supply such items to Heska on a non-infringing basis, and Heska's purchase of such items from other persons will not be a breach of any of its obligations under this Agreement.

(b) Heska shall indemnify, hold harmless, and defend Volition, its Affiliates, and their respective officers, directors, employees, representatives, independent contractors and agents ("**Volition Indemnitees**") from and against any and all Losses which arise or may arise at any time out of or relating to: (i) any material breach of [***]; (ii) any material breach of [***]; (iii) Heska's and its Subcontractors' (A) promotion, provision or distribution of Cartridges, Kits and/or (B) performance of Licensed Services or other exercise of any rights granted herein; (iv) product liability relating to the design, manufacturing or production of Cartridges (but excluding the Components), and Platforms; (v) claims against any Volition Indemnitee alleging that the Cartridges or the Platform, in and of themselves or their manufacture or use, infringe any valid and enforceable intellectual property right of another person who is not a Volition Indemnitee; (vi) any loss of goodwill in the Trademarks or Volition's other trademarks, names and/or trade dress in connection with any of the foregoing; and/or (vii) any act or omission of gross negligence or willful misconduct by Heska and/or its Subcontractors or Veterinarians (but with respect to a Veterinarian, only if such Veterinarian, pursuant to an agreement with Heska, indemnifies Heska for such Veterinarian's act or omission) relating to this Agreement; provided, however, then in no event shall Heska have the foregoing indemnification obligation with respect to Losses that (A) arise solely from Volition's material breach of this Agreement, or (B) are ascribed to the items for which Volition provides indemnification in Section 7.1(a).

(c) The indemnifying Party shall not settle or compromise any claim or allegation hereunder in a manner that imposes any material obligation on, or makes any admission of fault by: (i) Heska Indemnitees; or (ii) Volition Indemnitees, in each case without the written consent of the applicable indemnified Party, including compromising the validity or enforceability of Licensed Rights. Heska Indemnitees and Volition Indemnitees, as applicable, shall cooperate as reasonably requested, at the expense of the applicable indemnifying Party, in the defense of the action.

7.2 Insurance. Each Party (and in the case of Heska, its Affiliates who are Subcontractors) shall continuously maintain at its own expense sufficient insurance levels throughout the Term and beyond to ensure its obligations under this Agreement and shall provide evidence of adequate insurance coverage upon request, including that each shall have and maintain general liability insurance coverage during the Term and thereafter that: (a) has policy limits of no less than $5,000,000 per occurrence for bodily injury and property damage and $5,000,000 in aggregate limits of liability; (b) names the other Party and its Affiliates as additional insureds; and (c) is primary over any other potentially applicable insurance. Upon request, each Party shall provide a certificate(s) of insurance evidencing such insurance coverage.

8. Term and Termination.

8.1 Term.

(a) The term of this Agreement shall begin on the Effective Date and, unless earlier terminated pursuant to the express terms of this Agreement, continues thereafter (i) with respect to Licensed Services performed with a Cartridge, for 22 years from the Effective Date ("**POC Term**"); and (ii) with respect to Licensed Services performed with a Kit, for five years from the Effective Date ("**Kit Term**"); provided that after each year of the Kit Term and each year thereafter, until the expiration or termination of the POC Term, the Kit Term shall automatically renew on a rolling basis for successive one-year periods so long as the POC Term has not expired or terminated. For avoidance of doubt, the term contemplated by clause (ii) shall be automatically terminated upon the expiration of the POC Term. The Kit Term, together with the POC Term are referred to herein, collectively and separately as applicable, the "**Term**". The term for New Tests shall be the same term as set forth above in clause (i), unless otherwise agreed to by the Parties in writing.

(b) Notwithstanding the above, either Party may decline to have the Kit Term renew on a rolling basis for consecutive one-year periods as contemplated in clause (ii) of Section 8.1(a) above by providing written notice thereof to the other Party at least 60 days prior to the end of the then-current year of the Kit Term. For avoidance of doubt, if no Annual Minimum Payment is due and owing, then Volition will not have the right to provide the notice contemplated above.

8.2 Tail Period. Notwithstanding the above provisions of Section 8.1, after the expiration or termination of this Agreement and/or the POC Term, Heska will have the non-exclusive right to continue to purchase Kits and Components for Heska's then-current Veterinarians and Subcontractors contractually performing Licensed Services at such Prices to be the then-current market price; provided, however, that all times Volition shall provide Heska the lowest pricing offered to a third party with respect to such items, for a period of [***] from the date of such expiration or termination, unless otherwise agreed to by the Parties in writing. In connection therewith, but subject to the other provisions of this Section 8.2, the terms and conditions of this Agreement, that by their nature prescribe continuing rights and obligations, shall survive.

8.3 Termination by the Parties. A Party may terminate this Agreement if the other Party: (a) commits a material breach and fails to remedy such breach within 30 days after receiving written notice (as maybe extended with written agreement from the non-breaching Party to a reasonable longer period if reasonably required to remedy the breach); or (b), if unless prohibited by Applicable Law, the other Party (i) files, or has filed against it, a petition for voluntary or involuntary bankruptcy or pursuant to any other insolvency law, (ii) makes or seeks to make a general assignment for the benefit of its creditors, or (iii) applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property or business ("**Insolvency Event**"). Heska may terminate this Agreement in accordance with the termination rights in Section 4.4.

8.4 Termination by Volition.

(a) Termination of Agreement. Volition may terminate this Agreement upon written notice if Heska brings any action or proceeding against Volition, unless such action or proceeding is for an uncured breach of this Agreement by Volition or otherwise relates to or arises out of this Agreement.

(b) Suspension or Termination of License. Without limiting other rights and remedies of Volition, in the event of:

(i) an uncured material breach by Heska (or Subcontractors that are Affiliates) of its obligations under this Agreement, then the intellectual property license granted by Volition hereunder shall be automatically suspended for the duration of such uncured material breach in a scope that is commensurate with the uncured breach, and, for avoidance of doubt, such license shall be fully restored upon cure, with the effective time of such cure being deemed to be the date immediately prior to such material breach being cured;

(ii) failure by a Subcontractor (other than one that is an Affiliate of Heska) or Veterinarian to comply with its obligations under this Agreement, then any license of intellectual property of Volition, as extended to such non-compliant Subcontractor or Veterinarian, shall be automatically suspended with respect thereto for the duration of such failure to comply in a scope that is commensurate with such failure to comply, and for avoidance of doubt such license shall be fully restored upon compliance, with the effective time of such compliance being deemed to be the date immediately prior to such non-compliance;

(iii) [***] material breaches by Heska (or Subcontractors that are Affiliates) of its obligations under this Agreement, then even if such breaches have been fully cured, Volition may elect to terminate the intellectual property licenses granted hereunder to a scope that is commensurate with the breaches; or

(iv) [***] material failures of a Subcontractor (other than one that is an Affiliate of Heska) or Veterinarian to comply with its obligations under this Agreement, then Volition may elect to terminate, with respect to such non-compliant Subcontractor or Veterinarian, any license of intellectual property of Volition extended thereto in scope that is commensurate with such failures to comply.

8.5 Terminal Payment. If this Agreement expires or terminates before any earned, due and owing payment has actually been paid by Heska to Volition, then Heska shall immediately submit a payment to Volition for such earned, due and owing amounts. For avoidance of doubt, Heska shall have no obligation to Volition for any amounts that have not been earned, or which are not due or owing at the time of such expiration or termination.

8.6 Surviving Rights and Obligations. The termination or expiration of this Agreement does not relieve either Party of its rights and obligations that have previously accrued. Terms and conditions of this Agreement, that by their nature prescribe continuing rights and obligations, shall survive the termination or expiration of this Agreement. Upon the earlier of termination or expiration of this Agreement, all rights granted immediately revert to Volition and Heska agrees not to practice or have practiced by its subsidiaries, and agrees to instruct its Subcontractors and Veterinarians to not practice, the Licensed Rights. Upon Volition's election to terminate the intellectual property licenses granted hereunder in a scope that is commensurate with the breaches pursuant to Section 8.4(b)(iii), such rights granted immediately revert to Volition and Heska agrees not to practice or have practiced by subsidiaries, and agrees to instruct its Subcontractors and Veterinarians to not practice, the Licensed Rights in such terminated scope. Upon Volition's election to terminate the intellectual property licenses granted hereunder in a scope that is commensurate with the failures of a Subcontractor (other than one that is an Affiliate of Heska) or Veterinarian to comply with its obligations under this Agreement pursuant to Section 8.4(b)(iv), Heska agrees to instruct its Subcontractor (other than one that is an Affiliate of Heska) or Veterinarian not to practice the Licensed Rights under the terminated scope. All Confidential Information of a Disclosing Party shall be returned to the Receiving Party or destruction certified, at the Disclosing Party's election, provided that the Receiving Party shall be permitted to retain one copy of the Confidential Information in its legal function in order to verify its compliance hereunder and electronic records maintained for archival purposes need not be destroyed but shall remain subject to the terms and conditions of this Agreement; provided, however, that a Receiving Party's obligations with respect to Confidential Information shall survive so long as such Receiving Party retains such copy.

8.7 Effect of Volition Insolvency Event. Without making or implying any applicability of the Code to Volition, its Affiliates or the Licensed Rights, and preserving the right to dispute such applicability, if such Code applies, then to the extent permitted by Applicable Law, the Parties agree that: (a) all Patent Rights and trade secrets in Technical Information licensed by Volition under this Agreement are deemed to be rights and licenses to "intellectual property" and the Kits and Components to which Heska is granted access hereunder are "embodiments" of such "intellectual property", as such terms are used in and interpreted under section 365(n) of the United States Bankruptcy Code (the "**Code**"); (b) Heska shall have all rights, elections, and protections under the Code; and (c) without limiting the generality of the foregoing, Volition acknowledges and agrees that, if Volition or its estate becomes subject to any Insolvency Event or similar proceeding, then subject to Heska's rights of election under section 365(n), all rights, licenses, and privileges granted to Heska under this Agreement will continue subject to the respective terms and conditions hereof, and if so, will not be affected, even by Volition's rejection of this Agreement.

9. Dispute Resolution.

9.1 Generally. In any dispute arising out of or relating to this Agreement and without limiting Section 9.3 and other than the Price process set forth in Section 4.2 (which is addressed in Section 9.2 below), the first recourse of the Parties shall be to attempt to amicably resolve the dispute with sufficiently authorized members of each Party. A Party asserting the existence of a dispute shall provide the other Party with a written notice thereof, including a statement of the facts and copies of such documents as that Party believes are relevant to the dispute. Within ten days of receipt of the written notice, the Receiving Party shall provide a written response, including a statement of the facts and copies of such documents as the Receiving Party believes are relevant to the dispute. Within ten days after delivery of the response the Parties' representatives shall meet and attempt to amicably resolve the dispute at the location of the Receiving Party unless otherwise agreed. If the Parties are unable to resolve the dispute as set forth in this Section 9.1, the Parties will then have the right to exercise the remedies set forth herein or at law.

9.2 Price. If the Parties fail to agree on Price pursuant to Section 4.2 before expiration of the Option Period, then the Parties shall engage a mutually agreeable internationally recognized firm of independent certified public accountants other than Heska's or Volition accountants or an impartial financial expert experienced in pricing matters, or if the Parties fail to agree within a reasonable period of time, the International Institute of Conflict Prevention and Resolution will appoint an expert (the "**Expert**") who, acting as expert, shall resolve the Price using the definition "Viable Economics", and each Party shall provide such Expert its determination of the appropriate Price and all inputs used to arrive at such determination of such Price as detailed in Section 4.2. In all events, this process should be brief and reasonable as determined by the Expert and the Expert's determination of the applicable Price shall be within the range of Prices determined by the Parties and delivered to the Expert as contemplated in the immediately prior sentence. The Parties shall cause the Expert to enter into a mutually agreeable confidentiality agreement. The Expert shall make a determination as soon as practicable within 30 days (or such other time as the Parties shall agree in writing) after its engagement, and its resolution of the Price shall be conclusive and binding upon the Parties without the requirement of a further writing to amend this Agreement accordingly; provided that the Parties shall cause Schedule F to be amended to reflect the Expert's decision. A failure to comply with the determination of the Expert is a material breach of this Agreement. The Parties will each be responsible for and pay the costs of the Expert as determined by the Expert.

9.3 No Waiver. By agreeing to amicable resolution, neither Party is waiving its right to seek and obtain specific performance, injunctive relief or any other equitable remedy that may be available. The Parties agree that the Parties' sole remedy with respect to solely the Price matter (as contemplated in Section 4.2 and Section 9.2) is the Expert process contemplated above in Section 9.2, and each Party acknowledges that it is waiving any other rights it may have in connection therewith, including specific performance, injunctive relief or any other equitable remedy. For clarity the Price matter does not pertain to a Party's intellectual property and there is no waiver of any rights a Party may have in connection therewith.

10. Miscellaneous Provisions.

10.1 Governing Law and Venue. This Agreement shall be governed by the laws of the state of Delaware, without regard to any choice-of-law provisions. Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against any other Party in any way arising from or relating to this Agreement and all contemplated transactions, including, contract, equity, tort, fraud, and statutory claims, in any forum other than United States District Court for the District of Delaware or, if such court does not have subject matter jurisdiction, the courts of the State of Delaware, and any appellate court from any thereof unless such action cannot, by law, be brought in such venue. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in United States District Court for the District of Delaware or, if such court does not have subject matter jurisdiction, the courts of the State of Delaware. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The prevailing Party or Parties may seek reimbursement of documented reasonable attorneys' fees in connection with an action under this Section 10.1.

10.2 Severability. The provisions of this Agreement are severable, and if any provision is determined to be invalid or unenforceable in a given jurisdiction, such invalidity or non-enforceability shall not in any way affect the validity and enforceability of the remaining provisions or the validity or enforceability of those provisions in any other jurisdiction. Any invalid or unenforceable provision shall be reformed promptly by the Parties to effectuate their intent as evidenced on the Effective Date. This provision shall also apply to unintended omissions.

10.3 Assignment. This Agreement is personal to the Parties and other than as provided herein no delegation of a Party's obligations will be made. Neither Party may assign or otherwise transfer this Agreement, without the prior written consent of the other Party; provided, however, that in the event of a sale of all or substantially all of the assets of a Party (which assets must include this Agreement and any other agreement executed by the Parties in connection with Section 3.3), the consent of the other Party will not be required. The Parties shall immediately notify each other in the event of any pending change of control. Any purported assignment in violation of this Section 10.3 or other transfer or conveyance in contravention with the terms and conditions of the Agreement shall be null and void. No assignment shall relieve the assigning Party of any of its obligations hereunder unless the non-assigning Party enters into a novation releasing the assigning Party of its obligation under this Agreement. This Agreement shall be binding on the Parties and their respective permitted successors and assigns and inure to the benefit of the Parties and their respective permitted successors and assigns.

10.4 No Third Party Beneficiaries. The representations, warranties, covenants and undertakings contained in this Agreement are for the sole benefit of the Parties and their permitted successors and assigns and shall not be construed as conferring any rights on any third party.

10.5 Use of Names and Publicity.

(a) Without limiting other rights available under trademark law, and except as expressly provided herein, neither Party shall use the names or trademarks of the other Party or any adaptation thereof in any advertising or publicity without obtaining the prior written consent of the other in each separate case. The Parties may state that Heska and any Subcontractor is a distributor or provider of Licensed Services, as applicable, in the Field. Volition and Heska shall issue a joint press release promptly to announce the execution of this Agreement.

(b) Without limiting Section 5, neither Party nor any of its Affiliates or representatives shall (orally or in writing) publicly disclose, issue any press release or make any other public statement, or otherwise communicate with the media, concerning the existence of this Agreement or the subject matter hereof, without the prior written approval of the other Party (which shall not be unreasonably withheld, conditioned or delayed), except if and to the extent that such Party (based on the reasonable advice of counsel) is required to make any public disclosure or filing ("**Required Disclosure**") regarding the subject matter of this Agreement (i) by applicable Law, (ii) pursuant to any rules or regulations of any securities exchange of which the securities of such party or any of its Affiliates are listed or traded, or (iii) in connection with enforcing its rights under this Agreement. In each case pursuant to clauses (i) or (ii) of this Section 10.5(b), the Party making any Required Disclosure shall consult with the other Party regarding the substance of the Required Disclosure and provide the other Party a reasonable opportunity (taking into account any legally mandated time constraints) to review and comment on the content of the Required Disclosure prior to its publication or filing. Without limitation of the foregoing, the Parties shall issue a joint press release in form and substance reasonably acceptable to each Party as promptly as practicable following the full execution and delivery of this Agreement. Each Party shall be liable for any failure of its Affiliates or representatives to comply with the restrictions set forth under this Section 10.5(b).

10.6 Independent Contractors. Nothing in this Agreement shall be interpreted as placing the Parties in an employment, partnership, joint venture or agency relationship and neither Party shall have the right or authority to obligate or bind the other Party on its behalf. Heska shall not represent itself to the contrary or otherwise in any manner inconsistent with the terms and conditions of this Agreement.

10.7 Registration of Licenses. The Parties agree to register and give required notice concerning this Agreement, at their respective expense, in each country where an obligation exists under law with respect to such Parties' respective obligations hereunder to so register.

10.8 Force Majeure. If and to the extent that a Party's performance of any of its obligations pursuant to this Agreement is prevented, hindered or delayed by a Force Majeure Event, then the non-performing, hindered or delayed Party shall be excused for such non-performance, hindrance or delay, as applicable, of those obligations affected by the Force Majeure Event for as long as such Force Majeure Event continues; provided, that such Party continues to use Reasonable Best Efforts to recommence performance whenever and to whatever extent possible without delay, including through the use of alternate sources, workaround plans or other means. Notwithstanding the preceding sentence, if the Force Majeure Event continues for a period of more than 6 months, either Party may terminate this Agreement by giving the other Party 30 days' prior written notice. The Party whose performance is prevented, hindered or delayed by a Force Majeure Event shall promptly notify the other Party in writing of the occurrence of a Force Majeure Event and describe in reasonable detail the nature of the Force Majeure Event.

10.9 Entire Agreement. This Agreement, including all Schedules, constitutes the entire agreement between the Parties with respect to the subject matter. Any amendment to this Agreement must be in writing and signed by both Parties unless otherwise provided herein for Volition or Heska to update Schedules upon the provision of written notice hereunder. The delay or failure to assert a right or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver, or excuse a similar or subsequent failure to perform any such term or condition. A valid waiver must be executed in writing and signed by the Party granting the waiver. Each Party acknowledges that it was provided an opportunity to seek advice of counsel and as such this Agreement shall not be strictly construed against the drafter.

The Parties execute this valid and binding agreement in one or more counterparts, each of which shall be deemed an original and all of which, taken together, constitute one and the same instrument or by electronic signature which shall be given the effect of an original signature upon receipt by the other Party.

[Signature page to follow]

Belgian Volition SRL

By: */s/ Cameron Reynolds*

Name: Cameron Reynolds

Title: Director

Date: 27 March 2022

Heska Corporation

By: */s/ Kevin Wilson*

Name: Kevin Wilson

Title: President and Chief Executive Officer

Date: March 28, 2022

ACKNOWLEDGED BY:

Volition Veterinary Diagnostics Development LLC

By: */s/ Dr. Tom Butera*

Name: Tom Butera

Title: Chief Executive Officer

Date: 3/27/2022

[Signature Page to
Master License and Product Supply Agreement]

SCHEDULE A

[***]

SCHEDULE B

Subcontractors

[***]

SCHEDULE C

Trademarks

[***]

SCHEDULE D

Terms for Trademark Use

[***]

SCHEDULE E

Supply Terms

[***]

SCHEDULE F

[***]

SCHEDULE G
IFU

[***]

SCHEDULE H
VOLITION BRANDING GUIDELINES

[***]

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, *Cameron Reynolds*, certify that:

1. I have reviewed this quarterly report on Form 10-Q of VolitionRx Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 11, 2022

/s/ Cameron Reynolds
Cameron Reynolds
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, *Terig Hughes*, certify that:

1. I have reviewed this quarterly report on Form 10-Q of VolitionRx Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 11, 2022

/s/ Terig Hughes
Terig Hughes
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The following certifications are hereby made in connection with the Quarterly Report on Form 10-Q of VolitionRx Limited (the "Company") for the quarterly period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

I, *Cameron Reynolds*, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented.

Date: May 11, 2022

/s/ Cameron Reynolds
Cameron Reynolds
President and Chief Executive Officer
(Principal Executive Officer)

I, *Terig Hughes*, Chief Financial Officer and Treasurer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented.

Date: May 11, 2022

/s/ Terig Hughes
Terig Hughes
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)