

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 8-K/A**  
Amendment No. 3

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **October 6, 2011**

**VolitionRX Limited**

(Exact name of Company as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of Incorporation)

**0-24707**  
(Commission File Number)

**91-1949078**  
(IRS Employer  
Identification Number)

**150 Orchard Road**  
**Orchard Plaza 08-02**  
**Singapore 238841**  
(Address of principal executive offices)  
**Telephone: (201) 618-1750**  
**Facsimile: +65 6333 7235**  
(Registrant's Telephone Number)

Check the appropriate box below if the Form 8-K/A filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

## EXPLANATORY NOTE

This Amendment No. 3 to our Current Report on Form 8-K originally filed on October 13, 2011, (the "Original Filing") is being made to respond to certain comments received from the Staff of the Securities and Exchange Commission, including, but not limited to, various changes made to certain financial statement items between Amendment No. 1 to the Form 8-K filed November 1, 2011 and Amendment No. 2 to the Form 8-K filed January 11, 2012.

Specifically, the financial statements filed as Exhibit 99.02 to Amendment No. 2 as compared to the financial statements for the same period that were filed as Exhibit 99.01 to the Amendment No. 1 reflect the following changes: (i) The figure for non-cash financing activities at the foot of the Consolidated Statement of Cash Flows was amended from \$900,000 to \$1,000,000 in order to reflect the entire note payable that was entered into; (ii) Note 2(f) Foreign Currency Translation was amended to provide additional information about our functional currency and exchange rate; (iii) Note 4 Property and Equipment was amended to revise the depreciation expense of the Company during the period ended December 11, 2010; (iv) Note 10 Subsequent Events was amended to provide additional information about shares issued for services subsequent to December 31, 2010. In particular, the valuation per share of 350,000 shares issued to a related party was revised from \$0.30 to \$1.00 to reflect the most recent cash issuance prices relative to the date of grant, and the disclosure was revised as follows: Subsequent to the period end, the Company also issued 350,000 shares of common stock to a related party in advance for research and development and investment relation services to be performed over a five year period. The shares were valued at \$1.00 per share based on the most recent cash issuance prices relative to the grant date as this was determined to be the most readily determinable value in accordance with ASC 718 and ASC 505. The Company will expense the shares monthly as services are provided. Because the shares are fully vested and non-forfeitable, the shares were valued based on the current market price on the grant date and will be amortized over the life of the agreement; and (v) Note 10 Subsequent Events was also amended to include further information about the share exchange agreement with Standard Capital Corporation as follows: Upon completion of the transaction, the former shareholders of the Company owned 6,906,852 shares of the Company's common stock, representing approximately 85% of the outstanding common stock of the Company. As a result, the acquisition has been recorded as a reverse merger with the Company being treated as the accounting acquirer and SCC as the legal acquirer (accounting acquiree).

For convenience and ease of reference, the Company is filing this Form 8-K/A in its entirety with all applicable changes and unless otherwise stated, all information contained in this amendment is as of October 13, 2011, the filing date of the Original Filing. Except as stated herein, this Form 8-K/A does not reflect events or transactions occurring after such filing date or modify or update those disclosures in the Original Filing that may have been affected by events or transactions occurring subsequent to such filing date.

## FORWARD LOOKING STATEMENTS

*The following discussion, in addition to the other information contained in this Amended Current Report ("Report"), should be considered carefully in evaluating our prospects. This Report (including without limitation the following factors that may affect operating results) contains forward-looking statements regarding us and our business, financial condition, results of operations and prospects. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions or variations of such words are intended to identify forward-looking statements, but are not the exclusive means of identifying forward-looking statements in this Report. Additionally, statements concerning future matters such as revenue projections, projected profitability, growth strategies, possible changes in legislation and other statements regarding matters that are not historical are forward-looking statements.*

*Forward-looking statements in this Report reflect the good faith judgment of our management and the statements are based on facts and factors as we currently know them. Forward-looking statements are subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, but are not limited to, those discussed in this Report. Readers are urged not to place undue reliance on these forward-looking statements which speak only as of the date of this Report. We undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Report.*

*As used in this Report and unless otherwise indicated, the terms "we", "us", "our", the "Company", "SNDC", and "VNRX" refer to VolitionRX Limited.*

## **ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT**

On September 26, 2011, the Company, then under the name Standard Capital Corporation, and its controlling stockholders (the “Controlling Stockholders”) entered into a Share Exchange Agreement (the “Share Exchange Agreement”) with Singapore Volition Pte Limited, a Singapore registered company (“Singapore Volition”) and the shareholders of Singapore Volition (the “Volition Shareholders”), whereby the Company acquired 6,908,652 (100%) shares of common stock of Singapore Volition (the “Volition Stock”) from the Volition Shareholders. In exchange for the Volition Stock, the Company issued 6,908,652 shares of its common stock to the Volition Shareholders. The Share Exchange Agreement contains customary representations, warranties and conditions to closing. The Share Exchange Agreement closed on October 6, 2011.

Section 2.3 of the Share Exchange Agreement provides that there are 750,000 outstanding and unexercised warrants of Singapore Volition and Singapore Volition intends to issue an additional 900,000 warrants to its affiliates through a stock incentive plan. As a result of the Share Exchange Agreement, each outstanding and unexercised warrant or option of Singapore Volition, by operation of law, became a warrant or option of the Company. The exercise of these warrants would increase the amount of issued and outstanding shares of the Company’s common stock and cause the Company’s shareholders to suffer dilution in their ownership interests. Additionally, this may dilute the book value of the common stock, and that dilution may be material. Further, the resulting increase in the issued and outstanding shares of common stock of the Company may make it more difficult for shareholders of the Company to sell their shares on the market at a time and price that the shareholders deem appropriate.

Section 2.4 of the Share Exchange Agreement discloses that Singapore Volition is also a party to a Share Purchase Agreement (“Purchase Agreement”) with ValiRX PLC, a registered company of England and Wales (“ValiRX”) dated September 22, 2010 and subsequently amended on June 9, 2011 (the “Amendment”). Pursuant to that Purchase Agreement and Amendment, Singapore Volition shall purchase all of the shares held by ValiRX in ValiBio SA (“ValiBio”). In exchange for the ValiBio shares, Singapore Volition shall pay \$400,000 USD to ValiRX in four equal payments and issue stock with a value of \$1,110,000 USD in either Singapore Volition or, following the closing of the Share Exchange Agreement, in the Company, in accordance with the terms and provisions of the Purchase Agreement. On December 6, 2011, the Company issued shares of its common stock with a value of \$1,110,000 USD to ValiRX. As a result of the share issuance, existing shareholders of the Company experienced dilution in their ownership interests. The Company cannot predict what effect, if any, the share issuance will have on the market price of its common stock.

Sections 5.2 and 5.3 of the Share Exchange Agreement provide that, prior to the closing of the agreement, a total of 265,000 shares of common stock of the Company shall be cancelled and the Company shall complete a 0.6-for-1 reverse split of the Company’s then 2,020,000 issued and outstanding shares of common stock, resulting in 1,212,000 shares of the Company’s common stock issued and outstanding following the cancellation and reverse split. Subsequently, the Company and Singapore Volition mutually agreed to modify the condition that the Company complete a reverse split and, in lieu thereof, that the Company shall cancel forty percent (40%) of the 2,020,000 shares of the Company’s then issued and outstanding common stock, resulting in 1,212,000 shares of the Company’s common stock issued and outstanding following the cancellation. The material effect of the cancellations of shares is that the existing shareholders of the Company now have greater ownership interests in the Company and may have more influence or control and greater ability to delay, defer or prevent any potential changes in control of the Company. However, with a smaller number of issued and outstanding shares of the Company, it may be more difficult for a strong public market for our common stock to develop and if it does not develop, investors may not be able to resell their shares of common stock and may lose all of their investment. Further, a smaller public float may cause our stock price to be very volatile and fluctuate widely.

The foregoing summary description of the terms of the Share Exchange Agreement may not contain all information that is of interest to the reader. For further information regarding specific terms and conditions of the Share Exchange Agreement, this reference is made to such agreement, which is filed as Exhibit 2.1 to the Company’s Current Report on Form 8-K filed with the SEC on September 29, 2011, and incorporated herein by this reference.

## **ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS**

The information provided in Item 1.01 of this Amended Current Report on Form 8-K/A is incorporated by reference into this Item 2.01.

As a result of the Share Exchange Agreement, (i) our principal business became the business of Singapore Volition, which is more fully described below; and (ii) Singapore Volition became our wholly-owned operating subsidiary. We are currently a development stage company. Since the Volition Shareholders obtained the majority of the outstanding shares of the Company through the acquisition, the acquisition is accounted for as a reverse merger or recapitalization of the Company. As such, Singapore Volition is considered the acquirer for accounting purposes.

As of the date of the Share Exchange Agreement, there were no material relationships between the Company and Singapore Volition or between the Company and any of Singapore Volition's respective affiliates, directors, or officers, or any associates of its respective officers or directors, other than in respect of the Share Exchange Agreement.

### **ITEM 3.02 UNREGISTERED SHARES OF EQUITY SECURITIES**

The information provided in Item 1.01 of this Amended Current Report on Form 8-K/A is incorporated by reference into this Item 3.02.

*Exemption from Registration.* The shares of common stock referenced herein were issued to the Volition Shareholders in reliance upon an exemption from registration afforded under Section 4(2) of the Securities Act for transactions by an issuer not involving a public offering, or Regulation D promulgated thereunder, or Regulation S for offers and sales of securities outside the U.S. The Share Exchange Agreement is an exempt transaction pursuant to Section 4(2) of the Securities Act as the share issuance to the Volition Shareholders was a private transaction by the Company and did not involve any public offering. Additionally, we relied upon the exemption afforded by Rule 506 of Regulation D of the Securities Act which is a safe harbor for the private offering exemption of Section 4(2) of the Securities Act whereby an issuer may sell its securities to an unlimited number of accredited investors, as ten (10) out of the thirty-eight (38) Volition Shareholders are "accredited investors" as that term is defined in Rule 501 of Regulation D. Further, we relied upon the safe harbor provision of Rule 903 of Regulation S of the Securities Act which permits offers or sales of securities by the Company outside of the United States that are not made to "U.S. persons" or for the account or benefit of a U.S. person, as twenty-eight (28) of the thirty-eight (38) Volition Shareholders are not "U.S. persons" as that term is defined in Rule 902 of Regulation S.

### **ITEM 5.01 CHANGES IN CONTROL OF REGISTRANT**

The information provided in Item 1.01 of this Amended Current Report on Form 8-K/A is incorporated by reference into this Item 5.01.

On September 26, 2011, the Company, then under the name Standard Capital Corporation, and its controlling stockholders (the "Controlling Stockholders") entered into a Share Exchange Agreement (the "Share Exchange Agreement") with Singapore Volition Pte Limited, a Singapore registered company ("Singapore Volition") and the shareholders of Singapore Volition (the "Volition Shareholders"), whereby the Company acquired 6,908,652 (100%) shares of common stock of Singapore Volition (the "Volition Stock") from the Volition Shareholders. At the time the Share Exchange Agreement closed, none of the Controlling Stockholders of the Company beneficially owned more than 5% of the Company's issued and outstanding shares of common stock; accordingly, the Volition Shareholders acquired control collectively from the Board of Directors of the Company and its Officers.

The new shares of the Company's capital stock issued to the Volition Shareholders in connection with the Share Exchange Agreement were not registered under the Securities Act but were issued in reliance upon an exemption from registration afforded under Section 4(2) of the Securities Act for transactions by an issuer not involving a public offering, or Regulation D promulgated thereunder, or Regulation S for offers and sales of securities outside the U.S. These securities may not be offered or sold absent registration or an applicable exemption from the registration requirements. Certificates representing these shares contain a legend stating the same.

The Share Exchange Agreement is being accounted for as a "reverse acquisition," as the Volition Shareholders own a majority of the outstanding shares of the Company's capital stock immediately following the closing of the Share Exchange Agreement. The Board of Directors and management, after the Share Exchange Agreement, are comprised of Singapore Volition's management team. Furthermore, the operations of Singapore Volition are the continuing operations of the Company, therefore, Singapore Volition is deemed to be the acquirer in the reverse acquisition.

### **ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS**

On October 6, 2011, Alexander B. Magallano resigned from all positions with the Company, including but not limited to, that of Chief Executive Officer, President and Director. His resignation was not the result of any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

On October 6, 2011, B. Gordon Brooke resigned from all positions with the Company, including but not limited to, that of Chief Accounting Officer, Chief Financial Officer and Director. His resignation was not the result of any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

On October 6, 2011, Rudy Beloy Perez resigned from all positions with the Company, including but not limited to, that of Secretary and Treasurer. His resignation was not the result of any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

On October 6, 2011, Cameron Reynolds was appointed as President, Chief Executive Officer and a member of the Board of Directors of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed.

On October 6, 2011, Malcom Lewin was appointed as Chief Financial Officer and Treasurer of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed.

On October 6, 2011, Rodney Gerard Rootsart was appointed as Secretary of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed.

On October 6, 2011, Dr. Martin Faulkes was appointed as a member of the Board of Directors of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed.

On October 6, 2011, Dr. Satu Vainikka was appointed as a member of the Board of Directors of the Company to serve until the next annual meeting of the shareholders and until her successor is duly appointed.

On October 6, 2011, Guy Archibald Innes was appointed as a member of the Board of Directors of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed.

On October 6, 2011, Dr. Alan Colman was appointed as a member of the Board of Directors of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed.

On October 6, 2011, Kevin John Alexander was appointed as a member of the Board of Directors of the Company to serve until the next annual meeting of the shareholders and until his successor is duly appointed. On December 6, 2011, Kevin John Alexander resigned from all positions with the Company, including but not limited to, that of Director. His resignation was not the result of any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

The biographies for the newly appointed directors and officers are set forth below under the section entitled, "DIRECTORS AND EXECUTIVE OFFICERS".

#### **ITEM 5.03 AMENDMENTS TO ARTICLES OF INCORPORATION OR BYLAWS; CHANGE IN FISCAL YEAR**

On September 22, 2011, the Company, then under the name Standard Capital Corporation, filed a Certificate for Renewal and Revival of Charter ("Certificate for Renewal") with the Secretary of State of Delaware, to reinstate the Company's Certificate of Incorporation, which had become forfeited or void for failure to file certain past due annual reports with the Secretary of State of Delaware and for nonpayment of annual franchise taxes. However, subsequent to the Certificate of Incorporation becoming forfeited or void and prior to filing the Certificate for Renewal, another corporation organized under the laws of the State of Delaware had adopted the same name or a name so nearly similar thereto as not to distinguish it from the Company's name of "Standard Capital Corporation". Therefore, pursuant to Section 312(1) of Delaware General Corporation Law, the Company was revived under the new name of "VolitionRX Limited." A copy of the Certificate for Renewal was filed as Exhibit 3.01(b) as part of our Amended Current Report on Form 8-K/A as filed with the SEC on January 11, 2012 and is incorporated herein by reference. The name change to VolitionRX Limited was approved by FINRA on October 7, 2011 and became effective on October 11, 2011. As of the date of this Report, the Company is in good standing in the State of Delaware.

Effective December 1, 2011, the Company's Board of Directors approved a change in the Company's fiscal year end from August 31st to December 31st. The Company intends to file a transition report for the four month period from September 1, 2011 to December 31, 2011 on a Form 10-KT on or before March 30, 2011.

#### **ITEM 5.06 CHANGE IN SHELL COMPANY STATUS**

As a result of closing the Share Exchange Agreement, the Company is no longer a shell corporation as that term is defined in Rule 405 of the Securities Act and Rule 12b-2 of the Exchange Act.

## **FORM 10 DISCLOSURE**

*As disclosed elsewhere in this Report, we completed a Share Exchange Agreement with Singapore Volition. Item 2.01(f) and 5.01(a)(8) of Form 8-K states that if the registrant was a shell company, as we were, immediately before the transaction disclosed under Item 2.01, then the registrant must disclose the information that would be required if the registrant were filing a general form for registration of securities on Form 10 under the Exchange Act.*

*Accordingly, we are providing below the information that would be included in a Form 10 if we were to file a Form 10. Please note that the information provided below relates to the combined enterprises of the Company and Singapore Volition after the closing of the Share Exchange Agreement, except that information relating to periods prior to the date of the Share Exchange Agreement relate to Singapore Volition unless otherwise specifically indicated.*

### **ITEM BUSINESS**

#### **1.**

##### ***Corporate History***

The Company was incorporated on September 24, 1998 in the State of Delaware under the name Standard Capital Corporation. The original business plan of the Company was to acquire and develop mineral properties. The Company leased the rights to explore a mining claim known as the Standard (the "Standard Claim"), but allowed the lease to expire in February 2008. The Company no longer has any rights to the minerals on the Standard Claim nor does it have any liabilities attached to the claim.

On September 26, 2011, the Company, then under the name Standard Capital Corporation, and its controlling stockholders (the "Controlling Stockholders") entered into a Share Exchange Agreement (the "Share Exchange Agreement") with Singapore Volition Pte Limited, a Singapore registered company ("Singapore Volition") and the shareholders of Singapore Volition (the "Volition Shareholders"), whereby the Company acquired 6,908,652 (100%) shares of common stock of Singapore Volition (the "Volition Stock") from the Volition Shareholders. In exchange for the Volition Stock, the Company issued 6,908,652 shares of its common stock to the Volition Shareholders. The Share Exchange Agreement closed on October 6, 2011. As a result of the Share Exchange Agreement, Singapore Volition became our wholly-owned operating subsidiary and the Company now intends to carry on the business of Singapore Volition as its primary business. The Company is currently in the development stage.

Singapore Volition (registration number 201016543R) was incorporated on August 5, 2010 in Singapore as a Limited Private Company. The business plan of Singapore Volition is to acquire, develop and bring to production life science technologies. Singapore Volition has two subsidiaries, Belgian Volition SA (formerly ValiBio SA), a Belgium registered company incorporated on July 23, 2007 ("Belgian Volition"), and HyperGenomics Pte Limited, a Singapore registered company incorporated on March 7, 2011 ("HyperGenomics Pte Limited"). Singapore Volition purchased 99.9% of the shares of Belgian Volition from ValiRX PLC ("ValiRX") pursuant to that certain Share Purchase Agreement with ValiRX dated September 22, 2010, and subsequently amended on June 9, 2011. A copy of the Share Purchase Agreement is attached hereto as Exhibit 10.08. A copy of the Amendment was filed as Exhibit 10.15 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012. As a result, Belgian Volition became a subsidiary of Singapore Volition. On March 7, 2011, Singapore Volition formed Hypergenomics Pte Limited as a wholly-owned subsidiary.

On September 22, 2011, the Company, still under the name Standard Capital Corporation, filed a Certificate for Renewal and Revival of Charter ("Certificate for Renewal") with the Secretary of State of Delaware, to reinstate the Company's Certificate of Incorporation. Pursuant to Section 312(1) of the Delaware General Corporation Law, the Company was revived under the new name of "VolitionRX Limited." The name change to VolitionRX Limited was approved by FINRA on October 7, 2011 and became effective on October 11, 2011.

##### ***Description of Our Business***

The Company is a development stage life sciences company focused on meeting the need for accurate, fast, inexpensive and scalable tests for detecting and diagnosing cancer and other diseases. We are in the development stage of our operations and are in the process of discovering and developing blood-based diagnostic tests intended for future commercialization through various channels within the United States and eventually throughout the world. We are currently developing six blood test product prototypes. Each product that we are developing can be commercialized for two distinct markets, the clinical in-vitro diagnostics ("IVD") market and the research use only ("RUO") market. Commercializing products on the RUO market means that we intend to sell our future products to medical schools, universities and commercial research and development departments for research use only. Products placed on the RUO market may be used for any research purpose, even if the products are being studied or tested for uses other than those intended. RUO products, however, are not to be used for patient diagnosis. Commercializing products on the IVD market means that we intend to sell our future products to be used in hospitals, clinics, etc. for patient diagnosis. None of the products that we are currently developing are available on either market.

Currently, there are very few blood tests available to detect cancer. The current blood tests available are primarily the prostate specific antigen ("PSA") test for prostate cancer and the septin-9 test for colon cancer. The PSA test has very poor diagnostic accuracy (detects approximately 70% of prostate cancers and misdiagnoses about 30% of healthy men as positive for cancer) but is widely used because it is the best product currently available. The septin-9 colon cancer test has better diagnostic accuracy (detects approximately 70% of colon cancers and misdiagnoses about 10% of healthy people as positive for cancer) but is extremely expensive and technically complex. There are currently no blood tests for detecting lung cancer. Pancreatic cancer is currently not detectable by any means prior to symptomatic presentation of the patient by which time the disease is advanced and the patient life expectancy is short (a matter of a small number of months).

We do not anticipate earning revenues until such time as we are able to fully market our intended products on either the RUO or IVD clinical diagnostics market. For these reasons, our auditors stated in their report on our audited financial statements that they have substantial doubt that we will be able to continue as a going concern without further financing. The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish its plan of operations described herein and eventually attain profitable operations.

We anticipate that any additional funding that we will require will be in the form of equity financing from the sale of our common stock. However, there is no assurance that we will be able to raise sufficient funding from the sale of our common stock. The risky nature of our business enterprise places debt financing beyond the credit-worthiness required by most banks or typical investors of corporate debt until such time as our intended products are available on the market. We do not have any arrangements in place for any future equity financing. If we are unable to secure additional funding, we will cease or suspend operations. We have no plans, arrangements or contingencies in place in the event that we cease operations.

### ***The Market***

Everyone in the world has, or will be, touched by the effects of cancer. It is one of the world's most deadly diseases, accounting for around 13% of annual global deaths.<sup>1</sup> In the United States alone, there are 13.8 million cancer survivors. By 2020, this figure is expected to rise to 18.1 million and the cost of cancer to the U.S. is projected to reach \$158 billion.<sup>2</sup> These figures are mirrored in all regions of the world and will continue to grow as populations age. This is a large potential market of which diagnostics will be a significant part.

Inevitably, the chances of surviving cancer are greatly improved by early detection and diagnosis, however, there is currently no screening test for cancer in general, and very few effective mass screening tests for specific cancers. Further, current methods of cancer diagnosis are not cost effective and cannot provide accurate results. The inadequacy of existing diagnostic products means that most cancers are only diagnosed once the patient experiences symptoms and the cancer is well established. By this stage, it will often have spread beyond the primary tumor (metastatic cancers), making it substantially more difficult to treat. Early, non-invasive, accurate cancer diagnosis remains a great unmet medical need and a huge commercial opportunity. For these reasons, cancer diagnostics is an active field of research and development both academically and in the industry.

The global IVD market is forecast to grow at a rate of 6% to reach \$50.0 billion in 2012, driven by the increasing health care demands of an aging population. The market has been growing at a rate of 5-6% in recent years, reaching a value of \$36.5 billion in 2007.<sup>3</sup> The largest IVD market segment is diabetes diagnostics with a value of \$10 billion.<sup>4</sup> The cancer IVD market comprising cancer blood and tissue biopsy tests was \$4.7 billion in 2008 and growing at 11%.<sup>5</sup>

Of this the two largest IVD market segments are:

- Histology, immunohistochemistry and cytology of tissue samples (45% of IVD sales or approximately \$2 billion). These are mostly used to confirm cancer diagnosis post-surgery and to determine cancer sub-type; and
- Immunoassays, mostly of blood samples (30% of IVD sales or approximately \$1.5 billion). These are mostly used to monitor for disease progress and relapse. This market segment includes our future Nucleosomics<sup>TM</sup> products which will be blood immunoassay tests for modified histones for the diagnosis of cancer.

<sup>1</sup> Cancer - Fact sheet N°297, *World Health Organization*, [online], Available at: <http://www.who.int/mediacentre/factsheets/fs297/en/index.html>, [accessed 8.23.2011]

<sup>2</sup>Mariotto AB et al., Projections of the cost of cancer care in the United States: 2010-2020. Jan 19, 2011, *JNCI*, Vol 103, No.2

<sup>3</sup>The Top Ten Global In-Vitro Diagnostics Companies, March 6, 2009, [online], Available at: <http://store.business-insights.com/Product/?productid=BI00021-001>, [accessed 8.29.2011]

<sup>4</sup>Diagnostics: Testing systems prove their worth, July 1, 2008, [online], Available at: [http://www.ft.com/cms/s/0/47c5ec16-477e-11dd-93ca-000077b07658.dwp\\_uuid=322c9222-4712-11dd-876a-0000779fd2ac.html](http://www.ft.com/cms/s/0/47c5ec16-477e-11dd-93ca-000077b07658.dwp_uuid=322c9222-4712-11dd-876a-0000779fd2ac.html), [accessed 8.29.2011]

<sup>5</sup>Cancer IVD market expands to meet customer demand, May 1, 2008, [online], Available at: <http://www.ivdtechnology.com/article/cancer-ivd-market-expands-meet-customer-demand>, [accessed 8.29.2011]

The IVD market (all disease areas) is highly consolidated with the top 10 companies taking an 80% market share. Roche Diagnostics is the largest single company by market share with 20%. Siemens and Abbott both have 12% market share<sup>6</sup>. The cancer IVD market also contains many smaller development companies like ours.

The Company is focused on responding to the need for early, accurate diagnostic tests through the development of its proprietary technologies and product prototypes. The Company intends to develop a range of products over the next 5-10 years with both general and specific cancer tests, on increasingly simple formats. For the year ended December 31, 2010, the Company spent \$79,126 on research and development activities. For the nine month period ended September 30, 2011, the Company spent \$506,218 on research and development activities. None of these costs are borne directly by customers as the Company is in the development stage and does not have any customers.

### ***Our Intended Products***

Each product that we are in the process of developing can be commercialized for two distinct markets, the clinical IVD market and the RUO market. To commercialize our future products on the clinical IVD market requires government approval (CE Marking in Europe and/or FDA approval in the U.S.). Commercializing our future products on the IVD market means that we intend to sell our future products to be used in hospitals, clinics, etc. for patient diagnosis. Commercializing our future products on the RUO market means that we intend to sell our future products to medical schools, universities and commercial research and development departments for RUO and not to be used for patient diagnosis. The RUO market does not require government approval, however, before any of our intended products can be sold on the RUO market, they will need to successfully complete beta-testing. Beta-testing involves providing the products to a few laboratories to identify and correct any problems in the products. None of the products that we are currently developing are available on either the IVD or RUO market. The products that the Company is currently developing are described in detail below:

### ***NuQ<sup>TM</sup> Suite of Epigenetic Cancer Blood Tests***

We are currently developing six epigenetic cancer blood test product prototypes based on our NuQ<sup>TM</sup> technology which is designed to detect the level of nucleosomes in blood. We are in the development stage of our operations and to date, we have no products available for sale on either the IVD or RUO market. Epigenetics is the science of how genes are switched “on” or “off” in the body’s cells. A major factor controlling the switching “on” and “off” is the structuring of DNA. The DNA in every human cell is not a random string but wound around protein complexes in a “beads on a string” structure. Each individual “bead” with associated DNA coiled around it is called a nucleosome. These nucleosomes then form additional structures with increasingly dense packing, culminating in chromosomes containing hundreds of thousands of nucleosomes.



Figure 1 – A nucleosome

Cancer is characterized by uncontrolled and rapid cell growth and also by an approximately matched, but slightly less, rapid cell death rate. When the cells die, the DNA is chopped up into individual nucleosomes which are released into the blood as summarized in Figure 1 below. When cells break up, they end up in the bloodstream to be recycled back into the body. When a cancer is present, the number of cells being recycled is far higher than in a healthy body, so the system is overwhelmed, leaving the excess broken-up pieces, including the nucleosomes, in the blood. The structure of nucleosomes is not uniform but subject to immense variety. It has been known for 4 or 5 years that nucleosomes in cancer cells are different in structure from those in healthy cells<sup>1</sup>.

<sup>6</sup>The Top Ten Global In-Vitro Diagnostics Companies, March 6, 2009, [online], Available at: <http://store.business-insights.com/Product/?productid=BI00021-001>, [accessed 8.29.2011]

<sup>1</sup> Fraga MF et al., “Loss of acetylation at Lys16 and trimethylation at Lys20 of histone H4 is a common hallmark of human cancer”, *Nature Genetics*, Vol 37 (4), p391-400, 2005



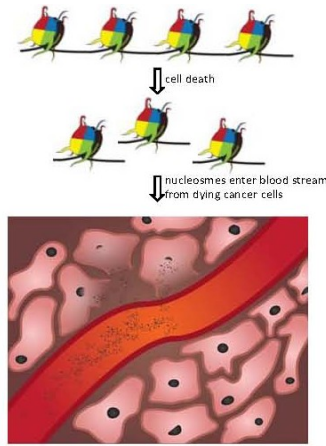


Figure 2 - Release of nucleosomes into blood  
 Figure 1 – Release of nucleosomes into blood

Additionally, blood nucleosome levels are raised in conditions other than cancer including in auto-immune disease, inflammatory disease, endometriosis, sepsis, and in the immediate aftermath of major trauma (for example following a heart attack, surgery or car accident). The Company’s primary focus is on cancer diagnosis but we also intend to pursue diagnostic opportunities in other disease areas.

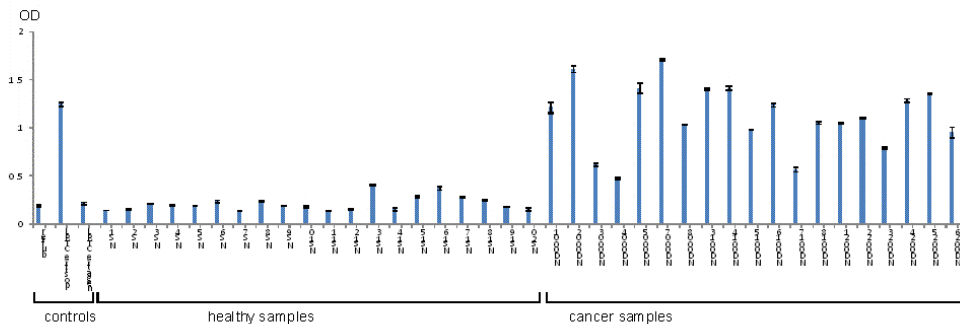
The Company is in the process of developing the following NuQ<sup>TM</sup> blood test products that fall into 3 main types and are intended to be used together to complement each other and to provide a total solution. To date, we do not have any products available for sale on either the IVD or RUO market.

- NuQ-X<sup>TM</sup>: We are currently developing one blood test in the NuQ-X<sup>TM</sup> family to detect the presence of cancer by detecting nucleosomes containing specific nucleotides.
- NuQ-V<sup>TM</sup>: We are currently developing four blood tests in the NuQ-V<sup>TM</sup> family to detect cancer and nucleosomes containing specific histone variants. Through our research, we have found that the pattern of blood levels of the different types of histone variants in nucleosomes is different for different cancer types.
- NuQ-M<sup>TM</sup>: We are currently developing one blood test in the NuQ-M<sup>TM</sup> family to detect cancer by detecting nucleosomes containing modified histones, the proteins that package and order DNA into nucleosomes. Our development work with this family of tests is at an earlier stage of development than the other family of tests and we hope to develop several other tests within this family in the future.

Generally, the above tests are being developed to work together in the following manner: 1) The basic NuQ-X<sup>TM</sup> test will be used as a frontline test for the presence of nucleosomes in the blood for the detection of cancer; 2) If the results of this test are negative, there is no cancer and further testing is unnecessary; 3) If the results of the NuQ-X<sup>TM</sup> test are positive, the patient may have cancer but further testing to detect cancer and to determine the specific subtype of cancer will need to be done using the NuQ-V<sup>TM</sup> tests and the NuQ-M<sup>TM</sup> test in conjunction (collectively called the “NuQ<sup>TM</sup> panel”). To date, we have used the NuQ-X<sup>TM</sup> test and NuQ<sup>TM</sup> panel prototypes to test a small number of blood samples taken from lung, colon, and pancreatic cancer patients.

Early Clinical Studies

Early clinical studies of the NuQ-X<sup>TM</sup> test prototype for the presence of circulating nucleosomes in the blood have been carried out on blood samples from 19 cancer patients (including lung, colon and pancreatic cancers) and 20 healthy patient controls. In these studies, a result was deemed positive if the level of circulating nucleosomes detected in the blood of a patient was elevated above the maximum level of the normal range expected of healthy people as commonly defined (the mean ± 2 standard deviations of the mean which statistically includes 95% of normal people). All tests were performed in duplicate. The results are shown in the graph below (bars show the error of duplicate analysis).



**Figure 2 – Results of NuQ-X™ test prototype clinical study carried out internally by the Company’s scientists at its laboratory in Belgium.**

Figure 2 shows the Optical Density (colour) result produced in the NuQ-X™ test of serum samples taken from healthy volunteers and subjects diagnosed with lung, colon or pancreatic cancer (as well as positive and negative control samples). Blood samples were taken and the serum was separated in the usual way - approximately 10mL blood was drawn by venepuncture into a glass tube and allowed to clot. The tube was centrifuged for approximately 10 minutes at approximately 3000 x g. The serum was removed to a plastic tube and frozen until analysed by ELISA. 10µL (0.01 mL) of serum was tested using the Nucleosomics ELISA procedure. This was a typical ELISA analytical procedure using 2 antibodies that bind to nucleosomes. The first antibody is immobilised on a plastic surface and the second antibody is linked to a detectable enzyme to monitor antibody nucleosome binding. Uniformly low antibody-nucleosome binding was detected in samples from healthy subjects. Higher antibody-nucleosome binding was detected in samples from subjects diagnosed with cancer.

In addition, 12 other disease patient controls (Inflammatory Bowel Disease) were tested using the NuQ-X™ test. Some patients were positive for nucleosomes, but these nucleosomes were found to contain different proportions of histone variants and histone modifications and were distinguishable from cancer nucleosomes using the prototype NuQ™ panel. This involved a further four ELISA tests on the same samples to determine the relative proportions of four different types of nucleosomes in the samples.

The studies were carried out internally by the Company’s scientists at its laboratory in Belgium using a small number of patient samples from two hospitals in Belgium and samples taken from healthy volunteers in the United Kingdom. The results of these studies have not been submitted to or published in any journals (peer reviewed or otherwise). The Company intends to conduct large scale clinical validations, both retrospective and prospective, of these test prototypes for colon, lung, and pancreatic cancers as well as additional cancer types.

NuQ™ Research Kits

The Company is currently planning the manufacture of its first RUO products and intends to commence sales in the second quarter of 2012. The research products will be 96 well semi-manual kits of the the NuQ-X™ test, NuQ-V™ and/or the NuQ-M™ tests for the simultaneous analysis of 48 blood samples, the usual format for research products (a 96 well kit can be used to analyze some 48 samples as samples are tested in duplicate). The most expensive component in the manufacture of products will be the pairs of antibodies employed. Initially, we anticipate that these will be purchased or licensed at a cost of \$14 - \$94 USD per kit (for the lowest and highest cost per pair we are currently using), but the Company has commenced development of its own antibodies which we believe will reduce costs to less than \$10 USD per kit. Other production costs are expected to be less than \$30 USD per kit. We expect total initial production costs to be around \$50-\$125 USD per kit and we anticipate a subsequent drop in the production price the first year to approximately \$40 USD per kit, as the Company continues to develop its own antibodies. The selling price will be in the region of \$700 - \$1,200 USD per kit. Initially, we intend to manufacture 250 kits and begin to sell the kits in the second quarter of 2012 at a total cost of approximately \$12,500 - \$31,250 USD. Other than the antibodies, all of the components of the kits such as the box, bottles, and wells, will be the same for each test. As of the date of this Report, the Company has not finalized any agreements for the manufacture of the kits. A mock-up of a typical kit is shown in Figure 3 below.



**Figure 3 – Example of Intended Product**

*The above photograph is an illustration of the Company's intended products. To date, the Company has no products available for sale on the IVD or RUO market and there is no guarantee that any such products will be developed or commercialized on either market.*

The NuQ™ research use kits will be designed to run on simple instrumentation available from a wide range of suppliers and found in most research laboratories and hospitals. Our own instrument, on which we develop and run the NuQ™ tests is shown in Figure 4 below.



**Figure 4 – Example of lab instrument for running ELISA tests**

#### NuQ™ Clinical Diagnostic Products

There are three main segments of the clinical IVD market that the Company intends to adapt its future NuQ™ products to in the future.

- Centralized Laboratory Market

Centralized laboratories test thousands of blood samples taken from patients everyday mostly using fully automated enzyme-linked immunosorbent assay (“ELISA”) systems, commonly known as random access analyzers, usually supplied by one of the global diagnostics companies. Tests run on ELISA systems use components of the immune system and chemicals to detect immune responses in the body. ELISA systems analyze thousands of blood samples every day and can run dozens of different ELISA tests in any combination on any sample and for many samples simultaneously. The systems are highly automated and rapid (as little as 10 minutes for many tests), and can be run at low costs. Additionally, ELISA instruments are used in all major hospitals throughout the U.S. and Europe and therefore, are well understood by clinicians and laboratory staff. It is more cost-effective and technically simple for hospitals and clinics to run several blood samples simultaneously using ELISA tests compared to non-ELISA tests or alternative methods for screening cancer. All of the NuQ™ tests that we are in the process of developing are designed for ELISA systems. A typical example of an ELISA system is shown below in Figure 5.



Figure 5 - Automated ELISA system

One option that may be available to the Company in the future is to license our NuQ™ technology on a non-exclusive basis to a global diagnostics company. As of the date of this Report, the Company has not entered into any discussions or negotiations with diagnostic companies or established an anticipated timeframe for licensing our NuQ™ technology.

Another option that may be available to the Company is to sell manual and/or semi-automated 96 well ELISA plates for use by these laboratories. As of the date of this Report, the Company has not entered into any discussions or negotiations with diagnostic companies for the sale of ELISA plates.

- **Point-of-Care Devices:** Point-of-care devices are small instruments that perform tens of ELISA tests per day rapidly on blood taken from a finger prick. The instruments can be found in any oncology clinic and tests can be performed during patient consultations. The Company intends to contract with an instrument manufacturer to produce these instruments for point-of-care NuQ™ testing for the oncologist's office, general doctor's office or at home testing. The Company hopes to enter the point-of-care clinical market in Europe in 2013 and in the U.S. in 2014, as the Company will first need to adapt its test prototypes to these small instruments and demonstrate their success in the greater diagnostics market before these products will be adopted by others in the industry. At this stage of its development, the Company cannot accurately predict the costs to manufacture these devices or their selling price. As of the date of this Report, the Company has not entered into any discussions or negotiations regarding the manufacture or sale of these devices. See Figure 6 for an example of a point-of-care device.



Figure 6 – Example of a point-of-care device

*The above photograph is an illustration of the Company's intended products. To date, the Company has no products available for sale on the IVD or RUO market and there is no guarantee that any such products will be developed or commercialized on either market.*

- **Disposable Home Use or Doctor's Office Tests:** Disposable home use or doctor's office tests are single shot disposable devices which can be purchased over the counter at any chemist shop or pharmacy and test a drop of blood taken from a finger prick. The test is administered at a doctor's office using a point-of-care device or at home using a home testing kit, neither of which require laboratory involvement. Thus, the patient experiences considerably lower costs using these tests as compared to traditional laboratory tests. The format of the self-use home testing kit is very easy to use and reproduce and does not rely on laboratory processing. There are currently no useful diagnostics tests suitable for mass screening for cancer in general through a simple self-use home testing kit. Figure 7 below shows a basic home use test on the left which displays the results of the test in the two windows, similar to a pregnancy test. The test on the right is more sophisticated and plugs into a meter or the USB port of a computer for analysis and interpretation.



Figure 7 – Examples of disposable doctor's office or home use tests  
*The above photograph is an illustration of the Company's intended products. To date, the Company has no products available for sale on the IVD or RUO market and there is no guarantee that any such products will be developed or commercialized on either market.*

The Company intends to contract with a specialist company to adapt the NuQ™ test prototypes to the doctor's office or home use system and to contract with a manufacturer for the production of these tests. As of the date of this Report, the Company has not entered into any discussions or negotiations with a specialist company or manufacturer. Initially, the Company intends to sell these tests for professional use only (doctor's office) and to sell the tests for non-professional home use at a later time. The Company does not yet have an estimated timeframe for entering into this market. Further, at this early stage of our development, the Company cannot accurately determine the manufacturing costs or selling price of these tests.

#### HyperGenomics™

The Company is in the process of developing HyperGenomics™ tissue tests to be administered once cancer has been detected to determine the specific subtype of disease and to help decide the most appropriate therapy. Selecting the correct treatment approach can significantly improve outcome, reduce side effects and deliver cost savings. Currently, confirmation of the presence of cancer is done by cytology and immunocytochemistry which are time consuming and expensive. Further, many biopsies taken to confirm the presence of cancer are negative and must be repeated. HyperGenomics Pte Limited, a subsidiary of the Company, holds a worldwide exclusive licence to the patent application for the HyperGenomics technology from Imperial College, London. The HyperGenomics™ tests for cancer will be performed on cancer tissue obtained either by biopsy or by surgical resection to determine the cancer subtype and to determine optimal treatment regimens. The HyperGenomics™ tissue tests are being developed to be able to characterize individual tumors by epigenetic profiling at a detailed and deep level and in a cost effective way.

In regards to the RUO market, currently the HyperGenomics™ test is in the prototype development stage. Once the prototype development is completed (expected end 2012), the Company will then perform beta-testing which shall take approximately six (6) months to complete and will cost approximately \$50,000 USD. If beta-testing is successful, the Company expects its HyperGenomics™ test to be rolled out onto the RUO market in Europe and in the U.S. in 2013. The HyperGenomics™ test is too early in its development for the Company to accurately determine the manufacturing costs and sale price of the test.

For the IVD market, the Company expects to work on the clinical proof of concepts and validations for the HyperGenomics™ test in 2012. The launch of the HyperGenomics™ test into the IVD market in Europe and the U.S. will follow the commercialization of the test into the RUO market. The estimated timeframe for its launch into the IVD market has not yet been determined and will depend upon the speed of clinical trials and market approval.

#### Endometriosis Test

Endometriosis is a progressive gynecological condition that affects one in ten women of childbearing age and approximately 176 million women worldwide. The disease is the leading cause of infertility in women, with up to 40% of all infertile women suffering from endometriosis. There is currently no existing non-surgical diagnostic test for endometriosis. Diagnosis is typically made via invasive and expensive laparoscopy, followed by a histological examination of any lesions found to confirm the diagnosis. Due to difficulties in this process, the diagnosis can take approximately 9 years from when the symptoms appear. The lack of a suitable screening test has also held up development of a cure for the disease.

Singapore Volition acquired the patent application for an endometriosis test (“NuQ Endo”) in June 2011 and the Company is now in the process of developing the test based on its existing NuQ™ technology. The NuQ Endo test is designed to be a simple blood test taken at two stages of a woman’s menstrual cycle, during menses and partway through the month. If the two measurements show quantitative differences in total nucleosome level, endometriosis is indicated. Hypothesis-testing and clinical proof of concept work (to demonstrate that the test is feasible or has the potential to be used and effective) on the endometriosis test is currently being carried out in the Company’s laboratory. The Company will continue with validation of the NuQ Endo endometriosis test in 2012. The Company will review the best ways of commercializing a product on the IVD market in the late first quarter of 2012 if the validations prove its diagnostic potential. If the Company is successful in developing a reliable test, we hope to partner with large pharmaceutical companies to bring these tests to the IVD clinical market. The NuQ Endo test is too early in its development for the Company to accurately determine the manufacturing costs and sale price of the test. The NuQ Endo test is not currently being developed for the RUO market.

### **Intellectual Property**

The Company holds eight families of patents covering the products currently being developed. Three are licensed from world-class research institutions, two are patents authored by Belgian Volition and three are patents authored by Singapore Volition.

#### Nucleosomics™ Intellectual Property

- Singapore Volition holds an exclusive license to the following patent from Chroma Therapeutics Limited:

**Nucleosomics WO2005019826:** Detection of Histone Modifications in Cell-Free Nucleosomes (Patent that underlies the NuQ-M™ tests)

Application Date: August 18, 2003

Status: Granted in Europe; Pending in U.S.

*For more information, see the section entitled “Material Contracts of Singapore Volition and its Subsidiaries” and Exhibits 10.04, 10.09 and 10.12.*

- Singapore Volition holds the worldwide exclusive license in “the field of cancer diagnosis and cancer prognosis” for the following patent from the European Molecular Biology Laboratory:

**EMBL Variant Patent WO2011000573:** Diagnostic Method for Predicting the Risk of Cancer Recurrence based on MacroH2A Isoforms

Application Date: July 2, 2009

Status: Pending Worldwide

*For more information, see the section entitled “Material Contracts of Singapore Volition and its Subsidiaries” and Exhibit 10.14.*

- Belgian Volition authored the following patent application covering its total NuQ™ assay technology:

**NuQ Patent UK1115099.2 and U.S. 61530300:** Method for Detecting Nucleosomes

Application Date: September 1, 2011

Status: Pending Worldwide

- Belgian Volition authored the following patent application covering its NuQ-V™ technology:

**NuQ-V Patent UK1115098.4 and U.S. 61530304:** Method for Detecting Nucleosomes containing Histone Variants

Application Date: September 1, 2011

Status: Pending Worldwide

- Singapore Volition authored the following patent application covering its NuQ-X™ technology:

**NuQ-X Patent UK1115095.0 and U.S. 61530295:** Method for detecting Nucleosomes containing Nucleotides

Application Date: September 1, 2011

Status: Pending Worldwide

- Singapore Volition authored the following patent application covering a NuQ-A™ blood test for detecting nucleosome adducts of cancer origin that circulate in the blood of cancer patients. The patent application covers both the use of these adducts as biomarkers and the methods for their detection. As of the date of this Report, the Company has no immediate plans for the development of a blood test under this patent.

**NuQ-A Patent UK1121040.8 and U.S. 61568090:** Method for detecting Nucleosome Adducts

Application Date: December 7, 2011

Status: Pending Worldwide

#### HyperGenomics™ Intellectual Property

- HyperGenomics Pte Limited holds a worldwide exclusive licence to the following patent application from Imperial College, London:

**HyperGenomics WO03004702:** Method for Determining Chromatin Structure

Application Date: July 5, 2001

Status: Pending in Europe and U.S.

*For more information, see the section entitled “Material Contracts of Singapore Volition and its Subsidiaries” and Exhibits 10.01, 10.02, 10.03, 10.16 and 10.17.*

#### Endometriosis Intellectual Property

- Singapore Volition authored the following patent application for its endometriosis test:

**Endometriosis Diagnostic UK1012662.1:** Method for Detecting the Presence of a Gynaecological Growth

Application Date: July 28, 2010

Status: Pending Worldwide

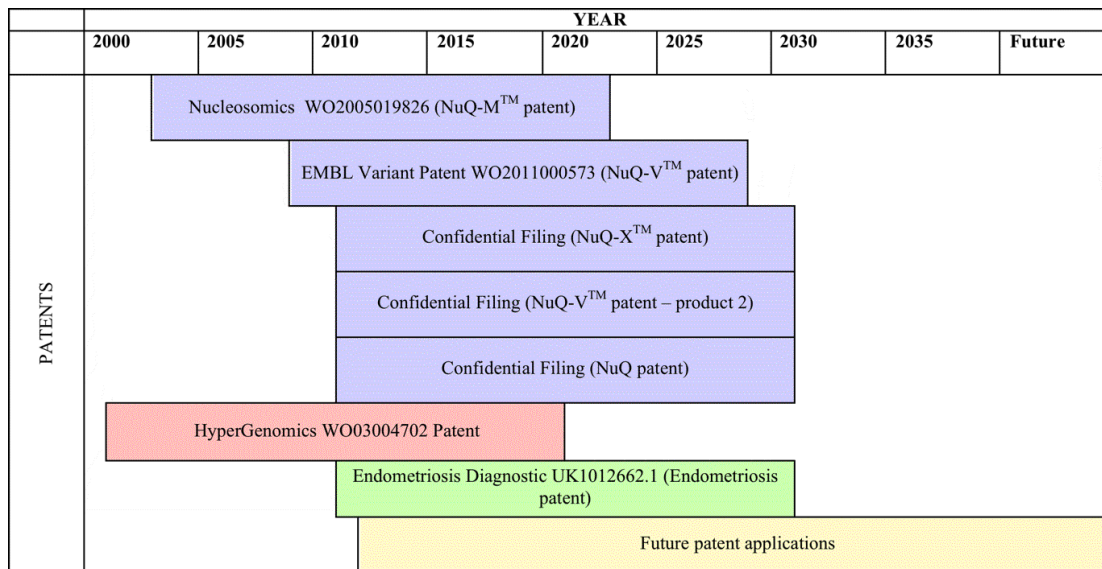
*For more information, see the section entitled “Material Contracts of Singapore Volition and its Subsidiaries” and Exhibits 10.08 and 10.15.*

#### Future Intellectual Property Strategy

The Company intends to continue its development of the NuQ™ and HyperGenomics™ technologies and will continue to apply for patents for future product developments. The Company’s strategy is to protect the *technologies* with patents in Europe and the U.S. Following product development, each product, *based on the technologies*, will be further protected individually by new patent filings worldwide.

We believe that this will provide:

- Market exclusivity through a double layer of patent protection (primarily the protection of the underlying technology on which all the tests are based and, secondarily, specific patent protection for each future product).
- A full 20-year protection for each new product developed (e.g. a NuQ™ product developed in 2010 would continue to be protected in all markets until 2030, beyond expiration of the parent technology patent in 2023).



## Trademarks

- **Europe – Granted Trademarks**

- **NuQ** (covers associated brand names including NuQ-X, NuQ-V, NuQ-M, NuQ Endo, etc.)  
European Community Trade Mark No. 009979675  
In Classes 01, 05, 10. 42  
Registration Date: November 28, 2011  
Initial Duration: 10 years  
From: May 19, 2011

- **Hypergenomics**

European Community Trade Mark No. 009979626  
In Classes 01, 05, 10. 42  
Registration Date: November 28, 2011  
Initial Duration: 10 years  
From: May 19, 2011

- **Europe – Trademark Application Pending**

- **Nucleosomics**

European Community Trade Mark Application No. 009979551  
Classes 01, 05, 10. 42  
Application Date: May 19, 2011

- **United States – Trademark Application Pending**

- **NuQ**

Application Date: May 20, 2011  
United States Trade Mark Application No. 85/326467  
Classes 01, 05, 10 and 42

- **Hypergenomics**

Application Date: May 20, 2011  
United States Trade Mark Application No. 85/326495  
Classes 01, 05, 10 and 42



- o **Nucleosomics**

Application Date: May 20, 2011

United States Trade Mark Application No. 85/326500

Classes 01, 05, 10 and 42

### ***Government Approval***

All of the Company's intended products are designed to be non-invasive, meaning they cannot harm the subject other than through misdiagnosis. The Company's strategy is to begin selling its future products for RUO purposes, which requires no regulatory approval, while simultaneously going through the process of obtaining regulatory approval for IVD products to be used clinically on cancer patients. Conformité Européenne ("CE") Marking is a rough equivalent of the United States' Food and Drug Administration ("FDA") approvals process, although it is a somewhat lighter regime. The Company will first focus on the regulatory process in Europe (CE Marking), due to the grant of the NuQ<sup>TM</sup> patent in Europe and due to the lighter regulatory requirements to obtain CE Marking than to obtain FDA approval in the U.S. This will be followed closely by the regulatory process in the U.S. and in the rest of the world. In many territories, the European CE Mark is sufficient to place products on the clinical market and, where it is not, it often simplifies the regulation processes. To date, the Company has not begun the CE Marking or FDA approval process for any of its tests currently under development.

### **Europe – CE Marking**

Manufacturers in the European Union ("EU") and abroad must meet CE Marking requirements, where applicable, in order to market their products in Europe. The CE Mark certifies that a product has met EU health, safety, and environmental requirements which ensure consumer safety.

To receive the CE Mark, the Company must meet certain requirements as set forth in the In-Vitro Diagnostic Medical Devices Directive which applies to the Company's diagnostic products. The requirements to procure CE Marking for In-Vitro Diagnostic Medical products are: (i) analytical validation of the products; (ii) clinical validation of the products (which can be retrospective clinical studies using biobank patient samples, i.e. blood samples from historic patients); (iii) implementation of regulatory compliant manufacture; and (iv) certification from the International Organization for Standardization (this last requirement is not technically required but will aid the regulatory approval process in Europe and the U.S.).

The Company is currently engaged in requirements (i) and (ii) for the NuQ-X<sup>TM</sup> test and the NuQ<sup>TM</sup> panel. Requirements (iii) and (iv) are general requirements that apply to all of the Company's intended products. In compliance with the In-Vitro Diagnostic Medical Devices Directive and the CE Marking process, the Company has ensured that all development and validation is carried out in a manner consistent with regulatory approval. Additionally, the Company has maintained proper records so that its future products can be approved as quickly and simply as possible. The Company has engaged a regulatory advisor to lead in requirement (iv) for all of its future products. All of these requirements must be completed prior to the submission of an application for CE Marking. The Company will submit applications, which will contain a dossier of all relevant analytical, clinical and manufacturing data following retrospective clinical studies which will require a total of approximately six (6) months to complete. We estimate the cost of obtaining CE Marking will be approximately \$500,000 USD per test. The Company expects that CE Marking for the NuQ-X<sup>TM</sup> test and NuQ<sup>TM</sup> panel products will be applied for by the end of 2012. Sales of our clinical products can occur in Europe once CE Marking has been granted.

In Europe, IVD companies are able to self-certify that they meet the appropriate regulatory requirements and are subject to inspection for enforcement. European national agencies, such as Customs authorities and/or the Departments of Health, Industry and Labor, conduct market surveillance to ensure the provisions of the applicable Directive have been met for products marketed within the European Union. In pursuit of this goal, surveillance authorities will: i) visit commercial, industrial and storage premises on a regular basis; ii) visit work places and other premises where products are put into service and used; iii) organize random checks; and iv) take samples of products for examination and testing. If a product is found to be noncompliant, corrective action will depend on and be appropriate to the level of noncompliance. Others responsible for the noncompliance of the product will be held accountable as well. Penalties, which may include imprisonment, are determined by national law.

### **U.S. – FDA Approval**

The Company's diagnostic products are designated as "medical devices" by the FDA. Among other things, the FDA regulates the research, testing, manufacturing, safety, labeling, storage, recordkeeping, pre-market clearance or approval, marketing and promotion, and sales and distribution of medical devices in the U.S. to ensure that medical devices distributed domestically are safe and effective for their intended uses. In addition, the FDA regulates the export of medical devices manufactured in the U.S. to international markets. We estimate the cost of obtaining FDA approval to be approximately \$825,000 USD per product. FDA approval is more expensive and will take at least twice as long as CE Marking in Europe.

Unless an exemption applies, each medical device that we wish to market in the U.S. must first receive either clearance of a 510(k) pre-market notification or approval of a Product Market Application (“PMA”) from the FDA. The FDA’s 510(k) clearance process usually takes from three to twelve months, but it can take significantly longer and clearance is never guaranteed. The process of obtaining PMA approval is much more costly, lengthy and uncertain. It generally takes from one to three years or even longer and approval is not guaranteed. The FDA decides whether a device must undergo either the 510(k) clearance or PMA approval process based upon statutory criteria. These criteria include the level of risk that the agency determines is associated with the device and a determination of whether the product is a type of device that is similar to devices that are already legally marketed. Devices deemed to pose relatively less risk are placed in either Class I or II. Class III devices are those devices which are deemed by the FDA to pose the greatest risk, such as life-sustaining, life-supporting or implantable devices, have a new intended use, or use advanced technology that is not substantially equivalent to that of a legally marketed device. In the U.S., cancer diagnostics are considered Class III products, the highest classification (in Europe, cancer diagnostics are not in the high classification group except for home use). As such, most of the Company’s future products will likely have to undergo the full PMA process of the FDA.

A clinical trial may be required in support of a 510(k) submission and is generally required for a PMA application. These trials generally require an effective Investigational Device Exemption (“IDE”), from the FDA for a specified number of patients, unless the product is exempt from IDE requirements or deemed a non significant risk device eligible for more abbreviated IDE requirements. The IDE application must be supported by appropriate data, such as animal and laboratory testing results. Clinical trials may begin 30 days after the submission of the IDE application unless the FDA or the appropriate institutional review boards at the clinical trial sites place the trial on clinical hold.

Once the application and approval process is complete and the product is placed on the clinical diagnostics market, regardless of the classification or pre-market pathway, it remains subject to significant regulatory requirements. The FDA may impose limitations or restrictions on the uses and indications for which the product may be labeled and promoted. Medical devices may only be marketed for the uses and indications for which they are cleared or approved. FDA regulations prohibit a manufacturer from promoting a device for an unapproved, or “off-label” use. Manufacturers that sell products to laboratories for research or investigational use in the collection of research data are similarly prohibited from promoting such products for clinical or diagnostic tests.

Further, our future manufacturing processes and those of our future suppliers will be required to comply with the applicable portions of the FDA’s Quality Systems Regulations, which cover the methods and documentation of the design, testing, production, processes, controls, quality assurance, labeling, packaging and shipping of our intended products. Domestic facility records and manufacturing processes are subject to periodic unscheduled inspections by the FDA. The FDA also may inspect foreign facilities that export products to the U.S.

The FDA has broad regulatory and enforcement powers. If the FDA determines that we have failed to comply with applicable regulatory requirements, it can impose a variety of enforcement actions ranging from public warning letters, fines, injunctions, consent decrees and civil penalties to suspension or delayed issuance of approvals, seizure or recall of our future products, total or partial shutdown of production, withdrawal of approvals or clearances already granted, and criminal prosecution. The FDA can also require us to repair, replace or refund the cost of products that we manufactured or distributed. Furthermore, the regulation and enforcement of diagnostics and equipment by the FDA is an evolving area that is subject to change. While we believe that we are and will continue to be in compliance with the current regulatory requirements and policies of the FDA, the FDA may impose more rigorous regulations or policies that may expose us to enforcement actions or require a change in our business practices. If any of these events were to occur, it could materially adversely affect us.

**NuQ-X™ Test:**

- **Research Use Only Market**

- The Company's first intended product, the NuQ-X™ test for the presence of circulating nucleosomes based on our proprietary NuQ™ technology is developed and the first beta-testing is complete. However, this NuQ-X™ test has since been improved with a new antibodies combination and the Company will start beta-testing on this improved test in the first quarter of 2012. If beta-testing is successful, the test will be released into the RUO market as a research kit in the U.S. and Europe in the second quarter of 2012.

- **In-Vitro Diagnostics Market**

- **CE Marking (Europe):** In preparation for release into the IVD market in Europe, the NuQ-X™ test is expected to undergo large scale retrospective clinical validations during 2012 which shall take approximately nine (9) months to complete. Once the retrospective validations are completed, the test will be submitted for CE Mark approval. We estimate the cost of obtaining CE Marking will be approximately \$500,000 USD.
- **FDA Approval (U.S.):** FDA approval in the U.S. is expected to require longer large scale prospective clinical validation studies and these will also be commenced in 2012 and are expected to be completed in 2014. When completed, the data will be submitted to the FDA for U.S. market approval. We estimate the cost of obtaining FDA approval will be approximately \$825,000 USD.

**NuQ™ Panel Tests:**

- **Research Use Only Market**

- The NuQ™ panel of tests are in the final stages of development for the RUO market. Beta-testing of the NuQ™ panel tests is expected to begin the second quarter of 2012 and shall take approximately one month to complete. The expected costs of beta-testing of the NuQ™ panel tests total less than \$20,000 USD. If beta-testing is successful, the Company intends to bring its NuQ™ panel products to the research market during 2012 by selling the tests as research kits.

- **In-Vitro Diagnostics Market**

- **CE Marking (Europe):** The NuQ™ panel of tests have undergone the initial research phase and are in final stages of development and initial validation data for colon, lung and pancreatic cancers. The NuQ™ panel tests are expected to undergo large scale retrospective clinical validations in colon, lung, and pancreatic cancers during 2012 and take approximately nine (9) months to complete. Once the retrospective validations are completed, the tests will be submitted for CE Mark approval. We estimate the cost of obtaining CE Marking will be approximately \$500,000 USD.
- **FDA Approval (U.S.):** FDA approval is expected to require longer large scale prospective clinical validation studies and is expected to commence in 2012 and be completed in 2014. When completed, the data will be submitted to the FDA for U.S. market approval. We estimate the cost of obtaining FDA approval will be approximately \$825,000 USD.

In parallel with the large scale clinical validation studies for colon, lung, and pancreatic cancers, the Company will commence initial testing on further cancers in 2012 based on the Company's NuQ™ technology. These will be selected by medical need and commercial value and the first will be breast cancer. It is expected that, if initial clinical studies are positive, large scale retrospective (CE Mark) and prospective (FDA) clinical validation studies for breast cancer will commence in the third quarter of 2012. A rolling pipeline of products for different types of cancers is expected to be produced over the next three (3) to five (5) years.

### Hypergenomics™ Test:

- **Research Use Only Market**

- Currently, the HyperGenomics™ test is in the prototype development stage. Once the prototype development is completed (expected end 2012), the Company will then perform beta-testing which shall take approximately six (6) months to complete and will cost approximately \$50,000 USD. If beta-testing is successful the Company expects its HyperGenomics™ test to be rolled out onto the RUO market in Europe and in the U.S. in 2013. The HyperGenomics™ test is too early in its development for the Company to accurately determinate the manufacturing costs and sale price of the test.

- **In-Vitro Diagnostics Market**

- The Company expects to work on the clinical proof of concepts and validations for the HyperGenomics™ test in 2012. The launch of the HyperGenomics™ test into the IVD market in Europe and the U.S. will follow the commercialization of the test into the RUO market. The estimated timeframe for its launch into the IVD market has not yet been determined and will depend upon the speed of clinical trials and market approval.

### NuQ Endo™ Endometriosis Test:

- **Research Use Only Market**

- The Company does not intend to bring the NuQ Endo™ test to the RUO market and instead will focus its efforts on bringing it to the IVD market.

- **In-Vitro Diagnostics Market**

- Currently, the NuQ Endo™ test is undergoing hypothesis-testing and clinical proof of concept work. The Company expects to continue with validations for the NuQ Endo™ test in 2012. Once the proof of concepts and validations are completed, expected end of 2012, the Company will then perform beta-testing which shall take approximately six (6) months to complete and will cost approximately \$50,000 USD. If the Company is successful in developing a reliable test, we hope to partner with large pharmaceutical companies to bring these tests to the IVD market in Europe and the U.S. The NuQ Endo™ test is too early in its development for the Company to accurately determinate the manufacturing costs and sale price of the test. The estimated timeframe for its launch into the IVD market has not yet been determined and will depend upon the speed of clinical trials and market approval.

### NuQ™ Clinical Diagnostic Products:

- **Centralized Laboratory Market**

- License of NuQ™ technology to a global diagnostics company: The Company may license our NuQ™ technology on a non-exclusive basis to a global diagnostics company. The approximate licensing fees have not yet been determined. As of the date of this Report, the Company has not entered into any discussions or negotiations with diagnostic companies or established an anticipated timeframe for licensing our NuQ™ technology.
- Sell manual and/or semi-manual ELISA plates to centralized laboratories: The Company may sell manual and/or semi-automated 96 well ELISA plates for use by centralized laboratories. The approximate manufacturing costs or sales price have not yet been determined. As of the date of this Report, the Company has not entered into any discussions or negotiations with diagnostic companies or established an anticipated timeframe regarding the sale of ELISA plates.
- Point-of-Care Devices: The Company expects to enter the point-of-care clinical market in Europe in 2013 and in the U.S. in 2014. The approximate manufacturing costs or sales price per device have not yet been determined. As of the date of this Report, the Company has not entered into any discussions or negotiations regarding the manufacture or sale of these devices.

- **Disposable Home Use or Doctor's Office Tests:** The Company intends to contract with a specialist company to adapt the NuQ™ tests to the doctor's office or home use system and contract with their manufacture. The sale of these tests will initially be for professional use only (doctors) and will likely be released at a later time for non-professional home use. The approximate manufacturing costs or sales price per test have not yet been determined. As of the date of this Report, the Company has not entered into any discussions or negotiations with a specialist company or manufacturer. The Company does not yet have an estimated timeframe for the manufacture or sale of these tests.

If we do not have enough funds to fully implement our business plan, we will be forced to scale back our plan of operations and our business activities, increase our anticipated timeframes to complete each milestone or seek additional funding. In the event that additional financing is delayed, the Company will prioritize the maintenance of its research and development personnel and facilities, primarily in Belgium, and the maintenance of its patent rights. However the development of the current pipeline of intended products for the RUO market would be delayed, as would clinical validation studies and regulatory approval processes for the purpose of bringing products to the IVD market. In the event of an ongoing lack of financing, the Company may be obliged to discontinue operations, which will adversely affect the value of its common stock.

### ***Sales and Marketing Strategy***

The first use of our future NuQ™ products will be for RUO, as the RUO market does not require government approval as opposed to the clinical IVD market. We believe that by selling our intended products in the RUO market, we will drive awareness of our Company and our intended products which in turn, will lead to future sales in both the RUO and IVD clinical markets. The Company's future products will be available for sale to researchers via the Company's product website, <http://www.nucleosomics.com>. Initially, the Company will provide its products to carefully chosen opinion leaders to provide further validation and product feedback.

The Company will use the following methods to generate revenues from its intended products:

- **Direct Sales:** As the Company desires to launch its intended products into both the RUO and IVD markets as quickly as possible, direct sales will be the first path to market the future suite of NuQ™ products as well as all of the Company's other future products when they are first available for sale. We hope to achieve initial sales through strong existing contacts and a dedicated product website. As of the date of this Report, the Company has not begun direct sales or entered into any sales agreements for any of its intended products.
- **Product Sales Partners:** If the Company is able to sell its intended products, the Company will strive to carry out the majority of its sales of diagnostic and research products through contracted sales and marketing partners. This will be organized by territory, by region and end user, e.g. clinical vs. research. We estimate such partners will take approximately 30% to 40% of the sales prices of any products sold through these channels. While initial discussions have been commenced, the Company has not finalized any formal partnerships.
- **Distribution Agreements:** Distribution agreements will be used primarily in markets and territories where the Company has no real prospect of obtaining traction alone or where the entry barriers are high. The Company plans to enter into tightly drawn distribution agreements outlining the territory and sectors to be covered. Control will be maintained by the Company through strict oversight and by centralized production centers that will provide supplies to distributors. We estimate such distributors will take approximately 30% of the sales prices of any products sold through these channels. As of the date of this Report, the Company has not entered into any distribution agreements.

The Company's future products will require several dynamic and evolving sales models tailored to different worldwide markets, users and products. The Company has decided to focus its sales strategy on the initial RUO market in 2012 and develop a flexible strategy for its future IVD products through the later part of 2012. We hope to progressively grow to large volumes of tests sold to centralized laboratories and eventually reach the mass diagnostics testing market. The exact nature of the ideal sales strategy will evolve as the Company continues to develop its intended products and seek entry into the RUO and IVD markets.

### ***Government Regulations***

The health care industry, and thus our business, is subject to extensive federal, state, local and foreign regulation. Some of the pertinent laws have not been definitively interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of subjective interpretations. In addition, these laws and their interpretations are subject to change.

Both federal and state governmental agencies continue to subject the health care industry to intense regulatory scrutiny, including heightened civil and criminal enforcement efforts. As indicated by work plans and reports issued by these agencies, the federal government will continue to scrutinize, among other things, the marketing of diagnostic health care products. The federal government also has increased funding in recent years to fight health care fraud, and various agencies, such as the U.S. Department of Justice, the Office of Inspector General of the Department of Health and Human Services, or OIG, and state Medicaid fraud control units, are coordinating their enforcement efforts.

We will also be required to comply with numerous other federal, state, and local laws relating to matters such as safe working conditions, industrial safety, and labor laws. We may incur significant costs to comply with such laws and regulations in the future, and lack of compliance could have material adverse effects on our operations.

We believe that we have structured our business operations to comply with applicable legal requirements. However, it is possible that governmental entities or other third parties could interpret these laws differently and assert otherwise.

### ***Competition***

We anticipate facing competition primarily from large healthcare, pharmaceutical and diagnostic companies such as Abbott Laboratories Inc., Cepheid Inc., Philips, GE Healthcare, Siemens, Gen-Probe Incorporated, MDxHealth SA, EpiGenomics AG, Roche Diagnostics and Sequenom, Inc. We hope that our future products will have a competitive edge compared to those offered by competitors on the basis that our tests are being developed to be accurate, cost-effective, easy to use, non-invasive, technologically advanced, compatible with ELISA systems, based on strong intellectual property and to be used for mass screening s.

Many of our anticipated competitors have substantially greater financial, technical, and other resources and larger, more established marketing, sales and distribution systems than we will have. Many of our future competitors also offer broad product lines outside of the diagnostic testing market and have brand recognition. Moreover, our future competitors may make rapid technological developments that may result in our intended technologies and products becoming obsolete before we are able to enter the market, recover the expenses incurred to develop them or generate significant revenue. Our success will depend, in part, on our ability to develop our intended products in a timely manner, keep our future products current with advancing technologies, achieve market acceptance of our future products, gain name recognition and a positive reputation in the healthcare industry, and establish successful marketing, sales and distribution efforts.

### ***Material Contracts of Singapore Volition and its Subsidiaries***

1. On October 19, 2005, Cronos Therapeutics Limited (“Cronos”), a company incorporated in England and Wales, entered into a Patent License Agreement (the “Patent License Agreement”) with Imperial College Innovations Limited (“Innovations”), a company incorporated in England and Wales, pursuant to which Innovations shall grant to Cronos an exclusive license under certain patent applications filed by Innovations relating to gene mapping technology, including the right to sub-license, develop, manufacture, have manufactured, use and sell licensed products or to supply a service in relation to the patent applications, within a certain field and territory for a period from June 7, 2005 to July 31, 2006, unless earlier terminated or extended. In exchange for these rights, Cronos shall pay Innovations an initial fee of £15,000 GBP which is deductible against royalties paid in that year, and if the term of the agreement is extended, an annual fee of £15,000 GBP, also deductible against royalties paid in that year. Cronos shall also pay Innovations the following royalty payments: (a) 5% of the net sales value of all licensed products sold by Cronos; (b) 15% of all fees received by Cronos for the provision of services; (c) 15% on sub-license-non royalty income received by Cronos; (d) 25% of the cumulative royalty income received from sub-licensees where such cumulative royalty income over the term of the Patent License Agreement is less than or equal to £1,000,000 GBP; and (e) 20% of the cumulative royalty income received from sub-licensees where such cumulative royalty income over the term is in excess of £1,000,000 GBP. Further, Cronos shall pay Innovations a milestone payment of either £35,000 GBP or £50,000 GBP upon the first successful grant of the gene mapping technology patent as determined by the territory in which the first patent is granted, per the terms set forth in the agreement. A copy of the Patent License Agreement is attached hereto as Exhibit 10.01 and is incorporated herein by reference.
2. On July 31, 2006, Cronos and Innovations amended that certain Patent License Agreement (the “Amended Patent License Agreement”) dated October 19, 2005, pursuant to which they, among other things, extended the term of the Patent License Agreement from July 31, 2006 to November 30, 2006. A copy of the Amended Patent License Agreement was filed as Exhibit 10.02 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

3. On September 4, 2006, Cronos and Innovations entered into a Letter Agreement (the “Extension Letter Agreement”), pursuant to which the parties agreed that, in consideration of the payment to Innovations by Cronos of £1.00 GBP and subject to certain conditions contained in the letter, the term of two licenses granted to Cronos, the GeneICE License granted to Cronos pursuant to a license agreement dated August 17, 2004 and the Gene Mapping License granted to Cronos pursuant to the above-referenced Patent License Agreement dated October 19, 2005, will be extended automatically until the patents have expired or been revoked. A copy of the Extension Letter Agreement was filed as Exhibit 10.03 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
4. On October 3, 2007, ValiRX PLC (“ValiRX”), a company incorporated in England and Wales and the holding company of Cronos, entered into a Patent License Agreement with Chroma Therapeutics Limited (“Chroma”), a company incorporated in England and Wales, pursuant to which Chroma shall grant to ValiRX an exclusive license under certain patent applications filed by Chroma relating to chromatin, nucleosome and histone structure and determination of histone modifications, including the right to sub-license, develop, manufacture, have manufactured, use and sell licensed products or to supply a service in relation to the patent applications, within a certain field and territory. ValiRX shall retain such rights from October 3, 2007 until the expiration, lapse or invalidation of the patent applications or the patents issued thereby unless earlier terminated. In exchange for these license rights, ValiRX shall pay Chroma the following royalty payments:
  - (a) 5% of the net sales value of all licensed products sold by ValiRX; (b) 15% of all fees received by ValiRX for the provision of services; (c) 15% on sub-license-non royalty income received by ValiRX; (d) 25% of the cumulative royalty income received from sub-licensees where such cumulative royalty income is less than or equal to £1,000,000 GBP; and (e) 20% of the cumulative royalty income received from sub-licensees where such cumulative royalty income is in excess of £1,000,000 GBP. A copy of the Patent License Agreement was filed as Exhibit 10.04 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
5. On March 16, 2010, ValiBio entered into a Soft Repayable Grant Advance on the Diagnosis of Colorectal Cancer by “Nucleosomics<sup>TM</sup>” (“Loan Agreement”) with the Walloon Region government in Belgium (“Walloon”), wherein Walloon agreed to provide up to a maximum of €1,048,020 EUR (the “Grant”) to help fund the research endeavors of ValiBio, including the development and clinical validation process of a tool for screening/early diagnosis of colorectal cancer based on the Nucleosomics<sup>TM</sup> technology. Walloon agreed to provide working capital of €419,280 EUR, which was received by ValiBio in January 2011. Once ValiBio has conducted its research, if the research project is successful, ValiBio has the option to exploit the results of the research, meaning produce, sell or export any associated product or service in any country.

According to the Loan Agreement, if ValiBio decides to exploit the results, it shall make annual payments to Walloon from 2013 to 2022 of various payment amounts (the “Annual Payments”) totaling €314,406 EUR (equal to 30% of the Grant) in addition to a 6% royalty on all relevant sales from the products and services. However, if ValiBio does not receive the full Grant amount, ValiBio shall pay a proportion of the Annual Payments, which proportion shall be equal to the total amount of the Grant actually received by ValiBio divided by the total amount of the Grant (€1,048,020 EUR). The maximum amount payable to Walloon is twice the amount of the Grant received. If ValiBio decides not to exploit the results, it is exempt from repaying Walloon the amount of the Grant if ValiBio communicates its decision to Walloon by outlining the failure of the research project and if ValiBio transfers the rights to the research results to Walloon. If ValiBio does not fulfill both of these conditions, ValiBio must reimburse the total Grant to Walloon. The research project will be considered a success and Annual Payments will be payable to Walloon if the research project generates knowledge, patents and/or prototypes irrespective of any sales from products and services. A copy of the Loan Agreement is attached hereto as Exhibit 10.05 and is incorporated herein by reference.

6. On March 16, 2010, ValiBio, Walloon and ValiRX entered into a Non-Exploitation and Third Party Patent License Agreement (the “Agreement”), pursuant to which ValiRX and Vali Bio shall transfer exclusive exploitation rights to the “Detection of Histone Modification in Cell-Free Nucleosomes” patent to Walloon in the event that ValiBio does not exploit the results of its research funded by the Grant by Walloon (see Exhibit 10.05), per the terms set forth in the Agreement. ValiBio originally acquired the exploitation rights from ValiRX per a license agreement dated January 18, 2008 (“Secondary Licence”) which was subsequently cancelled. In exchange for the exploitation rights, Walloon shall pay to ValiRX an amount not exceeding that which is stipulated in the Secondary Licence. The A copy of the Agreement is attached hereto as Exhibit 10.06 and is incorporated herein by reference.

7. On August 6, 2010, Singapore Volition entered into an agreement (the “Agreement”) with PB Commodities Pte Limited (“PB Commodities”). At the time of the Agreement, Laith Reynolds (former Director of Singapore Volition), Cameron Reynolds (current President, CEO and a Director of VolitionRx Limited) and Rodney Rootsart (current Secretary of VolitionRx Limited) were serving as Directors of PB Commodities. (Subsequently, Mr. Cameron Reynolds resigned as a Director of PB Commodities on May 1, 2011 and Mr. Rootsart resigned on September 20, 2011.) The Agreement provides office space, office support staff, and consultancy services to Singapore Volition for the structuring, management, fundraising and development and implementation of its business plan. In exchange, Singapore Volition shall pay an initial set up fee to PB Commodities of \$11,250 USD. Additionally, Singapore Volition shall pay \$5,700 USD per month for office space and staff services as well as pay consultancy fees each month to PB Commodities for the services of Cameron Reynolds, Rodney Rootsart and Patrick Rousseau ( former Managing Director of Belgian Volition). Singapore Volition is also required to pay for all reasonable expenses incurred. The term of the Agreement is twelve months, commencing on September 1, 2010, with automatic extensions of twelve months and a three month notice required for termination of the Agreement. A true and correct copy of the Agreement was filed as Exhibit 10.07 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
8. On September 22, 2010, Singapore Volition entered into a Share Purchase Agreement (“Agreement”) with ValiRX, pursuant to which Singapore Volition shall purchase all shares held by ValiRX in ValiBio. In exchange for the ValiBio shares, Singapore Volition shall pay \$400,000 USD to ValiRX in four equal payments and stock with a value of \$600,000 USD of Singapore Volition or a newly listed entity with the price per share to be determined by: a) the 30 day average closing middle market price immediately prior to the issuance of shares, if Singapore Volition or a newly listed entity following the merger or reverse takeover of Singapore Volition; or b) the average subscription price at which Singapore Volition has raised capital during the period of the Agreement, if Singapore Volition is not listed within 350 days of the Agreement; or c) the mutual consent of the parties in writing prior to the issuance. The price per share will be determined by whichever of the above occurs first. A copy of the Share Purchase Agreement is attached hereto as Exhibit 10.08 and is incorporated herein by reference.
9. On September 22, 2010, Singapore Volition entered into a Deed of Novation (“Deed of Novation”) by and among ValiRX, ValiBio and Chroma, pursuant to which the parties agreed that ValiRX’s rights, obligations and liabilities under that certain Patent License Agreement by and between ValiRX and Chroma dated October 3, 2007 shall be novated to Singapore Volition. As consideration, Singapore Volition shall pay directly to Chroma 5% of each payment due to ValiRX pursuant to that certain Share Purchase Agreement dated September 22, 2010, per the terms of the Deed of Novation. A copy of the Deed of Novation is attached hereto as Exhibit 10.09 and is incorporated herein by reference.
10. On September 22, 2010, Singapore Volition entered into a Letter of Appointment as Non-Executive Director with Satu Vainikka (“Letter of Appointment”), pursuant to which Ms. Vainikka shall serve as a non-executive director of Singapore Volition commencing on October 11, 2010 and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon her office as director being vacated. In exchange for her services, she shall receive \$6,250 USD per calendar quarter following the admission of the shares of Singapore Volition to a recognized exchange, per the terms set forth in the letter. A copy of the Letter of Appointment was filed as Exhibit 10.10 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
11. On September 23, 2010, Singapore Volition entered into a Letter of Appointment as Non-Executive Director with Guy Archibald Innes (“Letter of Appointment”), pursuant to which Mr. Innes shall serve as a non-executive director of Singapore Volition commencing on August 18, 2010 and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon his office as director being vacated. In exchange for his services, he shall receive \$6,250 USD per calendar quarter following the admission of the shares of Singapore Volition to a recognized exchange, per the terms set forth in the letter. A copy of the Letter of Appointment was filed as Exhibit 10.11 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.



12. On November 2, 2010, Singapore Volition entered into a Patent License Agreement (“License Agreement”) with Belgian Volition pursuant to which Singapore Volition shall grant to Belgian Volition an exclusive license under certain intellectual property rights, including the right to sub-license, develop, manufacture, have manufactured, use and sell licensed products or to supply a service in relation to the intellectual property rights, within a certain field and territory.

The intellectual property rights referenced therein were licensed to ValiRX pursuant to that certain Patent License Agreement dated October 3, 2007 by and between ValiRX and Chroma, which Patent License Agreement was subsequently novated to Singapore Volition pursuant to that certain Deed of Novation dated September 22, 2011 entered into by and among Chroma, ValiRX, Belgian Volition (formerly ValiBio) and Singapore Volition. In exchange for this license, Belgian Volition shall pay Singapore Volition an annual fee of €1.00 EUR. Additionally, Belgian Volition shall pay the following royalty payments to Singapore Volition: (a) 5% of the net sales value of all licensed products sold by Belgian Volition; (b) 10% of all fees received by Belgian Volition for the provision of services; (c) 10% on sub-license-non royalty income received by Belgian Volition; (d) 15% of the cumulative royalty income received from sub-licensees where such cumulative royalty income is less than or equal to £1,000,000 GBP; and (e) 10% of the cumulative royalty income received from sub-licensees where such cumulative royalty income is in excess of £1,000,000 GBP. The License Agreement shall commence on September 22, 2010 and continue until terminated by written notice by either party or until the expiration, lapse or invalidation of the patents, if issued, or until the refusal or rejection of the patent applications. A copy of License Agreement was filed as Exhibit 10.12 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
13. On May 25, 2011, Singapore Volition entered into a Letter of Appointment as Non-Executive Director with Dr. Alan Colman (“Letter of Appointment”), pursuant to which Dr. Colman shall serve as a non-executive director of Singapore Volition commencing on April 1, 2011 and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon his office as director being vacated. In exchange for his services, he shall receive \$6,000 USD per month, payable as follows: a) for the period from April 1, 2011 to September 30, 2011, \$3,000 USD per month shall be paid to Dr. Colman and \$3,000 USD per month shall be converted to shares or share options (at the discretion of Dr. Colman) of Singapore Volition or the Company; and b) for the period commencing October 1, 2011, Dr. Colman shall receive \$6,000 USD per month in cash or stock or a combination of both, at his sole discretion. Additionally, Singapore Volition shall enter into an Option Agreement with Dr. Colman pursuant to which he shall receive an option to purchase up to 100,000 shares of Singapore Volition at an exercise price of \$0.50 per share, per the terms set forth in the letter. A copy of the Letter of Appointment was filed as Exhibit 10.13 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
14. On June 6, 2011, Singapore Volition entered into a License Agreement (“License Agreement”) with the European Molecular Biology Laboratory (“EMBL”), represented by its subsidiary, EMBLEM, pursuant to which EMBLEM shall grant to Singapore Volition an exclusive worldwide license, including the right to sublicense, make, have made, use, sell, have sold, import, have imported, and otherwise to use or practice certain intellectual property of EMBL in the field of cancer diagnosis and prognosis, as set forth in the agreement. Further, EMBLEM shall grant to Singapore Volition an exclusive worldwide license, for the commercial use of certain licensed materials provided by EMBL for manufacture and use as components in diagnostic products. Singapore Volition shall retain these rights until the earlier of the expiry of EMBLEM’s exclusive license of the intellectual property of EMBL which is being granted hereunder or the expiry of the patents within EMBL’s intellectual property unless earlier terminated. In consideration of the grant of such rights, Singapore Volition shall pay EMBLEM the following royalty payments: a) 5% on net sales for sales of licensed products; b) 10% on net sales for sales of licensed services; and c) 10%, 15% or 25% on sub-license royalty and non- royalty income. Further, a milestone fee of €20,000 EUR is payable by Singapore Volition to EMBLEM upon the formal filing to obtain government authorization to launch any licensed product in a first territory and a second milestone fee of €40,000 EUR is due upon the actual launch of the licensed product in a first territory, as set forth in the agreement. A copy of the License Agreement was filed as Exhibit 10.14 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
15. On June 9, 2011, Singapore Volition and ValiRX entered into a Supplementary Agreement to the Share Purchase Agreement between the parties dated September 22, 2010 (“Supplemental Agreement”), pursuant to which ValiRX shall transfer ownership of the ValiRX patent application for the “Method for Detecting the Presence of a Gynecological Growth” to Singapore Volition. As consideration, Singapore Volition shall issue additional shares of its common stock or that of a newly listed entity to ValiRX with a value of \$510,000 USD. This issuance shall be made in addition to the issuance to be made to ValiRX pursuant to that certain Share Purchase Agreement dated September 22, 2010 and the price per share of the new issuance shall be determined by the terms of that Share Purchase Agreement. A copy of the Supplemental Agreement was filed as Exhibit 10.15 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

16. On June 9, 2011, Innovations, Valipharma Limited (“Pharma”), a company incorporated and registered in England and Wales (formerly known as Cronos Therapeutics Limited), and Hypergenomics Pte Limited (“Hypergenomics Limited”), a company incorporated and registered in Singapore and a wholly owned subsidiary of Singapore Volition, entered into a Deed of Novation (“Deed of Novation”). Pursuant to the Deed of Novation, Pharma shall transfer all its rights, obligations and liabilities under that certain Patent License Agreement dated October 19, 2005 by and between Cronos and Innovations, to Hypergenomics Limited, as set forth in the deed. A copy of the Deed of Novation was filed as Exhibit 10.16 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
17. On June 9, 2011, Hypergenomics Limited entered into a Patent License Agreement (“License Agreement”) with Pharma, pursuant to which Pharma shall have the exclusive rights to use certain intellectual property rights solely for the development and sale of a particular diagnostic lab test or kit, as set forth in the agreement. The intellectual property rights referenced herein were licensed to Pharma pursuant to that certain Patent License Agreement dated October 19, 2005 by and between Cronos (now Pharma) and Innovations, which Patent License Agreement was subsequently novated to Hypergenomics Limited pursuant to that certain Deed of Novation dated June 9, 2011 entered into by and among Innovations, Pharma and Hypergenomics Limited. In exchange for these rights, Pharma shall pay to Hypergenomics Limited an annual fee of £1.00 GBP. In addition, Pharma shall make the following royalty payments to Hypergenomics Limited: a) 5% on net sales of all licensed products sold by Pharma; b) 15% of all fees received by Pharma for the provision of services; c) 15% on sub-license-non royalty income received by Pharma; d) 25% of the cumulative royalty income received from sub-licensees where such cumulative royalty income over the term of the License Agreement is less than or equal to £1,000,000 GBP; and e) 20% of the cumulative royalty income received from sub-licensees where such cumulative royalty income over the term is in excess of £1,000,000 GBP. The License Agreement shall commence on June 9, 2011 and continue until terminated by written notice by either party or until the expiration, lapse or invalidation of the patents, if issued, or until the refusal or rejection of the patent applications. A copy of License Agreement was filed as Exhibit 10.17 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
18. On July 10, 2011, Singapore Volition entered into a Consultancy Agreement (“Consultancy Agreement”) with Mr. Malcolm Lewin, pursuant to which Mr. Lewin shall serve as Chief Financial Officer of Singapore Volition and to devote at least twelve (12) days per month to carry out the duties as Chief Financial Officer. According to the Consultancy Agreement, Mr. Lewin’s term as Chief Financial Officer shall commence on July 15, 2011 and terminate upon Mr. Lewin’s resignation or commitment of a material breach of the Consultancy Agreement or upon written notice by either party. In exchange for such services, Singapore Volition shall pay Mr. Lewin a monthly fee of \$5,000 USD, per the terms set forth in the agreement. A copy of the Consultancy Agreement was filed as Exhibit 10.18 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.
19. On July 13, 2011, Singapore Volition entered into a Letter of Appointment as Executive Chairman with Dr. Martin Faulkes (“Letter of Appointment”), pursuant to which Dr. Faulkes shall serve as executive chairman of the Board of Directors of Singapore Volition commencing on March 22, 2011 for a term of three (3) years and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon his office as Executive Chairman being vacated. In exchange for his services, he shall receive an annual fee of \$90,000 USD to commence following the admission of the shares of Singapore Volition to a recognized exchange and Singapore Volition being sufficiently funded in the opinion of the Board. If the Board believes that the company is not sufficiently funded, Dr. Faulkes shall receive \$6,250 USD per calendar quarter under the company is sufficiently funded. Additionally, Singapore Volition shall grant Dr. Faulkes an option to purchase up to 250,000 shares of Singapore Volition at an exercise price of \$1.05 per share, per the terms set forth in the letter. A copy of the Letter of Appointment was filed as Exhibit 10.19 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

20. On August 10, 2011, Singapore Volition entered into a service agreement (the "Service Agreement") with Volition Research Limited ("Research"), a 100% subsidiary of The Dill Faulkes Educational Trust, a registered UK charity (Charity No. 1070864). Dr. Martin Faulkes (current Director of VolitionRx Limited) and Mr. Cameron Reynolds (current President, CEO and a Director of VolitionRx Limited) currently serve as directors of Research but do not receive any compensation in exchange for their directorship. The Service Agreement provides for Research to perform services for Singapore Volition for a period of five years for \$21,000 USD per year for an aggregate of \$105,000 USD. Such services require Research to liaison with various medical institutions to promote and raise the profile of Singapore Volition, build and develop long term relationships between UK and International cancer charities and Singapore Volition, and lobby government, health organization and other policy makers on behalf of Singapore Volition and promote the socially responsible ethos of Singapore Volition. On August 11, 2011, the parties entered into a Settlement Agreement of the Service Agreement (the "Settlement Agreement") agreeing to convert the \$105,000 USD fees due to Research under the Service Agreement to 350,000 shares (\$0.30/share) of common stock in Singapore Volition. The value of the shares acquired were reassessed in accordance with US GAAP related party rules, which has resulted in an increase in their value to \$1.00 per share and a corresponding increase in the value attributed to the services for the purposes of the accounts to \$350,000, or \$70,000 per year. True and correct copies of the Service Agreement and Settlement Agreement were filed as Exhibits 10.20 and 10.21, respectively, as part of our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012, and are incorporated herein by reference.

The summary descriptions of the foregoing agreements may not contain all information that is of interest. For further information regarding the terms and conditions of the agreements, reference is made to such agreements which are incorporated herein by reference.

## **ITEM 1A. RISK FACTORS**

### **RISKS ASSOCIATED WITH OUR COMPANY**

***We have not generated any revenue since our inception and we may never achieve profitability.***

We are a development stage company and since our inception on September 24, 1998, we have not generated any revenue. As we continue the discovery and development of our future diagnostic products, our expenses are expected to increase significantly. Accordingly, we will need to generate significant revenue to achieve profitability. Even as we begin to market and sell our intended products, we expect our losses to continue as a result of ongoing research and development expenses, as well as increased manufacturing, sales and marketing expenses. These losses, among other things, have had and will continue to have an adverse effect on our working capital, total assets and stockholders' equity. Because of the numerous risks and uncertainties associated with our product development and commercialization efforts, we are unable to predict when we will become profitable, and we may never become profitable. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. If we are unable to achieve and then maintain profitability, our business, financial condition and results of operations will be negatively affected and the market value of our common stock will decline.

***We may need to raise additional capital in the future. If we are unable to secure adequate funds on terms acceptable to us, we may be unable to execute our plan of operations.***

We believe that our current cash, cash equivalents and marketable securities will be sufficient to meet our anticipated cash requirements to the third quarter of 2012. If we incur delays in commencing commercialization of our intended products or in achieving significant product revenue, or if we encounter other unforeseen adverse business developments, we may exhaust our capital resources prior to this time.

We cannot be certain that additional capital will be available when needed or that our actual cash requirements will not be greater than anticipated. Financing opportunities may not be available to us, or if available, may not be available on favorable terms. The availability of financing opportunities will depend on various factors, such as market conditions and our financial condition and outlook. In addition, if we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our stockholders could be significantly diluted, and these newly-issued securities may have rights, preferences or privileges senior to those of existing stockholders. If we obtain additional debt financing, a substantial portion of our operating cash flow may be dedicated to the payment of principal and interest on such indebtedness, and the terms of the debt securities issued could impose significant restrictions on our operations. If we are unable to obtain financing on terms favorable to us, we may be unable to execute our plan of operations and we may be required to cease or reduce development or commercialization of any future products, sell some or all of our technology or assets or merge with another entity.

***It is difficult to forecast our future performance, which may cause our financial results to fluctuate unpredictably.***

Our limited operating history and the rapid evolution of the market for diagnostic products make it difficult for us to predict our future performance. A number of factors, many of which are outside of our control, may contribute to fluctuations in our financial results, such as:

- The demand for our intended products;
- Our ability to obtain any necessary financing;
- Our ability to market and sell our future products;
- Market acceptance of our future products and technology;
- Performance of any future strategic business partners;
- Our ability to obtain regulatory clearances or approvals;
- Changes in technology that may render our future products uncompetitive or obsolete;
- Competition with other cancer diagnostics companies; and
- Adverse changes in the healthcare industry.

***Our future success depends on our ability to retain our officers and directors, scientists, and other key employees and to attract, retain and motivate qualified personnel.***

Our success depends on our ability to attract, retain and motivate highly qualified management and scientific personnel. In particular, we are highly dependent on Cameron Reynolds our President and Chief Executive Officer, our other officers and directors, scientists and key employees. The loss of any of these persons or their expertise would be difficult to replace and could have a material adverse effect on our ability to achieve our business goals. In addition, the loss of the services of any one of these persons may impede the achievement of our research, development and commercialization objectives by diverting management's attention to the identification of suitable replacements, if any. There can be no assurance that we will be successful in hiring or retaining qualified personnel, and our failure to do so could have a material adverse effect on our business, financial condition and results of operations.

Recruiting and retaining qualified scientific personnel and, in the future, sales and marketing personnel will also be critical to our success. We may not be able to attract and retain these personnel on acceptable terms given the competition among pharmaceutical, biotechnology and diagnostic companies for similar personnel. We also experience competition for the hiring of scientific personnel from universities and research institutions. We do not maintain "key person" insurance on any of our employees. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research, development and commercialization strategies. Our consultants and advisors, however, may have other commitments or employment, that may limit their availability to us.

***We expect to expand our product development, research and sales and marketing capabilities, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations.***

We expect to experience significant growth in the number of our consultants, advisors, and employees and the scope of our operations as we continue to develop and commercialize our current pipeline of intended products and new products. In order to manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities, and continue to recruit and train additional qualified personnel. Due to our limited resources, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plan or disrupt our operations.

***We have limited experience with direct sales and marketing and any failure to build and manage a direct sales and marketing team effectively could have a material adverse effect on our business.***

We will rely primarily on a direct sales force to sell our future research and clinical products within the United States and abroad. In order to meet our anticipated sales objectives, we expect to grow our direct sales and marketing organization significantly over the next several years and intend to opportunistically build a direct sales and marketing force in certain international markets. There are significant risks involved in building and managing our sales and marketing organization, including risks related to our ability to:

- Hire qualified individuals as needed;
- Generate sufficient leads within our targeted market for our sales force;
- Provide adequate training for effective sales and marketing;
- Retain and motivate our direct sales and marketing professionals; and

- Effectively oversee geographically dispersed sales and marketing teams.

Our failure to adequately address these risks could have a material adverse effect on our ability to increase sales and use of our future products, which would cause our revenues to be lower than expected and harm our results of operations.

***Our Amended and Restated Certificate of Incorporation exculpates our officers and directors from certain liability to our Company or our stockholders.***

Our Amended and Restated Certificate of Incorporation contain a provision limiting the liability of our officers and directors for their acts or failures to act, except for acts involving intentional misconduct, fraud or a knowing violation of law. This limitation on liability may reduce the likelihood of derivative litigation against our officers and directors and may discourage or deter our stockholders from suing our officers and directors based upon breaches of their duties to our Company.

***Our internal controls may be inadequate, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public.***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. As defined in Exchange Act Rule 13a-15(f), internal control over financial reporting is a process designed by, or under the supervision of, the principal executive and principal financial officer and effected by the board of directors, management and other personnel, 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 and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and/or directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Our internal controls may be inadequate or ineffective, which could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public. Investors relying upon this misinformation may make an uninformed investment decision.

***We have a “going concern” opinion from our auditors, indicating the possibility that we may not be able to continue to operate.***

Our independent registered public accountants have expressed substantial doubt about our ability to continue as a going concern. This opinion could materially limit our ability to raise additional funds by issuing new debt or equity securities or otherwise. If we fail to raise sufficient capital when needed, we will not be able to complete our proposed business. As a result we may have to liquidate our business and investors may lose their investments. The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish its plan of operations described herein and eventually attain profitable operations. Investors should consider our independent registered public accountant's comments when deciding whether to invest in the Company.

## **RISKS ASSOCIATED WITH OUR BUSINESS**

***Failure to successfully develop, manufacture, market, and sell our future products will have a material adverse effect on our business, financial condition, and results of operations.***

We are in the process of developing a suite of diagnostic tests as well as additional products. To date, we have not placed any of our product prototypes on either the clinical or research market. The successful development and commercialization of our intended products is critical to our future success. Our ability to develop, manufacture, market, and sell our future products successfully is subject to a number of risks, many of which are outside our control. There can be no assurance that we will be able to develop and manufacture products in commercial quantities at acceptable costs, successfully market any products, or generate revenues from the sale of any products. Failure to achieve any of the foregoing would have a material adverse effect on our business, financial condition, and results of operations.

***Our business is dependent on our ability to successfully develop and commercialize diagnostic products. If we fail to develop and commercialize diagnostic products, we may be unable to execute our plan of operations.***

Our current business strategy focuses on discovering, developing and commercializing diagnostic products. The success of our business will depend on our ability to fully develop and commercialize the diagnostic products in our current development pipeline as well as continue the discovery and development of other diagnostics products.

Prior to commercializing diagnostic products, we will be required to undertake time-consuming and costly development activities with uncertain outcomes, including conducting clinical studies and obtaining regulatory clearance or approval in the U.S. and in Europe. We have limited experience in taking products through these processes and there are considerable risks involved in these activities. The science and methods that we are employing are innovative and complex, and it is possible that our development programs will ultimately not yield products suitable for commercialization or government approval. Products that appear promising in early development may fail to be validated in subsequent studies, and even if we achieve positive results, we may still fail to obtain the necessary regulatory clearances or approvals. Few research and development projects result in commercial products, and perceived viability in early clinical studies often is not replicated in later studies. At any point, we may abandon development of a product, or we may be required to expend considerable resources obtaining additional clinical and nonclinical data, which would adversely impact the timing for generating potential revenue from those products. Further, our ability to develop and launch diagnostic tests is dependent on our receipt of substantial additional funding. If our discovery and development programs yield fewer commercial products than we expect, we may be unable to execute our business plan, and our business, financial condition and results of operations may be adversely affected.

***If the marketplace does not accept the products in our development pipeline or any other diagnostic products we might develop, we may be unable to generate sufficient revenue to sustain and grow our business.***

Our intended products may never gain significant acceptance in the research or clinical marketplace and therefore may never generate substantial revenue or profits. Physicians, hospitals, clinical laboratories, researchers or others in the healthcare industry may not use our future products unless they determine that they are an effective and cost-efficient means of detecting and diagnosing cancer. In addition, we will need to expend a significant amount of resources on marketing and educational efforts to create awareness of our future products and to encourage their acceptance and adoption. If the market for our future products does not develop sufficiently or the products are not accepted, our revenue potential will be harmed.

***The cancer diagnostics market is highly competitive and subject to rapid technological change, accordingly, we will face fierce competition and our intended products may become obsolete.***

The cancer diagnostics market is extremely competitive and characterized by evolving industry standards and new product enhancements. Cancer diagnostic tests are technologically innovative and require significant planning, design, development, and testing at the technological, product, and manufacturing process levels. These activities require significant capital commitments and investment. There can be no assurance that our intended products or proprietary technologies will remain competitive following the introduction of new products and technologies by competing companies within the industry. Furthermore, there can be no assurance that our future competitors will not develop products that render our future products obsolete or that are more effective, accurate or can be produced at lower costs. There can be no assurance that we will be successful in the face of increasing competition from new technologies or products introduced by existing companies in the industry or by new companies entering the market.

***We expect to face intense competition from companies with greater resources and experience than us, which may increase the difficulty for us to achieve significant market penetration.***

The market for cancer diagnostics is intensely competitive, subject to rapid change, and significantly affected by new product introductions and other market activities of industry participants. Our future competitors include large multinational corporations and their operating units, including General Electric, Philips, Siemens, and several others. These companies have substantially greater financial, marketing and other resources than we do. Each of these companies is either publicly traded or a division of a publicly traded company, and enjoys several competitive advantages, including:

- Significantly greater name recognition;
- Established relationships with healthcare professionals, companies and consumers;
- Additional lines of products, and the ability to offer rebates or bundle products to offer higher discounts or incentives to gain a competitive advantage;
- Established supply and distribution networks; and
- Greater resources for product development, sales and marketing, and intellectual property protection.

These other companies have developed and will continue to develop new products that will compete directly with our future products. In addition, many of our future competitors spend significantly greater funds for the research, development, promotion, and sale of new and existing products. These resources allow them to respond more quickly to new or emerging technologies and changes in consumer requirements. For all the foregoing reasons, we may not be able to compete successfully against our future competitors.

***Declining global economic or business conditions may have a negative impact on our business.***

Continuing concerns over U.S. healthcare reform legislation and energy costs, geopolitical issues, the availability and cost of credit and government stimulus programs in the United States and other countries have contributed to increased volatility and diminished expectations for the global economy. These factors, combined with low business and consumer confidence and high unemployment precipitated a global economic slowdown and recession. If the economic climate does not improve or continues to deteriorate, our business, including our access to the RUO or clinical market for diagnostic tests, could be adversely affected, resulting in a negative impact on our business, financial condition and results of operations.

***Our failure to obtain necessary regulatory clearances or approvals would significantly impair our ability to distribute and market our future products on the clinical in-vitro diagnostics market.***

We are subject to regulation and supervision by the FDA in the United States, the Conformité Européenne in Europe and other regulatory bodies in other countries where we intend to sell our future products. Before we are able to place our intended products in the clinical in-vitro diagnostics markets in the U.S. and Europe, we will be required to obtain approval of our future products from the FDA and receive a CE Mark, respectively. Delays in obtaining approvals and clearances could have material adverse effects on the Company and its ability to fully carry out its plan of operations.

Additionally, even if we receive the required government approval of our intended products, we are still subject to continuing regulation and oversight. Under the FDA, diagnostics are considered medical devices and are subject to ongoing controls and regulations, including inspections, compliance with established manufacturing practices, device-tracking, record-keeping, advertising, labeling, packaging, and compliance with other standards. The process of complying with such regulations with respect to current and new products can be costly and time-consuming. Failure to comply with these regulations could have a material adverse effect on our business, financial condition, and results of operations. Furthermore, any FDA regulations governing our future products are subject to change at any time, which may cause delays and have material adverse effects on our operations. In Europe, IVD companies are able to self-certify that they meet the appropriate regulatory requirements but are subject to inspection for enforcement. European national agencies, such as Customs authorities and/or the Departments of Health, Industry and Labor, conduct market surveillance to ensure the applicable requirements have been met for products marketed within the European Union.

***We will rely on third parties to manufacture and supply our intended products. Any problems experienced by these third parties could result in a delay or interruption in the supply of our intended products to our customers, which could have a material negative effect on our business.***

We will rely on third parties to manufacture and supply our intended products. The manufacture of our intended diagnostic products will require specialized equipment and utilize complicated production processes that would be difficult, time-consuming and costly to duplicate. If the operations of third party manufacturers are interrupted or if they are unable to meet our delivery requirements due to capacity limitations or other constraints, we may be limited in our ability to fulfill our future sales orders. Any prolonged disruption in the operations of third party manufacturers could have a significant negative impact on our ability to sell our future products, could harm our reputation and could cause us to seek other third party manufacturing contracts, thereby increasing our anticipated development and commercialization costs. In addition, if we are required to change manufacturers for any reason, we will be required to verify that the new manufacturer maintains facilities and procedures that comply with quality standards required by the FDA and with all applicable regulations and guidelines. The delays associated with the verification of a new manufacturer could negatively affect our ability to develop products or receive approval of any products in a timely manner. As of the date of this Report, we have not entered into any agreements with third party manufacturers for the manufacture of any of our intended products.

***The manufacturing operations of our future third party manufacturers will likely be dependent upon third party suppliers, making us vulnerable to supply shortages and price fluctuations, which could harm our business.***

The operations of our future third party manufacturers will likely be dependent upon third party suppliers. A supply interruption or an increase in demand beyond a supplier's capabilities could harm the ability of our future manufacturers to manufacture our intended products until new sources of supply are identified and qualified.

Reliance on these suppliers could subject the Company to a number of risks that could harm our business, including:

- Interruption of supply resulting from modifications to or discontinuation of a supplier's operations;
- Delays in product shipments resulting from uncorrected defects, reliability issues, or a supplier's variation in a component;
- A lack of long-term supply arrangements for key components with our suppliers;
- Inability to obtain adequate supply in a timely manner, or to obtain adequate supply on commercially reasonable terms;
- Difficulty and cost associated with locating and qualifying alternative suppliers for components in a timely manner;
- Production delays related to the evaluation and testing of products from alternative suppliers, and corresponding regulatory qualifications;
- Delay in delivery due to suppliers prioritizing other customer orders over ours;
- Damage to our brand reputation caused by defective components produced by the suppliers; and
- Fluctuation in delivery by the suppliers due to changes in demand from us or their other customers.

Any interruption in the supply of components of our future products or materials, or our inability to obtain substitute components or materials from alternate sources at acceptable prices in a timely manner, could impair our ability to meet the demand of our future customers, which would have an adverse effect on our business.

***We will depend on third party distributors in the future to market and sell our future products in markets outside of North America, which will subject us to a number of risks.***

We will depend exclusively on third party distributors to sell, market, and service our future products in markets outside of North America. We are subject to a number of risks associated with reliance upon third party distributors including:

- Lack of day-to-day control over the activities of third party distributors;
- Third party distributors may not commit the necessary resources to market and sell our future products to our level of expectations;
- Third party distributors may terminate their arrangements with us on limited or no notice or may change the terms of these arrangements in a manner unfavorable to us; and
- Disagreements with our future distributors could result in costly and time-consuming litigation or arbitration which we could be required to conduct in jurisdictions with which we are not familiar.

If we fail to establish and maintain satisfactory relationships with our future third party distributors, our revenues and market share may not grow as anticipated, and we could be subject to unexpected costs which could harm our results of operations and financial condition.

***If the patents that we rely on to protect our intellectual property prove inadequate, our ability to successfully commercialize our future products will be harmed and we may never be able to operate our business profitably.***

Our success depends, in large part, on our ability to protect proprietary methods, discoveries and technologies that we develop under the patents and intellectual property laws of the United States, European Union and other countries, so that we can seek to prevent others from unlawfully using our inventions and proprietary information. We have exclusive license rights to a number of patent applications related to our diagnostic tests under development, but do not have any issued patents in the United States and only one issued patent in Europe. Additionally, the Company has patent applications authored by both Singapore Volition and Belgian Volition, which are also currently pending. We cannot assure you that any of the pending patent applications will result in patents being issued. In addition, due to technological changes that may affect our future products or judicial interpretation of the scope of our patents, our intended products might not, now or in the future, be adequately covered by our patents.

***If third parties assert that we have infringed their patents and proprietary rights or challenge the validity of our patents and proprietary rights, we may become involved in intellectual property disputes and litigation that would be costly, time consuming, and delay or prevent the development or commercialization of our future products.***

Our ability to commercialize our intended products depends on our ability to develop, manufacture, market and sell our future products without infringing the proprietary rights of third parties. Third parties may allege that our future products or our methods or discoveries infringe their intellectual property rights. Numerous U.S. and foreign patents and pending patent applications, which are owned by third parties, exist in fields that relate to our intended products and our underlying methodologies, discoveries and technologies.



A third party may sue us for infringing its patent rights. Likewise, we may need to resort to litigation to enforce a patent issued or licensed to us or to determine the scope and validity of third party proprietary rights. In addition, a third party may claim that we have improperly obtained or used its confidential or proprietary information. The cost to us of any litigation or other proceeding relating to intellectual property rights, even if resolved in our favor, could be substantial, and the litigation could divert our management's attention from other aspects of our business. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of any litigation could limit our ability to continue our operations.

If we are found to infringe upon intellectual property rights of third parties, we might be forced to pay damages, potentially including treble damages. In addition to any damages we might have to pay, a court could require us to stop the infringing activity or obtain a license. Any license required under any patent may not be made available on commercially acceptable terms, if at all. In addition, such licenses are likely to be non-exclusive and, therefore, our competitors may have access to the same technology licensed to us. If we fail to obtain a required license and are unable to design around a patent, we may be unable to effectively market some or all of our future products, which could limit our ability to generate revenue or achieve profitability and possibly prevent us from generating revenue sufficient to sustain our operations.

***If we are unable to protect our trade secrets, we may be unable to protect our interests in proprietary technology, processes and know-how that is not patentable or for which we have elected not to seek patent protection.***

In addition to patented technology, we rely upon trade secret protection to protect our interests in proprietary know-how and for processes for which patents are difficult or impossible to obtain or enforce. We may not be able to protect our trade secrets adequately. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors and outside scientific advisors may unintentionally or willfully disclose our information to competitors. Enforcing a claim that a third party illegally obtained and is using any of our trade secrets is expensive and time consuming, and the outcome is unpredictable. In addition, courts outside the United States are sometimes less willing to protect trade secrets. We rely, in part, on non-disclosure and confidentiality agreements with our employees, consultants and other parties to protect our trade secrets and other proprietary technology. These agreements may be breached and we may not have adequate remedies for any breach. Moreover, others may independently develop equivalent proprietary information, and third parties may otherwise gain access to our trade secrets and proprietary knowledge. Any disclosure of confidential information into the public domain or to third parties could allow our future competitors to learn our trade secrets and use the information in competition against us, which could adversely affect our competitive advantage.

## **RISKS ASSOCIATED WITH OUR COMMON STOCK**

***The Company's stock price may be volatile.***

The market price of the Company's common stock is likely to be highly volatile and could fluctuate widely in price in response to various potential factors, many of which will be beyond the Company's control, including the following:

- competition;
- additions or departures of key personnel;
- the Company's ability to execute its business plan;
- operating results that fall below expectations;
- loss of any strategic relationship;
- industry developments;
- economic and other external factors; and
- period-to-period fluctuations in the Company's financial results.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of the Company's common stock.

***We do not expect to pay dividends in the foreseeable future.***

We do not intend to declare dividends for the foreseeable future, as we anticipate that we will reinvest any future earnings in the development and growth of our business. Therefore, investors will not receive any funds unless they sell their common stock, and stockholders may be unable to sell their shares on favorable terms or at all. We cannot assure you of a positive return on investment or that you will not lose the entire amount of your investment in our common stock.

*We may in the future issue additional shares of our common stock which would reduce investors' ownership interests in the Company and which may dilute our share value.*

Our Certificate of Incorporation and amendments thereto authorize the issuance of 200,000,000 shares of common stock, par value \$0.001 per share. The future issuance of all or part of our remaining authorized common stock may result in substantial dilution in the percentage of our common stock held by our then existing stockholders. We may value any common stock issued in the future on an arbitrary basis. The issuance of common stock for future services or acquisitions or other corporate actions may have the effect of diluting the value of the shares held by our investors, and might have an adverse effect on any trading market for our common stock.

*The Company's common stock is currently deemed to be "penny stock", which makes it more difficult for investors to sell their shares.*

The Company's common stock is currently subject to the "penny stock" rules adopted under section 15(g) of the Exchange Act. The penny stock rules apply to companies whose common stock is not listed on the NASDAQ Stock Market or other national securities exchange and trades at less than \$5.00 per share or that have tangible net worth of less than \$5,000,000 (\$2,000,000 if the company has been operating for three or more years). These rules require, among other things, that brokers who trade penny stock to persons other than "established customers" complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote information under certain circumstances. Many brokers have decided not to trade penny stocks because of the requirements of the penny stock rules and, as a result, the number of broker-dealers willing to act as market makers in such securities is limited. If the Company remains subject to the penny stock rules for any significant period, it could have an adverse effect on the market, if any, for the Company's securities. If the Company's securities are subject to the penny stock rules, investors will find it more difficult to dispose of the Company's securities.

*FINRA sales practice requirements may limit a stockholder's ability to buy and sell our stock.*

The Financial Industry Regulatory Authority ("FINRA") has adopted rules that relate to the application of the SEC's penny stock rules in trading our securities and require that a broker/dealer have reasonable grounds for believing that the investment is suitable for that customer, prior to recommending the investment. Prior to recommending speculative, low priced securities to their non-institutional customers, broker/dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information.

Under interpretations of these rules, FINRA believes that there is a high probability that speculative, low priced securities will not be suitable for at least some customers. FINRA's requirements make it more difficult for broker/dealers to recommend that their customers buy our common stock, which may have the effect of reducing the level of trading activity and liquidity of our common stock. Further, many brokers charge higher transactional fees for penny stock transactions. As a result, fewer broker/dealers may be willing to make a market in our common stock, reducing a shareholder's ability to resell shares of our common stock.

## **ITEM FINANCIAL INFORMATION**

### **2.**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### *Liquidity and Capital Resources*

As of September 30, 2011, Singapore Volition had cash of \$959,090 and prepaid expenses of \$353,500, and other current assets of \$98,452. Singapore Volition had current liabilities of \$1,511,480, including \$1,110,000 due in respect of stock issuances. This translates into a working capital surplus, excluding prepayments of \$353,500 and \$1,110,000 due in respect of stock issuances, of \$656,062, which means that our cash reserves are only adequate to fund operations for a limited period of time. We intend to use our cash reserves to fund further research and development activities. We expect to receive a certain amount of additional grant funds over the period to March 31, 2012, but this is not assured and otherwise we do not have any source of revenues as of September 30, 2011 and expect to rely on additional financing. We are pursuing plans to seek further capital through the sale of additional stock; however we currently have not entered into a specific transaction and there is no assurance that we will complete such a transaction.

In the event that additional financing is delayed, the Company will prioritize the maintenance of its research and development personnel and facilities, primarily in Belgium, and the maintenance of its patent rights. However the development of the current pipeline of intended products for the RUO market would be delayed, as would clinical validation studies and regulatory approval processes for the purpose of bringing products to the IVD market. In the event of an ongoing lack of financing, we may be obliged to discontinue operations, which will adversely affect the value of our common stock.

## Overview of Operations

Management has identified the specific processes and resources required to achieve the near term objectives of the business plan, including personnel, facilities, equipment, research and testing materials including antibodies and clinical samples, and the protection of intellectual property. Some of these resources were acquired during the period ended September 30, 2011 and are reflected in the costs for that period, others have been acquired since, and others are dependent upon obtaining additional financing. To date, operations have proceeded satisfactorily in relation to the business plan. However it is possible that some resources will not readily become available in a suitable form or on a timely basis or at an acceptable cost. It is also possible that the results of some processes may not be as expected and that modifications of procedures and materials may be required. Such events could result in delays to the achievement of the near term objectives of the business plan, in particular the development of our intended products for the RUO market and the progression of clinical validation studies and regulatory approval processes for the purpose of bringing products to the IVD market. However, at this point, the most significant risk to the Company is that it will not succeed in obtaining additional financing in the short term.

## Results of Operations

### Three Months Ended September 30, 2011

The following table sets forth our results of the operations for Singapore Volition for the three months ended on September 30, 2011 and the comparative period from inception on August 5, 2010 through September 30, 2010.

	Three Months Ended September 30, 2011	For the period from August 5, 2010 (Date of Inception) to September 30, 2010	Increase/ (Decrease)	Percentage Increase/ (Decrease)
Revenues	\$ -	\$ -	\$ -	-
Operating Expenses	(730,294)	(383,755)	(346,539)	90%
Other Income (Expenses)	-	-	-	-
Income Taxes	-	-	-	-
Net Loss	\$ (730,294)	\$ (383,755)	\$ (346,539)	90%
Basic and Diluted Loss Per Common Shares	\$ (0.12)	\$ (0.14)	\$ 0.02	(14)%
Weighted Average Basic and Diluted Common Shares Outstanding	5,898,270	2,763,159	3,135,111	113%

## Revenues

Singapore Volition had no revenues from operations in the three months ended September 30, 2011. Singapore Volition's operations are in the development stage.

## Operating Expenses

For the three months ended September 30, 2011, Singapore Volition's operating expenses increased by \$346,539, or 90.3%. Operating expenses are comprised of depreciation and amortization, salaries and office administrative fees, stock compensation, research and development expenses, and other general and administrative expenses. Depreciation and amortization increased \$30,053 during the period due to the acquisition of additional assets. Salaries and office administrative fees increased by \$397,256 due to the grant of options valued at \$258,969 to certain key management and to additional staff and associated costs. Stock compensation increased by \$258,969 due to the grant of options to certain key management. Research and development expenses increased by \$202,268 due to increased R&D activity. General and administrative expenses decreased by \$252,985 due to a reduction in fees related to fundraising and business development.

## Net Loss

For the three months ended September 30, 2011, our net loss was \$730,294, an increase of \$346,539 or 90.3% over the comparative period from inception on August 5, 2010 through September 30, 2010. The change is a result of the changes described above.

## Nine Months Ended September 30, 2011

The following table sets forth Singapore Volition's results of the operations for the nine months ended on September 30, 2011 and the comparative period from inception on August 5, 2010 through September 30, 2010.

	Nine Months Ended September 30, 2011	For the period from August 5, 2010 (Date of Inception) to September 30, 2010	Increase/ (Decrease)	Percentage Increase/ (Decrease)
Revenues	\$ -	\$ -	\$ -	
Operating Expenses	(1,690,986)	(383,755)	(1,307,231)	341%
Other Income (Expenses)	-	-	-	
Income Taxes	-	-	-	
Net Loss	\$ (1,690,986)	\$ (383,755)	\$ (1,307,231)	341%
Basic and Diluted Loss Per Common Shares	\$ (0.34)	\$ (0.14)	\$ (0.20)	143%
Weighted Average Basic and Diluted Common Shares Outstanding	4,950,534	2,763,159	2,187,375	79%

### **Revenues**

Singapore Volition had no revenues from operations in the nine months ended September 30, 2011. Singapore Volition's operations are in the development stage.

### **Operating Expenses**

For the nine months ended September 30, 2011, Singapore Volition's operating expenses increased by \$1,307,231, or 340.6%. Operating expenses are comprised of depreciation and amortization, salaries and office administrative fees, stock compensation, research and development expenses, and other general and administrative expenses. Depreciation and amortization increased \$77,615 during the period due to the acquisition of additional assets. Salaries and office administrative fees increased by \$806,492 due to the grant of options valued at \$390,530 to certain key management and to additional staff and associated costs. Stock compensation increased by \$390,530 due to the grant of options to certain key management. Research and development expenses increased by \$506,218 due to increased R&D activity. General and administrative expenses decreased by \$5,479 due to a reduction in fees related to fundraising and business development, offset by increases in administrative and professional fees related to additional staff and business activity.

### **Net Loss**

For the nine months ended September 30, 2011, our net loss was \$1,690,986, an increase of \$1,307,231 or 340.6% over the comparative period from inception on August 5, 2010 through September 30, 2010. The change is a result of the changes described above.

### **Going Concern**

We have not attained profitable operations and are dependent upon obtaining financing to pursue any extensive acquisitions and activities. For these reasons, our auditors stated in their report on our audited financial statements that they have substantial doubt that we will be able to continue as a going concern without further financing.

### **Future Financings**

We will continue to rely on equity sales of our common shares in order to continue to fund our business operations. Issuances of additional shares will result in dilution to existing stockholders. There is no assurance that we will achieve any additional sales of the equity securities or arrange for debt or other financing to fund planned acquisitions and exploration activities.

### ***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.

### ***Critical Accounting Policies***

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 complete summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

### ***Recently Issued Accounting Pronouncements***

In March 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-11 ("ASU No. 2010-11"), "Derivatives and Hedging (Topic 815): Scope Exception Related to Embedded Credit Derivatives." The amendments in this Update are effective for each reporting entity at the beginning of its first fiscal quarter beginning after June 15, 2010. Early adoption is permitted at the beginning of each entity's first fiscal quarter beginning after issuance of this Update. The Company's adoption of provisions of ASU No. 2010-11 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In February 2010, the FASB issued ASU 2010-10 ("ASU No. 2010-10"), "Consolidation (Topic 810): Amendments for Certain Investment Funds." The amendments in this Update are effective as of the beginning of a reporting entity's first annual period that begins after November 15, 2009 and for interim periods within that first reporting period. Early application is not permitted. The Company's adoption of provisions of ASU No. 2010-10 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In February 2010, the FASB issued ASU 2010-09 ("ASU No. 2010-09"), "Subsequent Events (ASC Topic 855): Amendments to Certain Recognition and Disclosure Requirements." ASU No. 2010-09 requires an entity that is an SEC filer to evaluate subsequent events through the date that the financial statements are issued and removes the requirement for an SEC filer to disclose a date, in both issued and revised financial statements, through which the filer had evaluated subsequent events. The Company's adoption of provisions of ASU No. 2010-09 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In January 2010, the FASB issued ASU 2010-06 ("ASU No. 2010-06"), "Improving Disclosures about Fair Value Measurements." ASU No. 2010-06 amends FASB Accounting Standards Codification ("ASC") 820 and clarifies and provides additional disclosure requirements related to recurring and non-recurring fair value measurements and employers' disclosures about postretirement benefit plan assets. This ASU is effective for interim and annual reporting periods beginning after December 15, 2009. The Company's adoption of provisions of ASU No. 2010-06 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In January 2010, the FASB issued an amendment to ASC Topic 505, "Equity", where entities that declare dividends to shareholders that may be paid in cash or shares at the election of the shareholders are considered to be a share issuance that is reflected prospectively in EPS, and is not accounted for as a stock dividend. This standard is effective for interim and annual periods ending on or after December 15, 2009 and is to be applied on a retrospective basis. The Company's adoption of the amendment to ASC Topic 505 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In January 2010, the FASB issued an amendment to ASC Topic 820, "Fair Value Measurements and Disclosure", to require reporting entities to separately disclose the amounts and business rationale for significant transfers in and out of Level 1 and Level 2 fair value measurements and separately present information regarding purchase, sale, issuance, and settlement of Level 3 fair value measures on a gross basis. This standard, for which the Company is currently assessing the impact, is effective for interim and annual reporting periods beginning after December 15, 2009 with the exception of disclosures regarding the purchase, sale, issuance, and settlement of Level 3 fair value measures which are effective for fiscal years beginning after December 15, 2010. The Company's adoption of the amendment to ASC Topic 820 did not have a material effect on the financial position, results of operations or cash flows of the Company.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that 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.

### ***Contractual Obligations***

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

### **ITEM 3. PROPERTIES**

Our principal executive office is located at 150 Orchard Road, Orchard Plaza 08-02, Singapore 238841. We currently rent this space for approximately \$1,500 USD a month. Currently, this space is sufficient to meet our needs, however, once we expand our business to a significant degree, we will have to find a larger space. We do not foresee any significant difficulties in obtaining any required additional space. We do not currently own any real estate.

Belgian Volition currently rents laboratory and office space at Facultés Universitaires Notre-Dame de la Paix located at 61 rue de Bruxelles, B-5000, Namur, Belgium for approximately €778 EUR per month. On January 31, 2011, Belgian Volition entered into a lease agreement with the University for a leasing term of one year. On February 1, 2012, Belgian Volition entered into an amended leasing agreement with the University, extending the original lease for an additional three months. Belgian Volition is looking to expand its facilities and is currently sourcing larger premises. We do not foresee any significant difficulties in obtaining any required additional space.

### **ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

#### ***Security Ownership of Management***

The following table sets forth certain information concerning the number of shares of our common stock owned beneficially as of February 20, 2012, by: (i) each of our directors; (ii) each of our named executive officers; and (iii) each person or group known by us to beneficially own more than 5% of our outstanding shares of common stock. Unless otherwise indicated, the shareholders listed below possess sole voting and investment power with respect to the shares they own.

<b>Name and Address of Beneficial Owner</b>	<b>Title of Class</b>	<b>Amount and Nature of Beneficial Ownership (1) (#)</b>	<b>Percent of Class (2) (%)</b>
Dr. Martin Faulkes (3) Eastwoods, The Chase Oxshott Surrey, KT22 0HR UK	Common	810,000	9.37%
Guy Archibald Innes (4) Wickhurst Manor, Wickhurst Road Weald Sevenoaks Kent, TN14 6LY UK	Common	430,000	4.97%
Cameron Reynolds (5) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	200,001	2.31%
Dr. Jacob Micallef (6) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	76,166	0.88%
Dr. Alan Colman (7) 156 Gibraltar Crescent Singapore 759588	Common	12,500	0.14%
Malcolm Lewin (8) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	0	0.00%
Rodney Gerard Rootsart (9) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	0	0.00%
Dr. Satu Vainikka (10) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	0	0.00%
Sarah Lee Hwee Hoon (11) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	0	0.00%
Kevin John Alexander (12) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	0	0.00%
Patrick Rousseau (13) 150 Orchard Road Orchard Plaza, #08-02 Singapore 238841	Common	0	0.00%
<b>All Officers and Directors as a Group (11 Persons)</b>	<b>Common</b>	<b>1,528,667</b>	<b>17.67%</b>
Concord International, Inc. (14) 150 Orchard Road, Orchard Plaza, #08-02 Singapore 238841	Common	2,042,088	23.62%
Appletree Investment Management, Inc. (15) 179 Upper Richmond Road West East Sheen, London, SW14 8DU UK	Common	802,112	9.28%
ValiRX PLC (16) 24 Greville Street London EC1N 8SS	Common	510,811	5.91%

- (1) The number and percentage of shares beneficially owned is determined under rules of the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has sole or shared voting power or investment power and also any shares which the individual has the right to acquire within 60 days through the exercise of any stock option or other right. The persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws where applicable and the information contained in the footnotes to this table.
- (2) Based on 8,645,652 issued and outstanding shares of common stock as of February 20, 2012.
- (3) Dr. Martin Faulkes is a Director of the Company, Singapore Volition and Belgian Volition. His beneficial ownership includes 810,000 common shares and 250,000 outstanding and unexercised warrants.
- (4) Guy Archibald Innes is a Director of the Company and Singapore Volition. His beneficial ownership includes 430,000 common shares and 100,000 outstanding and unexercised warrants.
- (5) Cameron Reynolds is the Company's President, Chief Executive Officer and a member of the Board of Directors. Mr. Reynolds is also the Chief Executive Officer and a Director of Singapore Volition, the Managing Director of Belgian Volition, and Chief Executive Officer and a Director of Hypergenomics Pte Limited. His beneficial ownership includes 200,001 common shares.
- (6) Dr. Jacob Micallef is a Director of Belgian Volition. His beneficial ownership includes 76,166 common shares.
- (7) Dr. Alan Colman is a Director of the Company and Singapore Volition. His beneficial ownership includes 12,500 common shares and 100,000 outstanding and unexercised warrants.
- (8) Malcolm Lewin is the Company's Chief Financial Officer and Treasurer. Mr. Lewin is also the Chief Financial Officer of Singapore Volition. His beneficial ownership includes 0 common shares.
- (9) Rodney Gerard Rootsart is the Company's Secretary. Mr. Rootsart is also the Administrative and Legal Officer of Singapore Volition and the Secretary and a Director of Belgian Volition. His beneficial ownership includes 0 common shares.
- (10) Dr. Satu Vainikka is a member of the Company's Board of Directors and a former Director of Singapore Volition. Her beneficial ownership includes 0 common shares.
- (11) Sarah Lee Hwee Hoon is the Secretary and a Director of Hypergenomics Pte Limited. Her beneficial ownership includes 0 common shares.
- (12) Kevin John Alexander is a former Director of the Company. His beneficial ownership includes 0 common shares.
- (13) Patrick Rousseau is the former Managing Director of Belgian Volition. His beneficial ownerships includes 0 common shares.
- (14) Concord International, Inc.'s beneficial ownership includes 2,042,088 common shares. Rodney Rootsart is a controlling director of Concord International, Inc. and has voting and dispositive control over the 2,042,088 common shares. Cameron Reynolds is a potential beneficiary.
- (15) Robert James Cooles holds investment and voting control over the 802,112 common shares beneficially owned by Appletree Investment Management, Inc.
- (16) ValiRX PLC's beneficial ownership includes 510,811 common shares. ValiRX PLC is a public company listed on the London Stock Exchange (AIM). ValiRX PLC has no control, either indirect or direct, of the Company. The Company has no knowledge of the identity of the controlling shareholders of ValiRX PLC that hold the voting and dispositive control over the shares.



## ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

### *Identification of Directors and Executive Officers*

#### **The Company**

The following table sets forth the names and ages of the Company's current directors and executive officers. The board of directors has no nominating or compensation committee at this time.

<b>Name</b>	<b>Age</b>	<b>Position with the Company</b>	<b>Officer/Director Since</b>
Cameron Reynolds	40	President	October 6, 2011
		Chief Executive Officer	October 6, 2011
		Director	October 6, 2011
Malcolm Lewin	60	Chief Financial Officer	October 6, 2011
		Treasurer	October 6, 2011
Rodney Gerard Rootsart	40	Secretary	October 6, 2011
Dr. Martin Faulkes	67	Director	October 6, 2011
Dr. Satu Vainikka	44	Director	October 6, 2011
Guy Archibald Innes	55	Director	October 6, 2011
Dr. Alan Colman	62	Director	October 6, 2011
Kevin John Alexander <sup>(1)</sup>	57	Director	October 6, 2011

- (1) Kevin John Alexander resigned as a Director of the Company on December 6, 2011.

#### **Singapore Volition**

The following table sets forth the names and ages of Singapore Volition's current directors and executive officers. The board of directors has no nominating or compensation committee at this time.

<b>Name</b>	<b>Age</b>	<b>Position with Singapore Volition</b>	<b>Officer/Director Since</b>
Cameron Reynolds	40	Chief Executive Officer	August 5, 2010
		Director	August 5, 2010
Malcolm Lewin	60	Chief Financial Officer	July 15, 2011
Rodney Gerard Rootsart	40	Administration and Legal Officer	August 6, 2010
Dr. Martin Faulkes	67	Director	August 18, 2010
		Executive Chairman	March 22, 2011
Guy Archibald Innes	55	Director	August 18, 2010
Dr. Alan Colman	62	Director	April 1, 2011
Dr. Satu Vainikka <sup>(1)</sup>	44	Director	October 11, 2010

- (1) Dr. Satu Vainikka resigned as a Director of Singapore Volition on October 7, 2011.

#### **Belgian Volition**

The following table sets forth the names and ages of Belgian Volition's current directors and executive officers. The board of directors has no nominating or compensation committee at this time.

<b>Name</b>	<b>Age</b>	<b>Position with the Belgian Volition</b>	<b>Officer/Director Since</b>
Cameron Reynolds <sup>(1)</sup>	40	Director	October 27, 2010
Patrick Rousseau <sup>(2)</sup>	57	Managing Director	July 27, 2007
Rodney Gerard Rootsart	40	Secretary	October 4, 2010
		Director	October 4, 2010
Dr. Martin Faulkes	67	Director	August 10, 2011
Dr. Jacob Micallef	55	Director	August 10, 2011

- (1) Cameron Reynolds was appointed as Managing Director of Belgian Volition on January 18, 2012.  
(2) Patrick Rousseau resigned as Managing Director of Belgian Volition on January 18, 2012.

## **HyperGenomics Pte Limited**

The following table sets forth the names and ages of HyperGenomics Pte Limited's current directors and executive officers. The board of directors has no nominating or compensation committee at this time.

<b>Name</b>	<b>Age</b>	<b>Position with HyperGenomics Pte Limited</b>	<b>Officer/Director Since</b>
Cameron Reynolds	40	Chief Executive Officer Director	March 7, 2011 March 7, 2011
Sarah Lee Hwee Hoon	36	Secretary Director	March 7, 2011 March 7, 2011

### ***Science Executives***

The following table sets forth the names and ages of our current Scientific Officers:

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Officer Since</b>
Dr. Jacob Micallef	55	Chief Scientific Officer, Belgian Volition	October 11, 2010
Dr. Mark Eccleston	40	Chief Scientific Officer, HyperGenomics Pte Limited	March 7, 2011

### ***Scientific Advisory Board***

The following table sets forth the names and ages of the current Scientific Advisory Board Members of Singapore Volition :

<b>Name</b>	<b>Age</b>	<b>Position with Singapore Volition</b>	<b>Advisory Board Member Since</b>
Dr. Alan Colman	62	Chairman of Scientific Advisory Board	April 5, 2011
Dr. Robert Weinzierl	49	Scientific Advisory Board Member	April 5, 2011
Dr. Andreas Ladurner	40	Scientific Advisory Board Member	April 5, 2011
Dr. Habib Skaff	34	Scientific Advisory Board Member	April 4, 2011

### ***Term of Office***

Each director serves for a term of one year and until his successor is elected at the Annual Shareholders' Meeting and is qualified, subject to removal by the shareholders. Each officer serves for a term of one year and until his successor is elected at a meeting of the Board of Directors and is qualified.

### ***Identification of Significant Employees***

The Company has no full-time or part-time employees.

Our subsidiary, Singapore Volition, has one full-time employee, Charlotte McCubbin, Communications Manager, who is responsible for all communications, such as the Company's website and news releases, as well as the Company's branding and visual communications. Singapore Volition has no part-time employees.

Our subsidiary, Belgian Volition, has four full-time employees: three laboratory technicians including Dr. Marielle Herzog, Muriel Chapelier and Katty Scoubeau; and Maria Dolores Fernandez, who provides administrative services. Belgian Volition has no part-time employees.

Our subsidiary, Hypergenomics Pte. Limited, has no full-time or part-time employees.

### ***Background and Business Experience***

The business experience during the past five years of the person(s) listed above is as follows:

**CAMERON REYNOLDS.** Cameron Reynolds has over 17 years of entrepreneurial executive experience in the mining and biotechnology sectors. He began his career in 1994 working for Southern China Group, where as regional manager he set up operations in Hong Kong and Yunnan. In 1996 he began working for Integrated Coffee Technologies, a genetically modified coffee company, in a junior management position, where he was responsible for business plan creation, office management, recruitment, and business development. After working for Integrated Coffee Technologies, Mr. Reynolds served as the commercialization director for Probio, Inc., a company that commercialized intellectual property in the animal biotechnology fields including transgenesis and cloning research from the University of Hawaii. Mr. Reynolds held that role from 1998 until 2001, and his main responsibilities were managing all legal and contract issues with the University of Hawaii; implementing patenting strategy; managing all shareholder issues including the merger and its legal and contractual documentation; head office management; budgetary control; team building and recruitment.

Between 2002 and 2003, Mr. Reynolds undertook an MBA. From 2004 until 2011, Mr. Reynolds founded and served as Managing Director and Director of Mining House Limited, where he was responsible for identifying potential mining projects, coordinating the preliminary evaluations and securing the financing with a view to listing the companies on AIM, TSX and US OTC. From 2005 until present, Mr. Reynolds has held a number of board directorships including Atlantic Mining PLC; Carbon Mining PLC, Magellan Copper and Gold (Carbon Mining and MCG were both became part of Solfotara Mining and Copper Development Corp on AIM, CDC.L after a vend); KAL Energy Inc. (KALG, OTC), Iofina Natural Gas PLC (IOF, AIM); Canyon Copper Corp. (TSX.V: CNC, OTCBB: CNYC), and Hunter Bay Resources (HBY, TSX-V). Prior to the Share Exchange Agreement, Mr. Reynolds served as Chief Executive Officer and Director of Singapore Volition since August 5, 2010. The Board of Directors appointed Mr. Reynolds as President, Chief Executive Officer and Director of the Company due to his strong experience in management, structuring and strategic planning of start-up companies.

**MALCOLM LEWIN.** Malcolm Lewin is the Company's Chief Financial Officer and Treasurer. He has a strong background in finance and accounting both for public and private companies alike. Mr Lewin qualified as a chartered accountant with Coopers & Lybrand in 1976. From 1989 to 2000, Mr. Lewin was a partner of Mercer Lewin, a chartered accounting firm. From 2000 until present, Mr. Lewin has acted for various companies listed on AIM and the TSX-V. In particular, Mr. Lewin acted as the finance director of OMG plc (AIM: OMG), a supplier of motion capture and visual geometry systems, from April 2000 to June 2003. In June 2004, Mr. Lewin was appointed as the finance director of Real Estate Investors Plc (AIM: REI), a property investment company with interests in quality commercial and industrial properties throughout the United Kingdom, and held this position until August 2006. In September 2006, Mr. Lewin was appointed a Director and Chief Financial Officer of Hunter Bay Minerals Plc (TSX-V:HBY), a junior mining company with interests in South America and Canada, and held this position until June 2011. Prior to the Share Exchange Agreement, Mr. Lewin served as Chief Financial Officer of Singapore Volition since July 15, 2011. The Board of Directors believes that Mr. Lewin's financial and accounting knowledge would be a valuable asset to the Company.

**RODNEY GERARD ROOTSAERT.** Rodney Rootsart has over six years of experience in providing corporate, legal and administrative services to start-up companies through Mining House Ltd., of which Mr. Rootsart has been a director since 2007. From 2007 until 2011, Mr. Rootsart has served as corporate secretary for several junior mining companies. He was the corporate secretary for Magellan Copper and Gold Plc., from 2007 until 2011, where his duties included maintaining and preparing company documents, accounts and contracts. He also served as corporate secretary for Delta Pacific Mining Plc., from 2007 until present, where he was responsible for ensuring compliance with all relevant statutory and regulatory requirements. Prior to the Share Exchange Agreement, Mr. Rootsart served as Administration and Legal Officer of Singapore Volition since August 6, 2010. Due to Mr. Rootsart's legal background and prior roles as a corporate secretary for small public companies, the Board of Directors believed that he would be a great addition to the Company.

**DR. MARTIN FAULKES.** Dr. Martin Faulkes has over 30 years of entrepreneurial and managerial experience as the founder and CEO of several software companies within the United Kingdom and the United States. From 1979 to 1984, Dr. Faulkes was the Founder, President and CEO for Logica Inc., a company providing bespoke software to all industries but mainly banks and communications companies. Dr. Faulkes was responsible for all aspects of the business; namely sales, finance, recruitment, staff management and project control. He then became Managing Director of System Programming Ltd., a company that provides computer programming for systems in business like airlines, utility companies, banks, and insurance, from 1985 to 1987, where he was responsible for all aspects of the business. Dr. Faulkes founded Triad Plc., a computer software development company that provides systems and consultants to the business community, where he was a director from 1987 to 1998, responsible for controlling the company financially. From 1998 until the present day, Dr. Faulkes has focused on charitable activities, as the Founder and Sole Benefactor of the Dill Faulkes Educational Trust, a UK registered charity, where he is Chairman. He also sits on the Board of the Cambridge 800th Anniversary Campaign in the UK. Prior to the Share Exchange Agreement, Dr. Faulkes served as a Director of the Singapore Volition since August 18, 2010 and as Executive Chairman of the Board of Directors of Singapore Volition since March 22, 2011. In light of Dr. Faulkes' past experience in business development, Dr. Faulkes was appointed as a Director to the Company.

**DR. SATU VAINIKKA.** Dr. Satu Vainikka has a strong background in the biotechnology industry, technology commercialization, equity financing, and business management. Dr. Vainikka undertook a PhD in molecular biology and oncology at the University of Helsinki from 1992 until 1996. From 1996 until 1999, she undertook post-doctoral research at the Imperial Cancer Research Fund (now CRUK) where she gained many years of research experience in the field of oncology, working in the area of signal transduction pathways. In 1999 she undertook an MBA and from 2000 until 2003 she founded, then was Chief Scientific Officer of, Gene Expression Technologies Limited. In 2004, Dr. Vainikka founded the London based biotechnology company, Cronos Therapeutics, serving as its Chief Executive Officer from 2004 until 2006. In 2006 she became CEO of ValiRX, a company listed on the UK AIM, where she led a number of secondary funding rounds for the company on the market and raised several rounds of private equity funding. Prior to the Share Exchange Agreement, Dr. Vainikka served as a Director of Singapore Volition from October 11, 2010 until October 7, 2011. Dr. Vainikka presently remains CEO and Director of ValiRX. Due to Dr. Vainikka's specialized experience in the fields of biotechnology, oncology and molecular biology, she was appointed as a Director of the Company.

**GUY ARCHIBALD INNES.** Guy Archibald Innes is a Chartered Accountant and a member of the Institute of Chartered Accountants in England and Wales. Mr. Innes has extensive experience in financing and managing technology companies, which he gained from serving as a non-executive director on the board of companies such as ProBio Inc. from 2000 to 2006, Magellan Copper & Gold Plc. from 2007 to 2010, and Carbon Mining Plc. from 2007 to 2010. While serving as a non-executive director for these companies, Mr. Innes was responsible for the development of corporate strategy and the implementation of financial controls and risk management systems. Prior to holding these directorships, Mr. Innes had a long career in banking and private equity, including advisory roles with Baring Brothers & Co. Limited in London and Paris from 1984 to 1995, where he was involved in executing and advising on national and international mergers & acquisitions, but also IPOs and capital raising; Baring Private Equity Partners Limited in London and Singapore from 1995 to 1997, where he was involved in the setting up, recruiting of managers and capital raising for an Asian media and communications private equity fund; and Quartz Capital Partners Limited from 1997 to 2000, where Mr. Innes served as Head of Corporate Finance and was responsible for managing the corporate finance department and leading the transactions undertaken by Quartz including IPOs, private placements and mergers and acquisitions. Prior to the Share Exchange Agreement, Mr. Innes served as a Director of Singapore Volition since August 18, 2010. The Board of Directors of the Company believed Mr. Innes' technical, financial and managerial background would be beneficial to the growth of the Company.

**DR. ALAN COLMAN.** Dr. Alan Colman has extensive experience in the molecular biology field where he has worked in the production of transgenic livestock, somatic nuclear transfer, and human disease models. After a successful university career in the Universities of Oxford, Cambridge, Warwick and Birmingham (where he was Professor of Biochemistry), Dr Colman went into industry. From the late 1980's until 2002, Dr. Colman was the research director of the company PPL Therapeutics in Edinburgh, UK, where he was responsible for leading PPL's research program strategy, also playing a role in PPL's financing rounds, culminating in its listing on the London Stock Exchange. This company attracted considerable media attention because of their participation in the technique of somatic nuclear transfer that led to the world's first cloned sheep, Dolly, in 1996. From 2002 to 2007, Dr. Colman was Chief Scientific Officer and then CEO for the Singaporean human embryonic stem cell company, ES Cell International. Dr. Colman is currently the Executive Director of the Singapore Stem Cell Consortium, a position he has held since 2007. From 2008 to 2009, Dr. Colman was also concurrently Professor of Regenerative Medicine at King's College, London, UK. His current interest is the development of human disease models using induced pluripotent stem cells. Prior to the Share Exchange Agreement, Dr. Colman served as a Director of Singapore Volition since April 1, 2011 and as Chairman of the Scientific Advisory Board of Singapore Volition since April 5, 2011. Dr. Colman was appointed as a Director of the Company and a member of the Scientific Advisory Board on account of his work in biochemistry, stem cell research and pathology.

**KEVIN JOHN ALEXANDER.** Kevin Alexander has several years of experience as an attorney in both the United Kingdom and the United States, and as a business owner, consultant and entrepreneur. From 1989 to 1999, he was an owner and partner at Bracewell & Giuliani, an international law firm serving Fortune 500 companies, major financial institutions, private investment funds and government entities. From 1999 to 2000, Mr. Alexander was an owner and partner at Salans, a multi-national firm with several practice areas including banking and finance, corporate, regulatory and public law, and tax law. His responsibilities as partner at both firms included running a law practice, providing legal advice and overseeing associate solicitors. From 2000 to 2003, Mr. Alexander was a founder and Chief Executive Officer of GTL Resources Plc, an AIM-listed natural gas project company, where he was responsible for the commercial and financial activities of the company, including obtaining credit approval from a syndicate of banks for a project financing of a gas processing facility. Since 2004, Mr. Alexander has been and currently is a consultant and entrepreneur involved in forming and managing various businesses, both private and public, including ValiRx Plc in 2006. Since 2006, Mr. Alexander has continued to serve as a director of ValiRx, where he is also responsible for some legal and regulatory work of the company including overseeing some of the legal work on certain transactions undertaken by ValiRx. Prior to the Share Exchange Agreement, Mr. Alexander was not previously involved with Singapore Volition. Due to Mr. Alexander's strong legal background as well as his years of experience with small businesses and public companies, the Board of Directors felt that he would be a talented addition to the Company. On December 6, 2011, Kevin John Alexander resigned from all positions with the Company, including but not limited to, that of Director.

**PATRICK ROUSSEAU.** Mr. Rousseau was Managing Director of ValiBio SA (now Belgian Volition) from 2007 until 2010, when he retained that role following ValiBio's sale to Singapore Volition. From 1983 until 1986, Mr. Rousseau was responsible for the management of public funding for industrial applied research as Deputy Head of Cabinet with the Walloon Region State Secretary for New Technologies and SMEs. From 1986 until 1989 he was a venture capital adviser for Belgian GBL Group; then a member of venture capital fund investment boards for Soginnove in France and Ventana in USA from 1986 until 1992. From 1983 until 1990, Mr. Rousseau also served as a member of the Supervisory Board of CGER (Belgium's largest Public Saving Bank, now part of BNP Paribas Fortis). Between 1998 and 2004, Mr. Rousseau held an investment adviser role to NBI Capital/Alpinvest, a Dutch venture and development fund, making on its behalf more than 20 successful direct investments in life sciences companies in Europe and the U.S. from start-up to public. From 1989 until 2010, Mr. Rousseau acted as a corporate adviser and consultant to various companies, undertaking activities such as raising funds for the development of a Belgian diagnostic subsidiary of a French company (RNTECH). Mr. Rousseau also acts as an expert adviser to the French OSEO (formerly ANVAR) applied research funding agency on over 50 industrial research & development projects, a position he has held since 1998. Since 2000, he has also acted as an expert evaluator and negotiator for EU funding programs. Mr. Rousseau has also acted as board member of various businesses in Europe, U.S. and Canada (from direct mail to pharmaceutical product trading) from 1986 until present. Prior to the Share Exchange Agreement, Mr. Rousseau provided consultancy services to Singapore Volition per the Agreement by and between Singapore Volition and PB Commodities Pte Limited dated August 6, 2010. Mr. Rousseau served as the Managing Director of Belgian Volition since July 27, 2007 and resigned as Managing Director of Belgian Volition on January 18, 2012.

**DR. JACOB MICALLEF.** Dr. Jacob Micallef has 20 years of experience in research and development and in the management of early stage biotechnical companies, including the manufacture of biotechnology products and the establishment of manufacturing operations. Dr. Micallef gained this experience while working for the World Health Organization ("WHO") over a 10-year period from 1985. While working for the WHO, Dr. Micallef developed new diagnostic products in the areas of reproductive health and cancer. In 1990 he commenced development of a new diagnostic technology platform for WHO which was launched in 1992 and supported 13 tests. Dr. Micallef also initiated and implemented in-house manufacture (previously outsourced to Abbott Diagnostics Inc) and worldwide distribution of these products for WHO. In 1990, he started a "not-for-profit" WHO company, Immunometrics Ltd., which marketed and distributed those diagnostic products worldwide. In 1999 Dr. Micallef studied for an MBA and went on to co-found Gene Expression Technologies in 2001 where he successfully lead the development of the chemistry of the GeneICE technology and implemented the manufacture of GeneICE molecules. He also played a major role in business development and procured a GeneICE contract with Bayer Pharmaceuticals. From 2004 to 2007, he taught "science and enterprise" to science research workers from four universities at CASS Business School before joining Cronos Therapeutics in 2004. In 2006 Cronos was listed in the UK on AIM, becoming ValiRX. Dr. Micallef continued to work as Technical Officer for ValiRX, where he in-licensed the Hypergenomics and Nucleosomics technologies and co-founded ValiBio SA., which is now Belgian Volition SA, a subsidiary of Singapore Volition. Prior to the Share Exchange Agreement, Dr. Micallef served as a Science Executive Officer of Belgian Volition since October 11, 2010 but was not otherwise involved with Singapore Volition. The Board of Directors believed that Dr. Micallef's prior work with Belgian Volition in the development of diagnostic products would continue to be an asset to the Company in his role as Chief Scientific Officer of the Company's subsidiary, Belgian Volition.

**SARAH LEE HWEE HOON.** Sarah Lee Hwee Hoon has more than ten years experience in corporate accounting and the provision of audit, taxation, finance and corporate secretarial services. Ms. Lee graduated from the Association of Accounting Technician (Singapore) in 1996 and from the University of Bedfordshire with a Bachelor (Honors) Degree in Accounting in 2010. From 2007 to 2012, Ms. Lee has served as company secretary and regional accountant of PB Commodities Pte Ltd ("PB Commodities") where her duties include providing administrative services, maintaining and preparing company accounts and ensuring compliance with all Singaporean regulatory requirements under the Companies Act and Singapore Finance Reporting Standards. Through PB Commodities, Ms. Lee also provides administrative, accounting and corporate secretarial services to several other junior mining companies in Singapore. Prior to the Share Exchange Agreement, Miss Lee served as a Secretary and Director of Hypergenomics Pte. Limited since March 7, 2011 but was not otherwise involved with Singapore Volition. She was appointed to these positions due to her past accounting and corporate experience.

**DR. MARK ECCLESTON.** Dr. Mark Eccleston is a biotechnology entrepreneur with over 18 years of experience in the sector, both in academia and in industry. From 2008 to 2009, Dr. Eccleston held a program management position at ValiRX Plc., where he ran multiple epigenetics-based diagnostic and therapeutics programs. Dr. Eccleston has also held various other roles in business and industry including: CEO of Vivamer Ltd. in 2002, a company spun out from Cambridge University where he was responsible for commercialization of drug delivery and imaging technologies based on extensive work in this area during his academic career; and Chief Scientific Officer then consultant to Cambridge Applied Polymers from 2005 to 2008, where he devised and managed multiple high value consultancy projects for clients including Cadburys, Kellogg's, Reckitt Benckiser, Proctor and Gamble, and Umbro as well as a Spanish company specializing in non woven (polymeric) fabric, Tesalca. In 2010, Dr. Eccleston founded OncoLytika, which focuses on opportunity recognition and product/process innovation within start-ups as well as established companies, where his main responsibilities are advising companies on business development and preclinical project management. Prior to the Share Exchange Agreement, Dr. Eccleston served as a Science Executive Officer of HyperGenomics Pte Limited since March 7, 2011 but was not otherwise involved with Singapore Volition. In light of Dr. Eccleston's past work in biotechnology, epigenetics and diagnostics, Dr. Eccleston was appointed as a Chief Scientific Officer of the Company's subsidiary HyperGenomics Pte Limited.

**DR. ROBERT WEINZIERL.** Dr. Robert Weinzierl is a member of our Scientific Advisory Board. He is a Reader in Molecular Biology at Imperial College London, and is the inventor of the HyperGenomics<sup>TM</sup> technology, that the Company is in the process of further developing. Dr. Weinzierl joined Imperial College as a lecturer in 1994, where his key responsibilities were research and teaching, combined with various administrative tasks. He was promoted to his current position 'Reader in Molecular Biology' in 2009. Dr. Weinzierl heads a research group focusing on gene expression mechanisms, with special emphasis on the structure and function of the basal transcriptional machinery. Dr. Weinzierl began his PhD in 1983 at the European Molecular Biology Laboratory and completed it at the University of Cambridge (Akam/White Laboratories). The focus of his PhD project was the function of homeotic genes (especially Ultrabithorax) during embryonic development, and he completed his thesis in 1988. He went on to spend four years as a postdoc at UC Berkeley (Tjian Laboratory). Dr. Weinzierl's research efforts focused on the structure and function of the basal transcriptional machineries in archaea and eukaryotes, with a special emphasis on the molecular mechanisms of RNA polymerases. In 2011, Dr. Weinzierl's laboratory at Imperial College successfully developed a range of novel methods in the field of gene expression, including in-vitro assembly of protein complexes from recombinant subunits and implementation of robotic methods for high-throughput molecular biology. Prior to the Share Exchange Agreement, Dr. Weinzierl served as a Scientific Advisory Board Member of Singapore Volition since April 5, 2011. As the inventor of the HyperGenomics<sup>TM</sup> technology, Dr. Weinzierl's appointment to the Scientific Advisory Board is pivotal to the development of future HyperGenomics<sup>TM</sup> products.

**DR. ANDREAS LADURNER.** Dr. Andreas Ladurner has a strong educational background and years of laboratory experience in the fields of biochemistry, biology, cancer research, genomics and several others. Whilst awaiting the award of his doctorate from the University of Cambridge between 1998 and 2000, Dr. Ladurner was awarded the Wellcome Trust International Traveling Prize research fellowship. He was appointed Research Associate at the Howard Hughes Medical Institute at the University of California Berkeley, from 2000 until 2002, then was an editor at Nature Publishing Group in New York, from 2002 until 2003. Dr. Ladurner was named group leader in the Genome Biology Unit of the European Molecular Biology Laboratory in Heidelberg in 2003, where he undertook scientific research in the area of novel epigenetic and stress-mediated signaling networks in human cells. During this period, he discovered the histone variant technology, which is an integral part of the Nucleosomics<sup>TM</sup> products which the Company is in the process of developing. In 2010, Dr. Ladurner was named Chair of Physiological Chemistry in the Faculty of Medicine at the University of Munich, and continues his work at EMBL as a visiting member. Prior to the Share Exchange Agreement, Dr. Ladurner served as a Scientific Advisory Board Member of Singapore Volition since April 5, 2011. Dr. Ladurner's extensive laboratory work in nucleosome research and genomics will make him a valuable member of the Scientific Advisory Board.

**DR. HABIB SKAFF.** Dr. Habib Skaff is a synthetic chemist specializing in the area of nanotechnology; his doctoral studies focused on the design of organic and polymeric ligands for the encapsulation of semiconductor nanoparticles and modification of the physical, optical, electronic, and assembly properties of the nanoparticles. Since 2001, Dr. Skaff has co-authored 11 peer-reviewed scientific papers and is a co-inventor on 18 pending or issued patents in the fields of chemistry, nanotechnology, and biotechnology. He co-founded Intezyne Technologies in 2004 and serves as that company's Chief Executive Officer, where he is responsible for establishing and implementing strategic planning for the future. Dr. Skaff works closely with the Chief Scientific Officer to develop and implement Intezyne's intellectual property strategy as well as establish alliances with potential partners. He also leads Intezyne's fundraising through debt and equity financing and works closely with the CFO in this capacity. He is also President, and Chairman of the Board of Directors of Intezyne. Dr. Skaff has served as the Chairman of Skaff Corporation of America since 1999, where he guides strategic planning but is not involved in day-to-day operations. Prior to the Share Exchange Agreement, Dr. Skaff served as a Scientific Advisory Board Member of Singapore Volition since April 4, 2011. Dr. Skaff was appointed to serve as a member of the Scientific Advisory Board because of his extensive scholarly work and inventions in the fields of chemistry and biotechnology.

**CHARLOTTE MCCUBBIN.** After graduating from the University of Edinburgh in 2007 with a Bachelor of Laws with joint honors in Law and Politics, Miss McCubbin undertook internships at two public affairs/lobbying agencies in London: AS Biss (Now M:Communications) and Bell Pottinger Public Affairs; where her responsibilities included the preparation of briefing notes for clients on a range of topics, media and political monitoring, and stakeholder identification and mapping. From 2008 until 2009 she was an Account Executive at PR consultancy Kysen PR, during which time she completed a Diploma in Marketing with the Chartered Institute of Marketing. At Kysen, her key responsibilities included achieving editorial placement for clients in national, trade and broadcast publications, as well as preparing press releases and arranging journalist briefings. In 2010 Miss McCubbin worked as a Public Relations Executive for the international law firm White & Case LLP, where she was responsible for the Firm's European PR program, working with both the UK press and English -speaking press throughout the EMEA region, managing day-to-day press enquiries as well as generating press coverage via press releases and thought-leadership interviews and articles. Miss McCubbin joined Singapore Volition at the end of 2010.

**DR. MARIELLE HERZOG.** Dr. Marielle Herzog has seven years of experience in epigenetics academic research. During a four year period from 2003 to 2007, Dr. Herzog performed her PhD thesis at the Institute of Genetics and Molecular and Cellular Biology (IGBMC), Strasbourg, France, one of the leading European centers of biomedical research. Her work, conducted in the laboratory of Epigenome plasticity, under the supervision of Dr. R. Losson, concerned the role of the interaction between a transcriptional cofactor (TIF1b) and the heterochromatin protein 1 defined by knock-in mutation in a cellular model and in mice. In 2008, Dr. Herzog joined the laboratory of Cancer Epigenetics of Dr. F. Fuchs at the Faculty of Medicine, Free University of Brussels, as a researcher, where she managed different projects based on the study of epigenetics modifications (methylated DNA, post-translational histone modifications) and epigenetics enzymes in different cellular context. Her work led to publications in international scientific journals and to her participation at several international congresses. Dr. Herzog joined Belgian Volition in May 2011, but was not otherwise involved with Singapore Volition prior to the Share Exchange Agreement.

**MURIEL CHAPELIER.** Muriel Chapelier has seventeen years experience in fundamental research and development, as a research associate. Mrs. Chapelier gained her experience first in a fundamental Research Laboratory at the University Hospital of Sart-Tilman (Liège), over an eight year period from 1994 until 2002 where she worked in a leukemia screening project and in fundamental research project, in PhD collaboration, using molecular biology technics. The laboratory is now a competence center for leukemia screening and she was included in publications of the PhD. In 2002, Mrs. Chapelier started working within Eppendorf Array Technologies in Namur, for the development of gene expression and protein microarrays and other new technologies. Some gene expression kits were launched on the market and a Signal Chip Human Cytokine kit was in validation during her tenure. In September 2007, Mrs. Chapelier went to Antwerp to undertake a degree in tropical medicine and international health, at the Institute of Tropical Medicine. She returned to Eppendorf in 2008 to continue the development of microarrays. She joined Belgian Volition in May 2011, but was not otherwise involved with Singapore Volition prior to the Share Exchange Agreement.

**KATTY SCOUBEAU.** Katty Scoubeau is a research technician for Belgian Volition. Mrs. Scoubeau graduated in chemistry and biotechnology in 1994 from the UCL Institute Paul Lambin. From 2003 until 2007, Mrs. Scoubeau taught science and mathematics at a secondary school. In 2007, she undertook training in biotechnology in the association in vivo in Nivelles. From 2010 until 2011, Mrs. Scoubeau was committed to the medical faculty of the University of Namur as a lab technician in the unit of physiological biochemistry, where she participated in the preparation of student assignments and research. She joined Belgian Volition in August 2011, but was not otherwise involved with Singapore Volition prior to the Share Exchange Agreement.

**MARIA DOLORES FERNANDEZ.** Maria Dolores Fernandez graduated from the Université Lyon III, Lyon France in 1987 with a master in Economics and Social Administration. From October 2004 to March 2005, Mrs. Fernandez worked as an assistant in the purchase department for Helio Charleroi, a Belgian company that engages in printing magazines, mail order catalogues and advertising brochures, where she was responsible for handling daily orders and deliveries. From May 2005 to June 2005, she worked as an assistant office manager for Cenaero, a Belgian company that operates as a technology research center. Subsequently, Mrs. Fernandez moved to Chicago and taught preschool at a Montessori school from 2006 to 2010. Additionally, Mrs. Fernandez taught French for Berlitz Language Center from September 2009 to May 2010 and CLL Language Center from November 2010 to April 2011. From April 2011 to October 2011, she served as a Human Resources advisor within the training department at Glaxo Smith Kline. Mrs. Fernandez joined Belgian Volition in December 2011, but was not otherwise involved with Singapore Volition prior to the Share Exchange Agreement.

#### ***Family Relationship***

We currently do not have any officers or directors of our Company who are related to each other.

### *Involvement in Certain Legal Proceedings*

During the past ten years no director, executive officer, promoter or control person of the Company, Singapore Volition or its subsidiaries, has been involved in the following:

- (1) A petition under the Federal bankruptcy laws or any state insolvency law which was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;
- (2) Such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
- (3) Such person was the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:
  - i. Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;
  - ii. Engaging in any type of business practice; or
  - iii. Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;
- (4) Such person was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph (f)(3)(i) of this section, or to be associated with persons engaged in any such activity;
- (5) Such person was found by a court of competent jurisdiction in a civil action or by the Commission to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended, or vacated;
- (6) Such person was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;
- (7) Such person was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:
  - i. Any Federal or State securities or commodities law or regulation; or
  - ii. Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or
  - iii. Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- (8) Such person was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.



## Audit Committee and Audit Committee Financial Expert

The Company currently has an audit committee serving on its Board of Directors. However, the Company's audit committee does not function as an audit committee should since there is a lack of independent directors on the committee and the Board of Directors has not identified an audit committee financial expert (as defined in Item 407 of Regulation S-K), who is knowledgeable about reporting and financial statements requirements, to serve on the audit committee due to the Company's inability to attract such a person.

The Company intends to establish a new audit committee of the Board of Directors that shall consist of independent directors. The audit committee's duties will be to recommend to the Company's board of directors the engagement of an independent registered public accounting firm to audit the Company's financial statements and to review the Company's accounting and auditing principles. The audit committee will review the scope, timing and fees for the annual audit and the results of audit examinations performed by the internal auditors and independent registered public accounting firm, including their recommendations to improve the system of accounting and internal controls. The audit committee shall at all times be composed exclusively of directors who are, in the opinion of the Company's board of directors, free from any relationship which would interfere with the exercise of independent judgment as a committee member and who possess an understanding of financial statements and generally accepted accounting principles.

## ITEM EXECUTIVE COMPENSATION

### 6.

The following table sets forth the compensation paid to the executive officers of the Company, Singapore Volition and its subsidiaries for the fiscal years ended December 31, 2010 and 2011<sup>(1)</sup>. Unless otherwise specified, the term of each executive officer is that as set forth under that section of Item 5 Directors and Executive Officers entitled, "*Term of Office*". All existing contracts described in the Executive Officer and Director compensation summaries remain in place and unchanged following the Share Exchange unless otherwise stated.

Name and Principal Position	Year Ended 12/31 <sup>(1)</sup>	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity	Nonqualified	All Other Compensation (\$)	Total (\$)
						Incentive Plan Compensation (\$)	Deferred Compensation Earnings (\$)		
Alexander Magallano <sup>(2)</sup>	2011	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
B. Gordon Brooke <sup>(3)</sup>	2011	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Rudy Beloy Perez <sup>(4)</sup>	2011	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Cameron Reynolds <sup>(5)</sup>	2011	72,000	-0-	-0-	-0-	-0-	-0-	9,000 <sup>(5)</sup>	81,000
	2010	32,000	-0-	-0-	-0-	-0-	-0-	-0-	32,000
Malcolm Lewin <sup>(6)</sup>	2011	12,500	-0-	-0-	-0-	-0-	-0-	-0-	12,500
	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Rodney Gerard <sup>(7)</sup> Rootsaert	2011	54,000	-0-	-0-	-0-	-0-	-0-	-0-	54,000
	2010	24,000	-0-	-0-	-0-	-0-	-0-	-0-	24,000
Dr. George S. Morris <sup>(8)</sup>	2011	80,000	-0-	-0-	97,758	-0-	-0-	-0-	177,758
	2010	30,000	-0-	-0-	-0-	-0-	-0-	-0-	30,000
Sarah Lee Hwee Hoon <sup>(9)</sup>	2011	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2010	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

(1) For the fiscal year ended December 31, 2011, the Summary Compensation Table indicates the compensation paid to executive officers as at the quarterly period ended September 30, 2011.

(2) As of December 31, 2011, Alexander Magallano was the former President and CEO of the Company. On October 6, 2011, he resigned from all positions with the Company. There are no employment agreements by and between Alexander Magallano and the Company. Alexander Magallano received no compensation in exchange for his services as an executive officer of the Company.

(3) As of December 31, 2011, B. Gordon Brooke was the former CAO and CFO of the Company. On October 6, 2011, he resigned from all positions with the Company. There are no employment agreements by and between B. Gordon Brooke and the Company. B. Gordon Brooke received no compensation in exchange for his services as an executive officer of the Company.

- (4) As of December 31, 2011, Rudy Beloy Perez was the former Secretary and Treasurer of the Company. On October 6, 2011, he resigned from all positions with the Company. There are no employment agreements by and between Rudy Beloy Perez and the Company. Rudy Beloy Perez received no compensation in exchange for his services as an executive officer of the Company.
- (5) As of December 31, 2011, Cameron Reynolds was and currently is the President, CEO and a Director of the Company, the CEO and a Director of Singapore Volition, a Director of Belgian Volition and the CEO and a Director of Hypergenomics Pte Limited. On January 18, 2012, Mr. Reynolds was appointed as the Managing Director of Belgian Volition. There are no employment agreements by and between Cameron Reynolds and the Company, Singapore Volition, Belgian Volition or Hypergenomics Pte Limited. Cameron Reynolds receives no compensation in exchange for his services as an executive officer of the Company, Singapore Volition or Hypergenomics.

Cameron Reynolds receives compensation pursuant to that certain agreement (the "Agreement") dated August 6, 2010, entered into by and between Singapore Volition and PB Commodities Pte Limited ("PB Commodities"). The Agreement provides office space, office support staff, and consultancy services to Singapore Volition for the structuring, management, fundraising and development and implementation of its business plan. As part of the Agreement, Singapore Volition shall pay consultancy fees each month to PB Commodities for the services of Cameron Reynolds, Rodney Rootsart and Patrick Rousseau (former Managing Director of Belgian Volition). The term of the Agreement is twelve months, commencing on September 1, 2010, with automatic extensions of twelve months and a three month notice required for termination of the Agreement. A true and correct copy of the Agreement was filed as Exhibit 10.07 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

Additionally, Cameron Reynolds receives compensation pursuant to that certain Employment Agreement (the "Employment Agreement") dated September 4, 2010, with PB Commodities to serve as an executive officer of PB Commodities and to perform consulting services on its behalf for a term of twelve (12) months which shall be automatically extended for additional terms of twelve (12) months. In exchange for these services, Mr. Reynolds shall receive \$8,000 USD per month. Mr. Reynolds also receives a housing allowance of \$3,000 USD per month which commenced on July 1, 2011.

For the quarter ended September 30, 2011, Mr. Reynolds received \$9,000 USD as a housing allowance. A true and correct copy of the Employment Agreement is filed herewith as Exhibit 10.24 and is incorporated herein by reference.

- (6) As of December 31, 2011, Malcolm Lewin was and currently is the CFO and Treasurer of the Company and the CFO of Singapore Volition. There are no employment agreements by and between Malcolm Lewin and the Company or Singapore Volition. Malcolm Lewin receives no compensation in exchange for his services as an executive officer of the Company.

Malcolm Lewin receives compensation in exchange for his services as an executive officer of Singapore Volition per the Consultancy Agreement ("Consultancy Agreement") entered into by and between Singapore Volition and Mr. Malcolm Lewin dated July 10, 2011, pursuant to which Mr. Lewin shall serve as Chief Financial Officer of Singapore Volition and to devote at least twelve (12) days per month to carry out the duties as Chief Financial Officer. According to the Consultancy Agreement, Mr. Lewin's term as Chief Financial Officer shall commence on July 15, 2011 and terminate upon Mr. Lewin's resignation or commitment of a material breach of the Consultancy Agreement or upon written notice by either party. In exchange for such services, Singapore Volition shall pay Mr. Lewin a monthly fee of \$5,000 USD, per the terms set forth in the agreement. A copy of the Consultancy Agreement was filed as Exhibit 10.18 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

- (7) As of December 31, 2011, Rodney Gerard Rootsart was and currently is the Secretary of the Company, the Administration and Legal Officer of Singapore Volition and the Secretary and a Director of Belgian Volition. There are no employment agreements by and between Rodney Gerard Rootsart and the Company, Singapore Volition or Belgian Volition. Rodney Gerard Rootsart receives no compensation in exchange for his services as an executive officer of the Company, Singapore Volition or Belgian Volition.

Rodney Gerard Rootsart receives compensation pursuant to that certain agreement (the "Agreement") dated August 6, 2010, entered into by and between Singapore Volition and PB Commodities Pte Limited ("PB Commodities"). The Agreement provides office space, office support staff, and consultancy services to Singapore Volition for the structuring, management, fundraising and development and implementation of its business plan. As part of the Agreement, Singapore Volition shall pay consultancy fees each month to PB Commodities for the services of Cameron Reynolds, Rodney Rootsart and Patrick Rousseau (former Managing Director of Belgian Volition). The term of the Agreement is twelve months, commencing on September 1, 2010, with automatic extensions of twelve months and a three month notice required for termination of the Agreement. A true and correct copy of the Agreement was filed as Exhibit 10.07 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

Additionally, Rodney Rootsart receives compensation pursuant to that Employment Agreement (the "Employment Agreement") dated September 4, 2010, with PB Commodities to serve as an executive officer of PB Commodities and to perform consulting services on its behalf for a term of twelve (12) months which shall be automatically extended for additional terms of twelve (12) months. In exchange for these services, Mr. Rootsart shall receive \$6,000 USD per month. A true and correct copy of the Employment Agreement is filed herewith as Exhibit 10.25 and is incorporated herein by reference.

- (8) As of December 31, 2011, Dr. George S. Morris was the former CEO and a Director of Singapore Volition and a former Director of Belgian Volition. On June 6, 2011, he resigned from his position as a Director of Belgian Volition and on October 7, 2011, he resigned from his position as a Director of Singapore Volition.

In exchange for his services as CEO of Singapore Volition, Dr. Morris received \$10,000 USD per month pursuant to that certain employment agreement ("Employment Agreement") entered into by and between Singapore Volition and Dr. Morris dated September 29, 2010. The term of the Employment Agreement is an initial twelve (12) months which shall automatically be renewed for additional periods of twelve (12) months. A true and correct copy of the Employment Agreement is attached hereto as Exhibit 10.23.

On February 22, 2011, Dr. Morris resigned as CEO of Singapore Volition and was appointed to the new position of Operational Director of Singapore Volition from which he resigned on June 10, 2011. On June 21, 2011, Dr. Morris and Singapore Volition entered into an option agreement pursuant to which Dr. Morris was granted an option to purchase 100,000 shares of Singapore Volition at an exercise price of \$0.50 per shares as a condition of his resignation from Singapore Volition. The options shall vest on June 21, 2011 and shall expire on June 21, 2016.

- (9) As of December 31, 2011, Sarah Lee Hwee Hoon was and currently is the Secretary and a Director of Hypergenomics Pte Limited. There is no employment agreement by and between Sarah Lee Hwee Hoon and Hypergenomics Pte Limited. Sarah Lee Hwee Hoon receives no compensation in exchange for her services as an executive officer of Hypergenomics Pte Limited.

#### ***Narrative Disclosure to Summary Compensation Table***

As at December 31, 2011 and 2010, neither the Company, Singapore Volition or its subsidiaries, had any compensatory plans or arrangements, including payments to be received from the Company, Singapore Volition or its subsidiaries with respect to any executive officer, that would result in payments to such person because of his or her resignation, retirement or other termination of employment with the Company, Singapore Volition or its subsidiaries, any change in control, or a change in the person's responsibilities following a change in control of the Company, Singapore Volition or its subsidiaries.





- (1) For the fiscal year ended December 31, 2011, the Director Compensation Table indicates the compensation paid to directors as at the quarterly period ended September 30, 2011.
- (2) As of December 31, 2011, Alexander Magallano was a former Director of the Company. On October 6, 2011, he resigned from all positions with the Company. There are no employment agreements by and between Alexander Magallano and the Company. Alexander Magallano did not receive any compensation in exchange for his services as a Director of the Company.
- (3) As of December 31, 2011, B. Gordon Brooke was a former Director of the Company. On October 6, 2011, he resigned from all positions with the Company. There are no employment agreements by and between B. Gordon Brooke and the Company. B. Gordon Brooke did not receive any compensation in exchange for his services as a Director of the Company.
- (4) As of December 31, 2011, Cameron Reynolds was and currently is a Director of the Company, Singapore Volition, Belgian Volition and Hypergenomics Pte Limited. On January 18, 2012, Mr. Reynolds was appointed as Managing Director of Belgian Volition. There are no employment agreements by and between Cameron Reynolds and the Company, Singapore Volition, Belgian Volition and Hypergenomics Pte Limited. Cameron Reynolds receives no compensation in exchange for his services as a Director of the Company, Singapore Volition, Belgian Volition or Hypergenomics Pte Limited.
- (5) As of December 31, 2011, Guy Archibald Innes was and currently is a Director of the Company and Singapore Volition. There are no employment agreements by and between Guy Archibald Innes and the Company. Guy Archibald Innes receives no compensation in exchange for his services as a Director of the Company.

Guy Archibald Innes receives compensation in exchange for his services as a Director of Singapore Volition pursuant to that certain Letter of Appointment as Non-Executive Director with Guy Archibald Innes ("Letter of Appointment") entered into with Singapore Volition on September 23, 2010, pursuant to which Mr. Innes shall serve as a non-executive director commencing on August 18, 2010 and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon his office as director being vacated. In exchange for his services, he shall receive \$6,250 USD per calendar quarter following the admission of the shares of Singapore Volition to a recognized exchange, per the terms set forth in the letter. A copy of the Letter of Appointment was filed as Exhibit 10.11 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

- (6) As of December 31, 2011, Dr. Martin Faulkes was and currently is a Director of the Company, Singapore Volition and Belgian Volition. There are no employment agreements by and between Dr. Martin Faulkes and the Company or Belgian Volition. Dr. Martin Faulkes receives no compensation in exchange for his services as a Director of the Company or Belgian Volition.

Dr. Martin Faulkes receives compensation in exchange for his services as a Director of Singapore Volition pursuant to that certain Letter of Appointment as Executive Chairman with Dr. Martin Faulkes ("Letter of Appointment"), entered into with Singapore Volition on July 13, 2011, pursuant to which Dr. Faulkes shall serve as executive chairman of the Board of Directors of Singapore Volition commencing on March 22, 2011 for a term of three (3) years and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon his office as Executive Chairman being vacated. In exchange for his services, he shall receive an annual fee of \$90,000 USD to commence following the admission of the shares of Singapore Volition to a recognized exchange and Singapore Volition being sufficiently funded in the opinion of the Board. If the Board believes that the company is not sufficiently funded, Dr. Faulkes shall receive \$6,250 USD per calendar quarter under the company is sufficiently funded. Additionally, Singapore Volition shall enter into an option agreement with Dr. Faulkes to grant to him an option to purchase up to 250,000 shares of Singapore Volition at an exercise price of \$1.05 per share, per the terms set forth in the letter. The option agreement was entered into by and between the parties on July 13, 2011. The options shall vest on July 13, 2011 and shall expire on July 13, 2016. A copy of the Letter of Appointment was filed as Exhibit 10.19 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

- (7) As of December 31, 2011, Laith Reynolds was a former Director of Singapore Volition. On October 7, 2011, he resigned from all positions with Singapore Volition. There are no employment agreements by and between Laith Reynolds and Singapore Volition. Laith Reynolds received no compensation in exchange for his services as a Director of Singapore Volition.

- (8) As of December 31, 2011, Dr. George S. Morris was a former Director of Belgian Volition and a former Director of Singapore Volition. On June 6, 2011, he resigned from his position as a Director of Belgian Volition and on October 7, 2011, he resigned from his position as a Director of Singapore Volition. Dr. George S. Morris received no compensation in exchange for his services as a Director of Belgian Volition or Singapore Volition. There are no employment agreements by and between Dr. George S. Morris and Belgian Volition or Singapore Volition for his position as a Director.
- (9) As of December 31, 2011, Dr. Satu Vainikka was and currently is a Director of the Company. As of December 31, 2011, she was a former Director of Belgian Volition and Singapore Volition. On April 1, 2011, she resigned from all positions with Belgian Volition and on October 7, 2011, she resigned from all positions with Singapore Volition. Dr. Satu Vainikka received no compensation in exchange for her services as a Director of the Company or Belgian Volition. There are no employment agreements by and between Dr. Satu Vainikka and the Company or Belgian Volition.

Dr. Satu Vainikka received compensation in exchange for her services as a Director of Singapore Volition pursuant to that certain Letter of Appointment as Non-Executive Director with Satu Vainikka ("Letter of Appointment") entered into with Singapore Volition on September 22, 2010, pursuant to which Ms. Vainikka shall serve as a non-executive director commencing on October 11, 2010 and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon her office as director being vacated. In exchange for her services, she shall receive \$6,250 USD per calendar quarter following the admission of the shares of Singapore Volition to a recognized exchange, per the terms set forth in the letter. A copy of the Letter of Appointment was filed as Exhibit 10.10 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

- (10) As of December 31, 2011, Dr. Alan Colman was and currently is a Director of the Company and Singapore Volition. Dr. Alan Colman receives no compensation in exchange for his services as a Director of the Company.

Dr. Alan Colman receives compensation in exchange for his services as a Director of Singapore Volition pursuant to that certain Letter of Appointment as Non-Executive Director with Dr. Alan Colman ("Letter of Appointment") entered into with Singapore Volition on May 25, 2011, pursuant to which Dr. Colman shall serve as a non-executive director of Singapore Volition commencing on April 1, 2011 and terminating upon written notice by either party, removal from office by resolution of the shareholders or upon his office as director being vacated. In exchange for his services, he shall receive \$6,000 USD per month, payable as follows: a) for the period from April 1, 2011 to September 30, 2011, \$3,000 USD per month shall be paid to Dr. Colman and \$3,000 USD per month shall be converted to shares or share options (at the discretion of Dr. Colman) of Singapore Volition or the Company; and b) for the period commencing October 1, 2011, Dr. Colman shall receive \$6,000 USD per month in cash or stock or a combination of both, at his sole discretion. Additionally, Singapore Volition shall enter into an Option Agreement with Dr. Colman pursuant to which he shall receive an option to purchase up to 100,000 shares of Singapore Volition at an exercise price of \$0.50 per share, per the terms set forth in the letter. The parties entered into the option agreement on April 1, 2011. The options shall vest on April 1, 2011 and shall expire on April 1, 2016. A copy of the Letter of Appointment was filed as Exhibit 10.13 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

- (11) As of December 31, 2011, Patrick Rousseau was the Managing Director of Belgian Volition. On January 18, 2012, he resigned from all positions with Belgian Volition.

Patrick Rousseau received €2,000 EUR per month as compensation in exchange for his services as a Director of Belgian Volition. There was no written agreement between Patrick Rousseau and Belgian Volition setting forth such compensation.

Additionally, Patrick Rousseau received compensation pursuant to that certain agreement (the "Agreement") dated August 6, 2010, entered into by and between Singapore Volition and PB Commodities Pte Limited ("PB Commodities"). The Agreement provides office space, office support staff, and consultancy services to Singapore Volition for the structuring, management, fundraising and development and implementation of its business plan. As part of the Agreement, Singapore Volition shall pay consultancy fees each month to PB Commodities for the services of Cameron Reynolds, Rodney Rootsart and Patrick Rousseau (former Managing Director of Belgian Volition). The term of the Agreement is twelve months, commencing on September 1, 2010, with automatic extensions of twelve months and a three month notice required for termination of the Agreement. A true and correct copy of the Agreement was filed as Exhibit 10.07 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

Furthermore, Patrick Rousseau received compensation pursuant to that certain Consultancy Agreement (the "Consultancy Agreement") dated October 4, 2010, by and between PB Commodities and Kendall Life Sciences Consultants Ltd ("Kendall") pursuant to which Kendall shall provide consultancy services to PB Commodities through Patrick Rousseau commencing on October 1, 2010 and continuing unless and until terminated. Such services shall include fundraising and developing and implementing Singapore Volition's business plan. In exchange for such services, PB Commodities shall pay €2,000 EUR per month to Kendall. A true and correct copy of the Consultancy Agreement is filed herewith as Exhibit 10.26 and is incorporated herein by reference.

- (12) As of December 31, 2011, Rodney Rootsart was and currently is a Director of Belgian Volition. There are no employment agreements by and between Rodney Rootsart and Belgian Volition. Rodney Rootsart receives no compensation in exchange for his services as a Director of Belgian Volition.
- (13) As of December 31, 2011, Dr. Jacob Micallef was and currently is a Director of Belgian Volition. There are no employment agreements by and between Dr. Jacob Micallef and Belgian Volition. Dr. Micallef receives no compensation in exchange for his services as a Director of Belgian Volition.
- (14) As of December 31, 2011, Sarah Lee Hwee Hoon was and currently is a Director of Hypergenomics Pte Limited. There are no employment agreements by and between Sarah Lee Hwee Hoon and Hypergenomics Pte Limited. Sarah Lee Hwee Hoon receives no compensation in exchange for her services as a Director of Hypergenomics Pte Limited.
- (15) As of December 31, 2011, Kevin John Alexander was a former Director of the Company. On December 6, 2011, he resigned from all positions with the Company. There are no employment agreements by and between Kevin John Alexander and the Company. Kevin John Alexander did not receive any compensation in exchange for his services as a Director of the Company.

## **ITEM 7. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

### ***Related Party Transactions***

On August 6, 2010, Singapore Volition entered into an agreement (the "Agreement") with PB Commodities Pte Limited ("PB Commodities"). At the time of the Agreement, Laith Reynolds (former Director of Singapore Volition), Cameron Reynolds (current President, CEO and a Director of VolitionRx Limited) and Rodney Rootsart (current Secretary of VolitionRx Limited) were serving as Directors of PB Commodities. (Subsequently, Mr. Cameron Reynolds resigned as a Director of PB Commodities on May 1, 2011 and Mr. Rootsart resigned on September 20, 2011.) The Agreement provides office space, office support staff, and consultancy services to Singapore Volition for the structuring, management, fundraising and development and implementation of its business plan. In exchange, Singapore Volition shall pay an initial set up fee to PB Commodities of \$11,250 USD. Additionally, Singapore Volition shall pay \$5,700 USD per month for office space and staff services as well as pay consultancy fees each month to PB Commodities for the services of Cameron Reynolds, Rodney Rootsart and Patrick Rousseau (former Managing Director of Belgian Volition).

Singapore Volition is also required to pay for all reasonable expenses incurred. The term of the Agreement is twelve months, commencing on September 1, 2010, with automatic extensions of twelve months and a three month notice required for termination of the Agreement. A true and correct copy of the Agreement was filed as Exhibit 10.07 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

On September 22, 2010, Singapore Volition entered into a Share Purchase Agreement ("Agreement") with ValiRX, pursuant to which Singapore Volition shall purchase all shares held by ValiRX in ValiBio. In exchange for the ValiBio shares, Singapore Volition shall pay \$400,000 USD to ValiRX in four equal payments and stock with a value of \$600,000 USD of Singapore Volition or a newly listed entity with the price per share to be determined by: a) the 30 day average closing middle market price immediately prior to the issuance of shares, if Singapore Volition or a newly listed entity following the merger or reverse takeover of Singapore Volition; or b) the average subscription price at which Singapore Volition has raised capital during the period of the Agreement, if Singapore Volition is not listed within 350 days of the Agreement; or c) the mutual consent of the parties in writing prior to the issuance. The price per share will be determined by whichever of the above occurs first. A copy of the Share Purchase Agreement is attached hereto as Exhibit 10.08 and is incorporated herein by reference.

On September 22, 2010, Singapore Volition entered into a Deed of Novation ("Deed of Novation") by and among ValiRX, ValiBio and Chroma, pursuant to which the parties agreed that ValiRX's rights, obligations and liabilities under that certain Patent License Agreement by and between ValiRX and Chroma dated October 3, 2007 shall be novated to Singapore Volition. As consideration, Singapore Volition shall pay directly to Chroma 5% of each payment due to ValiRX pursuant to that certain Share Purchase Agreement dated September 22, 2010, per the terms of the Deed of Novation. A copy of the Deed of Novation is attached hereto as Exhibit 10.09 and is incorporated herein by reference.



On June 9, 2011, Singapore Volition and ValiRX entered into a Supplementary Agreement to the Share Purchase Agreement between the parties dated September 22, 2010 (“Supplemental Agreement”), pursuant to which ValiRX shall transfer ownership of the ValiRX patent application for the “Method for Detecting the Presence of a Gynecological Growth” to Singapore Volition. As consideration, Singapore Volition shall issue additional shares of its common stock or that of a newly listed entity to ValiRX with a value of \$510,000 USD. This issuance shall be made in addition to the issuance to be made to ValiRX pursuant to that certain Share Purchase Agreement dated September 22, 2010 and the price per share of the new issuance shall be determined by the terms of that Share Purchase Agreement. A copy of the Supplemental Agreement was filed as Exhibit 10.15 to our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012 and is incorporated herein by reference.

On August 10, 2011, Singapore Volition entered into a service agreement (the “Service Agreement”) with Volition Research Limited (“Research”), a 100% subsidiary of The Dill Faulkes Educational Trust, a registered UK charity (Charity No. 1070864). Dr. Martin Faulkes (current Director of VolitionRx Limited) and Mr. Cameron Reynolds (current President, CEO and a Director of VolitionRx Limited) currently serve as directors of Research but do not receive any compensation in exchange for their directorship. The Service Agreement provides for Research to perform services for Singapore Volition for a period of five years for \$21,000 USD per year for an aggregate of \$105,000 USD. Such services require Research to liaison with various medical institutions to promote and raise the profile of Singapore Volition, build and develop long term relationships between UK and International cancer charities and Singapore Volition, and lobby government, health organization and other policy makers on behalf of Singapore Volition and promote the socially responsible ethos of Singapore Volition. On August 11, 2011, the parties entered into a Settlement Agreement of the Service Agreement (the “Settlement Agreement”) agreeing to convert the \$105,000 USD fees due to Research under the Service Agreement to 350,000 shares (\$0.30/share) of common stock in Singapore Volition. The value of the shares acquired were reassessed in accordance with US GAAP related party rules, which has resulted in an increase in their value to \$1.00 per share and a corresponding increase in the value attributed to the services for the purposes of the accounts to \$350,000, or \$70,000 per year. True and correct copies of the Service Agreement and Settlement Agreement were filed as Exhibits 10.20 and 10.21, respectively, as part of our Amended Current Report on Form 8-K/A filed with the SEC on January 11, 2012, and are incorporated herein by reference.

On October 1, 2011, Hypergenomics Limited entered into an agreement (the “Agreement”) with PB Commodities Pte Limited (“PB Commodities”). At the time of the Agreement, Laith Reynolds (former Director of Singapore Volition) was serving as a Director of PB Commodities. The Agreement provides office space and office support staff to Hypergenomics Limited for \$1,450 USD per month. Hypergenomics is also required to pay for all reasonable expenses incurred. The term of the Agreement is twelve months, commencing on October 1, 2011, with automatic extensions of twelve months and a three month notice required for termination of the Agreement. A true and correct copy of the Agreement is filed hereto as Exhibit 10.27 and is incorporated herein by reference.

Other than the foregoing, none of the directors or executive officers of the Company, Singapore Volition or its subsidiaries, nor any person who owned of record or was known to own beneficially more than 5% of the Company’s outstanding shares of its common stock, nor any associate or affiliate of such persons or companies, has any material interest, direct or indirect, in any transaction that has occurred during the past fiscal year, or in any proposed transaction, which has materially affected or will affect the Company.

With regard to any future related party transaction, we plan to fully disclose any and all related party transactions in the following manner:

- Disclosing such transactions in reports where required;
- Disclosing in any and all filings with the SEC, where required;
- Obtaining disinterested directors consent; and
- Obtaining shareholder consent where required.

### ***Director Independence***

For purposes of determining director independence, we have applied the definitions set out in NASDAQ Rule 5605(a)(2). The OTCBB on which shares of common stock are quoted does not have any director independence requirements. The NASDAQ definition of “Independent Officer” means a person other than an Executive Officer or employee of the Company or any other individual having a relationship which, in the opinion of the Company’s Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

According to the NASDAQ definition, Cameron Reynolds is not an independent director because he is also an executive officer of the Company. Further, Dr. Martin Faulkes, Guy Archibald Innes and Dr. Alan Colman are not independent directors because they are stockholders of the Company. Dr. Satu Vainikka and Kevin John Alexander, however, are independent directors. Kevin John Alexander resigned as a Director of the Company on December 6, 2011.

## Review, Approval or Ratification of Transactions with Related Persons

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

### **ITEM 8. LEGAL PROCEEDINGS**

We know of no material, existing or pending legal proceedings against the Company, Singapore Volition or its subsidiaries, nor is the Company, Singapore Volition or its subsidiaries involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which directors, officers or any affiliates, or any registered or beneficial shareholders, of the Company, Singapore Volition or its subsidiaries is an adverse party or has a material interest adverse to the interests of the Company, Singapore Volition or its subsidiaries.

### **ITEM 9. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS**

#### *Common Stock*

Our common stock is currently quoted on the OTC Bulletin Board. Our common stock has been quoted on the OTC Bulletin Board since April 12, 2007 under the symbol "SNDC.OB." Effective October 11, 2011 our symbol was changed to "VNRX.OB" to reflect the Company's name change. Because we are quoted on the OTC Bulletin Board, our securities may be less liquid, receive less coverage by security analysts and news media, and generate lower prices than might otherwise be obtained if they were listed on a national securities exchange.

The following table sets forth the high and low bid prices for our common stock per quarter as reported by the OTCBB for 2010 and 2011 based on our fiscal year end December 31. These prices represent quotations between dealers without adjustment for retail mark-up, markdown or commission and may not represent actual transactions.

	First Quarter (Jan. 1 – Mar. 31)	Second Quarter (Apr. 1 – Jun. 30)	Third Quarter (Jul. 1 – Sept. 30)	Fourth Quarter (Oct. 1 – Dec. 31)
2011 – High	0.25	0.25	0.25	5.00
2011 – Low	0.25	0.25	0.25	0.25
2010 – High	0.25	0.25	0.25	0.25
2010 – Low	0.25	0.25	0.25	0.25

#### *Record Holders*

As at February 20, 2012, an aggregate of 8,645,652 shares of our common stock were issued and outstanding and were owned by approximately 83 holders of record, based on information provided by our transfer agent.

#### *Re-Purchase of Equity Securities*

None.

#### *Dividends*

The Company has not paid any cash dividends on its common stock since inception and the Company presently anticipates that all earnings, if any, will be retained for development of our business and that no dividends on the Company's common stock will be declared in the foreseeable future. Any future dividends will be subject to the discretion of the Board of Directors of the Company and will depend upon, among other things, future earnings, operating and financial condition, capital requirements, general business conditions and other pertinent facts. Therefore, there can be no assurance that any dividends on the common stock of the Company will be paid in the future.

#### *Securities Authorized for Issuance Under Equity Compensation Plans*

On February 20, 2004, the Company's shareholders approved a Stock Option Plan (the "Plan") whereby a maximum of 5,000,000 common shares were authorized but unissued to be granted to directors, officers, consultants and non-employees who assisted in the development of the Company. The value of the stock options to be granted under the Plan will be determined using the Black-Scholes valuation model. To date, no stock options have been granted under this Plan. On October 6, 2011, the Plan was cancelled by written consent of the Board of Directors.

On November 17, 2011, the Company adopted and approved the 2011 Equity Incentive Plan (the "Plan"), for the directors, officers, employees and key consultants of the Company. Pursuant to the Plan, the Company is authorized to issue nine hundred thousand (900,000) restricted shares, \$0.001 par value, of the Company's common stock.

**ITEM 10. RECENT SALES OF UNREGISTERED SECURITIES**

None.

**ITEM 11. DESCRIPTION OF THE REGISTRANT'S SECURITIES**

***Common Stock***

Pursuant to the Company's Certificate of Incorporation and amendment(s) thereto, the aggregate number of shares which the Company shall have authority to issue is two hundred million (200,000,000) shares of common stock, par value \$0.001 per share.

***Preferred Stock***

There are no authorized shares of preferred stock.

***Voting Rights***

Except as otherwise required by law or as may be provided by the resolutions of the Board of Directors authorizing the issuance of common stock, as hereinabove provided, all rights to vote and all voting power shall be vested in the holders of common stock. Each share of common stock shall entitle the holder thereof to one vote.

***No Cumulative Voting***

Except as may be provided by the resolutions of the Board of Directors authorizing the issuance of common stock, cumulative voting by any shareholder is hereby expressly denied.

***Conversion, Preemption, Preferential Rights, Redemption, Sinking Fund Provisions***

No shareholder of the Company shall have, by reason of its holding shares of any class or series of stock of the Company, any conversion, preemptive or preferential rights to purchase or subscribe for any other shares of any class or series of the Company now or hereafter authorized, and any other equity securities, or any notes, debentures, warrants, bonds, or other securities convertible into or carrying options or warrants to purchase shares of any class, now or hereafter authorized whether or not the issuance of any such shares, or such notes, debentures, or bonds or other securities, would adversely affect the dividend or voting rights of such shareholder. There are no redemption or sinking fund provisions applicable to the common stock.

***Dividends***

The holders of common stock shall be entitled to receive when, as and if declared by the Board of Directors, out of funds legally available therefore, dividends payable in cash, stock or otherwise.

***Rights upon Liquidation, Dissolution or Winding-Up of the Company***

Upon any liquidation, dissolution or winding-up of the corporation, whether voluntary or involuntary, the remaining net assets of the Company shall be distributed pro rata to the holders of the common stock.

We refer you to our Certificate of Incorporation, any amendments thereto, Bylaws, and the applicable provisions of the Delaware General Corporations Law for a more complete description of the rights and liabilities of holders of our securities.

**ITEM 12. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

***Indemnification Provisions of the Company's Certificate of Incorporation***

A. The Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a director, officer, employee, or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of no contest or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

B. The Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee, or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against expenses (including attorneys fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Company unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

C. To the extent that a director, officer, employee, or agent of the Company has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subparagraphs A and B, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

D. Any indemnification under subparagraphs A and B (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subparagraphs A and B. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

E. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Company in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Company as authorized herein.

### ***Delaware Law on Indemnification***

Delaware General Corporation Law provides, in general, that a corporation incorporated under the laws of the State of Delaware, such as the Company, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than a derivative action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. In the case of a derivative action, a Delaware corporation may indemnify any such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification will be made in respect of any claim, issue or matter as to which such person will have been adjudged to be liable to the corporation unless and only to the extent that the State of Delaware or any other court in which such action was brought determines such person is fairly and reasonably entitled to indemnity for such expenses.

Regarding indemnification for liabilities arising under the Securities Act of 1933 which may be permitted for directors or officers pursuant to the foregoing provisions, we are informed that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy, as expressed in the Act and is therefore unenforceable.

### **ITEM 13. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The information provided below in Item 9.01 of this Amended Current Report on Form 8-K/A is incorporated by reference into this Item 13.

### **ITEM 14. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

On November 29, 2011, Sadler, Gibb & Associates, LLC ("SG&A") was engaged as the registered independent public accountant for the Company and Madsen & Associates, CPA's Inc. ("M&A") was dismissed as the registered independent public accountant for the Company. The decisions to appoint SG&A and dismiss M&A were approved by the Board of Directors of the Company on November 23, 2011.

Other than the disclosure of uncertainty regarding the ability for us to continue as a going concern which was included in our accountant's report on the financial statements of the Company for the years ended August 31, 2011 and 2010, M&A's reports on the financial statements of the Company for the years ended August 31, 2011 and 2010 did not contain an adverse opinion or a disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles. For the two most recent fiscal years and any subsequent interim period through M&A's termination on November 29, 2011, M&A disclosed the uncertainty regarding the ability of the Company to continue as a going concern in its accountant's report on the financial statements.

In connection with the audit and review of the financial statements of the Company through November 29, 2011, there were no disagreements on any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedures, which disagreements if not resolved to their satisfaction would have caused them to make reference in connection with M&A's opinion to the subject matter of the disagreement.

In connection with the audited financial statements of the Company for the years ended August 31, 2011 and 2010 and interim unaudited financial statements through November 29, 2011, there have been no reportable events with the Company as set forth in Item 304(a)(1)(v) of Regulation S-K.

Prior to November 29, 2011, the Company did not consult with SG&A regarding (1) the application of accounting principles to specified transactions, (2) the type of audit opinion that might be rendered on the Company's financial statements, (3) written or oral advice was provided that would be an important factor considered by the Company in reaching a decision as to an accounting, auditing or financial reporting issues, or (4) any matter that was the subject of a disagreement between the Company and its predecessor auditor as described in Item 304(a)(1)(iv) or a reportable event as described in Item 304(a)(1)(v) of Regulation S-K.

The Company provided a copy of the foregoing disclosures to M&A prior to the date of filing of a Current Report on Form 8-K on November 30, 2011 (the "Form 8-K Report"), and requested that M&A furnish it with a letter addressed to the Securities & Exchange Commission stating whether or not it agreed with the statements in the Form 8-K Report. A copy of the letter furnished in response to that request was filed as Exhibit 16.1 to the Form 8-K Report and is incorporated herein by reference.

**END OF FORM 10 DISCLOSURE**

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.****(a) Financial Statements of Businesses Acquired.**

The audited consolidated financial statements of Singapore Volition Pte Limited as of December 31, 2010 and for the period from August 5, 2010 (date of inception) to December 31, 2010 were filed with the SEC on January 11, 2012 as Exhibit 99.01 to our Amended Current Report on Form 8-K/A and are incorporated herein by reference.

**(b) Pro forma Financial Information.**

The unaudited pro forma consolidated financial statements with respect to the transaction described in Item 2.01 of this Form 8-K/A are attached hereto as Exhibit 99.02 and are incorporated herein by reference.

The unaudited consolidated financial statements of the Company for the nine months ended September 30, 2011 are attached hereto as Exhibit 99.03 and are incorporated herein by reference.

**(d) Exhibits.**

<b>Exhibit Number</b>	<b>Description of Exhibit</b>	<b>Filing</b>
3.01	Certificate of Incorporation	Filed with the SEC on December 6, 1999 as part of our Registration Statement on Form 10-SB.
3.01(a)	Amendment to Certificate of Incorporation	Filed with the SEC on November 10, 2005 as part of our Registration Statement on Form SB-2.
3.01(b)	Certificate for Renewal and Revival of Charter	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
3.02	Bylaws	Filed with the SEC on December 6, 1999 as part of our Registration Statement on Form 10-SB.
4.01	2011 Equity Incentive Plan dated November 17, 2011	Filed with the SEC on November 18, 2011 as part of our Current Report on Form 8-K.
4.02	Sample Stock Option Agreement	Filed with the SEC on November 18, 2011 as part of our Current Report on Form 8-K.
4.03	Sample Stock Award Agreement for Restricted Stock	Filed with the SEC on November 18, 2011 as part of our Current Report on Form 8-K.
10.01	Patent License Agreement by and between Cronos Therapeutics Limited and Imperial College Innovations Limited dated October 19, 2005	Filed herewith.
10.02	Amended Patent License Agreement by and between Cronos Therapeutics Limited and Imperial College Innovations Limited dated July 31, 2006	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.03	Extension Letter Agreement by and between Cronos Therapeutics Limited and Imperial College Innovations Limited dated September 4, 2006	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.04	Patent License Agreement by and between ValiRX PLC and Chroma Therapeutics Limited dated October 3, 2007	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.05	Contract Repayable Grant Advance on the Diagnosis of Colorectal Cancer by "Nucleosomics <sup>TM</sup> " by and between ValiBio SA and The Walloon Region dated December 17, 2009	Filed herewith.
10.06	Non-Exploitation and Third Party Patent License Agreement by and among ValiBio SA, ValiRX PLC and The Walloon Region dated December 17, 2009	Filed herewith.
10.07	Agreement by and between Singapore Volition and PB Commodities Pte Limited dated August 6, 2010	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.08	Share Purchase Agreement by and between Singapore Volition and ValiRX PLC dated September 22, 2010	Filed herewith.
10.09	Deed of Novation by and among Singapore Volition Pte Limited, ValiRX PLC, ValiBio SA and Chroma Therapeutics Limited dated September 22, 2010	Filed herewith.

10.10	Letter of Appointment as Non-Executive Director by and between Singapore Volition Pte Limited and Satu Vainikka dated September 22, 2010	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.11	Letter of Appointment as Non-Executive Director by and between Singapore Volition Pte Limited and Guy Archibald Innes dated September 23, 2010	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.12	Patent License Agreement by and between Singapore Volition and Belgian Volition dated November 2, 2010	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.13	Letter of Appointment as Non-Executive Director by and between Singapore Volition Pte Limited and Dr. Alan Colman dated May 25, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.14	License Agreement by and between Singapore Volition and the European Molecular Biology Laboratory dated June 6, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.15	Supplementary Agreement to the Share Purchase Agreement by and between Singapore Volition and ValiRX PLC dated June 9, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.16	Deed of Novation by and among Imperial College Innovations Limited, Valipharma Limited and Hypergenomics Pte Limited dated June 9, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.17	Patent License Agreement by and between Hypergenomics Pte Limited and Valipharma Limited dated June 9, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.18	Consultancy Agreement by and between Singapore Volition Pte Limited and Malcolm Lewin dated July 10, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.19	Letter of Appointment as Executive Chairman by and between Singapore Volition and Dr. Martin Faulkes dated July 13, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.20	Service Agreement by and between Singapore Volition and Volition Research Limited dated August 10, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.21	Settlement Agreement by and between Singapore Volition and Volition Research Limited dated August 11, 2011	Filed with the SEC on January 11, 2012 as part of our Amended Current Report on Form 8-K/A.
10.22	Share Exchange Agreement by and between the Company and Singapore Volition Pte Limited dated September 26, 2011	Filed with the SEC on September 29, 2011 as part of our Current Report on Form 8-K.
10.23	Employment Agreement by and between Singapore Volition and Dr. George S. Morris dated September 29, 2010	Filed herewith.
10.24	Employment Agreement by and between PB Commodities Pte Ltd and Cameron Reynolds dated September 4, 2010	Filed herewith.
10.25	Employment Agreement by and between PB Commodities Pte Ltd and Rodney Rootsart dated September 4, 2010	Filed herewith.
10.26	Consultancy Agreement by and between PB Commodities Pte Ltd and Kendall Life Sciences Consultants Ltd dated October 4, 2010	Filed herewith.
10.27	Agreement by and between Hypergenomics Pte Limited and PB Commodities Pte Ltd dated October 1, 2011	Filed herewith.
14.01	Code of Ethics	Filed with the SEC on November 10, 2005 as part of our Registration Statement on Form SB-2.
16.01	Letter from Madsen & Associates, CPA's Inc. dated November 29, 2011	Filed with the SEC on November 30, 2011 as part of our Current Report on Form 8-K.
21.01	List of Subsidiaries	Filed with the SEC on October 13, 2011 as part of our Current Report on Form 8-K.
99.01	Audited Consolidated Financial Statements of Singapore Volition Pte Limited as of December 30, 2010	Filed with the SEC on January 11, 2012 as part of our Current Report on Form 8-K.
99.02	Unaudited Pro Forma Condensed Combined Financial Statements	Filed herewith.
99.03	Unaudited Consolidated Financial Statements of the Company as of September 30, 2011	Filed herewith.

**SIGNATURE**

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

**VolitionRX Limited**

Date: February 23, 2012

/s/ Cameron Reynolds

By: Cameron Reynolds

Its: Chief Executive Officer and President



## Exhibit 10.1

### Patent License Agreement

**THIS AGREEMENT** dated October 19, 2005 is between:

- 1) **IMPERIAL COLLEGE INNOVATIONS LIMITED** (“Innovations”), a company incorporated in England and Wales whose principal place of business is at 12<sup>th</sup> Floor, Electrical Engineering Building, Imperial College, London SW7 2AZ; and
- 2) **CRONOS THERAPEUTICS LIMITED** (the “Licensee”), a company incorporated in England and Wales whose principal place of business is at The London BioScience Innovation Centre, 2 Royal College Street, London NW1 0TU.

#### RECITALS:

- A. Innovations is a subsidiary company of Imperial College of Science, Technology and Medicine (the “College”)
- B. The College had developed and (prior to the assignment referred to in Recital C) owned technology relating to hypersensitive sites and the determination of chromatin structure, methods of modifying chromatin structure and a library of hypersensitive sites (the “Technology”).
- C. The College has assigned to Innovations all of its right, title and interest in the Technology, and Innovations has filed patent applications over the Technology (“the Patents”).
- D. The Licensee wishes to acquire rights under the Patents and to use the Technology for the development and commercialization of Licensed Products in the Field and in the Territory, in accordance with the provisions of this Agreement.

**IT IS AGREED** as follows:

#### 1. Definitions

In this Agreement, the following words shall have the following meanings:

Affiliate	In relation to a Party, means any entity or person that Controls, is Controlled by, or is under common Control with that Party.
Claims	All demands, claims and liability (whether criminal or civil, in contract, tort or otherwise) for losses, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including without limitation legal costs) incurred in connection therewith.
Commencement Date	7 <sup>th</sup> June 2005
Control	Direct or indirect beneficial ownership of 50% (or, outside a Party’s home territory, such lesser percentage as is the maximum, permitted level of foreign investment) or more of the share capital, stock or other participating interest carrying the right to vote or to distribution of profits of that Party, as the case may be.
Diligent	Exerting such efforts and employing such resources as would normally be exerted or and Reasonable Efforts employed by a reasonable third party company for a product of similar market potential at a similar stage of its product life, when utilizing sound and reasonable scientific, business and medical practice and judgment in order to develop the product in a timely manner and maximize the economic return to the Parties from its commercialization.
Field	The diagnosis, prevention and treatment of disease and pharmacogenomics applications and the provision of technology, products or services including the detection or identification of actual or potential gene expression or the characterization or identification of cell types or differentiation states.
Imperial College	Imperial College of Science, Technology and Medicine
Indemnitees	Has the meaning given in Clause 7.3
Licensed Products	Any and all products that are manufactured, sold or otherwise supplied by the Licensee or its sub-licensee (including any Affiliate of the Licensee) and which are within any Valid Claim of the Patents.

Net Receipts	The sum of; <ul style="list-style-type: none"> <li>a) The Royalty Income and,</li> <li>b) The Sub-license Non-royalty Income</li> </ul>
Net Sales Value	<p>The invoiced price of Licensed Products sold by the Licensee or its Affiliates to independent third parties in arm's length transactions exclusively for money or, where the sale is not at arm's length, the price that would have been so invoiced if it had been at arm's length, after deduction of all documented:</p> <ul style="list-style-type: none"> <li>a) normal trade discounts actually granted and any credits actually given for rejected or returned Licensed Products;</li> <li>b) costs of packaging, insurance, carriage and freight, provided in each case that the amounts are separately charged on the relevant invoice;</li> <li>c) value added tax or other sales tax; and,</li> <li>d) import duties or similar applicable government levies actually paid.</li> </ul> <p>Sales between any of the Licensee, its Affiliates and Sub-licensees shall not be considered be considered for the purposes of this definition unless there is no subsequent sale to a person not the Licensee, its Affiliate or Sub-licensee in an arm's length transaction exclusively for money.</p>
Parties	Innovations and the Licensee, and "Party" shall mean either of them.
Patents	Any and all of the patents and patent applications referred to in Schedule 1 including any continuations, continuations in part, extensions, reissues, divisions, and any patents, supplementary protection certificates and similar rights that are based on or derive priority from the foregoing.
Royalty Income	any royalty payment (excluding value added tax) obtained by, or due to, the Licensee or its Affiliate, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents.
Service	The supply of a consultancy or technical service (including contract research and development) to a third party that includes within the provision of such service or requires in its performance the Licensee's use of technology falling within a Valid Claim of the Patents
Service Fee	Any fee, after deduction of any value-added tax or other sales tax, paid by any third party to the Licensee for the provision of a Service.
Sub-license Non-royalty Income	<p>The amount of any payment (excluding value added tax and Royalty Income), and the value of any non-monetary receipt, obtained by, or due to, Licensee or its Affiliate, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents, and including any of the following:</p> <ul style="list-style-type: none"> <li>a) up-front, milestone (whether at the stage of development, marketing or otherwise), success, bonus, maintenance and periodic (including annual) payments due under any sublicense agreement;</li> <li>b) where any sub-license is to be granted under cross-licensing arrangements, the value of any third party license obtained under such arrangements;</li> <li>c) any funding received from a sub-licensee for shares, options or other securities in respect of any of the share capital of the Licensee or its Affiliate;</li> <li>d) any guarantee or other financial benefit received from a sub-licensee; and</li> <li>e) any loan received from a sub-licensee which is not ultimately repaid, or any loan which is on terms other than arm's length terms, or any loan that is convertible to equity or other non-cash form where such conversion occurs.</li> </ul>
Technology Access Fee	The fees as set out in the Clauses 4.1 and 4.2 of this Agreement
Territory	Worldwide

Valid Claim                    A claim of a patent or patent application that has not expired or been held invalid or unenforceable by a court of competent jurisdiction in a final and non-appealable judgment.

## **2. Grant of Rights**

- 2.1 *Licenses.* Innovations hereby grants to the Licensee, subject to the provisions of this Agreement, an exclusive license in the Field under the Patents, with the right to sub-license, subject to clause 2.3 below, to develop, manufacture, have manufactured, use and sell Licensed Products or to supply a Service but only in the Field in the Territory.
- 2.2 *Formal Licenses.* The Parties shall execute such formal licenses as may be necessary or appropriate for registration with Patent Offices and other relevant authorities in particular territories. In the event of any conflict in meaning between any such licence and the provisions of this Agreement, the provisions of this Agreement shall prevail wherever possible. Prior to the execution of the formal licence(s) (if any) referred to in this Clause 2.2, the Parties shall so far as possible have the same rights and obligations towards one another as if such licence(s) had been granted. The Parties shall use reasonable endeavours to ensure that, to the extent permitted by relevant authorities, this Agreement shall not form part of any public record.
- 2.3 *Sub-licensing.* The Licensee shall be entitled to grant sub-licenses of its rights under this Agreement to any person, provided that:
- 2.3.1 the sub-license shall include obligations on the sub-licensee which are equivalent to the obligations on the Licensee under this Agreement;
- 2.3.2 the sub-license shall terminate automatically on the termination of this Agreement for any reason;
- 2.3.3 within 30 days of the grant of any sub-license the Licensee shall provide to Innovations a true copy of it; and
- 2.3.4 The Licensee shall be responsible for any breach of the sub-license by the sub-licensee, as if the breach had been that of Licensee under this Agreement, and the Licensee shall indemnify Innovations against any loss, damages, costs, claims or expenses which are awarded against or suffered by Innovations as a result of any such breach by the sub-licensee.
- 2.4 *Reservation of Rights.* Innovations reserves the non-exclusive right for it and its Affiliates to use the Patents in the Field for the purposes of academic research and teaching only.
- 2.5 *No Other License.* Except for the licenses expressly granted by this Clause 2, Innovations reserves all its rights. Without prejudice to the generality of the foregoing Innovations reserves all rights under the Patents outside the Field.
- 2.6 *Quality.* The Licensee shall ensure that all of the Licensed Products marketed by it are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory and shall contractually require all sub-licensees to ensure that all Licensed Products marketed by them are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory.
- 2.7 *Responsibility for development of Licensed Products.* The Licensee shall be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and for incorporating any modifications or developments thereto that may be necessary or desirable and for all Licensed Products sold or supplied, and accordingly the Licensee shall indemnify Innovations in the terms of Clause 7.3.

## **3 Know-how and Confidential Information**

- 3.1 *Confidentiality obligations.* Each Party (“Receiving Party”) undertakes:
- 3.1.1 to maintain as secret and confidential all know-how and other technical or commercial information obtained directly or indirectly from the other Party (“Disclosing Party”) in the course of or in anticipation of this Agreement and to respect the Disclosing Party’s rights therein;
- 3.1.2 to use the same exclusively for the purposes of this Agreement; and

- 3.1.3 to disclose the same only to those of its employees, contractors and sub-licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement.
- 3.2 *Exceptions to obligations.* The provisions of Clause 3.1 shall not apply to know-how and other information which the Receiving Party can demonstrate by reasonable, written evidence:
- 3.2.1 was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or
- 3.2.2 is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or
- 3.2.3 is or becomes generally available to the public through no act or default of the Receiving Party or its agents, employees, Affiliates, or sub-licensees; or
- 3.2.4 the Receiving Party is required to disclose to the courts of any competent jurisdiction, or to any government regulatory agency or financial authority, provided that the Receiving Party shall
- 3.2.4.1 inform the Disclosing Party as soon as is reasonably practicable; and
- 3.2.4.2 at the Disclosing Party's request seek to persuade the court agency or authority to have the information treated in a confidential manner, where this is possible under the court, agency or authority's procedures.
- 3.3 *Disclosure to employees.* The Receiving Party shall procure that all of its employees, contractors and sub-licensees pursuant to this Agreement (if any) who have access to any of the Disclosing Party's information to which Clause 3.1 applies, shall be made aware of and subject to these obligations and shall have entered into written undertakings of confidentiality at least as restrictive as clauses 3.1 and 3.2 and which apply to the Disclosing Party's information

#### **4 Payments**

- 4.1 *Initial Technology Access Fee.* Upon receipt of cumulative total funding (by way of equity, investment or loan) equal to or in excess of £200,000 (Two Hundred thousand pounds sterling) the Licensee shall pay to Innovations an initial technology access fee of £15,000 (Fifteen Thousand pounds sterling) which is deductible against royalties paid in that year in accordance with clause 4.4.4.
- 4.2 *Subsequent Technology Access Fee.* In the event that the Term of this agreement is extended pursuant to Clause 9, the Licensee shall pay to Innovations the non-refundable sum of £15,000 (Fifteen Thousand pounds sterling) on each subsequent anniversary of the payment of the Initial Technology Access Fee paid pursuant to Clause 4.1 above which is deductible against royalties paid in that year as per clause 4.4.4.
- 4.3 *Milestone payment.* On the first successful grant of a Patent, the Licensee shall pay to Innovations a non-refundable milestone payment. If such Patent is in any of the following territories; the United Kingdom, France, Germany, Italy, Spain, Switzerland, Sweden, Norway, Denmark, the United States, Canada or Australia, the payment shall be £50,000 (Fifty Thousand pounds sterling). If such first successful grant of a Patent is in any other territory, the payment shall be £35,000 (Thirty-Five Thousand pounds sterling).
- 4.4 **Royalties**
- 4.4.1 *Royalties on Net Sales.* The Licensee shall pay to Innovations a royalty of 5% (Five percent) of the Net Sales Value of all Licensed Products sold by the Licensee or its Affiliates.
- 4.4.2 *Royalties on Service Fees.* The Licensee shall pay to Innovations a royalty of 15% (Fifteen percent) of all Service Fees.

4.4.3 *Royalties on sub-licence Income*

4.4.3.1 *Royalties on sub-licence Royalty Income.* The Licensee shall pay to Innovations a royalty of:

25% (Twenty Five percent) of the Royalty Income received from sub-licensees where such cumulative Royalty Income over the term of this Agreement is less than or equal to 1,000,000 (One Million pounds sterling); and,

20% (Twenty percent) of all cumulative Royalty Income over the term of this Agreement in excess of 1,000,000 (One Million pounds sterling)

4.4.3.2 *Royalties on Sub-licence Non-royalty Income.* The Licensee shall pay to Innovations a royalty of 15% (Fifteen percent) of Sub-licence Non-royalty Income.

4.4.4 *Offset.* At the end of each calendar year the Licensee shall be entitled to deduct a sum not exceeding the Technology Access Fee paid during that calendar year from the Royalties due to Innovations for the same calendar year. The said deduction shall be made from the final installment of Royalties (as set out in Clause 4.8) for the calendar year in question unless the amount to be deducted exceeds the said installment, in which case the excess shall be credited against any future sum payable by the Licensee to Innovations under this Clause 4.4

4.4.5 In the event that any income due to the Licensee is written off by the Licensee as a bad debt and the Licensee has already paid a royalty to Innovations under this Clause 4.4 in respect of such income, the said amount shall be credited against any future sum payable by the Licensee to Innovations under this Clause 4.4.

4.5 If the Parties disagree as to the calculation of any Net Receipts or Net Sales Value, including without limitation any disagreement as to the cash value of any non-monetary receipt, but excluding any dispute as to whether a product is a Licensed Product such disagreement shall be referred to an independent expert who shall be appointed and act in accordance with the provisions of Schedule 2 and whose decision shall be final and binding on the Parties.

4.6 *Combination Products.* If any Licensed Products are incorporated in any other product (“Combination Product”) supplied by the Licensee or its sub-licensees and the Licensed Product is not priced separately from the Combination Product, the Net Sales Value of the Combination Product which is attributable to the Licensed Product, comparing the manufacturing cost of the Licensed Product with that of the Combination Product, as in the following formula: Net Sales Value of Licensed Product = (manufacturing cost of Licensed Product divided by total manufacturing cost of Combination Product) x Net Sales Value of Combination Product.

4.7 *Royalties to third parties.* If, during the continuation of this Agreement, the Licensee considers it necessary to obtain a licence from any third party (“Third Party Licence”) in order to avoid infringing such third party’s patent(s) in the course of manufacture or sale of Licensed Products or the provision of Services, royalties paid under the Third Party Licence shall be treated as a deductible item when calculating Net Sales Value provided that the amount of royalty payable by the Licensee to Innovations in any quarterly period shall not be reduced by more than 50% of the amount which would have been payable in the absence of this Clause. The deductions referred to in this Clause shall only be made where the infringement of the third party patent arises from the use of the inventions claimed in the Patents in accordance with the provisions of this Agreement, and not from the use of any other intellectual property that the Licensee chooses to use in the manufacture or sale of any Licensed Product. For the avoidance of doubt, the provisions of this clause shall not apply to payments made or due to Innovations from the Licensee for the Gene ICE technology.

4.8 *Payment frequency.* Royalties due under this Agreement shall be paid within 60 days of the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, in respect of sales of Licensed Products or Services made and Sub-licences current during such quarter and within 60 days of the termination of this Agreement.

4.9 *Payment terms.* All sums due under this Agreement:

4.9.1 are exclusive of value added tax which where applicable will be paid by the Licensee to Innovations in addition;

4.9.2 shall be paid in pounds sterling (unless and until sterling is replaced by Euros at which time payment shall be made in Euros) in cash by transferring an amount in aggregate to the following account:

Account Number	87777770
Sort Code	51-50-01
Account Name	Imperial College Innovations Limited
Bank	National Westminster Bank PLC 18 Cromwell Place London SW7 2LB,

and in the case of sales or sub-licence income received by the Licensee in a currency other than pounds sterling, the royalty shall be calculated in the other currency and then converted into equivalent pounds sterling at the buying rate of such other currency as quoted by National Westminster Bank PLC in London as at the close of business on the last business day of the quarterly period with respect to which the payment is made;

4.9.3 shall be made without deduction of income tax and other taxes charges or duties that may be imposed, except insofar as the Licensee is required to deduct the same to comply with applicable laws. The Parties shall cooperate and take all steps reasonably and lawfully available to them, at the expense of Innovations, to avoid deducting such taxes and to obtain double taxation relief. If the Licensee is required to make any such deduction it shall provide Innovations with such certificates or other documents as it can reasonably obtain to enable Innovations to obtain appropriate relief from double taxation of the payment in question; and

4.9.4 shall be made by the due date, failing which Innovations may charge interest on any outstanding amount on a daily basis at a rate equivalent to 3% above the National Westminster Bank PLC base lending rate then in force in London.

4.10 *Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country then the Licensee shall within the prescribed period for making the said payments in the appropriate manner use its best endeavours to secure from the proper authority in the relevant country permission to make the said payments and shall make them within 7 days of receiving such permission. If such permission is not received within 30 (thirty) days of the Licensee making a request for such permission then, at the option of Innovations, the Licensee shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by Innovations within such country or such royalty payments shall be made to an associated company of Innovations designated by Innovations and having offices in the relevant country designated by Innovations.

4.11 *Royalty statements.* The Licensee shall send to Innovations at the same time as each royalty payment is made in accordance with Clause 4.8 a statement setting out, in respect of each territory or region in which Licensed Products or Services are sold, the types of Licensed Product or Service sold, the quantity of each type sold, and the total Net Sales Value and the total Net Receipts in respect of each type, expressed both in local currency and pounds sterling and showing the conversion rates used, during the period to which the royalty payment relates.

4.12 *Records*

4.12.1 The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing the quantity, description and value of Licensed Products and Services sold by it, and the amount of sublicensing revenues received by it in respect of Licensed Products, on a country by country basis, and being sufficient to ascertain the payments due under this Agreement.

4.12.2 The Licensee shall make such records and accounts available, on reasonable notice, for inspection during business hours by an independent chartered accountant nominated by Innovations for the purpose of verifying the accuracy of any statement or report given by the Licensee to Innovations under this Clause 4. The frequency of inspections shall be limited to a maximum of one inspection in any three month period. The accountant shall be required to keep confidential all information learnt during any such inspection, and to disclose to Innovations only such details as may be necessary to report on the accuracy of the Licensee's statement or report. Innovations shall be responsible for the accountant's charges unless the accountant certifies that there is an inaccuracy leading to a Royalty underpayment of more than 5% (five percent) in any royalty statement, in which case the Licensee shall pay his charges in respect of that inspection.

## **5 Commercialization**

- 5.1 The Licensee shall use Diligent and Reasonable Efforts to develop and commercially exploit the Patents in the Territory.
- 5.2 Without prejudice to the generality of the Licensee's obligations under Clause 5.1, the Licensee shall provide at least annually to Innovations an updated, written Development Plan, showing all past, current and projected activities taken or to be taken by the Licensee to bring Licensed Products to market and maximize the sale of Licensed Products and Services worldwide. Innovation's receipt or approval of any such plan shall not be taken to waive or qualify the Licensee's obligations under Clause 5.1.
- 5.3 If Innovations considers at any time during the period of this Agreement that the Licensee has without legitimate reason failed to proceed diligently to develop and commercially exploit Licensed Products, Innovations shall be entitled to refer to an independent expert the following questions:
- 5.3.1 whether the Licensee has acted diligently; if not
- 5.3.2 what specific action the Licensee should have taken ("Specific Action") in order to have acted diligently.
- 5.4 The independent expert shall be appointed in accordance with the provisions of Schedule 2 and his decision shall be final and binding on the Parties.
- 5.5. If the expert determines that the Licensee has failed to comply with its obligations under this Clause 5, and if the Licensee fails to take the Specific Action within 6 months of the expert giving his decision in accordance with Schedule 2, Innovations shall be entitled, by giving, at any time within 3 months after the end of that 6 month period, not less than 3 months' notice to terminate this Agreement and the licences granted to the Licensee under Clause 2.

## **6 Intellectual property**

- 6.1 *Patent expenses.*
- 6.1.1 Upon signature of this Agreement the Licensee shall pay to Innovations all documented patent prosecution and renewal fees incurred by Innovations in respect of the Patents during the period from 8<sup>th</sup> April 2005 to the Commencement Date of this Agreement.
- 6.1.2 Notwithstanding the provisions of Clause 6.1.1 the Licensee shall be responsible for the prosecution of the Patents and responsible for payment directly to patent agents and others of all prosecution and renewal fees in respect of the Patents after the Commencement Date; provided that if the Licensee wishes to abandon any such application or not to maintain any such Patent (or to cease funding such application or Patent) or to narrow any such Patent's claims, it shall give 3 months' prior written notice to Innovations and on the expiry of such notice period the Licensee shall cease to be licensed under the patent application or patent identified in the notice.
- 6.1.3 Payments pursuant to Clauses 6.1.1 and 6.1.2 shall be made within 30 days of receipts of invoice by the Licensee.
- 6.1.4 In the event that this Agreement is extended beyond 31<sup>st</sup> July 2006 pursuant to Clause 9, the Licensee will pay all subsequent expenses incurred in relation to the Patents.

## 6.2 *Infringement of the Patents*

- 6.2.1 Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the Patents in the Field, and the Parties shall consult with each other to decide the best way to respond to such infringement.
- 6.2.2 If the Parties fail to agree on a joint programme of action, including how the costs of any such action are to be borne and how any damages and other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 6.2.
- 6.2.3 Before starting any legal action under Clause 6.2, the Licensee shall consult with Innovations as to the advisability of the action or settlement, its effect on the good name of Imperial College and Innovations, the public interest, and how the action should be conducted.
- 6.2.4 If the alleged infringement is both within and outside the Field, the Parties shall also co-operate with Innovations' other licensees (if any) in relation to any such action.
- 6.2.5 The Licensee shall reimburse Innovations for any reasonable expenses incurred in assisting it in such action. The Licensee shall pay Innovations royalties, in accordance with Clause 4, on any damages received from such action as if such damages were Net Sales Value on the sale of Licensed Products or Net Receipts, depending on the nature of the payment.
- 6.2.6 Innovations shall agree to be joined in any suit to enforce such rights subject to being indemnified and secured in a reasonable manner as to any costs, damages, expenses or other liability and shall have the right to be separately represented by its own counsel at its own expense.

## 6.3 *Infringement of third party rights*

- 6.3.1 If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party, alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any Patents, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.
- 6.3.2 The Licensee shall have the right but not the obligation to defend such suit to the extent it relates to activities in the Field and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, concerning the validity of any Patent, the consent of Innovations must be obtained before taking such action or making such settlement.

## 7 **Warranties and Liability**

### 7.1 *Warranties by Innovations*, Innovations warrants and undertakes as follows:

- 7.1.1 it is the registered proprietor of, or applicant for, the Patents and has caused its directors and employees to execute such assignments of the Patents as may be necessary to give title to the Patents to Innovations; and
- 7.1.2 it has not done, and shall not do nor agree to do during the continuation of this Agreement, any of the following things if to do so would be inconsistent with the exercise by the Licensee of the rights granted to it under this Agreement, namely:
  - 7.1.2.1 grant or agree to grant any rights in the Patents in the Field in the Territory; or
  - 7.1.2.2 assign, mortgage, charge or otherwise transfer any of the Patents in the Field in the Territory or (subject to Clause 10.3.2) any of its rights or obligations under this Agreement.



7.2 *No other warranties*

- 7.2.1 Each of the Licensee and Innovations acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.
- 7.2.2 Without limiting the scope of paragraph 7.2.1 above, Innovations does not make any representation nor give any warranty or undertaking:
- 7.2.2.1 as to the efficacy or usefulness of the Patents; or
- 7.2.2.2 that any of the Patents is or will be valid or subsisting or (in the case of an application) will proceed to grant; or
- 7.2.2.3 that the use of any of the Patents, the manufacture, sale or use of the Licensed Products or the exercise of any of the rights granted under this Agreement will not infringe any other intellectual property or other rights of any other person; or
- 7.2.2.4 that any other information communicated by Innovations to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended; or
- 7.2.2.5 as imposing any obligation on Innovations to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or
- 7.2.2.6 as imposing any liability on Innovations in the event that any third party supplies Licensed Products to customers located in the Territory.

7.3 *Indemnity.* The Licensee shall indemnify Innovations and its Affiliates (including Imperial College), and their respective officers, directors, Council members, employees and representatives (together, the "Indemnitees") against all third party Claims that may be asserted against or suffered by any of the Indemnitees and which relate to the use by the Licensee or any of its sub-licensees of the Patents or otherwise in connection with the development, manufacture, use or sale of or any other dealing in any of the Licensed Products by Licensee or any of its sub-licensees, or subsequently by any customer or any other person, including claims based on product liability laws.

7.4 *Liability.*

- 7.4.1 To the extent that any Indemnitee has any liability in contract, tort, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 7.4.
- 7.4.2 The aggregate liability of the Indemnitees shall be limited to the total income that Innovations has received from the Licensee (less any expenses that Innovations has incurred in obtaining, maintaining or defending the Patents) during the period of 5 (Five) years preceding the date on which the liability arises; and,
- 7.4.3 in no circumstances shall any of the Indemnitees be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered by the Licensee or its Affiliates;
- 7.4.3.1 that is of an indirect, special or consequential nature or
- 7.4.3.2 any loss of profits, revenue, business opportunity or goodwill.
- 7.4.4 Nothing in this Agreement excludes any person's liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person's negligence, or liability for fraud.

## 8 Term and Termination

8.1 *Commencement and Termination by Expiry.* This Agreement, and the licences granted hereunder, shall come into effect on the Commencement Date and, unless terminated earlier in accordance with this Clause 8 or extended in accordance with Clause 9, shall continue in force until the 31<sup>st</sup> July 2006 (the “Term”) and on this date this agreement and the licences granted hereunder shall terminate automatically by expiry.

### 8.2 *Early termination*

8.2.1 The Licensee may terminate this Agreement at any time on 90 days’ notice in writing to Innovations.

8.2.2 Without prejudice to any other right or remedy, either Party may terminate this Agreement at any time by notice in writing to the other Party (“Other Party”), such notice to take effect as specified in the notice

8.2.2.1 if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within 90 days, the breach is not remedied within 90 days of the Other Party receiving notice specifying the breach and requiring its remedy; or if:

8.2.2.2 any of the following occurs;

8.2.2.2.1 the Other Party becomes insolvent or unable to pay its debts as and when they become due;

8.2.2.2.2 an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction),

8.2.2.2.3 a liquidator, administrator, administrative receiver, receiver or trustee is appointed in respect of the whole or any part of the Other Party’s assets or business

8.2.2.2.4 the Other Party makes any composition with its creditors,

8.2.2.2.5 the Other Party ceases to continue its business, or

8.2.2.2.6 as a result of debt and/or maladministration the other Party takes or suffers any similar or analogous action.

8.2.3 Innovations may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice:

8.2.3.1 In accordance with the provisions of Clause 5.5; or

8.2.3.2 if the Licensee or its Affiliate or sub-licensee commences legal proceedings, or assists any third party to commence legal proceedings, to challenge the validity or ownership of any of the Patents.

### 8.3 *Consequences of termination*

8.3.1 Termination of this Agreement for any reason shall not absolve the Licensee’s obligations to pay Patents costs subject to Clause 6.1 of this Agreement where such costs are in respect of a period prior to the date of termination.

8.3.2 Upon termination of this Agreement for any reason otherwise than in accordance with Clause 8.1:

8.3.2.1 the Licensee and its sub-licenses shall be entitled to sell, use or otherwise dispose of (subject to payment of royalties under Clause 4) any unsold or unused stocks of the Licensed Products for a period of 6 months following the date of termination.

8.3.2.2 subject to paragraph 8.3.2.1 above, the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the Patents, in so far and for as long as any of the Patents remains in force:

- 8.3.2.3 subject to paragraph 8.3.2.1 above, the Licensee shall consent to the cancellation of any formal license granted to it, or of any registration of it in any register, in relation to any of the Patents; and
- 8.3.3 subject as provided in these Clauses 8.3.1 and 8.3.2, and except in respect of any accrued rights, neither party shall be under any further obligation to the other.
- 8.3.4 Upon termination of this Agreement for any reason otherwise than in accordance with Clause 8.1 and at Innovations' request, the Parties shall negotiate in good faith the terms of an agreement between them on reasonable commercial terms under which the Licensee would:
- 8.3.4.1 transfer to Innovations exclusively all clinical and other data relating to the development of Licensed Products;
- 8.3.4.2 to the extent possible, seek to have any product licenses, pricing approvals and other permits and applications transferred into the name of Innovations or its nominee;
- 8.3.4.3 grant Innovations an exclusive, worldwide license, with the rights to grant sub-licenses, under any improvements and other intellectual property owned or controlled by the Licensee relating to the Licensed Products; and
- 8.3.4.4 grant Innovations or its nominee the right to continue to use any product name that had been applied to the Licensed Products prior to termination of this Agreement.
- 8.3.5 Upon termination of this Agreement for any reason the provisions of clauses 3.1 to 3.3, 4 (in respect of sales made or other income generated prior to termination or under clause 8.3.2.1), 7.3, 7.4, 8.3 and 10 shall remain in force.
- 8.3.6 If the Parties are unable to agree the terms of an agreement as described in Clause 8.3.4 within 90 days of Innovations requesting the negotiation of such an agreement, either Party may refer the terms for settlement by an independent expert who shall be appointed in accordance with the provisions of Schedule 2 and whose decision shall be final and binding on the Parties. The Parties shall promptly execute an agreement on the terms agreed between them or settled by the expert.

## 9. **Extension**

- 9.1 *Reasons for extension.* On the written request of the Licensee at any time during the Term, Innovations shall extend the Term to the date at which all the Patents have expired or been revoked without right of further appeal provided the Licensee has achieved and can demonstrate to Innovations by documentary evidence that:
- 9.1.1 the Licensee has received at least £350,000 (Three Hundred and Fifty Thousand pounds sterling) in funding for the purpose of product development and has access to appropriate laboratory facilities and personnel for such development; or,
- 9.1.2 is able to demonstrate by provision of documentary evidence (which evidence shall be a legally binding agreement between the Licensee and a third party) that a commitment to funding of at least £350,000 has been made; or,
- 9.1.3 the Licensee has entered into legally binding commercial agreement(s) with Third Party (or Third Parties) which will generate at least £200,000 (Two Hundred Thousand pounds sterling) from sales of Licensed Products and/or revenue from sub-licensees and/or Service Fees within 24 months of execution of this Agreement.
- 9.2 At its sole and absolute discretion Innovations may agree to extend the Term even though the milestone events in Clause 9.1 above have not been met.

## 10 General

- 10.1 *Force majeure.* Neither Party shall have any liability or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party, including without limitation labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.
- 10.2 *Amendment.* This Agreement may only be amended in writing signed by duly authorised representatives of Innovations and the Licensee.
- 10.3 Assignment and third party rights.
- 10.3.1 Subject to this Clause 10.3.1 neither Party shall assign, mortgage, charge or otherwise transfer any rights or obligations under this Agreement, nor any of the Patents or rights under the Patents, without the prior written consent of the other Party
- 10.3.2 Either Party may assign all its rights and obligations under this Agreement together with its rights in the Patents to any company to which it transfers all or substantially all of its assets or business in the Field, PROVIDED that the assignee undertakes to the other Party to be bound by and perform the obligations of the assignor under this Agreement. However a Party shall not have such a right to assign this Agreement if it is insolvent or any other circumstance described in Clause 8.2.2.2 applies to it.
- 10.4 *Waiver.* No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.
- 10.5 *Invalid clauses.* If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but other wise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.
- 10.6 *No Agency.* Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.
- 10.7 *Interpretation.* In this Agreement:
- 10.7.1 the headings are used for convenience only and shall not affect its interpretation;
- 10.7.2 references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;
- 10.7.3 references to Clauses and Schedules mean clauses of, and schedules to, this Agreement.
- 10.7.4 references in this Agreement to termination shall include termination by expiry; and
- 10.7.5 where the word "including" is used it shall be understood as meaning "including without limitation".
- 10.8 *Notices*
- 10.8.1 Any notice to be given under this Agreement shall be in writing and shall be sent by first class mail or air mail, or by fax (confirmed by first class mail or air mail) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number set out below, or such address or fax number as that Party may from time to time notify to the other Party in accordance with this Clause 10.8. The fax numbers of the Parties are as follows:
- |             |                            |
|-------------|----------------------------|
| Innovations | +44(0)20 7589 3553         |
| Licensee    | FAX number (0)20 7408 5401 |

- 10.8.2 Notices sent as above shall be deemed to have been received three working days after the day of posting (in the case of inland first class mail), or seven working days after the date of posting (in the case of air mail), or on the next working day after transmission (in the case of fax messages, but only if a transmission report is generated by the sender's fax machine recording a message from the recipient's fax machine, confirming that the fax was sent to the number indicated above and confirming that all pages were successfully transmitted).
- 10.9 *Law and Jurisdiction.* The validity, construction and performance of this Agreement shall be governed by English law and shall be subject to the exclusive jurisdiction of the English courts to which the parties hereby submit, except that a Party may seek an interim injunction in any court of competent jurisdiction.
- 10.10 *Further action.* Each Party agrees to execute, acknowledge and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purposes and intent of this Agreement.
- 10.11 *Announcements.* Neither Party shall make any press or other public announcement concerning any aspect of this Agreement, or make any use of the name of the other Party in connection with or in consequence of this Agreement, without the prior written consent of the other Party.
- 10.12 *Entire agreement.* This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. The Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.
- 10.13 *Third parties.* Except for the rights of the Indemnitees as provided in clauses 7.3 and 7.4, who may in their own right enforce the provisions of that Clause, this Agreement does not create any right enforceable by any person who is not a party to it ("Third Party") under the Contracts (Rights of Third Parties) Act 1999, but this clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act. The Parties may amend, renew, terminate or otherwise vary all or any of the provisions of this Agreement, including Clauses 7.3 and 7.4, without the consent of the Indemnitees.

AGREED by the parties through their authorized signatories

For and on behalf of  
IMPERIAL COLLEGE  
INNOVATIONS LIMITED

Signed /s/ Susan Searle  
Name Susan Searle  
Title CEO  
Date 18/10/05

For and on behalf of  
CRONOS THERAPEUTICS  
LIMITED

Signed /s/ Satu Vainikka  
Name Satu Vainikka  
Title CEO  
Date 19/10/05

**Schedule 1**  
**The Patents**

Patent Application	Filing Date
GB 0116453.2	05/07/2001
PCT/GB0203080	04/07/2002
	Publication Date
WO03/004702	16/01/2003

## **Schedule 2**

### **Appointment of expert**

1. Pursuant to Clauses 4.5 and 4.6, ValiRx may serve a notice on the Licensee (“Referral Notice”), in accordance with Clause 10.8, notifying the Licensee that it wishes to refer the dispute to an expert (the “Expert”) for his determination.
2. The Parties shall agree the identity of a single independent, impartial expert to determine such questions. In the absence of such agreement within 30 days of the Referral Notice, either of the Parties may request an expert be appointed by the President of The Law Society of England and Wales.
3. 60 days after the giving of a Referral Notice, both Parties shall exchange simultaneously statements of case in no more than 10,000 words, in total, and each side shall simultaneously send a copy of its statement of case to the Expert.
4. Each Party may, within 30 days of the date of exchange of statement of case pursuant to paragraph 3 above, serve a reply to the other side’s statement of case of not more than 10,000 words. A copy of any such reply shall be simultaneously sent to the Expert.
5. The Expert shall make his decision on the basis of written statements and supporting documentation only and there shall be no oral hearing. The Expert shall issue his decision in writing within 30 days of the date of service of the last reply pursuant to paragraph 4 above, or, in the absence of receipt of any replies, within 60 days of the date of exchange pursuant to paragraph 3 above.
6. The Expert’s decision shall (in the absence of manifest error) be final and binding on the Parties.
7. All costs in relation to the appointment of the Expert shall be borne by the Parties in such proportions as the Expert shall determine.

**Exhibit 10.5**

**C5852**

HUTS/FD/17-12-09

**Agreement no. 5852 relative to a repayable advance  
on the diagnosis of colorectal cancer by nucleosomics.**

**BETWEEN**

The Walloon Region,  
Represented by Mr Jean-Marc Nollet,  
Vice-President and Minister of Sustainable Development and Public Service  
Place des Célestines, 1 5000 - NAMUR

**Hereinafter called the REGION,**

**FIRST PARTY**

**AND**

ValiBio SA, located Avenue Georges Lemaître, 25 in 6041 - GOSSELIES  
Represented by Patrick J. Rousseau, Managing Director,

**Hereinafter called the COMPANY**

**SECOND PARTY**

**WHEREAS:**

A. By Ministerial Order of 16 March 2010, the REGION has granted the COMPANY a repayable grant to a maximum of **1,048,020 euro** to be financed by article 81.01 of section 18, program 32, Title II of the expenses budget of the Walloon Region for the fiscal year 2010.

B. This decree provides, in essence, that the resulting relations are subject to this agreement.

**THEREFORE, IT IS AGREED AS FOLLOWS:**

**1. Definitions**

1.1. For the purposes of this agreement:

- "GRANTING DECREE": decree (order) referred to in paragraph A above;
- "DECREE": the Decree of 3 July 2008 on support for research, development and innovation in Wallonia;
- "REGULATORY ORDER": the Order of the Walloon Government of 18 September 2008 on support for research, development and innovation in Wallonia;
- "APPLICATION ORDER": the Order of the Walloon Government of 30 April 2008 addressed under Article 123 of the Decree of 3 July 2008 on support for research, development and innovation in Wallonia;
- "RESEARCH": the experimental development referred to in paragraph A above;
  - "RESEARCH PHASE": the period, as specified in Article 21, during which the RESEARCH is conducted;
  - "RESULTS": all results obtained during conduct of the RESEARCH and improvements referred to in Article 11.2. made among others of reports, plans, calculation notes, laboratory notebooks, know-how, prototypes, source codes, patents;
  - "DIRECTION GÉNÉRALE": Operational department for Economy, Employment and Research;



- "INDUSTRIALIZATION/EXPLOITATION PHASE": the period which, if the COMPANY decides or is considered by the REGION as having decided to exploit the RESULTS, begins immediately after the RESEARCH PHASE and ends when the COMPANY ceases to have to pay royalties as in Article 28;

- "GRANT" means amounts repayable under the GRANTING DECREE;

- "COMMITTED AMOUNT": the amount of the grant referred to in Article 24;

- "LIQUIDATED AMOUNT": the sum of amounts actually paid;

- "ELIGIBLE EXPENSES": expenses that the grant is likely to cover, without prejudice to controls referred to in Article 9;

- "TURNOVER" or "SALES" means the total amount excluding VAT of invoices relating to sales and other acts of operation and (or) marketing, after deduction, if any, of discounts to customers and freight, packaging and insurance.

1.2. Article 19 defines some terms specific to particular provisions of this agreement.

## **2. Scope of the agreement**

2.1. This agreement regulates the relationship by and between the REGION and the COMPANY relating to:

- The conduct of RESEARCH and funding by the GRANT;

- Exploitation of RESULTS.

2.2. This Convention is without prejudice to:

- The DECREE;

- The REGULATORY ORDERS;

- The APPLICATION DECREE;

- The legal and regulatory requirements relating to accounting and government support

in particular Articles 55 to 58 of the accountancy laws of the State, coordinated on 17 July 1991;

- The legal and regulatory requirements relating to the functioning of the Walloon Government and its services, particularly in terms of delegated authority.

2.3. Articles 19 onward are the specific provisions of this agreement. They supplement the general terms and may include:

- Description of the purpose of the RESEARCH;

- The work plan and timetable for completion of the RESEARCH;

- The budget allocated to the RESEARCH, presented in accordance with Article 6;

- Information regarding intellectual property and exploitation of RESULTS;

-Methods for the exploitation of RESULTS;

## **3. Organisation of relations between the parties**

3.1. All correspondence relating to the implementation of this agreement and to the Region is addressed to the Director General of DIRECTORATE-GENERAL, Place de Wallonie, Bâtiment III 5100 Jambes. Any change of address of the REGION or the COMPANY is the subject to a written notification to the other parties to this agreement.

3.2. Any period expressed in months in this agreement is calculated from day to day, starting the day after the act or event that creates the period. The working days for the purposes of this agreement are the days other than Sundays and public holidays.

3.3. The REGION may attach conditions to any authorization issued by it pursuant to this agreement. The recipient of the authorization must comply with them.

#### **4. Conditions for the conduct of the RESEARCH**

4.1. During the RESEARCH PHASE, the COMPANY will:

- provide all reasonable efforts within the limits of ELIGIBLE EXPENSES to carry out the RESEARCH in accordance with its objectives, but without any guarantee about results;
- affect only to the proper conduct of the RESEARCH items whose costs are part of the ELIGIBLE EXPENSES.

4.2. The COMPANY may not assign the conduct of the RESEARCH or a part thereof, or entrust it to a subcontractor, irrespective of the value of the service entrusted to third parties without the prior written consent of the REGION. This authorization shall be deemed obtained, when the outsourced conduct of all or part of the RESEARCH is referred to in Article 23.

The REGION is not required to cover expenses for which it has not given authorization.

4.3. The COMPANY will not conduct, on behalf of any third party, any research in whole or in part under the object set out in Article 20:

- During the RESEARCH phase and during the EXPLOITATION PHASE;
- For one hundred and twenty months from the notification of the waiver referred to in Article 11.

#### **5. Reports**

5.1. Activity reports referred to in Article 71 of the REGULATORY DECREE have a quarterly frequency, corresponding to periods of three months elapsed from the beginning of the RESEARCH PHASE. They report, in brief, work conducted under the RESEARCH that has been achieved, progress against timetable, the difficulties encountered and the forecast for the next three months.

5.2. The scientific and technical reports referred to in Article 71 of the REGULATORY DECREE have a biannual frequency, corresponding to periods of six months elapsed from the beginning of the RESEARCH PHASE. They describe in detail the results and highlight the prospects for commercialisation, from a scientific, technical, industrial and commercial point of view.

5.3. Within thirty days following the end of the RESEARCH PHASE, the COMPANY will send to the REGION a final report including:

- The final report on activities;
- The scientific and technical final report, covering all RESEARCH, together with all the elements for a good understanding of the RESULTS obtained, such as among others, the plans, copies of calculation notes and laboratory notebooks, photographs and samples.

5.4. The reports of exploitation referred to in Article 71 of the REGULATORY DECREE have an annual calendar year frequency during to the EXPLOITATION PHASE. They describe the various ways of exploiting the RESULTS and improvements that are made. In addition, they include TURNOVER detail, which is completed by a statement of sales, showing for each, subject and quantities sold and the date, amount and invoice number.

5.5. The COMPANY will respond, as completely and as quickly as possible, to any request for information from the REGION on the execution of this agreement, insofar as the application does not create an abnormal load or excessive costs.

#### **6. Research budget**

6.1. The RESEARCH budget is contained in Article 24. It includes the maximum ELIGIBLE EXPENSES.

ELIGIBLE EXPENSES are classified under two headings:

- “Personnel”: the expenditure referred to in Article 22 of DECREE No 1
- “Operating costs”: the expenditure referred to in Articles 22.2 to 5 of the DECREE

Each of these categories may include sub-headings.

Article 24 also specifies the proportional distribution according to which the ELIGIBLE EXPENSES are to be financed by the GRANT and COMPANY resources and potentially by other means.

6.2. Transfers between sub-sections of the same category are free. They are listed in the correspondent ELIGIBLE EXPENSES reports.

6.3. Transfers between items (headings or sub headings) need, when proposed by the COMPANY, a signed addendum to this agreement.

6.4. VAT is not part of ELIGIBLE EXPENDITURES except for the share for which the COMPANY is not liable.

## **7. ELIGIBLE EXPENSES personnel**

7.1. The tables in Article 22 mention the qualifications, functions, occupancy rates, rates and possibly the names of staff members devoted to RESEARCH, whether their remuneration be fully, partially or not at all part of ELIGIBLE EXPENDITURES.

7.2. Without prejudice to Article 6.2. to 6.4., any person identified in Article 22 may be replaced by another whose qualifications and duties are similar. Any replacement is indicated in the statements of ELIGIBLE EXPENSES correspondents.

7.3. Personnel whose remuneration is wholly or partially part of ELIGIBLE EXPENSES receives salary conditions identical to those that the employer usually utilises for personnel at the same level of responsibility, qualifications and seniority.

7.4. ELIGIBLE EXPENSES for staff are only for services performed during the research. They include:

- indexed payrolls;
- Employers' social charges;
- Legal insurance;
- Allowances and benefits due under the legal provisions and collective agreements

## **8. ELIGIBLE EXPENSES operating costs**

### **8.1. General**

ELIGIBLE EXPENSES include operating overheads, costs of equipment, subcontracting costs, purchases of consumables, travel expenses, prototyping costs, and costs of maintenance and insurance of equipment.

### **8.2. Travel**

Travel costs are ELIGIBLE EXPENSES to the extent that the travel is for RESEARCH purposes by one or more persons whose remuneration is part of ELIGIBLE EXPENDITURES or whose name appears in a table entitled "Non-paid dependent of the agreement" in Article 22.

ELIGIBLE EXPENSES include:

- Transportation costs;
- Hotel or equivalent;
- The registration fee;
- Lump sum costs for stay.

Travel abroad is subject to an activity report as in the first set of reports referred to in Article 5 following the end of the trip.

### **8.3. Costs of maintenance and insurance of equipment**

ELIGIBLE EXPENSES may include the costs of maintenance and insurance of equipment whose cost – operating or acquisition- is part of the ELIGIBLE EXPENSES.

### **8.4. Equipment costs**

8.4.1. ELIGIBLE EXPENDITURES for equipment are calculated in accordance with Article 22.2 of the DECREE. These equipments are specified in the budget of Article 24.

They are calculated on the basis of the purchase price, excluding VAT, the depreciation rate during the RESEARCH period and the rate of actual use for RESEARCH purposes.

8.4.2. Only the equipment which the COMPANY owns may be included in ELIGIBLE EXPENSES in corresponding expenses records.

8.4.3. As for equipment whose acquisition cost is part of the ELIGIBLE EXPENSES, the COMPANY:

- takes good care like the most diligent professional;
- must ensure that the acquisition takes place under the laws and regulations relating to procurement;
- may not, during the RESEARCH PHASE, assign any real right on all or part of the equipment;
- may not, during the RESEARCH PHASE, concede to a third party, as a rental or otherwise, any right of use on all or part of equipment, unless there has been prior written authorization by the REGION.

#### 8.5. Subcontracting costs

ELIGIBLE EXPENSES include subcontracting, including services provided by third parties for RESEARCH purposes. These are listed in Article 23.

#### 8.6. Overheads

8.6.1. ELIGIBLE EXPENSES for the overhead are calculated at a standard rate.

They amount to 10% of the sum of:

- ELIGIBLE COSTS for personnel;
- ELIGIBLE COSTS for operating, excluding overheads, subcontracting costs and equipment costs.

8.6.2. ELIGIBLE EXPENSES for the overhead costs are assumed to cover the additional costs linked to personnel performing the RESEARCH. These expenses include costs of administrative and support staff, and the variable operating costs not listed in the budget of Article 24 (Secretariat, furniture and office supplies, fluids, communications, etc.).

### **9. Payment of the GRANT**

9.1. Within fifteen days of the notification of the GRANTING DECREE, the REGION will pay working capital.

9.2. Upon receipt of a set of reports referred to in Article 5.2. The REGION will verify the reports and statements of ELIGIBLE EXPENSES. Once the REGION has fixed the amount of ELIGIBLE EXPENSES, the REGION pays the equivalent pro-rata covered by the GRANT.

9.3. The REGION proceeds as provided in Article 9.2. until the company has received, pursuant to Article 9.1. and Article 9.2., 90% of the GRANT which it is intended to benefit from.

9.4. Upon receipt of all reports referred to in Article 5.2., the REGION verifies the reports and the various statements of ELIGIBLE EXPENSES. Once REGION has determined the amount of ELIGIBLE EXPENSES, the REGION will pay the proportional share covered by the GRANT that remains to be paid.

9.5. The share of ELIGIBLE EXPENSES that is or would be financed by a public Belgian, foreign or international institution may not be included in any statement of ELIGIBLE EXPENSES.

9.6. Any payment is made by bank transfer to the financial account in Article 26.

The preceding paragraph does not apply to any payment under Article 9.2. or Article 9.4. for which the REGION is timely notified of other arrangements.

### **10. Ownership of RESULTS**

10.1. The COMPANY is the owner of the RESULTS. However, the COMPANY can only enjoy and dispose of these within the limits and conditions stipulated in this contract.

10.2. The COMPANY may not grant to a third party, by licence or other means, the right to use all or part of the RESULTS, including prototypes, without the prior written permission of the REGION. If the REGION does not respond to the request for authorization within fifty days of its receipt, permission shall be deemed received.

Not covered by the preceding paragraph are concessions to customers constituting the usual exploitation of results.

10.3. The COMPANY may not assign elements of the RESULTS, including prototypes, without the prior written agreement of the REGION.

10.4. Notwithstanding the confidentiality obligation in Article 13, the company may, at its expense, protect the RESULTS. This should be reflected in the first set of reports referred to in Article 5.2. following application for a protection.

The obligations under Articles 10.2. to 10.4. expire at the end of the EXPLOITATION PHASE, unless the COMPANY is required to transfer the rights of the RESULTS to the REGION.

When the COMPANY is in a state of bankruptcy, the RESULTS become property of the REGION.

## **11. Exploitation of RESULTS**

11.1. The subject and modes of exploitation are summarized in Article 27.

Until the end of the EXPLOITATION PHASE, the COMPANY shall conduct operations within the territory of the Member States of the European Union, to the extent specified in Article 27.

11.2. During the exploitation of the RESULTS, the COMPANY is free to improve upon the results. These improvements, useful enhancements to exploitation as specified in Article 27, shall be deemed part of the RESULTS, with this agreement applying also to those improvements.

11.3. COMPANY shall notify the DIRECTION GENERALE of its decision to exploit or not to exploit the RESULTS:

- Within six months after the RESEARCH PHASE;
- In writing and with detailed explanation/justification.

If the COMPANY does not make a notification under the preceding paragraph, the company is presumed irrefutably to be exploiting the results.

Where the COMPANY began to exploit the RESULTS during the RESEARCH PHASE, it cannot take the decision not to exploit the RESULTS except by justifying so by a particularly adverse development of the economical, technical or legal environment compared to the situation when the first act of exploitation has been made.

11.4. If the COMPANY decides not to exploit the RESULTS, the COMPANY will:

- Transfer the rights on the RESULTS to the REGION or any entity assigned by the REGION;
- Refrain from any use, exploitation, sale or any concession of all or part of the RESULTS;
- Not to pursue on behalf of any third party the research in whole or in part on the topic set out in Article 20, during the seventy-two months following its decision not to exploit.

Upon becoming owner of rights by virtue of paragraph 1, the REGION is free to sell said rights to anyone.

11.5. In accordance with Articles 74 to 78 of the REGULATORY DECREE, the COMPANY that decides to exploit the results shall pay the fees specified in Article 28. It will pay each fee upon receipt from the Receiver General of the Walloon Region an "Invitation to pay," indicating the payment methods.

11.6. The COMPANY may decide not to exploit the RESULTS during the RESEARCH PHASE or within six months following the end of it.

The COMPANY is completely exempt from repayment of the GRANT if the following two conditions are met simultaneously:

1. it communicates the decision by registered mail to the DIRECTION GENERALE, outlining the failure of the project in terms of technical and commercial targets set out in Articles 19 and following.
2. it transfers to the REGION, or any entity designated by it, the real rights on the RESULTS.

If the two conditions referred to in paragraph 2 are not met, the COMPANY will reimburse the total GRANT received to the REGION, without interest.

11.7. The COMPANY that has decided to exploit the results may subsequently notify the DIRECTION GENERALE that it is abandoning them. In this case, Articles 11.4 and 11.8. apply.

11.8. During the exploitation of the RESULTS, the COMPANY may stop reimbursing the GRANT if the following two conditions are met:

1. it renounces the exploitation and informs the DIRECTION GENERALE in writing the reasons for its decision on objective grounds;
2. it transfers to the REGION, or any entity designated by it, real rights on the RESULTS.

All previous payments made by the COMPANY remain acquired by the REGION and COMPANY remains liable to repay amounts during the calendar year of the waiver. The exemption referred to in paragraph 1 shall take effect the following calendar year of the decision.

## **12. Favourable Outcome**

12.1.1. In accordance with the procedures laid down in article 28 of the DECREE and 74 and 75 of the REGULATORY ORDER, during the EXPLOITATION PHASE, the COMPANY will make annual repayments to the REGION according to the scenario of a favourable outcome under Article 28.

12.1.2. The favourable outcome depends on the SALES of the PRODUCT, PROCESS or SERVICE, knowledge or know-how gained from conducting the RESEARCH, patents acquired during the research phase, market share, prototypes, pilots, inclusion in networks, the reputation acquired by the COMPANY because of the conduct of the RESEARCH.

All of these items constitute the scenario of a favourable outcome of the project.

12.2. The repayment of the GRANT is made in two parts, one referred to in Article 28.1. which is independent of SALES, the other referred to in Article 28.2. which is dependent on SALES.

12.3.1. The amount of reimbursement independent of SALES is determined in Article 28.1. It is due if at least one of the elements specified in Article 12.1.2. is encountered.

The decision by the COMPANY not to renounce to the exploitation of results is an irrefutable presumption of the existence of at least one of the elements specified in Article 12.1.2.

12.3.2. At the end of the first half of each calendar year and for the first time on 30 June of the year following the RESEARCH PHASE, the COMPANY will pay to the REGION the fee referred to in Article 28.1.

The amounts annually reimbursed contribute to the scenario of a favourable outcome.

12.3.3. The amount of reimbursement that depends on annual SALES is determined by the effective annual TURNOVER.

During the first quarter of each calendar year, and for the first time on 30 March of the calendar year following the year in which ends the RESEARCH PHASE, the COMPANY communicates to the REGION the SALES amount of the previous calendar year. If the COMPANY exploits the results before the end of the RESEARCH PHASE, the first SALES communication provided should include the SALES during the RESEARCH PHASE.

The COMPANY will pay to the REGION a royalty on SALES. It amounts to a percentage of SALES in the period concerned, as outlined in Article 28.2.

12.4.1. To determine the commercial success of the project, the REGION and the COMPANY will determine the estimated SALES made during the EXPLOITATION PHASE, with PRODUCTS, SERVICES or PROCESSES being part of said exploitation of RESULTS. This TURNOVER is referred to in Article 28.3.

12.4.2. At the end of the EXPLOITATION PHASE specified in Article 27, the scenario of a favourable outcome is assessed.

The part of reimbursement dependent upon SALES is reviewed with regards to cumulative turnover forecast for the EXPLOITATION PHASE referred to in Article 28.3.

Within three months following the end of the EXPLOITATION PHASE, the DIRECTION GENERALE will evaluate the adequacy of RESEARCH results in terms of SALES achieved during the EXPLOITATION PHASE as compared to cumulated SALES estimates for the EXPLOITATION PHASE referred to in section 28.3, and will determine the amount, excluding interest, to be repaid and will communicate this to the COMPANY.

If this amount was more than what the COMPANY has already paid, excluding interest, for the SALES-dependent repayments then the COMPANY pays the difference.

If the amount is less than what the COMPANY has already paid, excluding interest, for the SALES-dependent repayments, the Region pays the difference.

12.5. The COMPANY will generate the accounting items related to the RESEARCH and have them certified by an accountant or auditor.

The SALES figure for the RESEARCH is accounted in a separate line item in the COMPANY accounts.

In case of failure by the COMPANY to communicate its TURNOVER or elements of its accounts, the TURNOVER taken into account to calculate the amount of reimbursement is calculated on the basis of double the forecasted TURNOVER used for the scenario of favourable outcome.

12.6. When the amounts reimbursed to the REGION reach, including interest, twice the LIQUIDATED AMOUNT, the company is released from its obligations to the REGION except those relating to Articles 13, 14, 15 and 18.

12.7. The sums due under the scenarios of a favourable outcome are increased by a simple interest rate under Article 75 of the REGULATORY DECREE. This interest is calculated on full month basis, from the first day after of the end of the RESEARCH PHASE.

### **13. Obligation of secrecy/confidentiality**

13.1. The RESULTS and all other documents, information, knowledge and know-how relating to the RESEARCH are secret only to the extent that the COMPANY states that they have this character. The parties undertake to maintain their character. This obligation is that each party:

- Can only make the use of the information as authorized by this agreement;
- Can only disseminate the information to its staff as strictly necessary;
- Requires the same obligation of confidentiality of its employees, subcontractors and contractors.

13.2. The obligation of secrecy and the prohibition of use stipulated in article 13.1. shall not apply to information where the applicant provides proof that:

- It has already been published on the date of signing this agreement, or
- It was already in his possession at the same date, or
- It was communicated by a third party without any breach of secrecy or
- It has fallen into the public domain, unless it was due to the fault of any party, a member of their staff, a subcontractor or a partner.

These exceptions are of strict interpretation; they only extend to explicit data and not to scientific or technical developments, even implicit, obtained during the RESEARCH.

13.3. The COMPANY may proceed with publications or communications of a scientific or technical nature relating to the RESEARCH or the RESULTS. In each case, it should be reported in the first set of reports referred to in Article 5.2. following the publication or communication.

### **14. Publicity**

14.1. Whenever the COMPANY makes a publication or a communication about the RESEARCH or the RESULTS:

- It should explicitly mention, in all media that the RESEARCH is or has been funded by the REGION;
- It should explicitly mention, in any oral presentation, that the RESEARCH is or has been funded by the REGION.

14.2. The COMPANY should affix in a visible way a sign at the entrance of the premises where it performs the research. It should also affix an identification sticker to be clearly visible on all equipment when the cost of acquisition is part of ELIGIBLE EXPENSES under the equipment cost section of the budget.

The REGION provides for free signs and stickers for identification.

## **15. Methods of control**

15.1. The COMPANY will accept and facilitate the exercise by the REGION of administrative, technical and scientific controls, to verify the proper implementation of this agreement, in particular the use of the budget for the sole conduct of the RESEARCH and in compliance with the work plan and timetable, budget limits and exploitation of the RESULTS.

The COMPANY agrees and will facilitate the controls provided by the laws and regulations on accounting and public support.

15.2. To this end, the persons delegated by the REGION and empowered, under the Royal Decree of 26 April 1968 regulating the organisation and coordination of the provision and use of grants, to exercise the control referred by Articles 55 to 58 of the accountancy laws of the State, coordinated 17 July 1991, will have access to places where the activities are carried out relevant to the RESEARCH and exploitation of RESULTS.

These persons may access any documents, at any site or location of the COMPANY, to verify the correct implementation of this agreement.

The COMPANY may appoint a representative to accompany the delegates from the REGION.

15.3. Persons delegated by the REGION may be accompanied by experts. The COMPANY may deny access to experts if it can establish that they are employed by a competing entity.

The REGION should contractually require the experts to undertake not to disclose to third parties nor to use the information collected during these checks.

These obligations do not include information already in the public domain at the time of inspection, nor those becoming public after the inspection by no fault of the expert, or those that the expert proves he legitimately held at time of the inspection, nor that he subsequently received from a third party without it being in violation of any obligation of confidentiality.

## **16. Accounting**

The COMPANY will record transactions relating to this agreement in its accounts.

## **17. Disclaimer**

17.1. The REGION cannot in any way be held liable for damage to persons or property resulting directly or indirectly from the performance of this agreement by the COMPANY.

17.2. The REGION cannot in any way be held responsible for the accounting and tax treatment that the COMPANY receives for the GRANT.

## **18. Applicable law and competent courts**

This agreement is governed by Belgian law, specifically by the decree of 3 July 2008 on support for research, development and innovation in Wallonia and its implementation decrees.

Any dispute falls under the jurisdiction of Namur.

## **Special Stipulations**

## **19. Definitions**

Under this Articles 19 and following, the following means:

- "PRODUCT"

- any non-invasive serum test for diagnosis or monitoring of colorectal cancer
- a research kit measuring cell apoptosis
- a kit for measuring the acetylation / deacetylation of the histone
- any reagent part of the test here above mentioned;

- "SERVICE" means any study, analysis for a third party or the GUARANTOR that uses the PRODUCT;

- "PATENT": WO 2005/019826 A1, 3 March 2005 entitled "Detection of Histone

Change in Cell-Free Nucleosomes"



- "PRIMARY LICENCE": patent licence agreement, signed on 30 October 2007 between ValiRx (24 Greville Street, London EC1N 8SS) and Chroma Therapeutics Limited (92 Milton Park Abingdon, Oxfordshire OX14 4RY), the patent owner

## **20. Purpose of the RESEARCH**

The RESEARCH envisions the development and clinical validation of a tool for screening / early diagnosis of colorectal cancer based on the nucleosomics technology.

This technology is to detect by use of specific antibodies nucleosomes released into the blood by cell apoptosis and where the cell of origin carries histone modifications (acetylation, methylation, phosphorylation, ...) themselves recognized by other antibodies (sandwich technique).

## **21. Work plan and timetable for implementation.**

The RESEARCH will begin on April 1<sup>st</sup> 2009 and ends on September 30<sup>th</sup> 2011.

The work plan is as follows:

### **Phase 1 (18 months) Development and preclinical validation.**

**Step 1:** Identification of one or more sources of blood samples from patients and healthy subjects (controls) for developing the test. The samples are mainly sought in biobanks (100 to 200 samples: healthy subjects, patients with inflammatory disease (Crohn's disease, recto-colitis), neo-cancer patients, metastatic cancer patients, treated and / or operated cancer patients)

**Step 2:** Screening of systematic samples by "Western blot" to detect modifications in specific histones. This phase will allow the identification of modifications between healthy subjects and those with conditions such as inflammatory disease and cancer. A selection of specific modifications will be made at the end of the process.

**Step 2a:** In parallel to systematic screening, testing of marketed antibody or specific kits for the detection of histone modifications will be performed, for identification of potential components for the diagnostic kit.

**Step 3:** Development of antibodies specific for the detection of histone modifications identified in step 2.

**Step 4:** Development of prototype kit and test on 50 samples for technical validation. This is to verify that the test produces the expected result.

**Step 5:** Conduct a pilot phase for the kit "colon cancer" to validate. The aim will be to establish a correlation between in-vitro test, the other biological parameters (markers, CRP, etc..) and colonoscopy. The pilot study will be prospective, interventional, diagnostic, not therapeutic, for non-commercial use.

**Step 6:** Biostatistic and comparative diagnosis analysis. The results of the pilot study will be analysed on a biostatistical basis also to identify cohorts for clinical validation in Phase 2.

### **Phase 2 (12 months) clinical validation and CE marking.**

**Step 7:** Multicentre study for clinical validation based on the stratified cohort derived from step 6. The study would cover approximately 300 patients through 4 to 5 clinical centres and seek to validate the test as a screening / early diagnosis of colon cancer.

**Step 7bis:** Process of CE Marking

**Step 8:** Biostatistic and comparative diagnosis analysis. The results of the clinical study will be analysed on a biostatistical basis. Expert analysis of test results in relation to the particular clinical diagnosis available for the patient.

**Step 9:** Final Report.

## 22. Staff Tables

NAME	QUALIFICATION	MID SALARY (€/month)	OCCUPATION RATE
To hire	PhD	6,700	100% over 18 months
	Head of Project		50% over 12 months
To hire	PhD	6,250	100% over 18 months
			50% over 12 months
To hire	Engineer/Bioinformatician	3,750	100% over 18 months
To hire	Technician	4,725	100% over 30 months

## 23. Subcontracting

### 23.1. Subcontracts subject to an agreement

At the date of signing this agreement, no sub-contracting is foreseen.

### 23.2. Consultancy of Mr Jake Micallef.

The COMPANY gives Mr Jake Micallef, Chief Scientific Officer supervision of the RESEARCH.

The duration of the consultation runs from 1 April 2009 to 30 September 2011 and its budget is 30,000 euro.

A detailed report of this consultancy will be attached to the reports mentioned in sections 5.1 to 5.3.

### 23.3. Consultancy of Mr George Morris.

The COMPANY gives Mr George Morris, CEO of ValiRx, the task of overseeing the development of prototype tests, the pilot study and clinical validation.

The duration of the consultation runs from 1 April 2009 to 30 September 2011 and its budget is 35,000 euros.

A detailed report of this consultancy will be attached to the reports mentioned in sections 5.1 to 5.3.

### 23.4. Subcontracting "Collection of samples" and "biobanking" not contracted yet.

The COMPANY will subcontract to various clinical and/or hospital, the collection of samples of patients and healthy subjects (controls) for developing the test. The samples are a priori sought mainly available in biobanks (100 to 200 samples: normal subjects, patients with inflammatory disease (Crohn's disease, recto-colitis), neo-cancer patients, cancer patients with metastases, cancer patients treated and / those who have had surgery) and prospective patients (small amount, less than 50 for the initial screening, cancer patients).

Subcontractors identified: Hôpital Notre Dame à Charleroi (agreement of the Ethics Committee, a unit of Dr Caron), Erasme - Brussels for prospective patients, Biobank Unit of Epidemiology, Prof Sue Wilson, University of Birmingham, UK, and University of Munich University Hospital.

Budget: 150,020 euro

Duration: 1 April 2009 to 30 September 2011

### 23.5. Subcontracting "Development and / or production of antibodies " not contracted yet.

The COMPANY will subcontract to various sub-contractors carrying out work under the RESEARCH. The objective is the development and / or production of antibodies that detect changes in nucleosomes and histones identified in step 2 of the work plan.

Budget: 150,000 euro

Duration: 1 April 2009 to 30 September 2011

### 23.6. Subcontracting "Development of prototype kit components" not contracted yet.

The COMPANY will subcontract to D-Tek (Mons) work relevant to the RESEARCH. This work consists in the production of certain components of the prototype kit, including plates for screening of antibody for detection of histone modifications of interest through libraries of "phage display".

The duration of this subcontract shall run from 1 April 2009 to 30 September 2011 and its budget is 30,000 euro.

### 23.7. Subcontracting "Correlation study" not contracted yet.

The COMPANY will subcontract various sub-contractors to perform the pilot phase.

The aim of the pilot phase is to establish a correlation between in-vitro test, the other biological parameters (markers, CRP, etc) and colonoscopy. The pilot study (prospective, interventional, diagnostic, not therapeutic, non-commercial) will be the following: 5-arm of 20 patients who have already undergone a colonoscopy and who fall into one of five arms: namely healthy persons, patients with inflammatory disease (Crohn's disease, recto-colitis), neo-cancer patients, patients with metastatic cancer and cancer patients treated and / or operated upon.

Subcontractors identified: Erasme Hospital (Pr André Van Gossum, gastrointestinal), GIE WarDer for leadership and organisation as well as regulatory aspects, Square Point Point-square for the statistical aspects, EPMC for regulatory, Pharma and ResearchLink XL.

The duration of this subcontract shall run from 1 April 2009 to 30 September 2011. Its budget is a maximum of 120,000 euros and is subject to approval by the REGION after receiving a detailed estimate.

### 23.8. Subcontracting "Biostatistics and comparative diagnosis analysis" not contracted yet.

The COMPANY will sub-contract various sub-contractors to perform the biostatistical analysis.

The results of the pilot study and clinical validation will be analysed on the biostatistical basis to identify cohorts for clinical validation in Phase 2.

Subcontractors identified: WarDer, Square Point - Point square, Erasmus (gastroenterologist) and Institute of Pathology and Genetics.

The duration of this subcontract shall run from 1 April 2009 to 30 September 2011. Its budget is a maximum of 175,000 euros and is subject to approval by the REGION after receiving a detailed estimate.

### 23.9. Subcontracting "Multicentric Validation" not contracted yet.

The COMPANY will subcontract various entities for the clinical validation.

The study will focus on approximately 300 patients through 4 to 5 clinical centres and will focus on validation of the test as a screening / early diagnosis of colon cancer.

Subcontractors identified: WarDer (organisation and management of the study), Square Point - Point square, EPMC, ResearchLink and PharmaXL, two hospitals in Belgium (Leuven and Erasmus) and three foreign centres (France - Pitié Salpêtrière, UK - University of Birmingham, Munich Germany and / or Heidelberg)

The duration of this subcontracting runs from 1 October 2010 to 30 September 2011. Its budget is a maximum of 250,000 euros and is subject to approval by the region after receiving a detailed estimate.

## 24. Research budget

### 24.1. Personnel costs.

ITEM NO.	NAME	QUALIFICATION	MID SALARY (€/month)	BUDGET
1.1	X1	Head of Project	6,700	160,800
1.2	X2	PhD	6,250	150,000
1.3	X3	Technician	3,750	67,500
1.4	X4	Engineer/Bioinformatician	4,725	141,750
			<b>Subtotal</b>	<b>520,050</b>

24.2. Operating costs.

ITEM NO.	DESCRIPTION	BUDGET (€)
2.1	Consumables (a)	155,000
2.2	Travel expenses	10,000
2.3	Consultancy Mr Micallef (b)	30,000
2.4	Consultancy Mr Morris (c)	35,000
2.5	Cost of equipment use (d)	36,125
2.6	Subcontracting "Collection of samples" (e)	150,020
2.7	Subcontracting "Development / production of antibodies" (f)	156,000
2.8	Subcontracting "Components of the kit prototype" (g)	30,000
2.9	Subcontracting "Correlation study" (h)	120,000
2.10	Subcontracting "Biostatistical analysis and comparative diagnosis" (i)	175,000
2.11	Subcontracting "Multicentre validation" (j)	250,000
2.12	CE marking	10,000
2.13	Overheads	69,650
<b>Subtotal</b>		<b>1,226,650</b>

(a) For materials defined as laboratory reagents, glassware and so disposable and any small equipment whose purchase price is less than 1,250 euros.

(b) As provided in Article 23.2

(c) As provided in Article 23.3

(d) The cost of use of equipment is calculated using the table below

USE	DESCRIPTION	AMOUNT APPROX VAT
Molecular Biology	Hotte flux laminaire 1.80 + Clean Airflux horizontal + accessories	€7,000.00
	Hotte Biohazard 1.80	€8,000.00
	Centrifugeuses multifuge + rotor	€4,500.00
	Spectramax M2 microplate reader	€37,125.00
	Innova 4200 (agitator/incubator)	€4,000.00
	1/2 Hercacell double (CO2 incubator for cellular culture)	€4,400.00
	Mili Q academic century + accessories	€4,000.00
	65L Vertical Autoclave	€7,000.00
		€76,025.00
	Amortisation over 5 years, 40% over the course of the project, 8% per year	€6,082/year
AND/ARN Analysis	Gel Scanner (visible and fluorescent)	€8,000.00
	Nanodrop spectrophotometer (dosage ADN et ARN in very small quantities)	€10,000.00
		€18,000.00
	Amortisation over 5 years, 40% over the course of the project, 8% per year	€1,440/year
Proteomic Analysis	ELISA microplate reader and peripheral washer	€50,000.00
	Amortisation over 5 years, 40% over the course of the project, 8% per year	€4,000/year
Automates potentiels	Preparation for PCR and ELISA plates + extraction, purification ARN AND	€120,000.00
	Amortisation over 5 years, 40% over the course of the project, 8% per year	€9,600/year
Freezers and fridge	-80 deg C storage racks	€7,000.00
	Cryostat	€30,000.00
		€37,000.00
	Amortisation over 5 years, 40% over the course of the project, 8% per year	€2,960/year

An equipment use cost of €24,082 per year is applicable for the first 18 months

(e) as provided for in article 23.4

(f) as provided for in article 23.5

(g) as provided for in article 23.6

- (h) as provided for in article 23.7
- (i) as provided for in article 23.8
- (j) as provided for in article 23.9

### 24.3. Recap Table

ITEM NO.	RECAP TABLE	BUDGET (€)
1.	Personnel costs	520,050
2.	Operating costs	1,226,650
<b>TOTAL</b>		<b>1,746,700</b>

ELIGIBLE EXPENSES listed in the table above are to be financed by:

- GRANT to a maximum of 60%;
- COMPANY resources, up to 40%.

### **25. Working Capital (treasury cash)**

Working capital that the REGION will pay in accordance with Article 9.1. is €419,280.

The working capital will not be paid until the COMPANY has demonstrated that its paid-in equity amounts between €900,000 and €1,000,000, with a cash balance greater than or equal to €630,280.

The REGION may declare the agreement null and void if the condition is not reached by March 31<sup>st</sup> 2010.

### **26. Financial Account**

The financial account referred to in Article 9.6. bears the number IBAN BE60 0015 2863 0070 BIC GEBABEBB. It is open under the name of ValiBio SA, located 25 avenue Georges Lemaître, 6041 GOSELIES.

### **27. Exploitation of RESULTS**

#### 27.1. Purpose and methods of exploitation

Industrial activities and services that are the object of exploitation are:

- The production, sale and export to any country of the PRODUCT,
- The sale in any country of the SERVICE.

#### 27.2. Activities in the territories of the Member States of the European Union

The COMPANY commits to implementing industrial activities such as the production of the PRODUCT and the SERVICE within the Member States of the European Union.

#### 27.3. Maximum duration of the EXPLOITATION PHASE

The EXPLOITATION PHASE covers 120 months from the end of the RESEARCH PHASE.

### **28. Scenario of favourable outcome**

#### 28.1.1. Annual repayments independent of SALES

Calendar year 2013: € 25,000  
 Calendar year 2014: € 30,000  
 Calendar year 2015: € 32,000  
 Calendar year 2016: € 35,000  
 Calendar year 2017: € 35,000  
 Calendar year 2018: € 35,000  
 Calendar year 2019: € 35,000  
 Calendar year 2020: € 32,406  
 Calendar year 2021: € 30,000  
 Calendar year 2022: € 25,000

The sum of these reimbursements is 30% of the GRANT defined in Article 24.

If the total LIQUIDATED AMOUNT is lower than the COMMITTED AMOUNT, a coefficient is applied to annual repayments, which corresponds to the share of paid portion of the LIQUIDATED AMOUNT versus maximum COMMITTED AMOUNT committed.

#### 28.1.2. Repayment on prototypes or pilot

Any assignment, concession or use for industrial purposes of a prototype or a pilot requires the prior consent of the REGION. The terms of this agreement will include among others the minimum amounts in the event of sale, concession, or industrial use. If necessary, an amendment to this agreement will be concluded in order to adjust the annual repayments dependent and independent of SALES.

#### 28.2. Annual repayment amounts dependent on SALES

The COMPANY pays to the REGION a royalty on SALES. It is 6% of SALES for the period covered for the sale of the PRODUCT and SERVICE.

If LIQUIDATED AMOUNTS are lower than the COMMITTED AMOUNT, a coefficient is applied to annual repayments dependent on SALES, which corresponds to the share of LIQUID AMOUNT versus COMMITTED AMOUNT.

#### 28.3. Favourable Outcome

The cumulative SALES forecast to be realized during the EXPLOITATION PHASE is fixed at the level of € 12,000,000.

### **29. PATENT**

29.1. Patents or patent applications filed during the RESEARCH or the EXPLOITATION phase and related to the RESULTS form part of the RESULTS.

29.2. The COMPANY has received from ValiRx (located at 24 Greville Street, London EC1N 8SS, UK), an exclusive and free licence for the exploitation of the PATENT.

#### 29.3. Sublicence of the PRIMARY LICENCE

In all cases under the laws, regulations and contractual provisions under the GRANT, the COMPANY transfers to the REGION or any entity designated by it ownership of the RESULTS, it accords the REGION or said entity an exclusive free exploitation licence for the PRIMARY LICENCE.

The REGION alone negotiates and determines, with any entity concerned, the procedures by which it sells or licences the rights to exploitation of results.

#### 30.4. Waiver of the PATENT.

The stipulations contained herein shall be made in the "licence agreement, for non-exploitation and patents of third parties ", concluded between the REGION, the COMPANY and ValiRx.

**Done in Namur, the 16 March 2010, in 7 copies, each party acknowledging having taken one.**

**For the REGION**

**Jean-Marc NOLLET**  
Vice-Président  
Ministre du Développement durable  
et de la Fonction publique

**For the COMPANY**

**Patrick ROUSSEAU**  
Managing Director  
ValiBio S.A.

Attached: Licence Agreement, non-exploitation and third-party patent between the Walloon REGION, ValiBio and ValiRx

## LICENCE AGREEMENT

THIS AGREEMENT dated October 3<sup>rd</sup> 2007 is between:

- 1) CHROMA THERAPEUTICS LIMITED (“Chroma”), a company incorporated in England and Wales whose principal place of business is at 93 Milton Park, Abingdon, Oxfordshire OX14 4RY; and
- 2) VALIRX PLC (the “Licensee”), a company incorporated in England and Wales whose principal place of business is at 24 Greville Street, London, EC1N 8SS.

### RECITALS:

- A. Chroma has developed and owns a technology relating to chromatin, nucleosome and histone structure and the determination of histone modifications particularly as the basis of methods for the diagnosis, prognosis and monitoring of cancer and other diseases (the “Technology”).
- B. Chroma has filed patent applications over the Technology.
- C. The Licensee wishes to acquire rights under the Patents and to use the Technology for the development and commercialization of Licensed Products and to supply Services, in each case in the Field and in the Territory, in accordance with the provisions of this Agreement.

IT IS AGREED as follows:

### 1 Definitions

In this Agreement, the following words shall have the following meanings:

Affiliate	In relation to a Party, means any entity or person that Controls, is Controlled by, or is under common Control with that Party.
Claims	All demands, claims and liability (whether criminal or civil, in contract, tort or otherwise) for losses, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including without limitation legal costs) incurred in connection therewith.
Commencement Date	This date of this Agreement.
Control	Direct or indirect beneficial ownership of 50% (or, outside a Party’s home territory, such lesser percentage as is the maximum, permitted level of foreign investment) or more of the share capital, stock or other participating interest carrying the right to vote or to distribution of profits of that Party, as the case may be.
Diligent And Reasonable Efforts	Exerting such efforts and employing such resources as would be exerted or employed by a reasonable third party company for a product of similar market potential at a similar stage of its product life, when utilizing sound and reasonable scientific, business and medical practice and judgment in order to develop the product in a timely manner and maximize the economic return to the Parties from its commercialization.
Field	The diagnosis, prevention and treatment of disease and pharmacogenomic applications and the provision of technology, products or services including the detection or identification of actual or potential gene expression or the characterization or identification of cell types or differentiation states.
Indemnitees	Chroma and its Affiliates, and their respective officers, directors, Council members, employees and representatives.
Licensed Products	Any and all products that are manufactured, sold, or otherwise supplied by the Licensee or its sub-licensee (including any Affiliate of the Licensee) and which are within any Valid Claim of the Patents.
Net Receipts	The sum of; a) the Royalty Income and, b) the Sub-license Non-royalty income,

Net Sales Value	The aggregate amount invoiced for all Licensed Products sold by the Licensee or its Affiliates to independent third parties in arm's length transactions exclusively for money or, where the sale is not at arm's length, the price that would have been so invoiced if it had been at arm's length, after deduction of all documented: <ul style="list-style-type: none"> <li>a) normal trade discounts actually granted and any credits actually given for rejected or returned Licensed Products;</li> <li>b) costs of packaging, insurance, carriage and freight, provided in each case that the amounts are separately charged on the relevant invoice;</li> <li>c) value added tax or other sales tax; and,</li> <li>d) import duties or similar applicable government levies actually paid.</li> </ul>
Sales between any of the Licensee, its Affiliates and sub-licensees shall not be considered for the purposes of this definition unless there is no subsequent sale to a person who is not the Licensee, its Affiliate or sub-licensee in an arm's length transaction exclusively for money within three months from the original sale or such other time period as may be agreed by the Parties from time to time on a case by case basis.	
Parties	Chroma and the Licensee, and "Party" shall mean either of them.
Patents	Any and all of the patents and patent applications referred to in Schedule 1 including any continuations, continuations in part, extensions, reissues, divisions, and any patents, supplementary protection certificates and similar rights that are based on or derive priority from the foregoing.
Royalty Income	Any royalty payment (excluding value added tax) obtained by, or due to, the Licensee or its Affiliates, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents.
Service	The supply of a consultancy or technical service (including contract research and development) to a third party that includes within the provision of such service or requires in its performance the Licensee's use of technology falling within a Valid Claim of the Patents.
Service Free	Any fee, after deduction of any value-added tax or other sales tax, invoiced to any third party by the Licensee or its Affiliates for the provision of a Service.
Sub-license Non-royalty Income	The amount of any payment (excluding value added tax and Royalty Income) and the value of any non-monetary receipt, obtained by, or due to, Licensee or its Affiliates, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents, and including any of the following: <ul style="list-style-type: none"> <li>a) up-front, milestone (whether at the stage of development, marketing or otherwise), success, bonus, maintenance and periodic (including annual) payments due under any sub-license agreement;</li> <li>b) where any sub-license is to be granted under cross-licensing arrangements, the value of any third party license obtained under such arrangements;</li> <li>c) any funding received from a sub-licensee for shares, options or other securities in respect of any of the share capital of the Licensee or its Affiliates;</li> <li>d) any guarantee or other financial benefit received from a sub-licensee; and</li> <li>e) any loan received from a sub-licensee which is not ultimately repaid, or any loan which is on terms other than arm's length terms, or any loan that is convertible to equity or other non-cash form where such conversion occurs.</li> </ul>
Territory	Worldwide.
Valid Claim	A claim of a patent or patent application that has not expired or been held invalid or unenforceable by a court of competent jurisdiction in a final and non-appealable judgment.

## 2 Grant of rights

2.1 *Licenses.* Chroma hereby grants to the Licensee, subject to the provisions of this Agreement, a non-transferable, exclusive license in the Field under the Patents, with the right to sub-license, subject to clause 2.3 below, to develop, manufacture, have manufactured, use and sell Licensed Products or to supply a Service but in each case only in the Field in the Territory.



2.2 *Formal Licenses.* At the request and cost of the Licensee, the Parties shall execute such formal licenses as may be necessary or appropriate for registration of this Agreement with Patent Offices and other relevant authorities in particular territories. In the event of any conflict in meaning between any such license and the provisions of this Agreement, the provisions of this Agreement shall prevail. Prior to the execution of the formal license(s) (if any) referred to in this Clause 2.2, the Parties shall so far as possible have the same rights and obligations towards one another as if such license(s) had been granted. The Parties shall use reasonable endeavors to ensure that, to the extent permitted by relevant authorities, this Agreement shall not form part of any public record.

2.3 *Sub-licensing.* The licensee shall be entitled to grant sub-licenses of its rights under this Agreement to any person, provided that:

2.3.1 the sub-license shall include obligations on the sub-licensee which are equivalent to the obligations on the Licensee under this Agreement;

2.3.2 the sub-license shall terminate automatically on the termination of this Agreement for any reason;

2.3.3 within 30 days of the grant of any sub-license the Licensee shall provide to Chroma a true copy of it; and

2.3.4 the Licensee shall be responsible for any breach of the sub-license by the sub-licensee, as if the breach had been that of Licensee under this Agreement, and the Licensee shall indemnify Chroma against any loss, damages, costs, claims or expenses which are awarded against or suffered by Chroma as a result of any such breach by the sub-licensee.

2.4 *Reservation of rights.* Chroma reserves the non-exclusive right for it and its Affiliates to use in any way without limitation the Patents and Technology in the Field for all non-commercial purposes. Licensee hereby grants to Chroma an irrevocable, perpetual, worldwide, non-exclusive, royalty-free license for it and its Affiliates to use any of its and its sub-licensees' intellectual property rights that constitute improvements, modifications or enhancements created, developed or arising from the Technology and/or the Patents for all non-commercial purposes. For the avoidance of doubt, non-commercial purposes shall include the use of any assays that are developed as research tools that may aid Chroma's drug discovery programmes.

2.5 *No other license.* Except for the licenses expressly granted by this Clause 2, Chroma reserves all its rights. Without prejudice to the generality of the foregoing Chroma reserves all rights under the Patents outside the Field.

2.6 *Quality.* The Licensee shall ensure that all of the Licensed Products marketed by it are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory and shall contractually require all sub-licensees to ensure that all Licensed Products marketed by them are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory.

2.7 *Responsibility for development of Licensed Products.* The Licensee shall be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and for incorporating any modifications or developments thereto that may be necessary or desirable and for all Licensed Products sold or supplied, and accordingly the Licensee shall indemnify Chroma in the terms of Clause 7.3.

### **3 Know-how and Confidential Information**

3.1 *Confidentiality obligations.* Each Party ("Receiving Party") undertakes:

3.1.1 to maintain as secret and confidential all know-how and other technical or commercial information obtained directly or indirectly from the other Party ("Disclosing Party") in the course of or in anticipation of this Agreement and to respect the Disclosing Party's rights therein;

3.1.2 to use the same exclusively for the purposes of this Agreement; and

3.1.3 to disclose the same only to those of its employees, Affiliates and sub-licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement.

3.2 *Exceptions to obligations.* The provisions of Clause 3.1 shall not apply to know-how and other information which the Receiving Party can demonstrate by reasonable, written evidence:

3.2.1 was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or

3.2.2 is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or

3.2.3 is or becomes generally available to the public through no act or default of the Receiving Party or its employees, Affiliates or sub-licensees; or

3.2.4 the Receiving Party is required to disclose to the courts of any competent jurisdiction, or to any government regulatory agency or financial authority, provided that the Receiving Party shall:

3.2.4.1 inform the Disclosing Party as soon as is reasonably practicable; and,

3.2.4.2 at the Disclosing Party's request seek to persuade the court, agency or authority to have the information treated in a confidential manner, where this is possible under the court, agency or authority's procedures.

3.3 *Disclosure to employees.* The Receiving Party shall procure that all of its employees, Affiliates and sub-licensees pursuant to this Agreement (if any) who have access to any of the Disclosing Party's information to which Clause 3.1 applies, shall be made aware of and subject to these obligations and shall have entered into written undertakings of confidentiality at least as restrictive as Clauses 3.1 and 3.2 and which apply to the Disclosing Party's information.

## **4 Payments**

### **4.1 Royalties**

4.1.1 *Royalties on Net Sales Value.* The Licensee shall pay to Chroma a royalty of 5% (Five percent) of the Net Sales Value.

4.1.2 *Royalties on Service Fees.* The Licensee shall pay to Chroma a royalty of 15% (fifteen percent) of all Service Fees.

#### *4.1.3 Royalties on Net Receipts*

4.1.3.1 *Royalties on sub-licence Royalty Income.* The Licensee shall pay to Chroma a royalty equal to the following percentage of the Royalty Income over the term of this Agreement: 25% (Twenty Five percent) of all cumulative Royalty Income less than or equal to £1,000,000 (One Million pounds sterling); and, 20% (Twenty percent) of all cumulative Royalty Income in excess of £1,000,000 (One Million pounds sterling).

4.1.3.2 *Royalties on Sub-licence Non-royalty Income.* The Licensee shall pay to Chroma a royalty of 15% (Fifteen percent) of Sub-licence Non-royalty Income.

4.5 If the Parties disagree as to the calculation of any Service Fees, Net Receipts or Net Sales Value, including without limitation any disagreement as to the cash value of any non-monetary receipt, but excluding any dispute as to whether a product is a Licensed Product such as disagreement shall be referred to an independent expert who shall be appointed and who shall act in accordance with the provisions of Schedule 2.

4.6 *Combination Products.* If any Licensed Products are incorporated in any other product ("Combination Product") supplied by the Licensee or its Affiliates and the Licensed Product is not priced separately from the Combination Product, the Net Sales Value of such Licensed Product shall be deemed to be that proportion of the Net Sales Value of the Combination Product which is attributable to the Licensed Product, comparing the actual manufacturing cost of the Licensed Product with that of the Combination Product, as in the following formula: Net Sales Value of Licensed Product = (actual manufacturing cost of the Licensed Product divided by total actual manufacturing cost of Combination Product) x Net Sales Value of Combination Product. If the Parties disagree as to the calculation of the actual manufacturing cost referred to in this Clause 4.6 such disagreement shall be referred to an independent expert who shall be appointed and who shall act in accordance with the provisions of Schedule 2.

4.7 *Payment frequency.* Royalties due under this Agreement shall be paid within 60 days of the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, in respect of sales of Licensed Products or Services made and sub-licenses current during such quarter and within 60 days of the termination of this Agreement.

4.8 *Payment terms.* All sums due under this Agreement:

4.8.1 are exclusive of value added tax which where applicable will be paid by the Licensee to Chroma in addition;

4.8.2 shall be paid in pounds sterling (unless and until sterling is replaced by Euros at which time payment shall be made in Euros) in cash by transferring an account in aggregate to the following account:

Account Number: 00019801  
Sort Code: 20-65-82  
Account: Chroma Therapeutics Ltd.  
Bank: Barclays Bank plc

and in the case of sales or sub-license income received by the Licensee or its Affiliates in a currency other than pounds sterling, the royalty shall be calculated in the other currency and then converted into equivalent pounds sterling at the buying rate of such other currency as quoted by Barclays Bank PLC in London as at the close of business on the last business day of the quarterly period with respect to which the payment is made;

4.8.3 shall be made without deduction of income tax and other taxes charges or duties that may be imposed, except insofar as the Licensee is required to deduct the same to comply with applicable laws. The Parties shall cooperate and take all steps reasonably and lawfully available to them, at the expense of the Licensee, to avoid deducting such taxes and to obtain double taxation relief. If the Licensee is required to make any such deduction it shall provide Chroma with such certificates or other documents as it can reasonably obtain to enable Chroma to obtain appropriate relief from double taxation of the payment in question; and

4.8.4 shall be made by the due date, failing which Chroma may charge interest on any outstanding amount on a daily basis at a rate equivalent to 3% above the Barclays Bank Plc base lending rate then in force in London.

4.9 *Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country then the Licensee shall within the prescribed period for making the said payments in the appropriate manner use its best endeavours to secure from the proper authority in the relevant country permission to make the said payments and shall make them within 7 days of receiving such permission. If such permission is not received within 30 (thirty) days of the Licensee making a request for such permission then, at the option of Chroma, the Licensee shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by Chroma within such country or such royalty payments shall be made to an associated company of Chroma designated by Chroma and having offices in the relevant country designated by Chroma.

4.10 *Royalty Statements.* The Licensee shall send to Chroma at the same time as each royalty payment is made in accordance with Clause 4.8 a statement setting out, in respect of each territory or region in which Licensed Products or Services are sold, the types of Licensed Product or Services sold, the quantity of each type sold, and the total Net Sales Value, Service Fees and the total Net Receipts in respect of each type, expressed both in local currency and pounds sterling and showing the conversion rates used, during the period to which the royalty payment relates.

#### **4.11 Records.**

4.11.1 The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing the quantity, description and value of Licensed Products and Services sold by it, and the amount of sublicensing revenues received by it in respect of Licensed Products, on a country by country basis, and being sufficient to ascertain the payments due under this Agreement.

4.11.2 The Licensee shall make such records and accounts available, on reasonable notice, for inspection during business hours by an independent chartered accountant nominated by Chroma for the purpose of verifying the accuracy of any statement or report given by the Licensee to Chroma under this Clause 4. The frequency of inspections shall be limited to a maximum of one inspection in any three month period. The accountant shall be required to keep confidential all information learnt during any such inspection, and to disclose to Chroma only such details as may be necessary to report on the accuracy of the Licensee's statement or report. Chroma shall be responsible for the accountant's charges unless the accountant certifies that there is an inaccuracy leading to an underpayment of more than 5% (five percent) in any statement, in which case the Licensee shall pay his charges in respect of that inspection.

### **5 Commercialization**

5.1 The Licensee shall use Diligent and Reasonable Efforts to develop and commercially exploit the Patents in the Territory. '

5.2 Without prejudice to the generality of the Licensee's obligations under Clause 5.1, the Licensee shall hold quarterly commercialization review and strategy meetings as per Clause 9 and an updated, written report, showing past and current activities taken by the Licensee to bring Licensed Products to market and maximize the sale of Licensed Products and Services worldwide.

## **6 Intellectual property**

### *6.1 Patent expenses*

6.1.1 The Licensee shall be responsible for the prosecution of the Patents and responsible for payment directly to patent agents and others of all prosecution and renewal fees in respect of the Patents after the Commencement Date; provided that if the Licensee wishes to abandon any such application or not to maintain any such Patent (or to cease funding such application or patent), it shall give 1 months prior written notice to Chroma and on the expiry of such notice period the Licensee shall cease to be licensed under the patent application or patent identified in the notice.

6.1.2 The Licensee undertakes that payments pursuant to Clauses 6.1.1 shall be made within 30 days of receipt of invoice by the Licensee.

### *6.2 Infringement of the Patents*

6.2.1 Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the Patents in the Field, and the Parties shall consult with each other to decide the best way to respond to such infringement.

6.2.2 If the Parties fail to agree on a joint programme of action, including how the costs of any such action are to be borne and how any damages or other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 6.2.

6.2.3 Before starting any legal action under Clause 6.2, the Licensee shall consult with (and take account of the view of) Chroma as to the advisability of the action or settlement, its effect on the good name of Chroma, the public interest, and how the action should be conducted.

6.2.4 If the alleged infringement is both within and outside the Field, the Parties shall also co-operate with Chroma's other licensees (if any) in relation to any such action and shall take such action in respect of such infringement as Chroma may request in writing.

6.2.5 The Licensee shall indemnify Chroma for all Claims (including any damages, costs, expenses and liability of whatsoever nature) incurred in relation to such action within 30 days of being notified of the amount of such expenses by Chroma. The Licensee shall in addition pay to Chroma a royalty of 15% (fifteen percent), in accordance with Clause 4, on any damages received from such action as if such damages were Net Receipts of the type envisaged in Clause 4.4.3.2.

6.2.6 Chroma may agree to be joined in any suit to enforce such rights subject to being indemnified and secured in a manner acceptable to Chroma in its absolute discretion as to any costs, damages, expenses or other liability and shall have the right to be separately represented by its own counsel at the Licensee's expense.

### *6.3 Infringement of third party rights*

6.3.1 If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party, alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any Patents, that Party, and the Parties shall discuss the best way to respond.

6.3.2 The Licensee shall have the right but not the obligation to defend such suit to the extent it relates to activities in the Field and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, concerning the Patent (whether as to validity or otherwise), the consent of Chroma must be obtained before taking such action or making such settlement.

## 7 Warranties and Liability

### 7.1 *Warranties by Chroma.* Chroma:

- 7.1.1 warrants that, as at the start of this Agreement, it is the registered proprietor of, or applicant for, the Patents and has caused its directors and employees to execute such assignments of the Patents as may be necessary to give title to the Patents to Chroma; and
- 7.1.2 undertakes that it has not done, and shall not do nor agree to do during the continuation of this Agreement, any of the following things if to do so would be inconsistent with the exercise by the Licensee of the rights granted to it under this Agreement, namely:
  - 7.1.2.1 grant or agree to grant any rights in the Patents in the Field in the Territory; or
  - 7.1.2.2 subject to Clause 10.3.2, assign or otherwise transfer any of the Patents in the Field in the Territory or any of its rights or obligations under this Agreement.

### 7.2 *No other warranties*

- 7.2.1 Each of the Licensee and Chroma acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.
- 7.2.2 Without limiting the scope of clause 7.2.1 above, Chroma does not make any representation nor give any warranty or undertaking:
  - 7.2.2.1 as to the efficacy or usefulness of the Patents; or
  - 7.2.2.2 that any of the Patents is or will be valid or subsisting or (in the case of an application) will proceed to grant; or
  - 7.2.2.3 that the use of any of the Patents, the manufacture, sale or use of the Licensed Products or the exercise of any of the rights granted under this Agreement will not infringe any other intellectual property or other rights of any other person; or
  - 7.2.2.4 that any other information communicated by Chroma to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended; or
  - 7.2.2.5 as imposing any obligation on Chroma to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or
  - 7.2.2.6 as imposing any liability on Chroma in the event that any third party supplies Licensed Products to customers located in the Territory.

### 7.3 *Indemnity.* The Licensee shall indemnify all Indemnitees against all third party Claims that may be asserted against or suffered by any of the Indemnitees and which relate to the use by the Licensee or any of its Affiliates or sub-licensees of the Patents or otherwise in connection with the development, manufacture, use or sale of or any other dealing in any of the Licensed Products or provision of any Services by Licensee or any of its sub-licensees, or subsequently by any customer or any other person, including claims based on product liability laws.

### 7.4 *Liability.*

- 7.4.1 To the extent that any Indemnitee has any liability in contract, tort, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 7.4.
- 7.4.2 The aggregate liability of the Indemnitees shall be limited to the total income that Chroma has received from the Licensee (less any expenses that Chroma has incurred in obtaining, maintaining or defending the Patents) during the period of 5 (five) years preceding the date on which the liability arises; and,

- 7.4.3 In no circumstances shall any of the Indemnitees be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered by the Licensee or its Affiliates or sub-licensees:
- 7.4.3.1 that is of an indirect, special or consequential nature or
- 7.4.3.2 any loss of profits, revenue, business opportunity or goodwill.
- 7.4.4 Nothing in this Agreement excludes any person's liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person's negligence, or liability for fraud.

## **8 Term and Termination**

- 8.1 *Commencement and Termination by Expiry.* This Agreement, and the licenses granted hereunder, shall come into effect on the Commencement Date and, unless terminated earlier in accordance with this Clause 8 shall continue in force until the expiration, lapse or invalidation of the last remaining patents issued under the Patents or if such Patents are patent applications under such patents, until they are refused or rejected without a right of appeal.
- 8.2 Early Termination
- 8.2.1 The Licensee may terminate this Agreement at any time on 90 days' notice in writing to Chroma.
- 8.2.2 Without prejudice to any other right or remedy, either Party may terminate this Agreement at any time by notice in writing to the other Party ("Other Party"), such notice to take effect as specified in the notice:
- 8.2.2.1 if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within 90 days, the breach is not remedied within 90 days of the Other Party receiving notice specifying the breach and requiring its remedy; or if:
- 8.2.2.2 any of the following occurs:
- 8.2.2.2.1 the Other Party becomes insolvent or unable to pay its debts as and when they become due;
- 8.2.2.2.2 an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction); or
- 8.2.2.2.3 the other Party is subject to a force majeure under clause 10.1 and fails to remedy such force majeure within 90 days.
- 8.2.3 Chroma may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice if the Licensee or any of its Affiliates or sub-licensees commences legal proceedings, or assists any third party to commence legal proceedings, to challenge the validity or ownership of any of the Patents.
- 8.3 *Consequences of termination or expiry*
- 8.3.1 The Licensee agrees that termination or expiry of this Agreement for any reason shall not absolve the Licensee's obligations to pay Patents costs subject to Clause 6.1 of this Agreement where such costs are in respect of a period prior to the date of termination.
- 8.3.2 Upon termination or expiry of this Agreement for any reason:
- 8.3.2.1 otherwise than in accordance with Clause 8.1, the Licensee and its sub-licensees shall be entitled to sell, use or otherwise dispose of (subject to payment of royalties under Clause 4) any unsold or unused stocks of the Licensed Products for a period of 6 months following the date of termination;
- 8.3.2.2 the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the Patents, in so far and for as long as any of the Patents remain in force;
- 8.3.2.3 the Licensee shall consent to the cancellation of any formal license granted to it, or of any registration of it in any register, in relation to any of the Patents; and

- 8.3.3 Subject as provided in these Clauses 8.3.1 and 8.3.2, and except in respect of any accrued rights, neither party shall be under any further obligation to the other.
- 8.3.4 Upon termination or expiry of this Agreement for any reason the provisions of clauses 2.4, 3.1 to 3.3, 4 (in respect of sales made or other income generated prior to termination or under clause 8.3.2.1), 6, 7.3, 7.4, 8, 10.8, 10.9 and 10.13 shall remain in force.
- 8.3.5 Upon termination or expiry of this Agreement for any reason, all rights (of whatsoever nature) to the Patents shall return to Chroma.
- 8.3.6 Upon termination or expiry of this Agreement for any reason, the Licensee will do all that is necessary to transfer the ownership of any of its sub-licensees intellectual property rights that constitute improvements, modifications or enhancements created, developed or arising from the Technology and/or the Patents to Chroma and pending such transfer the license granted to Chroma by the Licensee in clause 2.4 shall continue in full force and effect. Any costs incurred in transferring ownership shall be borne solely by the Licensee.

## **9 Governance**

- 9.1 The Licensee or its Affiliates will hold bi-annual scientific and commercial review and strategy meetings on the progress and future activities for the commercialisation of the Technology where Chroma will have the right to attend and contribute.
- 9.2 Within 30 days after the signing of this Agreement, and within 30 days of the anniversary in each subsequent calendar year, the Licensee or its Affiliate shall provide in writing to Chroma:
  - 9.2.1 a forward looking plan outlining the intended work plan for the following 12 month period, such plan shall include details of any proposed changes to any of the claims made in any of the Patents;
  - 9.2.2 an outline report on research and development progress made (including details of changes made to any of the claims in any of the Patents) and list agreements, including sub-licensing discussions and agreements, entered into with any third parties in relation to rights granted under this Agreement during the preceding twelve months.

## **10 General**

- 10.1 *Force majeure.* Neither party shall have any liability or be deemed to be in breach of this Agreement (save in respect of non-payment by the Licensee of any sums owing to Chroma) for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party, including without limitation labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.
- 10.2 *Amendment.* This Agreement may only be amended in writing signed by duly authorized representatives of Chroma and the Licensee.
- 10.3 *Assignment and third party rights.*
  - 10.3.1 Subject to Clause 10.3.2, neither Party shall assign any rights or obligations under this Agreement without the prior written consent of the other Party.
  - 10.3.2 Either Party may assign all its rights and obligations under this Agreement to any of its Affiliates and to any company to which it transfers all or substantially all of its assets or business, PROVIDED that the assignee undertakes to the other Party to be bound by and perform the obligations of the assignor under this Agreement. However a Party shall not have such a right to assign this Agreement if it is insolvent or any other circumstance described in Clause 8.2.2.2 applies to it.
- 10.4 *Waiver.* No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.
- 10.5 *Invalid clauses.* If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.

- 10.6 No Agency. Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.
- 10.7 Interpretation. In this Agreement:
- 10.7.1 the headings are used for convenience only and shall not affect its interpretation;
  - 10.7.2 references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;
  - 10.7.3 references to Clauses and Schedules mean clauses of, and schedules to, this Agreement;
  - 10.7.4 references in this Agreement to termination shall include termination by expiry; and
  - 10.7.5 where the word "including" is used it shall be understood as meaning "including without limitation".
- 10.8 Notices
- 10.8.1 Any notice to be given under this Agreement shall be in writing and shall be sent by first class mail or air mail, or by fax (confirmed by first class mail or air mail) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number set out below, or such other address or fax number as that Party may from time to time notify to the other Party in accordance with this Clause 10.8. The fax numbers of the Parties are as follows:
- Chroma FAX number: 01235829125  
Licensee FAX number: 02030084415
- 10.8.2 Notices sent as above shall be deemed to have been received three working days after the day of posting (in the case of inland first class mail), or seven working days after the date of posting (in the case of air mail), or on the next working day after transmission (in the case of fax messages, but only if a transmission report is generated by the sender's fax machine recording a message from the recipient's fax machine, confirming that the fax was sent to the number indicated above and confirming that all pages were successfully transmitted).
- 10.9 Law and jurisdiction. This Agreement shall be governed by English law and shall be subject to the exclusive Jurisdiction of the English courts to which the Parties hereby submit, except that a party may seek an interim injunction in any court of competent jurisdiction.
- 10.10 Further action. Each party agrees to execute, acknowledge, and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purpose and intent of this Agreement.
- 10.11. Announcements. Save as required by law or in respect of any regulatory requirements, neither Party shall make any press or other public announcement concerning any aspect of this Agreement, or make any use of the name of the other Party in connection with or in consequence of this Agreement, without the prior written consent of the other Party.
- 10.12 Entire agreement. This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. The Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.
- 10.13 Third parties. Except for the rights of the Indemnitees as provided in clauses 7.3 and 7.4, who may in their own right enforce the provisions of that Clause, this Agreement does not create any right enforceable by any person who is not a party to it ("Third Party") under the Contracts (Rights of Third Parties) Act 1999, but this clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act. The Parties may amend, renew, terminate or otherwise vary all or any of the provisions of this Agreement, including Clauses 7.3 and 7.4, without the consent of the Indemnitees.



AGREED by the parties through their authorized signatories

For and on behalf of  
CHROMA THERAPEUTICS  
LIMITED

Signed /s/ Richard Bungay  
Name Richard Bungay  
Title Chief Financial Officer  
Date October 3<sup>rd</sup>, 2007

For and on behalf of  
VALIRX PLC

Signed /s/ J. Micallef  
Name J. Micallef  
Title COO  
Date October 3<sup>rd</sup>, 2007

Schedule 1

The Patents

Reference	Country	Title	Priority Date	Application No.	Publication No.	Case Status
W02005/019826 AI	Worldwide	Detection of Histone Modifications in Cell-Free Nucleosomes	18 August 2003	PCT/GB2004/003564	W02005/019826 AI	National phase

**Appointment of expert**

1. Pursuant to Clauses 4.5 and 4.6, Chroma may serve a notice on the Licensee (“Referral Notice”), in accordance with Clause 10.8, notifying the Licensee that it wishes to refer the dispute to an expert (the “Expert”) for his determination.
2. The Parties shall agree the identity of a single independent, impartial expert to determine such questions. In the absence of such agreement within 30 days of the Referral Notice, either of the Parties may request an expert be appointed by the President of The Law Society of England and Wales.
3. 60 days after the giving of a Referral Notice, both Parties shall exchange simultaneously statements of case in no more than 10,000 words, in total, and each side shall simultaneously send a copy of its statement of case to the Expert.
4. Each Party may, within 30 days of the date of exchange of statement of case pursuant to paragraph 3 above, serve a reply to the other side’s statement of ease of not more than 10,000 words. A copy of any such reply shall be simultaneously sent to the Expert.
5. The Expert shall make his decision on the basis of written statements and supporting documentation only and there shall be no oral hearing. The Expert shall issue his decision in writing within 30 days of the date of service of the last reply pursuant to paragraph 4 above, or, in the absence of receipt of any replies, within 60 days of the date of exchange pursuant to paragraph 3 above.
6. The Expert’s decision shall (in the absence of manifest error) be final and binding on the Parties.
7. All costs in relation to the appointment of the Expert shall be borne by the Parties in such proportions as the Expert shall determine.

## NON-EXPLOITATION AND THIRD-PARTY PATENT

### **BETWEEN**

The Walloon Region,  
Represented by Mr. Jean-Marc Nollet,  
Vice-President and Minister of Sustainable Development and the Public Service  
Place des Célestines, 1 5000 - NAMUR

**Hereinafter called the REGION,**

### **AS FIRST PARTY**

AND

**ValiRx plc**, 24 Greville Street, London EC1N 8SS, United Kingdom  
Represented by Dr George Morris, Director and Chief Operating Officer

**Hereinafter called the DONOR OF SUB LICENSE**

### **AS SECOND PARTY**

AND

ValiBio SA, located Avenue Georges Lemaître, 25 to 6041 GOSSELIES  
Represented by Patrick J. Rousseau, Managing Director,  
Hereinafter called the **COMPANY**,

### **AS THIRD PARTY**

WHEREAS:

Chroma Therapeutics Limited, 92, Milton Park Abingdon, Oxfordshire OX14 4RY, UK is the owner of the patent WO 2005/019826 A1, 3 March 2005 entitled "Detection of Histone Modification in Cell-Free Nucleosomes"

**hereinafter called the PATENT.**

The DONOR OF SUBLICENSE is the owner of a licence on the Patent by virtue of the contract concluded on 3 October 2007. This licence is hereinafter referred to as the PRIMARY LICENSE.

The COMPANY introduced to the REGION a request for a repayable grant hereinafter called the GRANT for a research project entitled "Diagnosis of colorectal cancer by nucleosomics".

To perform the project, the COMPANY should use elements that are the subject of the PRIMARY LICENSE and therefore of the PATENT.

Therefore the DONOR OF SUBLICENSE has granted an exclusive licence on the PRIMARY LICENSE by virtue of the contract signed on 18 January 2008. This licence is hereinafter called the SECONDARY LICENSE.

The legal, regulatory and contractual requirements applicable to the GRANT state, in essence, that the COMPANY will transfer, in a certain number of cases, the exclusive exploitation rights on the results of the funded research, to the REGION or any entity designated by it. This transfer takes place when the COMPANY:

- renounces the GRANT within the course of the research;
- decides not to exploit the results;
- decides not to pursue the exploitation of results,
- is declared bankrupt or
- been the subject of a corporate restructuring or a liquidation.
- 

In such cases, the continued use of the results can only be considered if the entity to which the exploitation rights are transferred simultaneously enjoys the rights to the PATENT part of the SECONDARY LICENSE.

**IN WITNESS WHEREOF, IT IS AGREED AS FOLLOWS:**

1. In any case where, under legal, regulatory or contractual provisions of the GRANT, the COMPANY transfers to the REGION or any entity designated by it the exclusive exploitation rights on the results of research funded by the GRANT, the DONOR OF SUBLICENSE agrees to grant to the REGION or the entity referred to an exploitation license of the PATENT and the PRIMARY LICENSE, following modalities set forth below.

The DONOR OF SUBLICENSE declares that it is familiar with cases where the transfer referred to in paragraph 1 takes place.

2. The REGION alone negotiates and determines with any interested entity the global rules under which it sells or it grants rights to exploit the results.

3. The exploitation licence that the DONOR OF SUBLICENSE grants to the covered entity is exclusive and covers at least the rights stipulated in the SECONDARY LICENSE. Its financial compensation may not exceed that which is stipulated in the SECONDARY LICENSE unless otherwise approved by the REGION.

4. The SECONDARY LICENSE is made under the condition subsequent to the conclusion of the license referred to in points 1. and 2. above.

5. Should the DONOR OF SUBLICENSE plan to abandon the PRIMARY LICENSE, it shall inform the REGION and the COMPANY beforehand. Within 90 days after receipt of this information, the REGION can ask the DONOR OF SUBLICENSE that it transfers ownership of the PRIMARY LICENSE for free and in preference to any other candidate. Once the transfer is effective, the REGION shall bear the defense proceedings or maintaining the PRIMARY LICENSE.

6. The DONOR OF SUBLICENSE and the COMPANY will send all mail related to this agreement and with addressee being the REGION to – Direction Générale Opératoirelle – Économie, Emploi et Recherche du Service public de Wallonie, Place de Wallonie 1, bâtiment III à 5100 Jambes. Any change of address (REGION, DONOR OF SUBLICENSE, COMPANY) will be notified in writing to all parties to this contract.

7. In case of contradiction between this agreement and other provisions which bind the DONOR OF SUBLICENSE and the COMPANY, the provisions of this agreement shall prevail, even if these were made before.

8. This agreement is concluded under the suspensive condition that the REGION gives the GRANT to the company.

9. Chroma Therapeutics owner of the PATENT, has been informed of the existence of the SECONDARY LICENSE and of the legal, regulatory and contractual conditions of the GRANT as acknowledged by the attached letter.

10. This agreement is governed by Belgian law. Any dispute concerning its interpretation or execution is of the jurisdiction of Namur.

Done in Namur, the 16 March 2010, in 7 copies, each party acknowledging having taken one.

For the REGION

**Jean-Marc NOLLET**  
Vice-Président  
Ministre du Développement durable  
et de la Fonction publique

For the DONOR OF SUBLICENSE

For the COMPANY

/s/ George Morris  
**George MORRIS**  
Director  
ValiRx plc

/s/ Patrick Rousseau  
**Patrick ROUSSEAU**  
Managing Director  
ValiBio s.a.

Attachment: Letter of Chroma Therapeutics Limited and its certified French translation.

LETTER OF CHROMA THERAPEUTICS LIMITED

18<sup>th</sup> November 2009

Mr. M Charlier  
Inspecteur Principal  
DG06  
SPW  
Place des Celestines, 1  
5000 Namur  
BELGIUM

Dear Sirs

Chroma Therapeutics on October 3, 2007 entered on into a license agreement with ValiRx plc covering patent No. W02005/019826 A1 on the "Detection of histone modifications in cell free nucleosomes", technology commonly referred to as "Nucleosomics<sup>TM</sup>".

We have been informed that on January 18, 2008 ValiRx plc entered into a sub license agreement with ValiBIO SA the fully controlled Belgium subsidiary of ValiRx pc for the exploitation of said patent in the field of oncology. We have also been informed that VALiBIO submitted a request for a funding in the form of a refundable grant to the DG06 of the Walloon Public Service (the Walloon Region) for the "Development of a diagnostic test for colorectal cancer using" Nucleosomics<sup>TM</sup>.

We have also been informed that under the rules applicable to this funding that if ValiBIO choose not to exploit the results of that research whether by reason of the termination of the license, or for other reason, than the Walloon Region would want a License to the Patent so that it can exploit the results and products developed with its support for a Diagnostic test for colorectal cancer. The terms of this license would on the same terms and conditions that currently exist between Chroma and ValiRx and ValiBIO as sub licensee with respect to obligations and liabilities, but only for a Colorectal Cancer Diagnostic.

This letter is to confirm that Chroma Therapeutics is aware of this agreement and in the case that ValiBIO does not exploit the results of the research then Chroma Therapeutics will, upon notification of this by ValiRx plc, be willing in good faith to enter into a license with the Walloon Region so that the Walloon Region can exploit the results on terms substantially similar to those in the original license, in the "field" of a diagnostic Test for Colorectal cancer using Nucleosomics. Until such a license has been agreed the Walloon Region shall be entitled to continue to exploit the results in the "field" of a diagnostic Test for Colorectal cancer on the terms of the original license.

Yours faithfully

/s/ Richard Bungay  
Richard Bungay  
Chief Financial Officer

Cc: Satu Vainikka, ValiRx plc  
Patrick Rousseau, ValiBIO SA

**Exhibit 10.6**

**CLIC5852**

HUTS/FD/17/12/09

**Licence Agreement  
Non-exploitation and third party patent**

**BETWEEN**

The Walloon Region,  
Represented by Mr. Jean-Marc Nollet,  
Vice-President and Minister of Sustainable Development and the Public Service  
Place des Célestines, 1 5000 - NAMUR

**Hereinafter called the REGION,**

**AS FIRST PARTY**

AND

**ValiRx plc**, 24 Greville Street, London EC1N 8SS, United Kingdom  
Represented by Dr George Morris, Director and Chief Operating Officer

**Hereinafter called the DONOR OF SUB LICENCE**

**AS SECOND PARTY**

AND

ValiBio SA, located Avenue Georges Lemaître, 25 to 6041 GOSSELIES  
Represented by Patrick J. Rousseau, Managing Director,  
Hereinafter called the **COMPANY**,

**AS THIRD PARTY**

**WHEREAS:**

Chroma Therapeutics Limited, 92, Milton Park Abington, Oxfordshire OX14 4RY, UK is the owner of the patent WO 2005/019826 A1, 3 March 2005 entitled "Detection of Histone Modification in Cell-Free Nucleosomes"

**hereinafter called the PATENT.**

The DONOR OF SUBLICENCE is the owner of a licence on the Patent by virtue of the contract concluded on 3 October 2007. This licence is hereinafter referred to as the PRIMARY LICENCE.

The COMPANY introduced to the REGION a request for a repayable grant hereinafter called the GRANT for a research project entitled "Diagnosis of colorectal cancer by nucleosomics".

To perform the project, the COMPANY should use elements that are the subject of the PRIMARY LICENCE and therefore of the PATENT.

Therefore the DONOR OF SUBLICENCE has granted an exclusive licence on the PRIMARY LICENCE by virtue of the contract signed on 18 January 2008. This licence is hereinafter called the SECONDARY LICENCE.

The legal, regulatory and contractual requirements applicable to the GRANT state, in essence, that the COMPANY will transfer, in a certain number of cases, the exclusive exploitation rights on the results of the funded research, to the REGION or any entity designated by it. This transfer takes place when the COMPANY:

- renounces the GRANT within the course of the research;
- decides not to exploit the results;
- decides not to pursue the exploitation of results,
- is declared bankrupt or
- been the subject of a corporate restructuring or a liquidation.

In such cases, the continued use of the results can only be considered if the entity to which the exploitation rights are transferred simultaneously enjoys the rights to the PATENT part of the SECONDARY LICENCE.

**IN WITNESS WHEREOF, IT IS AGREED AS FOLLOWS:**

1. In any case where, under legal, regulatory or contractual provisions of the GRANT, the COMPANY transfers to the REGION or any entity designated by it the exclusive exploitation rights on the results of research funded by the GRANT, the DONOR OF SUBLICENCE agrees to grant to the REGION or the entity referred to an exploitation licence of the PATENT and the PRIMARY LICENCE, following modalities set forth below.

The DONOR OF SUBLICENCE declares that it is familiar with cases where the transfer referred to in paragraph 1 takes place.

2. The REGION alone negotiates and determines with any interested entity the global rules under which it sells or it grants rights to exploit the results.

3.

The exploitation licence that the DONOR OF SUBLICENCE grants to the covered entity is exclusive and covers at least the rights stipulated in the SECONDARY LICENCE. Its financial compensation may not exceed that which is stipulated in the SECONDARY LICENCE unless otherwise approved by the REGION.

4. The SECONDARY LICENCE is made under the condition subsequent to the conclusion of the licence referred to in points 1. and 2. above.

5. Should the DONOR OF SUBLICENCE plan to abandon the PRIMARY LICENCE, it shall inform the REGION and the COMPANY beforehand. Within 90 days after receipt of this information, the REGION can ask the DONOR OF SUBLICENCE that it transfers ownership of the PRIMARY LICENCE for free and in preference to any other candidate. Once the transfer is effective, the REGION shall bear the defense proceedings or maintaining the PRIMARY LICENCE.

6. The DONOR OF SUBLICENCE and the COMPANY will send all mail related to this agreement and with addressee being the REGION to – Direction Générale Opératoirelle – Économie, Emploi et Recherche du Service public de Wallonie, Place de Wallonie 1, bâtiment III à 5100 Jambes. Any change of address (REGION, DONOR OF SUBLICENCE, COMPANY) will be notified in writing to all parties to this contract.

7. In case of contradiction between this agreement and other provisions which bind the DONOR OF SUBLICENCE and the COMPANY, the provisions of this agreement shall prevail, even if these were made before.

8. This agreement is concluded under the suspensive condition that the REGION gives the GRANT to the company.

9. Chroma Therapeutics owner of the PATENT, has been informed of the existence of the SECONDARY LICENCE and of the legal, regulatory and contractual conditions of the GRANT as acknowledged by the attached letter.

10. This agreement is governed by Belgian law. Any dispute concerning its interpretation or execution is of the jurisdiction of Namur.

Done in Namur, the 16 March 2010, in 7 copies, each party acknowledging having taken one.



For the REGION

**Jean-Marc NOLLET**  
Vice-Président  
Ministre du Développement durable  
et de la Fonction publique

For the DONOR OF SUBLICENCE

/s/ George Morris  
**George MORRIS**  
Director  
ValiRx plc

For the COMPANY

/s/ Patrick Rousseau  
**Patrick ROUSSEAU**  
Managing Director  
ValiBio s.a.

Attachment: Letter of Chroma Therapeutics Limited and its certified French translation.

LETTER OF CHROMA THERAPEUTICS LIMITED

18<sup>th</sup> November 2009

Mr. M Charlier  
Inspecteur Principal  
DG06  
SPW  
Place des Celestines, 1  
5000 Namur  
BELGIUM

Dear Sirs

Chroma Therapeutics on October 3, 2007 entered on into a license agreement with ValiRx plc covering patent No. W02005/019826 A1 on the "Detection of histone modifications in cell free nucleosomes", technology commonly referred to as "Nucleosomics<sup>TM</sup>".

We have been informed that on January 18, 2008 ValiRx plc entered into a sub license agreement with ValiBIO SA the fully controlled Belgium subsidiary of ValiRx pc for the exploitation of said patent in the field of oncology. We have also been informed that VALiBIO submitted a request for a funding in the form of a refundable grant to the DG06 of the Walloon Public Service (the Walloon Region) for the "Development of a diagnostic test for colorectal cancer using" Nucleosomics<sup>TM</sup>.

We have also been informed that under the rules applicable to this funding that if ValiBIO choose not to exploit the results of that research whether by reason of the termination of the license, or for other reason, than the Walloon Region would want a License to the Patent so that it can exploit the results and products developed with its support for a Diagnostic test for colorectal cancer. The terms of this license would on the same terms and conditions that currently exist between Chroma and ValiRx and ValiBIO as sub licensee with respect to obligations and liabilities, but only for a Colorectal Cancer Diagnostic.

This letter is to confirm that Chroma Therapeutics is aware of this agreement and in the case that ValiBIO does not exploit the results of the research then Chroma Therapeutics will, upon notification of this by ValiRx plc, be willing in good faith to enter into a license with the Walloon Region so that the Walloon Region can exploit the results on terms substantially similar to those in the original license, in the "field" of a diagnostic Test for Colorectal cancer using Nucleosomics. Until such a license has been agreed the Walloon Region shall be entitled to continue to exploit the results in the "field" of a diagnostic Test for Colorectal cancer on the terms of the original license.

Yours faithfully

/s/ Richard Bungay  
Richard Bungay  
Chief Financial Officer

Cc: Satu Vainikka, ValiRx plc  
Patrick Rousseau, ValiBIO SA

**Exhibit 10.8**

DATED \_\_\_\_\_ 22 September 2010

SINGAPORE VOLITION Pte LIMITED

and

VALIRX PLC

---

AGREEMENT  
for the sale and purchase of securities in  
ValiBIO SA

---



Challoner House,  
19 Clerkenwell Close,  
London,  
EC1R 0RR

Dx Box No. 53324 Clerkenwell

Tel. No: +44 (0) 20 7689 7000

Fax No: +44 (0) 20 7689 7001

Email: [lawyers@rooks rider.co.uk](mailto:lawyers@rooks rider.co.uk)

[www.rooks rider.co.uk](http://www.rooks rider.co.uk)

Ref: AJC/GCD/SYR/VAL019-003

---

## AGREEMENT FOR SALE AND PURCHASE OF SHARES

DATE this 22 day of September 2010

### PARTIES

- (1) ValiRx PLC (incorporated and registered in England and Wales under company number 3916791 the registered office of which is at 24 Greville Street, London EC1N 8SS (the "**Seller**"); and
- (2) Singapore Volition Pte .. Limited incorporated and registered in Singapore under company number 201016543R the registered office of which is at 165 Gangsa Road, Unit 01-70 Singapore 670165 (the "**Purchaser**").

### WHEREAS

- (A) The Seller is the registered owner of the Shares outstanding shares in ValiBio SA of 25 Avenue Georges Lemaître, 6041 Gosselies, Belgium (the "**Company**").
- (B) The Purchaser has agreed to purchase all the Shares registered in the name of the Seller (see Schedule 1) on the terms and subject to the conditions hereinafter contained.
- (C) The Company is described as a diagnostic development company described in full outline in the draft business plan appended to the Disclosure Letter and is subject to amendment and refinement as agreed in writing by the parties.
- (D) The Company has secured the patents outlined in Schedule 6 through the patent licence agreements detailed in Schedule 7.
- (E) The Company is the owner of the Domain Names/Websites and the Unregistered Business IP set out in Schedule 6.

### IT IS AGREED AS FOLLOWS:

#### 1. DEFINITIONS

##### 1.1 General definitions

In this agreement, the following definitions apply:

##### **"Accounts"**

the Company's audited annual accounts for the financial year ended on the Last Accounting Date, the auditors' report on those accounts and the directors' reports for that year prepared in accordance with GAAP;

##### **"Average Subscription Price"**

means the amount of equity raised by the Purchaser after the date of this agreement divided by the number of shares issued (or to be issued) for this equity investment ;

##### **"Business Day"**

a day (other than Saturday or Sunday) on which banks are open for commercial business in the City of London;

##### **"Charge"**

means the charge over the Shares to be granted by the Purchaser to the Seller in the agreed form;

##### **"Claim"**

a Relevant Claim or a Tax Claim;

##### **"Company"**

ValiBio SA, 25 Avenue Georges Lemaître, 6041, Gosselies, Belgium (see Schedule 2 for full details);

##### **"Completion"**

Completion of the sale and purchase of the Shares in accordance with **clause 5**;

**"Confidential Information"**

all trade secrets, data, Know-How and other such information which is for the time being publicly known, used in or otherwise relating to the Company's business (including future business plans), products, services, customers, suppliers and financial or other affairs;

**"Consideration"**

The consideration to be paid by the Purchaser to the Seller as described in Clause 4;

**"Disclosure Letter"**

the letter in the agreed form from the Seller to the Purchaser in relation to the Warranties having the same date as this agreement including the bundle of documents attached to it (**Disclosure Bundle**);

**"Encumbrance"**

a mortgage, charge, pledge, lien, hypothecation, option, restriction, right of first refusal, right of pre-emption, right of set-off, third-party right or interest, assignment by way of security, other encumbrance or security interest of any kind, or another type of preferential arrangement (including a title transfer or retention arrangement) having similar effect howsoever arising;

**"GAAP"**

means generally accepted accounting principles;

**"Know-How"**

all industrial and commercial processes, data, methodology and techniques not at present in the public domain;

**"Intellectual Property"**

(a) patents, registered trademarks, service marks, registered designs, applications for any of those rights, trade, business and domain names, unregistered trademarks and service marks, copyrights and topography rights including rights in computer software, unregistered design rights, know-how, rights in inventions and Confidential Information;

(b) the sui generis right for the maker of a database to prevent extraction or re-utilisation or both of the whole or a substantial part of the contents of that database, as described in Directive 96/9/EC on the legal protection of databases; and

(c) rights under licences, consents, orders, statutes or otherwise in relation to a right described in sub-paragraphs (a) and (b) of this definition; in each case in any jurisdiction;

**"Intellectual Property Rights (IPR)"**

all Intellectual Property owned, used, or required to be used, by the Company in, or in connection within its business;

**"Last Accounting Date"**

31 December 2009

**"Management Accounts"**

the Company's unaudited balance sheet and profit and loss account for each Quarter starting on the day after the Last Accounting Date until Completion plus management accounts to the end of the last full calendar month before Completion where Completion does not follow a quarterly reporting period.

**"Patent Licence Agreements"**

the two Licence Agreements entered into between the Seller and the Company dated 08 March 2010 pursuant to which the Intellectual Property Rights are granted to the Company.

**"Purchasers Solicitors"**

Abbott Cresswell LLP – Solicitors, 179 Upper Richmond Road West London SW14 8DU

**"Relevant Claim"**

a claim by the Purchaser involving or relating to a breach of Warranty other than under Clause 6.12;

**"Shares"**

9023 shares in the Company held by the Seller as set out in Schedule 1 or such other amount of shares representing all of the outstanding shares, rights or interests in the Company other than the two (2) shares held in the name of Patrick Rousseau ;

**"Tax" or "Taxation"**

any form of tax (including, but not limited to, income tax required to be deducted or withheld or accounted for in respect of any payment), levy, impost, duty, charge, contribution (including, but not limited to, National Insurance contributions), deduction or withholding whenever imposed, collected or assessed by, or payable to, a Taxation Authority and any penalty, charge, cost and interest included in or relating to any of the above or to any obligation in respect of any of the above and any liability to make a payment by way of reimbursement, recharge, indemnity, damages or management charge connected in any way with any taxation (in all cases, regardless of whether such taxes, penalties, charges, costs and interest are directly or primarily chargeable against, recoverable from or attributable to the Company or any other person and regardless of whether the Company has, or may have, any right of reimbursement against any other person);

**"Taxation Authority"**

any government, state or municipality or any local, statutory, federal or other fiscal, revenue, customs or excise authority, body or official in the United Kingdom or elsewhere; "Tax Claim" a claim by the Purchaser involving or relating to a breach of Tax Warranty; "

**"Tax Warranties"**

the warranties given by the Seller in Schedule 4;

**"Warranties"**

means the warranties contained in Schedule 3 and clause 6 of the Agreement and, (unless expressly provided to the contrary or not permitted by the context) the Tax Warranties in Schedule 4; and "Warranty" means any of them;

**"Wallonia Agreement"**

means the agreement with the Region of Wallonia, Belgium, pursuant to which funding in the form of a soft loan may be received by the Company as attached to the Disclosure Letter;

**2. INTERPRETATION**

2.1 In this agreement:

2.1.1 the contents page and clause headings are for convenience only and do not affect its construction;

2.1.2 words denoting the singular include the plural and vice versa;

2.1.3 words denoting one gender include each gender and all genders.

2.2 In this agreement, unless otherwise specified or the context otherwise requires, a reference to:

2.2.1 a person is to be construed to include a reference to any individual, firm, partnership, company, corporation, association, organisation or trust (in each case whether or not having a separate legal personality);

- 2.2.2 a document, instrument or agreement (including, without limitation, this agreement) is a reference to any such document, instrument or agreement as modified, amended, varied, supplemented or notated from time to time;
  - 2.2.3 a clause or schedule is a reference to a clause of or schedule to this agreement and a reference to this agreement includes its schedules;
  - 2.2.4 writing shall include any mode of reproducing words in a legible and non-transitory form; and
  - 2.2.5 the "agreed form" is a reference to a document in a form agreed prior to the date of this agreement and for the purposes of identification signed by or on behalf of each party.
- 2.3 A reference in clause 6, Schedule 3 or Schedule 4 to a person's knowledge, information, belief or awareness is deemed to include the knowledge, information, belief or awareness which the relevant person would have had if he had made all reasonable enquiries of the Seller and the Company's professional advisers and all publicly available Registers relating to the Intellectual Property Rights.

### 3. SALE AND PURCHASE OF THE SHARES

- 3.1 The Seller agrees to sell that number of Shares as are shown against its name in Schedule 1 and the Purchaser, relying on the representations, Warranties and undertakings set out and referred to in this Agreement, agrees to purchase the Shares with effect from Completion for the Consideration as set out in Clause 4.
- 3.2 The Seller covenants with the Purchaser in relation to the Shares that:
- 3.2.1 the full legal and beneficial interest in the Shares will be transferred to the Purchaser at Completion on the terms set out in this agreement;
  - 3.2.2 the Shares will be sold with full title guarantee free from all claims, liens, charges, equities, encumbrances and adverse rights of any description and together with all rights attached to them at the date of this agreement or subsequently becoming attached to them;
  - 3.2.3 it shall (and shall insofar as it is able procure that any necessary third party shall) at the expense of the Seller, do, execute and perform all such further acts, deeds, documents and things as the Purchaser may reasonably request to vest its Shares in the Purchaser.
- 3.3 The Seller shall waive all restrictions on transfer (including pre-emption rights) which may exist in relation to the Shares whether under the Articles or otherwise.
- 3.4 The Purchaser shall not be obliged to complete the purchase of any of the Shares unless the sale and purchase of all of the shares held by the Seller shall at the same time complete, but completion of the purchase of some of the Shares will not affect the rights of the parties with respect to the purchase of the other Shares.

### 4. CONSIDERATION

The total consideration payable to the Seller for the sale of the Shares shall, subject to Clause 5.3C, be:

- 4.1 US \$400,000 payable to the Seller's Account (the details are listed in Schedule 8) in four equal payments of US \$100,000 which, subject to the deduction of payments due directly to Chroma Therapeutics Limited (**Chroma**) under the terms of the Deed of Novation dated on or around the date of this agreement shall be paid according to the following payment schedule or earlier at the sole discretion of the Purchaser:
- 4.1.1 US \$100,000 payable on the date of Completion which shall be received by the Seller no later than 15 October 2010;
  - 4.1.2 US \$100,000 payable 90 days after the date of Completion;
  - 4.1.3 US \$100,000 payable 180 days after the date of Completion; and
  - 4.1.4 US \$100,000 payable 270 days after the date of Completion.
- 4.2 Stock with a value of US \$600,000 (the "Consideration Shares") in the Purchaser or a newly listed entity which, subject to such stock being distributed directly to Chroma under terms of the Deed of Novation dated on or around the date of this agreement, shall:

- 4.2.1 if the Purchaser is listed or if a newly listed entity is created following the merger or reverse takeover of the Purchaser with this listed entity, be distributed to the Seller between 60 and 90 days following the listing, merger or reverse takeover of the Purchaser with the price per share used to calculate the number of shares issued to the Seller to be determined by the 30 day average closing middle market price immediately prior to the issue of the shares to the Seller; or
- 4.2.2 if the Purchaser is not listed within 350 days of the date of this agreement, be distributed to the Seller with the price per share used to calculate the number of shares issued to the Seller to be equal to the Average Subscription Price at which the Purchaser has raised capital during this period; or
- 4.2.3 be issued to the Seller, by mutual consent in writing, at a price per share to be agreed between the Parties at any time prior to the Consideration Shares being issued under clause 4.2.1 or clause 4.2.2.

whichever of the above occurs first.

- 4.3 The Consideration Shares shall subject to any regulatory requirements of the exchange in the case of a listing, merger or reverse takeover of the Purchaser, rank pari passu with the existing ordinary shares in the Purchaser (or the listed entity) including the right to receive all dividends declared, made or paid after Completion on condition that:

- 4.3.1 all the terms, conditions and obligations of the Seller as set out in this Agreement having been completed; and

- 4.3.2 the Seller comply with the disposal warranty in Clause 6.7.

- 4.4 If prior to the shares of the Purchaser being listed on a recognised exchange, the Purchaser proposes to allot any shares, those shares shall not be allotted to any person unless the Purchaser has first offered them to the Seller on the same terms, and at the same price, as those shares are being offered to other persons on a pari passu and pro rata basis to the number of shares in the Purchaser held by the shareholders (as nearly as possible without involving fractions) as if the Consideration Shares had been issued.

- 4.5 The Purchaser shall not, without the prior written consent of the Seller, such consent not to be unreasonably withheld or delayed:

- 4.5.1 amend the Purchaser's articles of association or the Purchaser's memorandum of association;

- 4.5.2 create any new shares or securities having any rights preferential to the rights attaching to the Consideration Shares; or

- 4.5.3 dispose of the whole (or part) of the Purchaser's undertaking, other than pursuant to a bona fide arms length transaction with a party which is not connected to the Purchaser or any of its shareholders.

- 4.6 If, in one or a series of related transactions, one or more shareholders in the Purchaser propose to transfer any of their shares in the Purchaser which would, if carried out, result in any person (the Bidder) (and any person acting in concert with the Bidder), acquiring at least 50 per cent of the shares in the Purchaser, the Purchaser shall procure that the Bidder makes an offer to the other shareholders in the Purchaser to buy all of the Purchaser's shares in issue for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Bidder, (or any person acting in concert with the Bidder) in the proposed transfer or in any related previous transaction in the twelve months preceding the date of the proposed transfer.

## 5. COMPLETION

### 5.1 Time and place of Completion

Completion shall take place at the offices of the Purchaser's Solicitors (or such other offices as agreed by the parties) on the date of the satisfaction of the mutual conditions contained in Clauses 5.3, 5.4 and 5.5 which shall take place no later than 15 October 2010.

### 5.2 Condition

This Agreement is conditional upon and not enforceable until all the Terms and Conditions set out in Clauses 5.3, 5.4 and 5.5 have been fulfilled by both the Purchaser and the Seller.



### 5.3 Seller's obligations

A. At Completion the Seller shall deliver (or procure to be delivered) to the Purchaser (where appropriate as agent for the Company):

- 5.3.1 a duly executed transfer of the Shares;
- 5.3.2 a copy of the Board Resolution or Minutes (certified by an officer as true and correct) authorising the execution by the Seller of this Agreement and the performance of its obligations hereunder;
- 5.3.3 the Accounts and the Management Accounts;
- 5.3.4 a complete list of all creditors, debts, obligations and liabilities (including accrued debts, obligations and liabilities) detailing amounts due and terms of payment (the "Assumed Debts") (which for the avoidance of doubts shall exclude any invoices from the Seller other than those payable under Clause 5.4.4);
- 5.3.5 letters of resignation in the agreed form from such of the directors and the secretaries of the Company as the Purchaser shall direct;
- 5.3.6 all charge, credit or cash cards for the use of any of the resigning directors issued in the name of, or guaranteed by the Company;
- 5.3.7 the Disclosure Letter
- 5.3.8 an executed deed of Novation between Chroma Therapeutics Limited (1), the Seller (2), the Company (3), and the Purchaser (4) agreeing to novate the existing licence between Chroma Therapeutics Limited and the Seller directly to the Purchaser ;
- 5.3.9 a Consultancy Agreement entered into by the Seller and the Purchaser; and
- 5.3.10 a letter of comfort from the NOMAD of the Seller.

B. Except as otherwise provided in Clause 5.4.3, the Seller shall retain responsibility for, and indemnify the Company against, any claim for payment of the Assumed Debts listed in accordance with Clause 5.3.4.

C. The Purchaser may deduct any Assumed Debts not settled, cancelled or cleared within 80 days after the date of Completion (except as provided in Clause 5.4.3) from the next tranche of Consideration payable under Clause 4.1.

### 5.4 Purchaser's obligations

At Completion the Purchaser shall:

- 5.4.1 pay the first tranche of the payments set out in section 4.1.1 and agree to the subsequent payments as set out thereafter in section 4.1 no later than 15 October 2010;
- 5.4.2 appoint Satu Vainikka and George Morris to the Board of the Purchaser or, if the Purchaser merges or completes a reverse takeover with another Company, then to the top controlling Board of the Purchaser.
- 5.4.3 be responsible for no more than €10,000 of the Assumed Debts listed in accordance with Clause 5.3.4.
- 5.4.4 be obliged to procure that the Company pays to the Seller, subject to and promptly upon receipt of payment from Wallonia, any eligible claims that may have accrued up to and including the date of Completion, pursuant to the Wallonia Agreement, it being understood that the Seller's representative – Satu Vainikka - and its agents shall have reasonable access to audit and to review the books and records of the Company, and to discuss with the Company's relevant personnel, in order to assist in determining eligibility of such claims; and
- 5.4.5 enter into a side letter with the Seller in the agreed form relating to claims under the Wallonia Agreement.

5.5 Mutual Obligations

At Completion the Seller and the Purchaser shall enter into the Charge.

**6. WARRANTIES**

- 6.1 The Seller warrants to the Purchaser (for itself and for its successors and assigns) on the date hereof in the terms of the Warranties.
- 6.2 Each of the Warranties and the Tax Warranties shall be construed as a separate and independent provision.
- 6.3 The Seller waives any and all claims which they might otherwise have in respect of any misrepresentation, inaccuracy in or omission from any information or advice supplied or given by the Company or its officers, employees or advisers, to enable them to give the Warranties or the Tax Warranties.
- 6.4 The Seller acknowledges that the Purchaser is entering into this agreement in reliance on each Warranty and Tax Warranty with the intention of inducing the Purchaser to enter into this agreement on the basis of and in full reliance upon them.
- 6.5 The Warranties are qualified by the facts and circumstances fairly and specifically disclosed in the Disclosure Letter. No other knowledge relating to the Company (actual, constructive or imputed) prevents or limits a claim made by the Purchaser for breach of clause 6.1 or 6.2. The Seller may not invoke the Purchaser's knowledge (actual, constructive or imputed) as a defence to a claim for breach of clause 6.1.
- 6.6 The Seller waives and may not enforce a right which they may have in respect of a misrepresentation, inaccuracy or omission in or from information or advice supplied or given by the Company or a director, officer or employee of the Company for the purpose of assisting the Seller to make a representation, give a Warranty or a Tax Warranty or prepare the Disclosure Letter.
- 6.7 The Seller warrants that the shares allocated under Clause 4.2 shall:
- 6.7.1 not be disposed of within the first twelve months after being allocated to the Seller without the prior written consent of the Purchaser (such consent not to be unreasonably withheld); and
- 6.7.2 in the following twelve (12) month period shall then only be disposed of in an orderly market manner, with notice to be provided to the Purchaser for any disposal in excess of 1% of the Seller's holding to permit the Purchaser to source a potential buyer. Thereafter the shares allocated under Clause 4.2 may be disposed of at the absolute discretion of the Seller.
- 6.8 Clause 6.7 does not prevent the Seller from disposing of any Consideration Shares in the following circumstances:
- 6.8.1 where such disposal is made in the acceptance of any offer made by any third party for the whole of the ordinary share capital of the Purchaser (other than any ordinary share capital owned by the offeror or any concert party of the offeror) which is recommended by a majority of the board of directors of the Purchaser; or
- 6.8.2 where such disposal is made in the execution of an irrevocable commitment to accept any offer for the whole of the ordinary share capital of the Purchaser (other than any ordinary share capital owned by the offeror or any concert party of the offeror) which is recommended by a majority of the board of directors of the Purchaser; or
- 6.8.3 where such disposal is made pursuant to an offer by the Purchaser to purchase its own shares which is made on identical terms to all holders of ordinary shares in the Purchaser and otherwise complies with the rules of the market on which the shares are traded; or
- 6.8.4 to the extent that the sale proceeds (net of incidental costs) are required to meet any liability of the Seller arising out of any of the matters referred to in clause 6.
- 6.9 The Seller warrants that the execution of this agreement does not constitute a breach or event of default under the terms of the Sale of Shares Agreement (as amended) and any other agreement or agreements with Biofield Corp ("Biofield") which the Seller warrants as having been terminated and completely null and void. The Seller further warrants that there is no active relationship or liability between Biofield and either ValiBio or ValiRx.

- 6.10 The Seller warrants that it will continue to perform all its obligations as and when they become due under the terms of the licence agreements entered into between Chronos Therapeutics Limited and Imperial Innovations Limited.
- 6.11 The Seller warrants that all invoices submitted under Clause 5.4.4 and payable by the Company are valid and in accordance with the terms of the Wallonia Agreement.
- 6.12 The Seller warrants that the list of Assumed Debts provided under Clause 5.3.4 is a complete valid list as at the time of Completion.

## 7. THE PURCHASER'S REMEDIES

- 7.1 Subject to clause 8, if the Purchaser proceeds to Completion and there is a breach of Warranty and
  - 7.1.1 the value of an asset of the Company is or becomes less than the value would have been had the breach not occurred; or
  - 7.1.2 the Company is subject to or incurs a liability or an increase in a liability which it would not have been subject to or would not have incurred had the breach not occurred;the Purchaser shall at its discretion either:
  - 7.1.3 demand payment of an amount from the Seller equal to the reduction caused in the value of the Shares as a consequence of the breach of Warranty; or
  - 7.1.4 elect to reduce the consideration payable to the Seller under section 4.1so as to put the Purchaser into the position it would have been in had there been no breach of Warranty.

## 8. LIMITATIONS ON CLAIMS

- 8.1 The definitions and rules of interpretation in this clause apply in this agreement.

**Substantiated Claim:** a Relevant Claim in respect of which liability is admitted by the party against whom such Relevant Claim is brought, or which has been adjudicated on by a court of competent jurisdiction and no right of appeal lies in respect of such adjudication, or the parties are debarred by passage of time or otherwise from making an appeal.

A Claim is **connected** with another Claim or Substantiated Claim if they all arise out of the occurrence of the same event or relate to the same subject matter.
- 8.2 The liability of the Seller for all Substantiated Claims and any amounts due under clause 8.4 when taken together shall not exceed the Consideration.
- 8.3 The Seller shall not be liable for a Relevant Claim unless
  - 8.3.1 the amount of a Substantiated Claim, or of a series of connected Substantiated Claims of which that Substantiated Claim is one, exceeds \$ 2,000;
  - 8.3.2 the amount of all Substantiated Claims that are not excluded under clause 8.3.1 when taken together exceeds \$ 10,000 in which case the whole amount (and not just the amount by which the limit in that clause 8.3.2 is exceeded) is recoverable by the Purchaser.
- 8.4 The Seller shall indemnify the Purchaser against each reasonable cost which the Purchaser may properly incur whether before or after the start of an action in connection with:
  - 8.4.1 the settlement of a claim against the Seller in respect of a breach or an alleged breach of clause 6.1 or 6.2 or the enforcement of a settlement; and
  - 8.4.2 legal proceedings against the Seller in respect of a breach or an alleged breach of clause 6.1 in which judgment is given for the Purchaser or the enforcement of the judgment.
- 8.5 The Seller shall not be liable for any Relevant Claim to the extent that the Relevant Claim relates to matters fairly and specifically disclosed in the Disclosure Letter.

- 8.6 The Seller shall not be liable for any Claim to the extent that the Claim relates to any matter specifically and fully provided for in the Accounts.
- 8.7 The Seller is not liable for a Relevant Claim unless the Purchaser has given the Seller notice in writing of the Relevant Claim, summarising the nature of the Relevant Claim and the amount claimed within the period of three months from the publication of the audited accounts of the Company for the year ending after Completion (unless previously satisfied, settled or withdrawn) and unless legal proceedings have been validly issued on or before the date six months after the date of the notice of the Relevant Claim.
- 8.8 The Seller is not liable for a Tax Claim unless the Purchaser has given the Seller notice in writing of the Tax Claim summarising the nature of the Tax Claim and the amount claimed within the period of seven years beginning with the date of Completion (unless previously satisfied, settled or withdrawn) and unless legal proceedings have been validly issued on or before the date six months after the date of the notice of the Tax Claim.
- 8.9 Nothing in this clause 8 or Schedule 5 applies to a Claim that arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by the Seller, its agents or advisers.
- 8.10 Schedule 5 shall apply in respect of Claims under this agreement.

## **9. PURCHASER'S WARRANTIES AND UNDERTAKINGS**

- 9.1 The Purchaser warrants to the Seller (for itself and for its successors and assigns) on the date hereof as follows:
- 9.1.1 the Purchaser has full power and authority without requiring the consent of any person to enter into and perform its obligations under this agreement;
- 9.1.2 this agreement will, when executed, constitute lawful, valid and binding obligations of the Purchaser in accordance with their respective terms; and
- 9.1.3 no receiver or administrative receiver has been appointed in respect of the Purchaser.
- 9.2 For so long as the Seller holds 10% of the shares in issue of the Purchaser (or its publically traded holding company for a period of 2 years after listing) it shall have the right to appoint two Directors to the Board of such company, subject to any regulatory requirements of the exchange in the case of a listing, merger or reverse takeover of the Purchaser.
- 9.3 The Seller may nominate a director, and remove a director whom it nominated, by giving notice to the Purchaser. The appointment or removal takes effect on the date on which the notice is received by the Purchaser or, if a later date is given in the notice, on that date. The Seller will consult with the Purchaser prior to any appointment or removal of a director.
- 9.4 The Purchaser warrants that it has, and undertakes that until the Consideration Shares are issued and allotted it shall maintain, sufficient authorised but unissued equity share capital in the Company and shareholder authority to satisfy in full, without the need for the passing of any further resolutions of its shareholders, its obligations to allot the Consideration Shares, without first having to offer the same to any existing shareholders of the Company or any other person.

## **10. OTHER PROVISIONS**

### **10.1 Costs**

Each of the parties shall pay its own costs and expenses (including legal fees and VAT (if any)) incurred by it in connection with the negotiation, preparation and execution of this agreement and the completion of the transactions contemplated by this agreement.

### **10.2 Post-Completion**

This agreement shall remain in full force and effect after Completion in respect of all obligations, agreements, covenants and undertakings contained in or implied by this agreement which have not been done, observed or performed at or prior to Completion and in respect of all warranties, representations and indemnities contained in this agreement.

10.3 Further assurance

The Seller shall do, execute and perform all further reasonable acts, deeds, documents and things as may be reasonably requested by the Purchaser in writing from time to time in order to implement all the provisions of this agreement. All costs incurred by the Seller in carrying out such requests shall be borne in whole by the Seller.

10.4 Variation

No variation of this agreement shall be effective unless previously agreed in writing by or on behalf of the Seller and the Purchaser.

10.5 Entire agreement

This agreement and any documents referred to in it contain the entire agreement and understanding between the parties in relation to the matters contemplated by this agreement and supersede all previous agreements between the parties in relation to such matters.

10.6 Waivers and remedies

10.6.1 No failure or delay to exercise, or other relaxation or indulgence granted in relation to, any power, right or remedy under this agreement of any party shall operate as a waiver of it or impair or prejudice it nor shall any single or partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

10.6.2 All rights of each of the parties contained in this agreement are in addition to all rights vested or to be vested in it pursuant to common law or statute.

10.7 Severability

Each of the provisions of this agreement is distinct and severable from the others and if at any time one or more of such provisions is or becomes invalid, unlawful or unenforceable (whether wholly or to any extent), the validity, lawfulness and enforceability of the remaining provisions (or the same provision to any other extent) shall not in any way be affected or impaired.

10.8 Assignment

Unless mutually agreed in writing, this agreement may not be assigned in whole or in part by any of the parties.

10.9 Counterparts

This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which shall together constitute one and the same agreement.

10.10 Third Parties

Except as provided in clause 6.3 nothing in this agreement confers any rights on any person under the Contracts (Rights of Third Parties) Act 1999.

**11. NOTICES**

11.1 Each party may give any notice or other communication under or in connection with this agreement by pre-paid first class post or facsimile transmission addressed to the address or fax number and for the attention of the relevant party as set out in Schedule 9 or such other address or fax number as may be notified in writing from time to time by the relevant party to the other party .. The address for service of each party shall be the address set out in this agreement or such other address for service as the addressee may from time to time notify to the other parties for the purposes of this clause.

11.2 Any such communication will be deemed to be served:

11.2.1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice signed by or on behalf of the addressee;

- 11.2.2 if by letter, at noon on the Business Day after such letter was posted (or, in the case of airmail, 5 Business Days after such letter was posted) and, in proving service, it shall be sufficient to prove that the letter was properly stamped first class (or airmail), addressed and delivered to the postal authorities; and
- 11.2.3 if by facsimile transmission at the time and on the day of transmission, and, in proving service, it shall be sufficient to produce a transmission report from the sender's facsimile machine indicating that the facsimile was sent in its entirety to the recipient's facsimile number.

## **12. LAW AND JURISDICTION**

- 12.1 This agreement, and all disputes or claims arising out of or in connection with it, shall be governed by and construed in accordance with English law.
- 12.2 The parties irrevocably and unconditionally agree that the High Court of Justice in England shall have jurisdiction over all disputes or claims arising out of or in connection with this agreement.

## **13. DISPUTE RESOLUTION**

- 13.1 Unless stated to the contrary in this Agreement, any dispute between the Parties at any time in regard to any matter arising from the Agreement or its interpretation or rectification shall be submitted for settlement by negotiation by the Chief Executives of each Party. In the event that the dispute cannot be resolved by the Chief Executives within thirty (30) days it shall be referred to and settled by arbitration.
- 13.2 The arbitration shall be held in the United Kingdom in accordance with the laws of the ICC (International Chamber of Commerce) International court of Arbitration.
- 13.3 If a party reasonably considers it necessary to prevent or stop any damage of a serious or irremediable nature including a breach of confidentiality, then nothing in this Dispute Resolution Clause will operate to stop it immediately applying to the appropriate court for an injunction or Court Order restraining the other party from breaching or continuing to breach this Agreement.

**I N W I T N E S S** of which this agreement has been duly signed and delivered as a deed on the date written at the beginning of this agreement.

**Schedule 1**  
**Details of ValiBIO SA Shareholders**

(1) Name and address/registered off of Shareholders	(2) No. and class of Shares held
ValiRx PLC 24 Greville Street London, EC1N 8SS United Kingdom	9023 ordinary shares (or such other number as defined under the definition of “Shares” in this Agreement)
Patrick J Rousseau 4 keu de Bretagne 94000 Breteil France	2 ordinary shares

**Schedule 2**  
**Details of the Company**

Company name	:	ValiBIO SA	
Company number	:	0891.006.861	
Incorporated in	:	Belgium	
Issued share capital	:	9025 ordinary shares	
Directors	:	Patrick J. Rousseau Jake Micallef Satu Vainikka	(Managing Director) (CEO) (Board Member)
Registered office	:	25 Georges Lemaitre B – 6041 Gosselies Belgium	
Accounting reference date	:	31 December	



**Schedule 3**  
**Warranties**

**1. CAPACITY**

- 1.1 The Seller has full power and authority without requiring the consent of any person to enter into and perform its obligations under this agreement.
- 1.2 This agreement will, when executed, constitute lawful, valid and binding obligations of the Seller in accordance with their respective terms.
- 1.3 No receiver or administrative receiver has been appointed in respect of the Seller.

**2. SHARE CAPITAL**

- 2.1 The Seller is the registered holder and beneficial owner of the Shares.
- 2.2 The Shares are free from all claims, liens, charges, equities, encumbrances and adverse rights of any description.
- 2.3 The Seller is entitled to sell and transfer the full legal and beneficial interest in the Shares to the Purchaser on the terms set out in this agreement and without the consent of any person.
- 2.4 The Shares are fully paid or credited as fully paid.
- 2.5 None of the Shares was or represents assets which were the subject of a transfer at an undervalue within the meaning of section 238 of the Insolvency Act 1986.
- 2.6 There is no agreement, arrangement or obligation requiring the creation, allotment, issue, transfer, redemption or repayment of, or the grant to a person of the right (conditional or not) to require the allotment, issue, transfer, redemption or repayment of, a share in the capital of the Company.
- 2.7 None of the Shares has been the subject of a transaction where the transferor of the Shares made a gift of them or a transfer to another person on terms that provide for the transferor to receive no consideration or where the consideration in money or money's worth is significantly less than the value in money or money's worth provided by the transferor.
- 2.8 The register of members of the Company is correct and properly written up to date.
- 2.9 The Company has properly made, filed and delivered within the requisite time limits all returns, resolutions and documents required by the relevant statutes and practices.

**3. ACCOUNTS**

- 3.1 The Accounts have been prepared and audited on a proper and consistent basis in accordance with the law and applicable standards, principles and practices generally accepted in the Belgium.
- 3.2 No change in accounting policies has been made in preparing the accounts of the Company since incorporation, except as stated in the audited balance sheets and profit and loss accounts.
- 3.3 The Accounts show a true and fair view of the assets, liabilities and state of affairs of the Company as at the Last Accounting Date and of the profits and losses of the Company for the financial year ended on the Last Accounting Date.
- 3.4 The Accounts fully disclose and make proper provision for all bad and doubtful debts, all liabilities (actual, contingent or otherwise) and all financial commitments existing at the Last Accounting Date.
- 3.5 The results shown by the audited profit and loss account of the Company for each of the financial years of the Company since incorporation ended on the Last Accounting Date have not (except as disclosed in those accounts) been affected by an extraordinary, exceptional (as such terms are defined in Financial Reporting Standard 3) or non-recurring item or by another fact or circumstance making the profit or loss for a period covered by any of those accounts unusually high or low.
- 3.6 The Company has not engaged in any financing (including incurring any borrowing or indebtedness in the nature of acceptances or acceptance credits) of a type which would not be required to be shown or reflected in the Accounts.

- 3.7 The bases and rates of depreciation and amortisation used in the Accounts were the same as those used in the audited accounts of the Company for the preceding financial years since incorporation.
- 3.8 The rates of depreciation and amortisation used in the audited accounts of the Company for the financial years of the Company ended on the Last Accounting Date were sufficient to ensure that each fixed asset of the Company will be written down to nil by the end of its useful life.
- 3.9 The value of the fixed assets of the Company shown in the Accounts is at cost thereof less depreciation deducted from time to time in a consistent manner and there has been no revaluation of such fixed assets since their acquisition.
- 3.10 The Company has not released a debt shown in the Accounts or its accounting records so that the debtor has paid or will pay less than the debt's book value. None of those debts has been deferred, subordinated or written off or become irrecoverable to any extent. The Seller has no reason to believe that any of those debts will fail to realise its book value in the usual course of collection.
- 3.11 The Management Accounts
- 3.11.1 do not materially misstate the state of affairs of the Company for the period to which they relate;
  - 3.11.2 were prepared in accordance with good business practice and policies consistently applied throughout;
  - 3.11.3 reflect the financial operations and state of affairs of the Company as at their date; and
  - 3.11.4 accord in all material respects with the books and ledgers of the Company.

#### **4. EVENTS SINCE THE LAST ACCOUNTING DATE**

- 4.1 Since the Last Accounting Date,
- 4.1.1 there has been no material adverse change in the financial position, prospects or turnover of the Company and no event or matter has occurred or is likely to occur which will or is likely to give rise to any such change.
  - 4.1.2 there has been no interruption or alteration in the nature or scope of business of the Company or in the manner in which it has been carried on.
  - 4.1.3 no transaction has been entered into or any material liability assumed or incurred (including contingent liability) or any payment made otherwise than in the ordinary course of business.
  - 4.1.4 there has been no loss of a customer which has accounted for five per cent. or more of the turnover of the Company.
  - 4.1.5 there has been no loss to the Company of any material supplier.
  - 4.1.6 no dividend or distribution has been declared, made or paid to the members of the Company.
  - 4.1.7 no share or loan capital has been allotted or issued or agreed to be allotted or issued.
  - 4.1.8 no major capital expenditure (including the acquisition of a business or of a company) or any proposed major capital expenditure. For this purpose "major capital expenditure" is anything with a value of £50,000 or more.
  - 4.1.9 the Company has not experienced any abnormal market factors which adversely affected the Company which did not affect other similar businesses.

#### **5. INTELLECTUAL PROPERTY**

- 5.1 Each of the Intellectual Property Rights is so far as the Seller is aware:
- 5.1.1 valid and enforceable and nothing has been done or omitted to be done by which it may cease to be valid and enforceable;

- 5.1.2 either : (i) legally and beneficially owned by, and validly granted to, the Seller alone, free from any licence, encumbrance, restriction on use or disclosure obligation; or (ii) legally and beneficially owned by, and validly granted to, the Company alone, free from any licence, encumbrance, restriction on use or disclosure obligation; and
- 5.1.3 not, and will not be, the subject of a claim or opposition from any person as to title, validity, enforceability, entitlement or otherwise.
- 5.2 The Disclosure Letter contains details of the registered Intellectual Property Rights (including, without limitation, applications for registration) in respect of which the Seller is the registered owner or applicant for registration.
- 5.3 Renewal and other fees payable in respect of the registered Intellectual Property Rights have been paid and all registration fees have been paid in relation to Intellectual Property where registration has been applied for in the name of a Seller or the Company (as the case may be). There is no outstanding third party request for action to be taken by, or on behalf of, a Seller or the Company in respect of, or in connection with, any of the Intellectual Property Rights.
- 5.4 Each registrable transaction or instrument under which a Seller or the Company (as the case may be) has an interest in Intellectual Property owned, or previously owned, by another person (including, without limitation, assignments and licences) has been registered with the relevant authorities within 6 months of the date on which such transaction or instrument was entered into.
- 5.5 So far as the Seller is aware nothing has been done or omitted to be done by which a person is or will be able to seek cancellation, rectification or other modification of a registration of any of the Intellectual Property Rights.
- 5.6 There is and has been no civil, criminal, arbitration, administrative or other proceeding or dispute in any jurisdiction concerning any of the Intellectual Property Rights. So far as the Seller is aware no civil, criminal, arbitration, administrative or other proceeding concerning any of the Intellectual Property Rights is pending or threatened. To the best of the Seller's knowledge, information and belief, no fact or circumstance exists which might give rise to a proceeding of that type.
- 5.7 The Seller has not granted nor is obliged to grant a licence, assignment or other right to anyone other than the Company in respect of any of the Intellectual Property Rights.
- 5.8 The Company has not granted and is not obliged to grant a licence, assignment or other right to anyone in respect of any of the Intellectual Property Rights.
- 5.9 So far as the Seller is aware there is, and has been, no infringement of any of the Intellectual Property Rights.
- 5.10 The activities, processes, methods, products and services used, manufactured, dealt in or supplied on or before the date of this agreement by the Company:
- 5.10.1 are not at the date of this agreement, nor were they at the time used, manufactured, dealt in or supplied, subject to the licence, consent or permission of, or payment to, another person;
- 5.10.2 so far as the Seller is aware do not at the date of this agreement, nor did they at the time use, manufacture, deal in or supply, infringe the Intellectual Property (including, without limitation, moral rights) of another person; and
- 5.10.3 have not and so far as the Seller is aware will not give rise to a claim against the Company.
- 5.11 So far as the Seller is aware no party to an agreement relating to the use by the Company of Intellectual Property owned by it or another person is, or has at any time been, in breach of such agreement.
- 5.12 The Intellectual Property Rights comprise all the Intellectual Property necessary for the Company to operate its business as carried on at the date of this agreement.
- 5.13 The Company is not a party to a confidentiality or other agreement which restricts the use or disclosure of information. No disclosure has been made to any person (other than the Purchaser and the Company's and the Purchaser's respective professional advisers) of any Confidential Information except as in the normal course of business.
- 5.14 The Company does not use, or operate its business under a name other than its corporate name.

- 5.15 All inventions made by any employees of the Company and which are used by or for the use of the Company belong to the Company and no claim for compensation under section 40 of the Patents Act 1977 or otherwise has been made or is likely to be made against the Company.
- 5.16 The Company is not reliant upon the particular knowledge of any of its officers or employees in connection with the use and exploitation of its Know-How and other Confidential Information.
- 6. LITIGATION**
- 6.1 Neither the Company nor any person for whose acts or defaults the Company may be vicariously liable, is involved, or has since the date of incorporation of the Company been involved, in a civil, criminal, arbitration or administrative proceeding. To the knowledge of the Seller, no civil, criminal, arbitration, administrative or other proceeding is pending or threatened by or against the Company or any person for whose acts or defaults the Company may be vicariously liable.
- 6.2 So far as the Seller is aware no fact or circumstance exists which is likely to give rise to a civil, criminal, arbitration or administrative proceeding involving the Company or any person for whose acts or defaults the Company may be vicariously liable.
- 6.3 There is no outstanding judgment, order, decree or arbitral award of a court, tribunal, arbitrator or governmental agency in any jurisdiction against the Company or any person for whose acts or defaults the Company may be vicariously liable.
- 7. ASSETS AND CHARGES**
- 7.1 The Company has stock and assets as set out in the Accounts.
- 8. GUARANTEES**
- 8.1 The Company is not a party to or liable (including, without limitation, contingently) under any guarantee, indemnity or other agreement to secure or incur a financial or other obligation with respect to another person's obligation.
- 8.2 The Company has no loans or borrowings or other facilities of a similar nature except for short term bank overdrafts by way of normal business and a facility from the Region of Wallonia ( The Wallonia Agreement).
- 8.3 The Company has given no guarantee, security, indemnity, suretyship or comfort except for those connected with the Wallonia Agreement.
- 8.4 The Company has no outstanding liabilities, including contingent liabilities which have arisen outside the ordinary course of business.
- 9. CONTRACTS AND AGREEMENTS**
- 9.1 The Company is a party to the following agreements and has incurred liabilities and obligations as detailed in:
- 9.1.1 the Accounts, the Disclosure Letter, Management Accounts and ;
- 9.1.2 the Wallonia Agreement;
- 9.1.3 material contracts entered into in the ordinary course of the business of the Company as detailed in the Disclosure Bundle.
- 9.1.4 any management agreement, agency or distributorship agreement;
- 9.1.5 licence agreements under which the Company has acquired Intellectual Property Rights which attract an annual licence fee and possible royalty payments as detailed in Schedule 7.
- 9.2 The Company has all licences, permits, consents and authorities necessary for the conduct of the Company's business at the date of this Agreement. The Company has received no notification of termination and is not aware of any reason why such licences, permits, consents or approvals should be terminated.
- 9.3 The Seller does not have any knowledge of the invalidity of, or a ground for termination, avoidance or repudiation of, any agreement, arrangement or obligation to which the Company is a party. No party with whom the Company has entered into an agreement, arrangement or obligation has given notice of its intention to terminate, or has sought to repudiate or disclaim, the agreement, arrangement or obligation.

- 9.4 Neither the Company nor so far as the Seller is aware any party with whom the Company has entered into an agreement or arrangement is in breach of the agreement or arrangement. So far as the Seller is aware no fact or circumstance exists which might give rise to a breach of this type.
- 9.5 The Company is not a party to and is not liable under a long-term (that is, unlikely to have been fully performed in accordance with its terms more than six months after the date on which it was entered into), onerous or unusual agreement, arrangement or obligation including, without limitation:
- 9.5.1 an agreement, arrangement or obligation entered into other than in the usual course of its business;
  - 9.5.2 an agreement, arrangement or obligation entered into other than by way of a bargain at arm's length;
  - 9.5.3 an agreement, arrangement or obligation which the Company cannot comply with on time or without undue or unusual expenditure of money or effort or;
  - 9.5.4 is incapable of termination, in accordance with its terms, by the Company on 120 days' notice or less.
- 9.6 During the year ending on the date of this agreement no substantial customer or supplier of the Company has:
- 9.6.1 stopped, or indicated an intention to stop, trading with or supplying the Company;
  - 9.6.2 reduced, or indicated an intention to reduce, substantially its trading with or supplies to the Company;
  - 9.6.3 changed, or indicated an intention to change, substantially the terms on which it is prepared to trade with or supply the Company (other than normal price and quota changes).
- 9.7 So far as the Seller is aware no substantial customer or supplier of the Company is likely to:
- 9.7.1 stop trading with or supplying the Company;
  - 9.7.2 reduce substantially its trading with or supplies to the Company; or
  - 9.7.3 change the terms on which it is prepared to trade with or supply the Company (other than normal price and quota changes).
- 9.8 Except for a condition or warranty implied by law or otherwise given in the usual course of business, the Company has not given a condition or warranty, or made a representation, in respect of goods or services supplied or agreed to be supplied by it, or accepted an obligation that could give rise to a liability after the goods or services have been supplied by it.

## **10. EMPLOYEES AND PENSIONS**

- 10.1 The Company has had personnel employed by and engaged in the business of the Company as detailed in the Disclosure Bundle.
- 10.2 The Company does not have and has never had any pension schemes entitling employees to retirement or death benefits.
- 10.3 There are not in existence any stock or share option or incentive schemes or any bonus or profit sharing schemes or similar arrangements in relation to the Company and its employees, directors or officers.

## **11. ASSOCIATED BODIES**

- 11.1 The Company has no subsidiaries, subsidiary undertakings or associated companies.

## **12. PROPERTY**

- 12.1 The Company has no liability (actual or contingent) arising out of a conveyance, transfer, lease, tenancy, licence, agreement or other document relating to land, premises or any interest in land or premises as seen in the Disclosure Bundle.

### **13. POWERS OF ATTORNEY**

13.1 The Company has given no power of attorney or any other authority (express, implied or ostensible) which is still outstanding or effective to any person other than any authority of directors to enter into routine trading contracts in the normal course of their duties.

### **14. INSURANCES**

14.1 The Disclosure Letter sets out the details of the Company's insurance policies and there are no insurance claims outstanding or pending.

### **15. COMPETITION**

15.1 The Company has not given an undertaking or written assurance (legally binding or not) to a governmental authority or an authority of the European Communities or European Economic Area under the Treaty of Rome, agreement on the European Economic Area or other statute or legal instrument in other jurisdictions. The Company is not affected by an order, judgment or regulation made under the competition law of another jurisdiction or by a decision of the Commission of the European Communities or EFTA Surveillance Authority or other regulatory authority or court or a competition authority of another jurisdiction.

15.2 The Company has not received a communication or request for information relating to any aspect of the Company's business or any agreement, arrangement, concerted practice or course of conduct to which the Company is, or is alleged to be, a party from or by the Director General of Fair Trading, Competition Commission, Secretary of State for Trade and Industry, Commission of the European Communities or EFTA Surveillance Authority or a competition or governmental authority of another jurisdiction. No agreement, arrangement or conduct (by omission or otherwise) of the Company has been the subject of an investigation, report or decision by any of those persons or bodies. The Company is not involved in any practice or agreement as a result of which it is likely to receive any such communication or request.

15.3 The Company is not in a dominant position in a market in the European Union or European Economic Area, or a substantial part of a market in the European Union or European Economic Area, for the purposes of Article 86 of the Treaty of Rome and Article 54 of the agreement on the European Economic Area.

15.4 The Company has never received, nor is the Company proposing to receive, any aid (as that term is understood for the purposes of Articles 92 to 94 of the Treaty of Rome) from a member state of the European Union or from state resources.

15.5 The Company is not a party to (or is concerned in) any agreement, arrangement, concerted practice or course of conduct which except with the Region of Wallonia the Wallonia Agreement that is specifically exempt from such provisions under the Articles hereunder (Schedule 11) **[Please note that the reference to Schedule 11 was made in error and there is no Schedule 11 to this Agreement.]**

15.5.1 falls within Article 85 and / or Article 86 of the Treaty of Rome;

15.5.2 falls within Article 53 and / or Article 54 of the Agreement on the European Economic Area; or

15.5.3 otherwise infringes the competition legislation or practice of any other jurisdiction.

### **16. DATA PROTECTION**

16.1 The Company complies and has at all times complied with all relevant data protection legislation and regulation.

### **17. AGREEMENTS WITH CONNECTED PERSONS**

17.1 There is no, and since the date of the incorporation of the Company there has not been any, agreement or arrangement (legally enforceable or not) to which the Company is or was a party and in which the Seller, a director or former director of the Company, or a person connected with any of them is or was interested in any way.

**Schedule 4**  
Tax Warranties

- 1.1 All notices, returns (including any land transaction returns), reports, accounts, computations, statements, assessments and registrations and any other necessary information submitted by the Company to any Taxation Authority for the purposes of Taxation have been made on a proper basis, were submitted within applicable time limits, were accurate and complete when supplied and so far as the Seller is aware remain accurate and complete in all material respects. None of the above is, or so far as the Seller is aware is likely to be, the subject of any material dispute with any Taxation Authority.
- 1.2 All Taxation for which the Company is or has been liable or is liable to account for, has been duly paid (insofar as such Taxation ought to have been paid).
- 1.3 The Company has, within applicable time limits, maintained all records in relation to Taxation as they are required to maintain.
- 1.4 The Company has complied within applicable time limits with all notices served on them and any other requirements lawfully made of them by any Taxation Authority.
- 1.5 The Company is not involved in any dispute with any Taxation Authority and has not been subject to any visit, audit, investigation, discovery or access order by any Taxation Authority. The Seller is not aware of any circumstances existing which make it likely that a visit, audit, investigations, discovery or access order will be made in the next 12 months.
- 1.6 The Company is not and so far as the Seller is aware or will not become, liable to make any person (including any Taxation Authority) any payment in respect of any liability to Taxation which is primarily or directly chargeable against, or attributable to, any other person (other than the Company).
- 1.7 The Accounts make proper provision or reserve within generally accepted accounting principles for any period ended on or before the date to which they were drawn up for all Taxation assessed or liable to be assessed on the Company, or for which the Company is accountable at that date, whether or not the Company has (or may have) any right of reimbursement against any other person. Proper provision has been made and shown in the Accounts for deferred taxation in accordance with generally accepted accounting principles.
- 1.8 The book value shown in, or adopted for the purposes of, the Accounts as the value of each of the assets of the Company, on the disposal of which a chargeable gain or allowable loss could arise, does not exceed the amount which on a disposal of such asset at the date of this agreement would be deductible, in each case, disregarding any statutory right to claim any allowance or relief other than amounts deductible under relevant legislation.

## Schedule 5

### 1. MITIGATION AND RESCISSION

- 1.1 The Purchaser shall, and shall procure that the Company shall, take all reasonable steps to avoid or mitigate any loss or liability which may give rise to a Relevant Claim.
- 1.2 The Purchaser agrees that rescission shall not be available as a remedy for any breach of this agreement and agrees not to claim that remedy.

### 2. LIMITATIONS

No Claim shall be admissible and the Seller shall not be liable in respect thereof to the extent that:

- (a) the liability arises as a result of or is otherwise attributable to any voluntary act, transaction or omission of the Company or the Purchaser or their respective directors, employees or agents on or after Completion other than as required by law or a legally binding obligation entered into prior to Completion; or
- (b) any Claim or the subject matter thereof has been or is made good or is otherwise compensated for (otherwise than by the Purchaser or any member of the Purchaser's Group); or
- (c) the liability comprises penalties, charges or interest arising directly or indirectly from any act, transaction or omission of the Purchaser or the Company after Completion.

### 3. INSURANCES

If, in respect of any matter which would give rise to a Relevant Claim, the Purchaser or the Company is entitled to make a claim under any policy of insurance, then no such matter shall be the subject of a Relevant Claim and no Relevant Claim shall lie unless and until the Purchaser, or the Company (as the case may be) has made a claim against its insurers. Liability in respect of any such Relevant Claim shall then be reduced by the amount recovered under such policy of insurance (less all reasonable costs, charges and expenses incurred by the Buyer in recovering that sum from its insurers), or extinguished if the amount recovered exceeds the amount of the Relevant Claim.

### 4. RECOVERY FROM THIRD PARTIES

- 4.1 Where the Purchaser or the Company is at any time entitled to recover from some other person (not being the Purchaser or any member of the Purchaser's Group) (Third Party) any sum in respect of any matter giving rise to a Relevant Claim, the Purchaser shall take all reasonable steps to enforce such recovery before making a Relevant Claim.
- 4.2 If the Purchaser recovers any amount from a Third Party, the amount of the Relevant Claim shall then be reduced by the amount recovered (less all reasonable costs, charges and expenses incurred by the Purchaser in recovering that sum from such Third Party) or be extinguished if the amount recovered exceeds the amount of the Relevant Claim.
- 4.3 If the Seller at any time pay to the Purchaser an amount pursuant to a Relevant Claim and the Purchaser subsequently becomes entitled to recover from a Third Party any sum in respect of the matter giving rise to such Relevant Claim, the Purchaser shall take all reasonable steps to enforce such recovery, and shall repay to the Seller as soon as practicable so much of the amount paid to the Purchaser as does not exceed the sum recovered from such Third Party (less all reasonable costs, charges and expenses incurred by the Purchaser in recovering that sum from such Third Party).

### 5. RETROSPECTIVE LEGISLATION

No liability shall arise in respect of any Claim to the extent that such liability arises or is increased wholly or partly as a result of any legislation not in force at the date of this agreement which takes effect retrospectively.

### 6. CONTINGENT LIABILITIES

If any Claim arises by reason of some liability of the Company which, at the time such Claim is notified to the Seller), is contingent only or otherwise not capable of being quantified, the Seller shall not be under any obligation to make any payment in respect of such breach or Claim unless and until such liability ceases to be contingent or becomes capable of being quantified, as the case may be, provided that this occurs before the expiry of the time limits set out in clause 8.7 or 8.8 as the case may be. Provided that such Claim has been notified to the Seller in accordance with clause 8.7 or 8.8 as the case may be, the proviso to those clauses shall be amended in relation to such Claim so as to require that (subject to the time limit imposed by clause 8.7 or 8.8 as the case may be) legal proceedings be commenced within 6 months from the date on which the said liability ceases to be contingent or becomes capable of being quantified, as the case may be, in order for the liability of the Seller not to determine.



**7. ASSIGNEES**

Any third party who is entitled under the terms of this agreement to claim against the Seller or any of them shall be subject to the provisions of this Schedule 5 as if it were the Purchaser.

**Schedule 6**

**Section A – Registered IP**

**1. PATENTS**

**(i) Registered:**

<u>Patent Title</u>	<u>Country</u>	<u>Field</u>	<u>Number</u>	<u>Priority Date</u>	<u>Expiry Date</u>	<u>Owner</u>
Detection of Histone Modifications in Cell-Free Nucleosomes	Europe	Oncology	PCT/GB2004/003564	18 August 2003	17 August 2023	Chroma Therapeutics Limited

**(ii) Applications pending**

<u>Patent Title</u>	<u>Country</u>	<u>Field</u>	<u>Number</u>	<u>Priority Date</u>	<u>Expiry Date</u>	<u>Owner</u>
Detection of Histone Modifications in Cell-Free Nucleosomes	USA	Oncology	PCT/GB2004/003564	18 August 2003	17 August 2023	Chroma Therapeutics Limited
Method for determining Chromatin Structure	Europe / USA	Oncology	PCT/GB02/00308	5 July 2001	4 July 2021	Imperial College Innovations

**2. DOMAIN NAMES/WEBSITES**

<b>Domain name</b>	<b>Registration date</b>	<b>Renewal date</b>
• www.valiBio.com	• 31 <sup>st</sup> December 2007	• 30 <sup>th</sup> August 2010
• <a href="http://www.volitionrx.com">www.volitionrx.com</a>	• 14th May 2010	• 13th May 2011

**Section B – Material unregistered Business IP**

Description	Type of IP	Description of use within Business
Nucleosomics	Trademark	Diagnostic product description
Hypergenomics	Trademark	Diagnostic product description

**Schedule 7**  
Patent Licence Agreement

Party 1	Party 2	Date	Patent	Territory
ValiPharma Limited	ValiBio SA	8 March 2010	PCT/GB02/00308	Worldwide
ValiRx Plc	ValiBio SA	8 March 2010	PCT/GB02004/003564	Worldwide

The Licence Agreement between ValiRx Plc and ValiBio SA as set out above has been novated to the Purchaser by way of a deed of novation dated on or around the date of this Agreement.

**Schedule 8**  
ValiRx Wiring Details

Name of Bank:	The Royal Bank of Scotland PLC
Sort Code:	16-00-02
Account Number:	20362531
BIC:	RBOS GB 2L
IBAN:	GB02 RBOS 16000 220 362531

**Schedule 9**  
Notice Details

Singapore Volition: Singapore Volition Pte. Limited  
150 Orchard Road,  
Orchard Plaza,  
08-02,  
Singapore,  
238841

and

49 A & B Hanover Gate Mansions,  
Park Road,  
London,  
NW1 4SN

For the attention of: Cameron Reynolds

Fax Number: +65 63 33 7235 (Singapore) and  
+44 (0) 20 7724 2734 (London)

Email: c.reynolds@volitionrx.com

ValiRx: ValiRx Plc  
24 Greville Street,  
London,  
EC1N 8SS.

For the attention of: The CEO  
Fax Number: +44 (0) 20 3008 4415

Signed by  
for and on behalf of  
SINGAPORE VOLITION  
PTE LIMITED

/s/ Cameron Reynolds  
Cameron Reynolds

Signed by  
for and on behalf of  
VALIRX PLC

/s/ Nicholas Thorniley  
Nicholas Thorniley

(1) **CHROMA THERAPEUTICS LIMITED**

- and -

(2) **VALIRX PLC**

- and -

(3) **VALIBIO SA**

- and -

(4) **SINGAPORE VOLITION PTE. LIMITED**

---

**DEED OF NOVATION**

---

R O O K S

R I D E R

S O L I C I T O R S

Messrs. Rooks Rider  
Solicitors,  
Challoner House,  
19 Clerkenwell Close,  
London, EC1R 0RR.

Dx. Box No: 53324, Clerkenwell  
Tel. No: +44 (0)207 689 7000  
Fax. No: +44(0)207 689 7001  
Email: [lawyers@rooksriver.co.uk](mailto:lawyers@rooksriver.co.uk)  
Ref: [\*]

---



THIS DEED is made the 22 day of September 2010

**BETWEEN:**

- (1) CHROMA THERAPEUTICS LIMITED incorporated and registered in England and Wales with company number 4066289 whose registered office is at 93 Milton Park, Abingdon, Oxfordshire OX14 4RY (the “**Chroma**”);
- (2) VALIRX PLC incorporated and registered in England and Wales with company number 3916791 whose registered office is at 24 Greville Street, London EC1N 8SS (“**ValiRx**”);
- (3) VALIBIO SA incorporated and registered in Belgium with company number 0891.006.861 whose registered office is at 25 Georges Lemaitre, B-6041 Gosselies, Belgium (“**ValiBio**”) and
- (4) SINGAPORE VOLITION PTE. LIMITED incorporated and registered in Singapore with company number 201016543R whose registered office is at 165 Gangsa Road, Unit 01-70, Singapore 670165 (“**Volition**”).

**BACKGROUND:**

- (A) Chroma and ValiRx are party to Patent Licence Agreement dated 3 October 2007 (“**Licence**”), a copy of which is annexed to this deed.
- (B) ValiRx and ValiBio are party to Patent Licence Agreement dated 8 March 2010 (“**Sub-Licence**”), a copy of which is annexed to this deed.
- (C) ValiRx has agreed to transfer its shares in ValiBio SA to Volition pursuant to the terms of a Sale and Purchase Agreement dated the same date as this deed (“**SPA**”). As part of the share transfer, ValiRx wishes to transfer all its rights, obligations and liabilities under the Licence to Volition and terminate the Sub-Licence.
- (D) The parties have agreed that ValiRx's rights, obligations and liabilities under the Licence shall be novated to Volition on the terms of this deed.

**IT IS HEREBY AGREED** as follows:

**1. Consideration**

- 1.1 Volition and ValiRx agree that 5% of each payment of the consideration due under clauses 4.1 and 4.2 of the SPA shall be paid by Volition direct to Chroma.

**2. Novation**

- 2.1 ValiRx transfers all its rights and obligations under the Licence to Volition. Volition shall enjoy all the rights and benefits of ValiRx under the Licence, and all references to ValiRx in the Licence shall be read and construed as references to Volition.
- 2.2 Volition agrees to perform the Licence and be bound by its terms in every way as if it were the original party to it in place of ValiRx.
- 2.3 Chroma agrees to perform the Licence and be bound by its terms in every way as if Volition were the original party to it in place of ValiRx.

**3. Release of obligations and liabilities**

- 3.1 Chroma and ValiRx release each other from all future obligations to the other under the Licence.
- 3.2 Each of Chroma and ValiRx releases and discharges the other from all claims and demands under or in connection with the Licence, whether arising before, on, or after the date of this deed.
- 3.3 Each of Chroma and Volition will have the right to enforce the Licence and pursue any claims and demands under the Licence against the other with respect to matters arising before, on or after the date of this deed as though Volition were the original party to the Licence instead of ValiRx.

3.4 Each of ValiRx and ValiBio agree that the Sub-Licence is hereby terminated with immediate effect releases and discharges the other from all claims and demands under or in connection with the Sub-Licence.

**4. Indemnity**

4.1 Volition agrees to indemnify ValiRx against any losses, damages or costs ValiRx suffers or incurs under or in connection with the Licence as a result of Volition's failure to perform or satisfy its assumed obligations under the Licence.

4.2 ValiRx agrees to indemnify Volition against any losses, damages or costs Volition suffers or incurs under or in connection with the Licence as a result of ValiRx's failure to perform or satisfy its obligations under the Licence before the date of this deed.

**5. Governing law and jurisdiction**

5.1 This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

5.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this deed or its subject matter or formation (including non-contractual disputes or claims).

THIS DEED has been executed and delivered by or on behalf of each of the parties on the date at the top of page 1

Executed as a deed by CHROMA  
THERAPEUTICS LIMITED acting by  
a director and

a director or its secretary

/s/ Ian Nicholson  
Ian Nicholson  
Director

/s/ Richard Bungay  
Richard Bungay  
Secretary

Executed as a deed by VALIRX PLC acting by  
a director and

a director or its secretary

/s/ Nicholas Thorniley  
Nicholas Thorniley  
Director

/s/ George Morris  
George Morris  
Director

Executed as a deed by VALIBIO SA acting by  
a director and

a director or its secretary

/s/ Jacob Micallef  
Jacob Micallef  
Director

/s/ Satu Vainikka  
Satu Vainikka  
Director

Executed as a deed by SINGAPORE VOLITION  
PTE. LIMITED acting by  
a director and

a director or its secretary

/s/ Cameron Reynolds  
Cameron Reynolds  
Director

/s/ Laith Reynolds  
Laith Reynolds  
Director

## LICENCE

THIS AGREEMENT dated October 3rd 2007 is between:

1) CHROMA THERAPEUTICS LIMITED (“Chroma”), a company incorporated in England and Wales whose principal place of business is at 93 Milton Park, Abingdon, Oxfordshire OX14 4RY; and

2) VALIRX PLC (the “Licensee”), a company incorporated in England and Wales whose principal place of business is at 24 Greville Street, London, EC1N 8SS.

### RECITALS:

A. Chroma has developed and owns a technology relating to chromatin, nucleosome and histone structure and the determination of histone modifications particularly as the basis of methods for the diagnosis, prognosis and monitoring of cancer and other diseases (the “Technology”).

B. Chroma has filed patent applications over the Technology.

C. The Licensee wishes to acquire rights under the Patents and to use the Technology for the development and commercialization of Licensed Products and to supply Services, in each case in the Field and in the Territory, in accordance with the provisions of this Agreement.

IT IS AGREED as follows:

### 1 Definitions

In this Agreement, the following words shall have the following meanings:

Affiliate	In relation to a Party, means any entity or person that Controls, is Controlled by, or is under common Control with that Party.
Claims	All demands, claims and liability (whether criminal or civil, in contract, tort or otherwise) for losses, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including without limitation legal costs) incurred in connection therewith.
Commencement Date	This date of this Agreement.
Control	Direct or indirect beneficial ownership of 50% (or, outside a Party’s home territory, such lesser percentage as is the maximum, permitted level of foreign investment) or more of the share capital, stock or other participating interest carrying the right to vote or to distribution of profits of that Party, as the case may be.
Diligent And Reasonable Efforts	Exerting such efforts and employing such resources as would be exerted or employed by a reasonable third party company for a product of similar market potential at a similar stage of its product life, when utilizing sound and reasonable scientific, business and medical practice and judgment in order to develop the product in a timely manner and maximize the economic return to the Parties from its commercialisation.
Field	The diagnosis, prevention and treatment of disease and pharmacogenomic applications and the provision of technology, products or services including the detection or identification of actual or potential gene expression or the characterization or identification of cell types or differentiation states.
Indemnitees	Chroma and its Affiliates, and their respective officers, directors, Council members, employees and representatives.
Licensed Products	Any and all products that are manufactured, sold, or otherwise supplied by the Licensee or its sub-licensee (including any Affiliate of the Licensee) and which are within any Valid Claim of the Patents.

Net Receipts	The sum of; a) the Royalty Income and, b) the Sub-license Non-royalty income,
Net Sales Value	The aggregate amount invoiced for all Licensed Products sold by the Licensee or its Affiliates to independent third parties in arm's length transactions exclusively for money or, where the sale is not at arm's length, the price that would have been so invoiced if it had been at arm's length, after deduction of all documented:  a) normal trade discounts actually granted and any credits actually given for rejected or returned Licensed Products; b) costs of packaging, insurance, carriage and freight, provided in each case that the amounts are separately charged on the relevant invoice; c) value added tax or other sales tax; and, d) import duties or similar applicable government levies actually paid.  Sales between any of the Licensee, its Affiliates and sub-licenses shall not be considered for the purposes of this definition unless there is no subsequent sale to a person who is not the Licensee, its Affiliate or sub-licensee in an arm's length transaction exclusively for money within three months from the original sale or such other time period as may be agreed by the Parties from time to time on a case by case basis.
Parties	Chroma and the Licensee, and "Party" shall mean either of them.
Patents	Any and all of the patents and patent applications referred to in Schedule 1 including any continuations, continuations in part, extensions, reissues, divisions, and any patents, supplementary protection certificates and similar rights that are based on or derive priority from the foregoing.
Royalty Income	Any royalty payment (excluding value added tax) obtained by, or due to, the Licensee or its Affiliates, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents.
Service	The supply of a consultancy or technical service (including contract research and development) to a third party that includes within the provision of such service or requires in its performance the Licensee's use of technology falling within a Valid Claim of the Patents.
Service Free	Any fee, after deduction of any value-added tax or other sales tax, invoiced to any third party by the Licensee or its Affiliates for the provision of a Service.
Sub-license Non-royalty Income	The amount of any payment (excluding value added tax and Royalty Income) and the value of any non-monetary receipt, obtained by, or due to, Licensee or its Affiliates, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents, and including any of the following:  a) up-front, milestone (whether at the stage of development, marketing or otherwise), success, bonus, maintenance and periodic (including annual) payments due under any sub-license agreement; b) where any sub-license is to be granted under cross-licensing arrangements, the value of any third party license obtained under such arrangements; c) any funding received from a sub-licensee for shares, options or other securities in respect of any of the share capital of the Licensee or its Affiliates; d) any guarantee or other financial benefit received from a sub-licensee; and e) any loan received from a sub-licensee which is not ultimately repaid, or any loan which is on terms other than arm's length terms, or any loan that is convertible to equity or other non-cash form where such conversion occurs.
Territory	Worldwide.

Valid Claim

A claim of a patent or patent application that has not expired or been held invalid or unenforceable by a court of competent jurisdiction in a final and non-appealable judgment.

## 2 Grant of rights

2.1 *Licenses.* Chroma hereby grants to the Licensee, subject to the provisions of this Agreement, a non-transferable, exclusive license in the Field under the Patents, with the right to sub-license, subject to clause 2.3 below, to develop, manufacture, have manufactured, use and sell Licensed Products or to supply a Service but in each case only in the Field in the Territory.

2.2 *Formal Licenses.* At the request and cost of the Licensee, the Parties shall execute such formal licenses as may be necessary or appropriate for registration of this Agreement with Patent Offices and other relevant authorities in particular territories. In the event of any conflict in meaning between any such license and the provisions of this Agreement, the provisions of this Agreement shall prevail. Prior to the execution of the formal license(s) (if any) referred to in this Clause 2.2, the Parties shall so far as possible have the same rights and obligations towards one another as if such license(s) had been granted. The Parties shall use reasonable endeavors to ensure that, to the extent permitted by relevant authorities, this Agreement shall not form part of any public record.

2.3 *Sub-licensing.* The licensee shall be entitled to grant sub-licenses of its rights under this Agreement to any person, provided that:

2.3.1 the sub-license shall include obligations on the sub-licensee which are equivalent to the obligations on the Licensee under this Agreement;

2.3.2 the sub-license shall terminate automatically on the termination of this Agreement for any reason;

2.3.3 within 30 days of the grant of any sub-license the Licensee shall provide to Chroma a true copy of it; and

2.3.4 the Licensee shall be responsible for any breach of the sub-license by the sub-licensee, as if the breach had been that of Licensee under this Agreement, and the Licensee shall indemnify Chroma against any loss, damages, costs, claims or expenses which are awarded against or suffered by Chroma as a result of any such breach by the sub-licensee.

2.4 *Reservation of rights.* Chroma reserves the non-exclusive right for it and its Affiliates to use in any way without limitation the Patents and Technology in the Field for all non-commercial purposes. Licensee hereby grants to Chroma an irrevocable, perpetual, worldwide, non-exclusive, royalty-free license for it and its Affiliates to use any of its and its sub-licensees' intellectual property rights that constitute improvements, modifications or enhancements created, developed or arising from the Technology and/or the Patents for all non-commercial purposes. For the avoidance of doubt, non-commercial purposes shall include the use of any assays that are developed as research tools that may aid Chroma's drug discovery programmes.

2.5 *No other license.* Except for the licenses expressly granted by this Clause 2, Chroma reserves all its rights. Without prejudice to the generality of the foregoing Chroma reserves all rights under the Patents outside the Field.

2.6 *Quality.* The Licensee shall ensure that all of the Licensed Products marketed by it are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory and shall contractually require all sub-licensees to ensure that all Licensed Products marketed by them are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory.

2.7 *Responsibility for development of Licensed Products.* The Licensee shall be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and for incorporating any modifications or developments thereto that may be necessary or desirable and for all Licensed Products sold or supplied, and accordingly the Licensee shall indemnify Chroma in the terms of Clause 7.3.

## 3 Know-how and Confidential Information

3.1 *Confidentiality obligations.* Each Party ("Receiving Party") undertakes:

3.1.1 to maintain as secret and confidential all know-how and other technical or commercial information obtained directly or indirectly from the other Party ("Disclosing Party") in the course of or in anticipation of this Agreement and to respect the Disclosing Party's rights therein;

3.1.2 to use the same exclusively for the purposes of this Agreement; and

3.1.3 to disclose the same only to those of its employees, Affiliates and sub-licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement.

3.2 *Exceptions to obligations.* The provisions of Clause 3.1 shall not apply to know-how and other information which the Receiving Party can demonstrate by reasonable, written evidence:

3.2.1 was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or

3.2.2 is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or

3.2.3 is or becomes generally available to the public through no act or default of the Receiving Party or its employees, Affiliates or sub-licensees; or

3.2.4 the Receiving Party is required to disclose to the courts of any competent jurisdiction, or to any government regulatory agency or financial authority, provided that the Receiving Party shall:

3.2.4.1 inform the Disclosing Party as soon as is reasonably practicable; and,

3.2.4.2 at the Disclosing Party's request seek to persuade the court, agency or authority to have the information treated in a confidential manner, where this is possible under the court, agency or authority's procedures.

3.3 *Disclosure to employees.* The Receiving Party shall procure that all of its employees, Affiliates and sub-licensees pursuant to this Agreement (if any) who have access to any of the Disclosing Party's information to which Clause 3.1 applies, shall be made aware of and subject to these obligations and shall have entered into written undertakings of confidentiality at least as restrictive as Clauses 3.1 and 3.2 and which apply to the Disclosing Party's information.

## **4 Payments**

### **4.1 Royalties**

4.1.1 *Royalties on Net Sales Value.* The Licensee shall pay to Chroma a royalty of 5% (Five percent) of the Net Sales Value.

4.1.2 *Royalties on Service Fees.* The Licensee shall pay to Chroma a royalty of 15% (fifteen percent) of all Service Fees.

#### *Royalties on Net Receipts*

4.1.3.1 *Royalties on sub-licence Royalty Income.* The Licensee shall pay to Chroma a royalty equal to the following percentage of the Royalty Income over the term of this Agreement: 25% (Twenty Five percent) of all cumulative Royalty Income less than or equal to £1,000,000 (One Million pounds sterling); and, 20% (Twenty percent) of all cumulative Royalty Income in excess of £1,000,000 (One Million pounds sterling).

4.1.3.2 *Royalties on Sub-licence Non-royalty Income.* The Licensee shall pay to Chroma a royalty of 15% (Fifteen percent) of Sub-licence Non-royalty Income.

4.5 If the Parties disagree as to the calculation of any Service Fees, Net Receipts or Net Sales Value, including without limitation any disagreement as to the cash value of any non-monetary receipt, but excluding any dispute as to whether a product is a Licensed Product such as disagreement shall be referred to an independent expert who shall be appointed and who shall act in accordance with the provisions of Schedule 2.

- 4.6 *Combination Products.* If any Licensed Products are incorporated in any other product (“Combination Product”) supplied by the Licensee or its Affiliates and the Licensed Product is not priced separately from the Combination Product, the Net Sales Value of such Licensed Product shall be deemed to be that proportion of the Net Sales Value of the Combination Product which is attributable to the Licensed Product, comparing the actual manufacturing cost of the Licensed Product with that of the Combination Product, as in the following formula: Net Sales Value of Licensed Product = (actual manufacturing cost of the Licensed Product divided by total actual manufacturing cost of Combination Product) x Net Sales Value of Combination Product. If the Parties disagree as to the calculation of the actual manufacturing cost referred to in this Clause 4.6 such disagreement shall be referred to an independent expert who shall be appointed and who shall act in accordance with the provisions of Schedule 2.
- 4.7 *Payment frequency.* Royalties due under this Agreement shall be paid within 60 days of the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, in respect of sales of Licensed Products or Services made and sub-licenses current during such quarter and within 60 days of the termination of this Agreement.
- 4.8 *Payment terms.* All sums due under this Agreement:
- 4.8.1 are exclusive of value added tax which where applicable will be paid by the Licensee to Chroma in addition;
- 4.8.2 shall be paid in pounds sterling (unless and until sterling is replaced by Euros at which time payment shall be made in Euros) in cash by transferring an account in aggregate to the following account:
- Account Number: 00019801  
Sort Code: 20-65-82  
Account: Chroma Therapeutics Ltd.  
Bank: Barclays Bank plc
- and in the case of sales or sub-license income received by the Licensee or its Affiliates in a currency other than pounds sterling, the royalty shall be calculated in the other currency and then converted into equivalent pounds sterling at the buying rate of such other currency as quoted by Barclays Bank PLC in London as at the close of business on the last business day of the quarterly period with respect to which the payment is made;
- 4.8.3 shall be made without deduction of income tax and other taxes charges or duties that may be imposed, except insofar as the Licensee is required to deduct the same to comply with applicable laws. The Parties shall cooperate and take all steps reasonably and lawfully available to them, at the expense of the Licensee, to avoid deducting such taxes and to obtain double taxation relief. If the Licensee is required to make any such deduction it shall provide Chroma with such certificates or other documents as it can reasonably obtain to enable Chroma to obtain appropriate relief from double taxation of the payment in question; and
- 4.8.4 shall be made by the due date, failing which Chroma may charge interest on any outstanding amount on a daily basis at a rate equivalent to 3% above the Barclays Bank Plc base lending rate then in force in London.
- 4.9 *Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country then the Licensee shall within the prescribed period for making the said payments in the appropriate manner use its best endeavours to secure from the proper authority in the relevant country permission to make the said payments and shall make them within 7 days of receiving such permission. If such permission is not received within 30 (thirty) days of the Licensee making a request for such permission then, at the option of Chroma, the Licensee shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by Chroma within such country or such royalty payments shall be made to an associated company of Chroma designated by Chroma and having offices in the relevant country designated by Chroma.
- 4.10 *Royalty Statements.* The Licensee shall send to Chroma at the same time as each royalty payment is made in accordance with Clause 4.8 a statement setting out, in respect of each territory or region in which Licensed Products or Services are sold, the types of Licensed Product or Services sold, the quantity of each type sold, and the total Net Sales Value, Service Fees and the total Net Receipts in respect of each type, expressed both in local currency and pounds sterling and showing the conversion rates used, during the period to which the royalty payment relates.



#### **4.11 Records.**

- 4.11.1 The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing the quantity, description and value of Licensed Products and Services sold by it, and the amount of sublicensing revenues received by it in respect of Licensed Products, on a country by country basis, and being sufficient to ascertain the payments due under this Agreement.
- 4.11.2 The Licensee shall make such records and accounts available, on reasonable notice, for inspection during business hours by an independent chartered accountant nominated by Chroma for the purpose of verifying the accuracy of any statement or report given by the Licensee to Chroma under this Clause 4. The frequency of inspections shall be limited to a maximum of one inspection in any three month period. The accountant shall be required to keep confidential all information learnt during any such inspection, and to disclose to Chroma only such details as may be necessary to report on the accuracy of the Licensee's statement or report. Chroma shall be responsible for the accountant's charges unless the accountant certifies that there is an inaccuracy leading to an underpayment of more than 5% (five percent) in any statement, in which case the Licensee shall pay his charges in respect of that inspection.

#### **5 Commercialization**

- 5.1 The Licensee shall use Diligent and Reasonable Efforts to develop and commercially exploit the Patents in the Territory.
- 5.2 Without prejudice to the generality of the Licensee's obligations under Clause 5.1, the Licensee shall hold quarterly commercialization review and strategy meetings as per Clause 9 and an updated, written report, showing past and current activities taken by the Licensee to bring Licensed Products to market and maximize the sale of Licensed Products and Services worldwide.

#### **6 Intellectual property**

##### *6.1 Patent expenses*

6.1.1 The Licensee shall be responsible for the prosecution of the Patents and responsible for payment directly to patent agents and others of all prosecution and renewal fees in respect of the Patents after the Commencement Date; provided that if the Licensee wishes to abandon any such application or not to maintain any such Patent (or to cease funding such application or patent), it shall give 1 month's prior written notice to Chroma and on the expiry of such notice period the Licensee shall cease to be licensed under the patent application or patent identified in the notice.

6.1.2 The Licensee undertakes that payments pursuant to Clauses 6.1.1 shall be made within 30 days of receipt of invoice by the Licensee.

##### *6.2 Infringement of the Patents*

6.2.1 Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the Patents in the Field, and the Parties shall consult with each other to decide the best way to respond to such infringement.

6.2.2 If the Parties fail to agree on a joint programme of action, including how the costs of any such action are to be borne and how any damages or other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 6.2.

6.2.3 Before starting any legal action under Clause 6.2, the Licensee shall consult with (and take account of the view of) Chroma as to the advisability of the action or settlement, its effect on the good name of Chroma, the public interest, and how the action should be conducted.

6.2.4 If the alleged infringement is both within and outside the Field, the Parties shall also co-operate with Chroma's other licensees (if any) in relation to any such action and shall take such action in respect of such infringement as Chroma may request in writing.

6.2.5 The Licensee shall indemnify Chroma for all Claims (including any damages, costs, expenses and liability of whatsoever nature) incurred in relation to such action within 30 days of being notified of the amount of such expenses by Chroma. The Licensee shall in addition pay to Chroma a royalty of 15% (fifteen percent), in accordance with Clause 4, on any damages received from such action as if such damages were Net Receipts of the type envisaged in Clause 4.4.3.2.

6.2.6 Chroma may agree to be joined in any suit to enforce such rights subject to being indemnified and secured in a manner acceptable to Chroma in its absolute discretion as to any costs, damages, expenses or other liability and shall have the right to be separately represented by its own counsel at the Licensee's expense.

### 6.3 *Infringement of third party rights*

6.3.1 If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party, alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any Patents, that Party, and the Parties shall discuss the best way to respond.

6.3.2 The Licensee shall have the right but not the obligation to defend such suit to the extent it relates to activities in the Field and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, concerning the Patent (whether as to validity or otherwise), the consent of Chroma must be obtained before taking such action or making such settlement.

## 7 **Warranties and Liability**

### 7.1 *Warranties by Chroma.* Chroma:

7.1.1 warrants that, as at the start of this Agreement, it is the registered proprietor of, or applicant for, the Patents and has caused its directors and employees to execute such assignments of the Patents as may be necessary to give title to the Patents to Chroma; and

7.1.2 undertakes that it has not done, and shall not do nor agree to do during the continuation of this Agreement, any of the following things if to do so would be inconsistent with the exercise by the Licensee of the rights granted to it under this Agreement, namely:

7.1.2.1 grant or agree to grant any rights in the Patents in the Field in the Territory; or

7.1.2.2 subject to Clause 10.3.2, assign or otherwise transfer any of the Patents in the Field in the Territory or any of its rights or obligations under this Agreement.

### 7.2 *No other warranties*

7.2.1 Each of the Licensee and Chroma acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.

7.2.2 Without limiting the scope of clause 7.2.1 above, Chroma does not make any representation nor give any warranty or undertaking:

7.2.2.1 as to the efficacy or usefulness of the Patents; or

7.2.2.2 that any of the Patents is or will be valid or subsisting or (in the case of an application) will proceed to grant; or

7.2.2.3 that the use of any of the Patents, the manufacture, sale or use of the Licensed Products or the exercise of any of the rights granted under this Agreement will not infringe any other intellectual property or other rights of any other person; or

7.2.2.4 that any other information communicated by Chroma to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended; or

7.2.2.5 as imposing any obligation on Chroma to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or

7.2.2.6 as imposing any liability on Chroma in the event that any third party supplies Licensed Products to customers located in the Territory.

7.3 *Indemnity.* The Licensee shall indemnify all Indemnitees against all third party Claims that may be asserted against or suffered by any of the Indemnitees and which relate to the use by the Licensee or any of its Affiliates or sub-licensees of the Patents or otherwise in connection with the development, manufacture, use or sale of or any other dealing in any of the Licensed Products or provision of any Services by Licensee or any of its sub-licensees, or subsequently by any customer or any other person, including claims based on product liability laws.

7.4 *Liability.*

7.4.1 To the extent that any Indemnitee has any liability in contract, tort, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 7.4.

7.4.2 The aggregate liability of the Indemnitees shall be limited to the total income that Chroma has received from the Licensee (less any expenses that Chroma has incurred in obtaining, maintaining or defending the Patents) during the period of 5 (five) years preceding the date on which the liability arises; and,

7.4.3 In no circumstances shall any of the Indemnitees be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered by the Licensee or its Affiliates or sub-licensees:

7.4.3.1 that is of an indirect, special or consequential nature or

7.4.3.2 any loss of profits, revenue, business opportunity or goodwill.

7.4.4 Nothing in this Agreement excludes any person's liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person's negligence, or liability for fraud.

## **8 Term and Termination**

8.1 *Commencement and Termination by Expiry.* This Agreement, and the licenses granted hereunder, shall come into effect on the Commencement Date and, unless terminated earlier in accordance with this Clause 8 shall continue in force until the expiration, lapse or invalidation of the last remaining patents issued under the Patents or if such Patents are patent applications under such patents, until they are refused or rejected without a right of appeal.

8.2 Early Termination

8.2.1 The Licensee may terminate this Agreement at any time on 90 days' notice in writing to Chroma.

8.2.2 Without prejudice to any other right or remedy, either Party may terminate this Agreement at any time by notice in writing to the other Party ("Other Party"), such notice to take effect as specified in the notice:

8.2.2.1 if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within 90 days, the breach is not remedied within 90 days of the Other Party receiving notice specifying the breach and requiring its remedy; or if:

8.2.2.2 any of the following occurs:

8.2.2.2.1 the Other Party becomes insolvent or unable to pay its debts as and when they become due;

8.2.2.2.2 an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction); or

8.2.2.2.3 the other Party is subject to a force majeure under clause 10.1 and fails to remedy such force majeure within 90 days.

8.2.3 Chroma may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice if the Licensee or any of its Affiliates or sub-licensees commences legal proceedings, or assists any third party to commence legal proceedings, to challenge the validity or ownership of any of the Patents.

### 8.3 *Consequences of termination or expiry*

8.3.1 The Licensee agrees that termination or expiry of this Agreement for any reason shall not absolve the Licensee's obligations to pay Patents costs subject to Clause 6.1 of this Agreement where such costs are in respect of a period prior to the date of termination.

8.3.2 Upon termination or expiry of this Agreement for any reason:

8.3.2.1 otherwise than in accordance with Clause 8.1, the Licensee and its sub-licensees shall be entitled to sell, use or otherwise dispose of (subject to payment of royalties under Clause 4) any unsold or unused stocks of the Licensed Products for a period of 6 months following the date of termination;

8.3.2.2 the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the Patents, in so far and for as long as any of the Patents remain in force;

8.3.2.3 the Licensee shall consent to the cancellation of any formal license granted to it, or of any registration of it in any register, in relation to any of the Patents; and

8.3.3 Subject as provided in these Clauses 8.3.1 and 8.3.2, and except in respect of any accrued rights, neither party shall be under any further obligation to the other.

8.3.4 Upon termination or expiry of this Agreement for any reason the provisions of clauses 2.4, 3.1 to 3.3, 4 (in respect of sales made or other income generated prior to termination or under clause 8.3.2.1), 6, 7.3, 7.4, 8, 10.8, 10.9 and 10.13 shall remain in force.

8.3.5 Upon termination or expiry of this Agreement for any reason, all rights (of whatsoever nature) to the Patents shall return to Chroma.

8.3.6 Upon termination or expiry of this Agreement for any reason, the Licensee will do all that is necessary to transfer the ownership of any of its sub-licensees intellectual property rights that constitute improvements, modifications or enhancements created, developed or arising from the Technology and/or the Patents to Chroma and pending such transfer the license granted to Chroma by the Licensee in clause 2.4 shall continue in full force and effect. Any costs incurred in transferring ownership shall be borne solely by the Licensee.

## **9 Governance**

9.1 The Licensee or its Affiliates will hold bi-annual scientific and commercial review and strategy meetings on the progress and future activities for the commercialisation of the Technology where Chroma will have the right to attend and contribute.

9.2 Within 30 days after the signing of this Agreement, and within 30 days of the anniversary in each subsequent calendar year, the Licensee or its Affiliate shall provide in writing to Chroma:

9.2.1 a forward looking plan outlining the intended work plan for the following 12 month period, such plan shall include details of any proposed changes to any of the claims made in any of the Patents;

9.2.2 an outline report on research and development progress made (including details of changes made to any of the claims in any of the Patents) and list agreements, including sub-licensing discussions and agreements, entered into with any third parties in relation to rights granted under this Agreement during the preceding twelve months.

## 10 General

10.1 *Force majeure.* Neither party shall have any liability or be deemed to be in breach of this Agreement (save in respect of non-payment by the Licensee of any sums owing to Chroma) for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party, including without limitation labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.

10.2 *Amendment.* This Agreement may only be amended in writing signed by duly authorized representatives of Chroma and the Licensee.

10.3 *Assignment and third party rights.*

10.3.1 Subject to Clause 10.3.2, neither Party shall assign any rights or obligations under this Agreement without the prior written consent of the other Party.

10.3.2 Either Party may assign all its rights and obligations under this Agreement to any of its Affiliates and to any company to which it transfers all or substantially all of its assets or business, PROVIDED that the assignee undertakes to the other Party to be bound by and perform the obligations of the assignor under this Agreement. However a Party shall not have such a right to assign this Agreement if it is insolvent or any other circumstance described in Clause 8.2.2.2 applies to it.

10.4 *Waiver.* No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.

10.5 *Invalid clauses.* If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.

10.6 *No Agency.* Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.

10.7 *Interpretation.* In this Agreement:

10.7.1 the headings are used for convenience only and shall not affect its interpretation;

10.7.2 references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;

10.7.3 references to Clauses and Schedules mean clauses of, and schedules to, this Agreement;

10.7.4 references in this Agreement to termination shall include termination by expiry; and

10.7.5 where the word "including" is used it shall be understood as meaning "including without limitation".

10.8 *Notices*

10.8.1 Any notice to be given under this Agreement shall be in writing and shall be sent by first class mail or air mail, or by fax (confirmed by first class mail or air mail) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number set out below, or such other address or fax number as that Party may from time to time notify to the other Party in accordance with this Clause 10.8. The fax numbers of the Parties are as follows:

Chroma FAX number: 01235829125  
Licensee FAX number: 02030084415

10.8.2 Notices sent as above shall be deemed to have been received three working days after the day of posting (in the case of inland first class mail), or seven working days after the date of posting (in the case of air mail), or on the next working day after transmission (in the case of fax messages, but only if a transmission report is generated by the sender's fax machine recording a message from the recipient's fax machine, confirming that the fax was sent to the number indicated above and confirming that all pages were successfully transmitted).

- 10.9 Law and jurisdiction. This Agreement shall be governed by English law and shall be subject to the exclusive Jurisdiction of the English courts to which the Parties hereby submit, except that a party may seek an interim injunction in any court of competent jurisdiction.
- 10.10 Further action. Each party agrees to execute, acknowledge, and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purpose and intent of this Agreement.
- 10.11 Announcements. Save as required by law or in respect of any regulatory requirements, neither Party shall make any press or other public announcement concerning any aspect of this Agreement, or make any use of the name of the other Party in connection with or in consequence of this Agreement, without the prior written consent of the other Party.
- 10.12 Entire agreement. This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. The Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.
- 10.13 Third parties. Except for the rights of the Indemnitees as provided in clauses 7.3 and 7.4, who may in their own right enforce the provisions of that Clause, this Agreement does not create any right enforceable by any person who is not a party to it ("Third Party") under the Contracts (Rights of Third Parties) Act 1999, but this clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act. The Parties may amend, renew, terminate or otherwise vary all or any of the provisions of this Agreement, including Clauses 7.3 and 7.4, without the consent of the Indemnitees.

AGREED by the parties through their authorized signatories

For and on behalf of  
CHROMA THERAPEUTICS  
LIMITED

Signed /s/ Richard Bungay  
Name Richard Bungay  
Title Chief Financial Officer  
Date October 3<sup>rd</sup>, 2007

For and on behalf of  
VALIRX PLC

Signed /s/ J. Micallef  
Name J. Micallef  
Title COO  
Date October 3<sup>rd</sup>, 2007

## Schedule 1

## The Patents

Reference	Country	Title	Priority Date	Application No.	Publication No.	Case Status
W02005/019826 AI	Worldwide	Detection of Histone Modifications in Cell-Free Nucleosomes	18 August 2003	PCT/GB2004/003564	W02005/019826 AI	National phase

**Appointment of expert**

1. Pursuant to Clauses 4.5 and 4.6, Chroma may serve a notice on the Licensee ("Referral Notice"), in accordance with Clause 10.8, notifying the Licensee that it wishes to refer the dispute to an expert (the "Expert") for his determination.
2. The Parties shall agree the identity of a single independent, impartial expert to determine such questions. In the absence of such agreement within 30 days of the Referral Notice, either of the Parties may request an expert be appointed by the President of The Law Society of England and Wales.
3. 60 days after the giving of a Referral Notice, both Parties shall exchange simultaneously statements of case in no more than 10,000 words, in total, and each side shall simultaneously send a copy of its statement of case to the Expert.
4. Each Party may, within 30 days of the date of exchange of statement of case pursuant to paragraph 3 above, serve a reply to the other side's statement of ease of not more than 10,000 words. A copy of any such reply shall be simultaneously sent to the Expert.
5. The Expert shall make his decision on the basis of written statements and supporting documentation only and there shall be no oral hearing. The Expert shall issue his decision in writing within 30 days of the date of service of the last reply pursuant to paragraph 4 above, or, in the absence of receipt of any replies, within 60 days of the date of exchange pursuant to paragraph 3 above.
6. The Expert's decision shall (in the absence of manifest error) be final and binding on the Parties.
7. All costs in relation to the appointment of the Expert shall be borne by the Parties in such proportions as the Expert shall determine.



## SUB – LICENSE

### Patent Licence Agreement

THIS AGREEMENT dated 8<sup>th</sup> March 2010 is between:

VALIRX PLC (ValiRx) 24 Greville Street, London EC1N 8SS, United Kingdom;

and

VALIBIO SA (ValiBio or the Licensee) Avenue Georges Lemaitre 25, B-6041 Gosselies, Belgium.

### WHEREAS;

- Certain patents, intellectual property, know-how and technical data collectively known as the **Intellectual Property Rights (IPR)** were licensed from ValiRx to ValiBio under a Patent Licence Agreement dated 18<sup>th</sup> January 2008. This Agreement supersedes the previous Agreement and all others.
- It is intended that ValiBio will develop and commercially exploit the licensed IPR in the Field.
- It is intended that ValiBio will have commercial rights to the IPR in the Territory and within the Field.

### DEFINITIONS

In this Agreement, the following words shall have the following meanings:

Affiliate	In relation to a Party, means any entity or person that Controls, is controlled by, or is under common Control with that Party. Except and insofar as ValiBio is an Affiliate of ValiRx and were so to be would conflict the Parties or lead to a circular indemnity right or duty
Claims	All demands, claims and liability (whether criminal or civil, in contract, tort or otherwise) for losses, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including without limitation legal costs) incurred in connection therewith.
Commencement Date	The date of this Agreement.
Control	Direct or indirect beneficial ownership of 50% (or, outside a Party's home territory, such lesser percentage as is the maximum, permitted level of foreign investment) or more of the share capital, stock or other participating interest carrying the right to vote or to distribution of profits of that Party, as the case may be.
Diligent and Reasonable Efforts	Exerting such efforts and employing such resources as would be exerted or employed by a reasonable third party company for a product of similar market potential at a similar stage of its product life, when utilising sound and reasonable scientific, business and medical practice and judgment in order to develop the product in a timely manner and maximize the economic return to the Parties from its commercialisation.
Field	The diagnosis, prevention, treatment of disease and pharmacogenomic applications and the provision of technology, products or services including the detection or identification of actual or potential gene expression or the characterization or identification of cell types or differentiation states. It is intended to include therapeutic monitoring and the use of the IPR in therapeutic regime design and monitoring including the use of the IPR in therapeutic discovery and development both clinically and non-clinically. Material used may be Human tissues, physiological fluids and other human and animal derived material directly or indirectly obtained.
Indemnitees	ValiRx and its Affiliates, and their respective officers, directors, Council members, employees and representatives.

Licensed Products	Any and all products that are manufactured, sold or otherwise supplied by the Licensee or its sub-licensee (including any Affiliate of the Licensee) and which are within any Valid Claim of the Patent No. PCT/GB2004/ 003564
Net Receipts	The sum of; <ul style="list-style-type: none"> <li>a) the Royalty Income and,</li> <li>b) the Sub-licence Non-Royalty Income.</li> </ul>
Net Sales Value	The aggregate amount invoiced for all Licensed Products sold by the Licensee or its Affiliates to independent third parties in arm's length transactions exclusively for money or, where the sale is not at arm's length, the price that would have been so invoiced if it had been at arm's length, after deduction of all documented: <ul style="list-style-type: none"> <li>a) normal trade discounts actually granted and any credits actually given for rejected or returned Licensed Products;</li> <li>b) costs of packaging, insurance, carriage and freight, provided in each case that the amounts are separately charged on the relevant invoice;</li> <li>c) value added tax or other sales tax; and,</li> <li>d) import duties or similar applicable government levies actually paid.</li> </ul> <p>Sales between any of the Licensee, its Affiliates and sub-licensees shall not be considered for the purposes of this definition unless there is no subsequent sale to a person who is not the Licensee, its Affiliate or sub-licensee in an arm's length transaction exclusively for money within three months from the original sale or such other time period as may be agreed by the Parties from time to time on a case by case basis.</p>
Parties	ValiRx and ValiBio, and "Party" shall mean either of them.
Patents	Any and all of the patents and patent applications referred to in Schedule 1 including any continuations, continuations in part, extensions, reissues, divisions, and any patents, supplementary protection certificates and similar rights that are based on or derive priority from the foregoing and relating to the patent No. PCT/GB2004/ 003564
Primary License	The license granted to ValiRx by License Chroma Therapeutics Limited a Company registered in England and Wales under Company number 04066289 whose principal place of business is 93 Milton Park, Abingdon, Oxon OX14 4RY
Royalty Income	Any royalty payment (excluding value added tax) obtained by, or due to, the Licensee or its Affiliates, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents.
Service	The supply of a consultancy or technical service (including contract research and development) to a third party that includes within the provision of such service or requires in its performance the Licensee's use of technology falling within a Valid Claim of the Patents.
Service Fee	Any fee, after deduction of any value-added tax or other sales tax, invoiced to any third party by the Licensee or its Affiliates for the provision of a Service.
Sub-licence Non-Royalty Income	The amount of any payment (excluding value added tax and Royalty Income), and the value of any non-monetary receipt, obtained by, or due to, Licensee or its Affiliates, in relation to the sub-licensing (including the grant of any option over a sub-license) of any of the Patents, and including any of the following: <ul style="list-style-type: none"> <li>a) up-front, milestone (whether at the stage of development, marketing or otherwise), success, bonus, maintenance and periodic (including annual) payments due under any sub-licence agreement;</li> </ul>

- b) where any sub-license is to be granted under cross-licensing arrangements, the value of any third party license obtained under such arrangements;
- c) any funding received from a sub-licensee for shares, options or other securities in respect of any of the share capital of the Licensee or its Affiliates;
- d) any guarantee or other financial benefit received from a sub-licensee; and
- e) any loan received from a sub-licensee which is not ultimately repaid, or any loan which is on terms other than arm's length terms, or any loan that is convertible to equity or other non-cash form where such conversion occurs.

Territory Worldwide.

Valid Claim A claim of a patent or patent application that has not expired or been held invalid or unenforceable by a court of competent jurisdiction in a final and non-appealable judgment.

## 1 Grant of Rights

- 1.1 *Licences.* ValiRx hereby grants to ValiBio, subject to the provisions of this Agreement, a non-transferable, exclusive license in the Field under the Patents, with the right to sub-license, subject to clause 1.3 below, to develop, manufacture, have manufactured, use and sell Licensed Products or to supply a Service but in each case only in the Field in the Territory.
- 1.2 *Formal licences.* At the request and cost of the Licensee, the Parties shall execute such formal licenses as may be necessary or appropriate for registration of this Agreement with Patent Offices and other relevant authorities in particular territories. In the event of any conflict in meaning between any such license and the provisions of this Agreement, the provisions of this Agreement shall prevail. Prior to the execution of the formal license(s) (if any) referred to in this Clause 1.2, the Parties shall so far as possible have the same rights and obligations towards one another as if such license(s) had been granted. The Parties shall use reasonable endeavors to ensure that, to the extent permitted by relevant authorities; this Agreement shall not form part of any public record.
- 1.3 *Sub-licensing.* ValiBio shall be entitled to grant sub-licenses of its rights under this Agreement to any person, provided that:
- a) the sub-license shall include obligations on the sub-licensee which are equivalent to the obligations on ValiBio under this Agreement;
  - b) within 30 days of the grant of any sub-license ValiBio shall provide to ValiRx a true copy of it; and ValiBio shall be responsible for any breach of the sub-license by the sub-licensee, as if the breach had been that of ValiBio under this Agreement, and ValiBio shall indemnify ValiRx against any loss, damages, costs, claims or expenses which are awarded against or suffered by ValiRx as a result of any such breach by the sub-licensee.
- 1.4 *Reservation of rights.* ValiRx reserves the non-exclusive right for it and its Affiliates to use in any way without limitation the Patents and Technology in the Field for all non-commercial purposes. ValiBio hereby grants to ValiRx an irrevocable, perpetual, worldwide, non-exclusive, royalty-free license for it and its Affiliates to use any of its and its sub-licensees' intellectual property rights that constitute improvements, modifications or enhancements created, developed or arising from the Technology and/or the Patents for all non-commercial purposes. For the avoidance of doubt, non-commercial purposes shall include the use of any assays that are developed as research tools that may aid ValiRx' or its Affiliate's drug discovery programmes.
- 1.5 *No other license.* Except for the licenses expressly granted by this Agreement, ValiRx reserves all its rights. Without prejudice to the generality of the foregoing ValiRx reserves all rights under the Patents outside the Field.
- 1.6 ValiBio shall have the full right to sub-license and transfer all its rights contained in this agreement to any of its third party collaborators taking due account of the terms and conditions of the Primary Licenses granted to ValiRx.

- 1.7 And ValiBio shall have the full right to sell and market the Products and Licensed Products under ValiBio or its third party collaborator's own brand and trademarks taking due account of the terms and conditions of the Primary Licenses granted to ValiRx.
- 1.8 That ValiBio shall have full rights to register all new patent applications it may make in the Territory. If ValiRx does not have patents on this product, or insufficient patent protection in the opinion of ValiBio, then ValiBio shall have the full rights to apply for and register such patents and ValiRx shall provide and disclose all necessary intellectual information to ValiBio for this purpose. Provided that that the terms and conditions of the Primary Licenses granted to ValiRx are observed.

## **2 Know-how and Confidential Information**

- 2.1 *Confidentiality obligations.* Each Party ("Receiving Party") undertakes:
- 2.1.1 to maintain as secret and confidential all know-how and other technical or commercial information obtained directly or indirectly from the other Party ("Disclosing Party") in the course of or in anticipation of this Agreement and to respect the Disclosing Party's rights therein;
- 2.1.2 to use the same exclusively for the purposes of this Agreement; and
- 2.1.3 to disclose the same only to those of its employees, Affiliates and sub-licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement.
- 2.2 *Exceptions to obligations.* The provisions of Clause 2.1 shall not apply to know-how and other information which the Receiving Party can demonstrate by reasonable, written evidence:
- 2.2.1 was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or
- 2.2.2 is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or
- 2.2.3 is or becomes generally available to the public through no act or default of the Receiving Party or its employees, Affiliates or sub-licensees; or
- 2.2.4 the Receiving Party is required to disclose to the courts of any competent jurisdiction, or to any government regulatory agency or financial authority, provided that the Receiving Party shall:
- 2.2.4.1 inform the Disclosing Party as soon as is reasonably practicable; and,
- 2.2.4.2 at the Disclosing Party's request seek to persuade the court, agency or authority to have the information treated in a confidential manner, where this is possible under the court, agency or authority's procedures.
- 2.3 *Disclosure to employees.* The Receiving Party shall procure that all of its employees, Affiliates and sub-licensees pursuant to this Agreement (if any) who have access to any of the Disclosing Party's information to which Clause 2.1 applies, shall be made aware of and subject to these obligations and shall have entered into written undertakings of confidentiality at least as restrictive as in this Agreement.

## **3 Payments**

- 3.1 In exchange for the Licenses to the Patents ValiBio will pay to ValiRx an annual technology access fee of €25,000 on the Commencement Date and each anniversary following the signing of this Agreement.
- 3.2 **Royalties**
- 3.2.1 *Royalties on Net Sales Value.* The Licensee shall pay to ValiRx a royalty of 5% of the Net Sales Value.
- 3.2.2 *Royalties on Service Fees.* The Licensee shall pay to ValiRx a royalty of 10% of all Service Fees.

### 3.2.3 *Royalties on Net Receipts*

3.2.3.1 *Royalties on sub-license Royalty Income.* The Licensee shall pay to ValiRx a royalty equal to the following percentage of the Royalty Income over the term of this Agreement: 15% of all cumulative Royalty Income less than or equal to €1,500,000 and, 10% of all cumulative Royalty Income in excess of €1,500,000.

3.2.3.2 *Royalties on Sub-license Non-Royalty Income.* The Licensee shall pay to ValiRx a royalty of 10% of Sub-license Non-Royalty Income.

3.3 If the Parties disagree as to the calculation of any Service Fees, Net Receipts or Net Sales Value, including without limitation any disagreement as to the cash value of any non-monetary receipt, but excluding any dispute as to whether a product is a Licensed Product, such disagreement shall be referred to an independent expert who shall be appointed and who shall act in accordance with the provisions of Schedule 2

3.4 *Combination Products.* If any Licensed Products are incorporated in any other product (“Combination Product”) supplied by the Licensee or its Affiliates and the Licensed Product is not priced separately from the Combination Product, the Net Sales Value of such Licensed Product shall be deemed to be that proportion of the Net Sales Value of the Combination Product which is attributable to the Licensed Product, comparing the actual manufacturing cost of the Licensed Product with that of the Combination Product, as in the following formula: Net Sales Value of Licensed Product = (actual manufacturing cost of Licensed Product divided by total actual manufacturing cost of Combination Product) x Net Sales Value of Combination Product. If the Parties disagree as to the calculation of the actual manufacturing cost referred to in this Clause 3.4, such disagreement shall be referred to an independent expert who shall be appointed and who shall act in accordance with the provisions of Schedule 2.

3.5 *Payment frequency.* Royalties due under this Agreement shall be paid within 60 days of the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, in respect of sales of Licensed Products or Services made and sub-licenses current during such quarter and within 60 days of the termination of this Agreement.

3.6 *Payment terms.* All sums due under this Agreement:

3.6.1 are exclusive of value added tax which where applicable will be paid by the Licensee to ValiRx in addition;

3.6.2 shall be paid in pounds sterling or Euros at ValiRx’ sole discretion in cash by transferring an account in aggregate to the following account:

Sort code: 16-00-02  
Number: 20362531  
Bank name: Royal Bank of Scotland  
Currency: GBP  
Branch name: MANCHESTER ST ANN ST OFFICE  
BIC: RBOSGB2L  
IBAN: GB02RBOS16000220362531

and in the case of sales or sub-license income received by ValiBio or its Affiliates in a currency other than pounds sterling or Euros, the royalty shall be calculated in the other currency and then converted into equivalent pounds sterling at the buying rate of such other currency as quoted by The Royal Bank of Scotland in London as at the close of business on the last business day of the quarterly period with respect to which the payment is made;

3.6.3 shall be made without deduction of income tax or other taxes charges or duties that may be imposed, except insofar as ValiBio is required to deduct the same to comply with applicable laws. The Parties shall cooperate and take all steps reasonably and lawfully available to them, at the expense of ValiBio, to avoid deducting such taxes and to obtain double taxation relief. If the Licensee is required to make any such deduction it shall provide ValiRx with such certificates or other documents as it can reasonably obtain to enable ValiRx to obtain appropriate relief from double taxation of the payment in question; and

3.6.4 shall be made by the due date, failing which ValiRx may charge interest on any outstanding amount on a daily basis at a rate equivalent to 3% above the Barclays Bank Plc base lending rate then in force in London.

- 3.7 *Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country then ValiBio shall within the prescribed period for making the said payments in the appropriate manner use its best endeavors to secure from the proper authority in the relevant country permission to make the said payments and shall make them within 7 days of receiving such permission. If such permission is not received within 30 days of ValiBio making a request for such permission then, at the option of ValiRx, ValiBio shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by ValiRx within such country or such royalty payments shall be made to an associated company of ValiRx designated by ValiRx and having offices in the relevant country designated by ValiRx.
- 3.8 *Royalty statements.* ValiBio shall send to ValiRx at the same time as each royalty payment is made in accordance with Clause 3.8 a statement setting out, in respect of each territory or region in which Licensed Products or Services are sold, the types of Licensed Product or Services sold, the quantity of each type sold, and the total Net Sales Value, Service Fees and the total Net Receipts in respect of each type, expressed both in local currency and pounds sterling and showing the conversion rates used, during the period to which the royalty payment relates.

#### **4 Records**

- 4.1 The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing the quantity, description and value of Licensed Products and Services sold by it, and the amount of sublicensing revenues received by it in respect of Licensed Products, on a country by country basis, and being sufficient to ascertain the payments due under this Agreement.
- 4.2 The Licensee shall make such records and accounts available, on reasonable notice, for inspection during business hours by an independent chartered accountant nominated by ValiRx for the purpose of verifying the accuracy of any statement or report given by the Licensee to ValiRx under this Clause 4. The frequency of inspections shall be limited to a maximum of one inspection in any three month period. The accountant shall be required to keep confidential all information learnt during any such inspection, and to disclose to ValiRx only such details as may be necessary to report on the accuracy of the Licensee's statement or report. ValiRx shall be responsible for the accountant's charges unless the accountant certifies that there is an inaccuracy leading to an underpayment of more than 5% (five percent) in any statement, in which case the Licensee shall pay his charges in respect of that inspection.

#### **5 Commercialisation**

- 5.1 The Licensee shall use Diligent and Reasonable Efforts to develop and commercially exploit the Patents in the Territory.
- 5.2 Without prejudice to the generality of the Licensee's obligations under Clause 5.1, the Licensee shall hold quarterly commercialisation review and strategy meetings as per Clause 9 and an updated, written report, showing past and current activities taken by the Licensee to bring Licensed Products to market and maximise the sale of Licensed Products and Services worldwide.
- 5.3 *Quality.* ValiBio shall ensure that all of the Licensed Products marketed by it are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory and shall contractually require all sub-licensees to ensure that all Licensed Products marketed by them are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory and that relevant patent information and other IPR notification will be incorporated into labeling, packaging and other written information including non-exclusively instructional and advertising material as applicable.
- 5.4 *Responsibility for development of Licensed Products.* ValiBio shall directly itself, or through a third party collaborator, be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and for incorporating any modifications or developments thereto that may be necessary or desirable and for all Licensed Products sold or supplied, and shall prepare all the necessary regulatory approvals, registrations, sales and marketing permissions for the Field and in the Territory and ValiBio shall indemnify ValiRx.
- 5.5 *Transfer of IPR and Know-How.* ValiRx will following the Commencement Date provide ValiBio with relevant Know-How that is in ValiRx' possession to ValiBio.

## 6 Intellectual property

### 6.1 *Patent expenses*

6.1.1 ValiBio shall be responsible for the prosecution of the Patents and responsible for payment directly to patent agents and others of all prosecution and renewal fees in respect of the Patents after the Commencement Date; provided that if the Licensee wishes to abandon any such application or not to maintain any such Patent (or to cease funding such application or Patent), it shall give 1 month's prior written notice to ValiRx and on the expiry of such notice period the Licensee shall cease to be licensed under the patent application or patent identified in the notice.

6.1.2 ValiBio undertakes that payments pursuant to Clause 6.1.1 shall be made within 30 days of receipt of invoice by the Licensee.

6.1.3 ValiBio will inform ValiRx of all activities undertaken with respect to the Patents.

6.1.4 Due Diligence and a duty of care will be exercised by ValiBio in its activities with respect to the prosecution of the Licensed IP and Patents.

### 6.2 *Infringement of the Patents*

6.2.1 Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the Patents in the Field, and the Parties shall consult with each other to decide the best way to respond to such infringement.

6.2.2 If the Parties fail to agree on a joint programme of action, including how the costs of any such action are to be borne and how any damages or other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 6.2.

6.2.3 Before starting any legal action under Clause 6.2, the Licensee shall consult with (and take account of the view of) ValiRx as to the advisability of the action or settlement, its effect on the good name of ValiRx, the public interest, and how the action should be conducted.

6.2.4 If the alleged infringement is both within and outside the Field, the Parties shall also co-operate with ValiRx' other licensees (if any) in relation to any such action and shall take such action in respect of such infringement as ValiRx may request in writing.

6.2.5 The Licensee shall indemnify ValiRx for all Claims (including any damages, costs, expenses and liability of whatsoever nature) incurred in relation to such action within 30 days of being notified of the amount of such expenses by ValiRx. The Licensee shall in addition pay to ValiRx a royalty of 15% (fifteen percent), in accordance with Clause 3, on any damages received from such action as if such damages were Net Receipts of the type envisaged in Clause 3.3.2.

6.2.6 ValiRx may agree to be joined in any suit to enforce such rights subject to being indemnified and secured in a manner acceptable to ValiRx in its absolute discretion as to any costs, damages, expenses or other liability and shall have the right to be separately represented by its own counsel at the Licensee's expense.

### 6.3 *Infringement of third party rights*

6.3.1 If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party, alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any Patents, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.

6.3.2 The Licensee shall have the right but not the obligation to defend such suit to the extent it relates to activities in the Field and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, concerning the Patent (whether as to validity or otherwise), the consent of ValiRx must be obtained before taking such action or making such settlement.

## 7 Warranties and Liability

### 7.1 Warranties by ValiRx. ValiRx:

7.1.1 warrants that, as at the Commencement Date of this Agreement, it undertaken such activities as may be necessary to give title to the Patents to ValiRx; and

7.1.2 undertakes that apart from a research and Coloration Agreement with the University of Surry summarised in Schedule 3 it has not done, and shall not do nor agree to do during the continuation of this Agreement, any of the following things if to do so would be inconsistent with the exercise by the Licensee of the rights granted to it under this Agreement, namely:

7.1.2.1 grant or agree to grant any rights in the Patents in the Field in the Territory; or

7.1.2.2 subject to Clause 10.3.2, assign or otherwise transfer any of the Patents in the Field in the Territory or any of its rights or obligations under this Agreement.

### 7.2 No other warranties

7.2.1 Each of the Licensee and ValiRx acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.

7.2.2 Without limiting the scope of clause 7.2.1 above, ValiRx does not make any representation nor give any warranty or undertaking:

7.2.2.1 as to the efficacy or usefulness of the Patents; or

7.2.2.2 that any of the Patents is or will be valid or subsisting or (in the case of an application) will proceed to grant; or

7.2.2.3 that the use of any of the Patents, the manufacture, sale or use of the Licensed Products or the exercise of any of the rights granted under this Agreement will not infringe any other intellectual property or other rights of any other person; or

7.2.2.4 that any other information communicated by ValiRx to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended; or

7.2.2.5 as imposing any obligation on ValiRx to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or

7.2.2.6 as imposing any liability on ValiRx in the event that any third party supplies Licensed Products to customers located in the Territory.

7.3 *Indemnity.* ValiBio shall indemnify all Indemnitees against all third party Claims that may be asserted against or suffered by any of the Indemnitees and which relate to the use by ValiBio or any of its Affiliates or sub-licensees of the Patents or otherwise in connection with the development, manufacture, use or sale of or any other dealing in any of the Licensed Products or provision of any Services by Licensee or any of its sub-licensees, or subsequently by any customer or any other person, including claims based on product liability laws.

### 7.4 Liability.

7.4.1 To the extent that any Indemnitee has any liability in contract, tort, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 7.4.



7.4.2 The aggregate liability of the Indemnitees shall be limited to the total income that ValiRx has received from the Licensee (less any expenses that ValiRx has incurred in obtaining, maintaining or defending the Patents) during the period of 5 (Five) years preceding the date on which the liability arises; and,

7.4.3 In no circumstances shall any of the Indemnitees be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered by the Licensee or its Affiliates or sub-licensees:

7.4.3.1 that is of an indirect, special or consequential nature or

7.4.3.2 any loss of profits, revenue, business opportunity or goodwill.

7.4.4 Nothing in this Agreement excludes any person's liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person's negligence, or liability for fraud.

## **8 Term and Termination**

8.1 *Commencement and Termination by Expiry.* This Agreement, and the licenses granted hereunder, shall come into effect on the Commencement Date and, unless terminated earlier in accordance with this Clause 8 shall continue in force until the expiration, lapse or invalidation of the last remaining patents issued under the Patents or if such Patents are patent applications under such patents, until they are refused or rejected without a right of appeal.

8.2 *Early Termination*

8.2.1 The Licensee may terminate this Agreement at any time on 90 days' notice in writing to ValiRx.

8.2.2 Without prejudice to any other right or remedy, either Party may terminate this Agreement at any time by notice in writing to the other Party ("Other Party"), such notice to take effect as specified in the notice:

8.2.2.1 if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within 90 days, the breach is not remedied within 90 days of the Other Party receiving notice specifying the breach and requiring its remedy; or if:

8.2.2.2 any of the following occurs;

8.2.2.2.1 the Other Party becomes insolvent or unable to pay its debts as and when they become due;

8.2.2.2.2 an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction); or

8.2.2.2.3 the other Party is subject to a force majeure under clause 10.1 and fails to remedy such force majeure within 90 days.

8.2.3 ValiRx may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice if the Licensee or any of its Affiliates or sub-licensees commences legal proceedings, or assists any third party to commence legal proceedings, to challenge the validity or ownership of any of the Patents.

8.3 *Consequences of termination or expiry*

8.3.1 The Licensee agrees that termination or expiry of this Agreement for any reason shall not absolve the Licensee's obligations to pay Patents costs subject to Clause 6.1 of this Agreement where such costs are in respect of a period prior to the date of termination.

8.3.2 Upon termination or expiry of this Agreement for any reason:

8.3.2.1 otherwise than in accordance with Clause 8.1, the Licensee and its sub-licensees shall be entitled to sell, use or otherwise dispose of (subject to payment of royalties under Clause 3) any unsold or unused stocks of the Licensed Products for a period of 6 months following the date of termination;

8.3.2.2 the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the Patents, in so far and for as long as any of the Patents remain in force;

8.3.2.3 the Licensee shall consent to the cancellation of any formal license granted to it, or of any registration of it in any register, in relation to any of the Patents; and

8.3.3 subject as provided in these Clauses 8.3.1 and 8.3.2, and except in respect of any accrued rights, neither party shall be under any further obligation to the other.

8.3.4 Upon termination or expiry of this Agreement for any reason the provisions of clauses 1.4, 3.1 to 3.4, 4 (in respect of sales made or other income generated prior to termination or under clauses 8.3.2.1), 6, 7.3, 7.4, 8, 10.8, 10.9 and 10.13 shall remain in force.

8.3.5 Upon termination or expiry of this Agreement for any reason, all rights (of whatsoever nature) to the Patents shall return to ValiRx.

8.3.6 Upon termination or expiry of this Agreement for any reason, the Licensee will do all that is necessary to transfer the ownership of any of its and its sub-licensees' intellectual property rights that constitute improvements, modifications or enhancements created, developed or arising from the Technology and/or the Patents to ValiRx and pending such transfer the license granted to ValiRx by the Licensee in clause 1.4 shall continue in full force and effect. Any costs incurred in transferring ownership shall be borne solely by the Licensee.

## 9 Governance

9.1 The Licensee or its Affiliates will hold bi-annual scientific and commercial review and strategy meetings on the progress and future activities for the commercialisation of the Technology where ValiRx will have the right to attend and contribute.

9.2 Within 30 days after the signing of this Agreement, and within 30 days of the anniversary in each subsequent calendar year, the Licensee or its Affiliate shall provide in writing to ValiRx:

9.2.1 a forward looking plan outlining the intended workplan for the following 12 month period, such plan shall include details of any proposed changes to any of the claims made in any of the Patents;

9.2.2 an outline report on research and development progress made (including details of changes made to any of the claims in any of the Patents) and list agreements, including sub-licensing discussions and agreements, entered into with any third parties in relation to rights granted under this Agreement during the preceding twelve months.

## 10 General

10.1 *Force majeure.* Neither Party shall have any liability or be deemed to be in breach of this Agreement (save in respect of non-payment by the Licensee of any sums owing to ValiRx) for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party, including without limitation labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.

10.2 *Amendment.* This Agreement may only be amended in writing signed by duly authorised representatives of ValiRx and the Licensee.

10.3 *Assignment and third party rights.*

10.3.1 Subject to Clause 10.3.2, neither Party shall assign any rights or obligations under this Agreement without the prior written consent of the other Party.

10.3.2 Either Party may assign all its rights and obligations under this Agreement to any of its Affiliates and to any company to which it transfers all or substantially all of its assets or business, PROVIDED that the assignee undertakes to the other Party to be bound by and perform the obligations of the assignor under this Agreement. However a Party shall not have such a right to assign this Agreement if it is insolvent or any other circumstance described in Clause 8.2.2.2 applies to it.

10.4 *Waiver.* No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.

10.5 *Invalid clauses.* If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.

10.6 *No Agency.* Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.

10.7 *Interpretation.* In this Agreement:

10.7.1 the headings are used for convenience only and shall not affect its interpretation;

10.7.2 references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;

10.7.3 references to Clauses and Schedules mean clauses of, and schedules to, this Agreement;

10.7.4 references in this Agreement to termination shall include termination by expiry; and

10.7.5 where the word "including" is used it shall be understood as meaning "including without limitation".

10.8 *Notices*

10.8.1 Any notice to be given under this Agreement shall be in writing and shall be sent by first class mail or air mail, or by fax (confirmed by first class mail or air mail) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number set out below, or such other address or fax number as that Party may from time to time notify to the other Party in accordance with this Clause 10.8. The fax numbers of the Parties are as follows:

ValiRx FAX number: +44 203 008 4415

ValiBio FAX number: +32 71 47 15 20

10.8.2 Notices sent as above shall be deemed to have been received three working days after the day of posting (in the case of inland first class mail), or seven working days after the date of posting (in the case of air mail), or on the next working day after transmission (in the case of fax messages, but only if a transmission report is generated by the sender's fax machine recording a message from the recipient's fax machine, confirming that the fax was sent to the number indicated above and confirming that all pages were successfully transmitted).

10.9 *Law and jurisdiction.* This Agreement shall be governed by the Laws of England and Wales.

10.10 *Further action.* Each Party agrees to execute, acknowledge and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

10.11 *Announcements.* Save as required by law or in respect of any regulatory requirements, neither Party shall make any press or other public announcement concerning any aspect of this Agreement, without prior consent of the other Party.

10.12 *Entire agreement.* This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. The Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.

10.13 *Third parties.* Except for the rights of the Indemnitees as provided in clauses 7.3 and 7.4, who may in their own right enforce the provisions of that Clause, this Agreement does not create any right enforceable by any person who is not a party to it ('Third Party') under the Contracts (Rights of Third Parties) Act 1999, but this clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act. The Parties may amend, renew, terminate or otherwise vary all or any of the provisions of this Agreement, including Clauses 7.3 and 7.4, without the consent of the Indemnitees.

AGREED by the parties through their authorised signatories

For and on behalf of  
**VALIRX PLC**

Signed

/s/ George S. Morriss  
Name George S. Morriss, PhD  
Title COO  
Date March 8, 2010

For and on behalf of  
**ValiBio SA**

Signed

*/s/ Patrick J. Rousseau*

Name Patrick J. Rousseau.

Title Executive Chairman

Date March 8, 2010

**Schedule 1**

**The Patents**

<b>Reference</b>	<b>Country</b>	<b>Title</b>	<b>Priority Date</b>	<b>Application No.</b>	<b>Publication No.</b>	<b>Case Status</b>
W02005/ 019826 A1	Worldwide	Detection of Histone Modifications in Cell-Free Nucleosomes	18 August 2003	PCT/GB2004/ 003564	W02005/ 019826 A1	National phase

## **Schedule 2**

### **Appointment of expert**

1. Pursuant to Clauses 4.5 and 4.6, ValiRx may serve a notice on the Licensee (“Referral Notice”), in accordance with Clause 10.8, notifying the Licensee that it wishes to refer the dispute to an expert (the “Expert”) for his determination.
2. The Parties shall agree the identity of a single independent, impartial expert to determine such questions. In the absence of such agreement within 30 days of the Referral Notice, either of the Parties may request an expert be appointed by the President of The Law Society of England and Wales.
3. 60 days after the giving of a Referral Notice, both Parties shall exchange simultaneously statements of case in no more than 10,000 words, in total, and each side shall simultaneously send a copy of its statement of case to the Expert.
4. Each Party may, within 30 days of the date of exchange of statement of case pursuant to paragraph 3 above, serve a reply to the other side’s statement of case of not more than 10,000 words. A copy of any such reply shall be simultaneously sent to the Expert.
5. The Expert shall make his decision on the basis of written statements and supporting documentation only and there shall be no oral hearing. The Expert shall issue his decision in writing within 30 days of the date of service of the last reply pursuant to paragraph 4 above, or, in the absence of receipt of any replies, within 60 days of the date of exchange pursuant to paragraph 3 above.
6. The Expert’s decision shall (in the absence of manifest error) be final and binding on the Parties.
7. All costs in relation to the appointment of the Expert shall be borne by the Parties in such proportions as the Expert shall determine.

### Schedule 3

#### **Collaboration with the University of Surrey for the use of Hypergenomics in the study of prostate cancer.**

Further to Clause 7.1.2 of the forgoing Agreement, a Collaboration Agreement exists between ValiRx and the **UNIVERSITY OF SURREY** established by Royal Charter in 1966 and having its campus in Guildford, Surrey, GU2 7XH,

In summary this agreement gives the University of Surrey the right to use Intellectual Property incorporated in the Patent in a collaborative research project entitled "Prostate Cancer Study with HyperGenomics".

Specifically the collaboration is aimed at;

Preparing a hypersensitive site library of candidate diagnostic sites and then to select initial target genes of interest in PIN / prostate cancer. Following on the hypersensitive site sequences discovered are intended to be used to identify further putative sites of interest in other genes of interest using bioinformatics.

Subsequently it is intended to screen a selection of patient samples for the library of candidate sites, leading to elimination of the vast majority of candidates. The remaining candidates will form the basis of a diagnostic panel for further validation.

The University of Surrey agrees that any Resulting IPR belongs to ValiRx and ValiRx agrees to share any and all revenue generated from any Resulting IPR with the University of Surrey in accordance with the provisions of a Revenue Sharing Agreement between the University of Surrey and ValiRx. ValiRx shall licence the Resulting IPR to ValiBio under terms similar to the Agreement



**Exhibit 10.23**

**Terms & Conditions of Employment  
for  
Executive Officer**

**Name of Employer:** Singapore Volition Pte. Limited (“**the Company**”)  
**Registered Address of Employer:** 165 Gangsa Road  
Unit 01-70  
Singapore, 670165

**Name of Executive:** George Morris (“**the Executive**” or “**You**”)  
**Address of Executive:** 6 Carleton Gardens  
Brecknock Road  
London, N19 5AQ

**The Agreement:**

It is agreed that the Company will employ the Executive, and the Executive will work for the Company, on the following terms and conditions:

**1 Introduction**

- 1.1 This agreement (the “**Agreement**”) sets out the terms and conditions of employment between the Company and the Executive as of the Commencement Date
- 1.2 This Agreement contains the entire understanding between the Company and the Executive relating to employment and supersedes all previous offer letters, Terms and Conditions of Employment or other relevant documents (which shall be deemed to have been terminated by mutual consent).

**2 Definitions and Interpretation**

- 2.1 References to clauses and Parties are respectively to clauses of and the Parties to this Agreement.
- 2.2 Unless otherwise stated the following definitions shall apply in this Agreement and to the Schedules (if any) attached hereto:

<b>Appointment</b>	the employment of the Executive by the Company on the terms of this agreement.
<b>“Board”</b>	The main Board of Directors for the time being of the Company and includes any committee of the Board duly appointed by it.
<b>“Commencement Date”</b>	01 October 2010
<b>“Confidential Information”</b>	information (whether or not recorded in documentary form, or stored on any magnetic or optical disk or memory) which is not in the public domain relating to the business, products, affairs and finances of the Company or any Group Company for the time being confidential to the Company or any Group Company and trade secrets including, without limitation, technical data and know-how relating to the business of the Company or any Group Company or any of its or their business contacts.
<b>“Company”</b>	The company named as your employer (above), and unless expressly provided to the contrary, all Group Companies.
<b>“Intellectual Property Rights”</b>	patents, rights to inventions, copyright and related rights, trade marks, trade names and domain names, rights in get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

- “Group”** Together the Company, any Holding Company from time to time of the Company and every company which is for the time being a Subsidiary of the Company or such Holding Company.
- “Group Company”** A company for the time being comprised within the Group, and **“Group Companies”** shall be construed accordingly.
- “Normal Working Hours”** Such time as is required to satisfactorily perform your duties on Working Days subject to the satisfaction of the board and as governed by Clause 6

### **3 Commencement of Employment & Job Title**

- 3.1 From the Commencement Date the Executive will be employed by the Company to act as Managing Director (or such other appointment as the Board may from time to time direct).
- 3.2 You hereby warrant and undertake to the Company (in knowledge that the Company is relying on the same in agreeing to enter into this Agreement) that:
- a) by virtue of entering into this Agreement you are not in breach of any other contract of employment and will not be liable to any action relating to any such contract; and
  - b) you are (or will on and from the Commencement Date be) free to start work for the Company on the terms set out in this Agreement; and
  - c) you are not (or will not on and from the Commencement Date be) subject to any restriction which will hinder or restrict you from performing your duties with the Company.

### **4 Period of Employment**

- 4.1 The Appointment shall be deemed to have commenced on the Commencement Date and, unless terminated earlier under Clause 12, will continue for an initial period of 12 months and, unless otherwise terminated in accordance with the terms of this Agreement, shall automatically be extended for a period of 12 months on the anniversary of each date on which it would otherwise have expired unless earlier termination provisions contained within this Agreement apply.
- 4.2 Notwithstanding the fact that the Appointment is for an initial term of one year, the Company or Executive may terminate this agreement by giving to the Company or Executive not less than 3 months' notice in writing. Thereafter, the Executive may terminate this agreement by giving to the Company not less than 3 months' notice in writing and/or the Company may terminate this Agreement by giving the Executive not less than 3 months notice
- 4.3 The Company reserves the right in its absolute discretion to elect to terminate the Appointment with immediate effect by paying to the Executive a sum equivalent to 3 months salary (as per the notice period under Clause 4.2).
- 4.4 If during the Appointment the Executive shall be removed from his office as a director of the Company pursuant to any power given to the Board or to the members of the Company by law or by the Articles of Association of the Company, or if he shall retire from his office as a director of the Company by rotation and shall not be re-elected, such event shall be deemed not to be a breach of this Agreement, and the job title of the Executive shall be altered appropriately.

### **5 Duties**

- 5.1 During the term of the Appointment, the Executive shall have (in addition to his implied duty of fidelity and his duties as a director at law) the following duties and obligations:
- a) at all times to use all reasonable endeavours to promote the interests and welfare and maintain the goodwill of the Company and any other Group Company and not to do and to exercise all reasonable endeavours to prevent there being done anything which may be prejudicial or detrimental to the Company or any Group Company;
  - b) to faithfully and diligently to perform his duties and to exercise and carry out such powers and functions as may from time to time be vested in him by or under the authority of the Board;
  - c) to accept such appointment as a member of the board of directors of any Group Company or any other company as a representative or nominee of the Company as the Board may require, on such terms as may be determined by the Board and notified to the Executive from time to time; and
  - d) to comply with the provisions required of him at law.

## **6 Place and Hours of Work**

- 6.1 The Executive's place of work shall be as directed by the Board.
- 6.2 The hours of work of the Executive are not fixed but are such normal working hours of the Company and such additional hours as may be necessary to enable him properly to discharge his duties.

## **7 Remuneration**

- 7.1 The Executive shall be paid an initial salary of US\$120,000 per annum (inclusive of any duties performed by the Executive for any Group Company or as an officer or director of any Group Company).
- 7.2 The Executive's salary shall accrue from day to day and be payable monthly in arrears directly into the Executive's bank or building society less applicable Singapore taxes.
- 7.3 The Executive's salary shall be reviewed by the Board annually, the first such review to take place on or about the anniversary of the Commencement Date. The Company is under no obligation to award an increase following a salary review. There will be no review of the salary after notice has been given by either party to terminate the Appointment.

## **8 Expenses**

- 8.1 The Company shall reimburse (or procure the reimbursement of) all reasonable travelling, hotel and other expenses wholly, properly and necessarily incurred by the Executive in the course of the Appointment, subject to production of receipts or other appropriate evidence of payment.
- 8.2 The Executive shall abide by the Company's Travel and Expenses Policy or any other Expenses Policies implemented by the Company (as implemented or amended from time to time) a copy of which will be provided.

## **9 Bonus**

- 9.1 The Executive will be entitled to an option package to be decided by the Board in its absolute discretion following the admission of the Company's shares to a recognised exchange upon the listing, merger or reverse takeover of the Company.

## **10 Holidays**

- 10.1 The Executive shall be entitled to 25 days' paid holiday in each year together with the usual public holidays in the country in which the Executives duties are performed.
- 10.2 The Executive shall have no entitlement to any payment in lieu of accrued but untaken holidays.

## **11 Confidential Information**

- 11.1 The Executive acknowledges that in the course of the Appointment he will have access to Confidential Information. The Executive has therefore agreed to accept the restrictions in this clause 11
- 11.2 The Executive shall not (except in the proper course of his duties), either during the Appointment or at any time after its termination (howsoever arising), use or disclose to any person, company or other organisation whatsoever (and shall use his best endeavours to prevent the publication or disclosure of) any Confidential Information. This restriction does not apply to:
  - a) any use or disclosure authorised by the Board or required by law or by the Appointment; or
  - b) any information which is already in, or comes into, the public domain other than through the Executive's unauthorised disclosure.

## **12 Termination**

- 12.1 The Company may terminate the Appointment with immediate effect without notice and with no liability to make any further payment to the Executive (other than in respect of amounts accrued due at the date of termination) if the Executive:

- a) is guilty of any gross misconduct affecting the business of the Company or any Group Company; or
- b) commits any serious or repeated breach or non-observance of any of the provisions of this agreement or refuses or neglects to comply with any reasonable and lawful directions of the Company or Board; or
- c) is, in the reasonable opinion of the Board, negligent and incompetent in the performance of his duties; or
- d) become prevented by an applicable law or regulation from continuing as a director of the Company or performing any of his duties; or
- e) resigned or otherwise ceased to be a director of the Company by reason of his own action or default without the prior written consent of the Board; or
- f) declared personal bankruptcy or claimed protection from creditors due to personal insolvency; or
- g) been convicted of a criminal offence (excluding an offence under road traffic legislation in respect of which he is not sentenced to a term of imprisonment, whether immediate or suspended) or
- h) is guilty of any fraud or dishonesty or acts in any manner which in the opinion of the Company or Board brings or is likely to bring the Executive or the Company or any Group Company into disrepute or is materially adverse to the interests of the Company any Group Company.

12.2 The rights of the Company under clause 12.1 are without prejudice to any other rights that it might have at law to terminate the Appointment or to accept any breach of this agreement by the Executive as having brought the agreement to an end. Any delay by the Company in exercising its rights to terminate shall not constitute a waiver thereof.

### **13 Obligations upon termination**

13.1 Upon the termination of this Appointment (for whatever reason and howsoever arising) the Executive:

- a) shall not remove, conceal or destroy, but shall immediately deliver up to the Company:
  - (i) all Documents;
  - (ii) any other property belonging to the Company or any Group Company; and
  - (iii) any Intellectual Property belonging to the Company, any Group Company or any of its or their clients or customers which may be in his possession or under his control and
- b) shall, if requested, certify in writing to the Company and provide evidence that he has complied with this clause 13.1a);
- c) shall immediately resign without claim for compensation from any office or offices held by him in the Company, any Group Company, or any other company as representative or nominee of the Company or otherwise by virtue of the Appointment, and if he fails to do so within seven days of the Termination Date, the Company is irrevocably authorised by this Agreement to appoint any person in his name and on his behalf to sign and deliver such resignation or resignations to the Company, any Group Company or any other company as may be appropriate; and
- d) shall immediately repay all outstanding debts or loans due to the Company or any Group Company.

### **14 Reconstruction and amalgamation**

14.1 If the Appointment is terminated at any time by reason of any reconstruction or amalgamation of the Company or any Group Company, whether by winding up or otherwise, and the Executive is offered employment with any concern or undertaking involved in or resulting from such reconstruction or amalgamation on terms which (considered in their entirety) are no less favourable to any material extent than the terms of this agreement, the Executive shall have no claim against the Company or any such undertaking arising out of or connected with such termination.

## 15 Notices

### 15.1 Notices by either party:

a) must be in writing addressed:

- (i) to the Company at its registered office for the time being; and
- (ii) to the Executive at his place of work or at the address set out in this Agreement or such other address as the Executive may from time to time have notified to the Company for the purpose of this clause; and

b) will be effectively served:

- (i) on the day of receipt, where any hand-delivered letter or a facsimile transmission is received on a business day before or during normal working hours;
- (ii) on the following business day, where any hand-delivered letter or facsimile transmission is received either on a business day after normal working hours or on any other day;
- (iii) on the second business day following the day of posting from within Singapore of any letter sent by first class prepaid mail; or
- (iv) on the fifth business day following the day of posting to an overseas address of any prepaid airmail letter.

## 16 Counterparts

16.1 This agreement may be executed in any number of counterparts, each of which, when executed [and delivered], shall be an original, and all the counterparts together shall constitute one and the same instrument.

## 17 General

17.1 Other than the statutory procedures, there are no Company disciplinary and/or grievance procedures applicable to this Appointment. The Company will comply with all statutory obligations in this regard. If the Executive has any grievance relating to the Appointment, he should apply in writing, to the Chairman of the Board.

## 18 Governing Law and Jurisdiction

18.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with Singaporean law.

18.2 The parties irrevocably agree that the courts of Singapore shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS whereof this Agreement has been duly signed on the date detailed below.

/s/ Cameron Reynolds  
**Cameron Reynolds**  
for and on behalf of  
Singapore Volition Pte. Limited

/s/ George Morris  
George Morris

Dated: September 29, 2010

## Exhibit 10.24

### Terms & Conditions of Employment for Executive Officer

**Name of Employer:** PB Commodities Pte Ltd (“**the Company**”)  
**Registered Address of Employer:** 150 Orchard Road  
Orchard Plaza, 08-02  
Singapore, 238841

**Name of Executive:** Cameron Reynolds (“**the Executive**”)  
**Address of Executive:** 49 A&B Hanover Gate Mansions  
Park Road  
London, NW1 4SN

#### The Agreement:

It is agreed that the Company will employ the Executive, and the Executive will work for the Company, on the following terms and conditions:

#### 1 Introduction

- 1.1 This agreement (the “**Agreement**”) sets out the terms and conditions of employment between the Company and the Executive as of 01 September 2010.
- 1.2 This Agreement contains the entire understanding between the Company and the Executive relating to employment and supersedes all previous offer letters, Terms and Conditions of Employment or other relevant documents (which shall be deemed to have been terminated by mutual consent).

#### 2 Definitions and Interpretation

- 2.1 References to clauses and Parties are respectively to clauses of and the Parties to this Agreement.
- 2.2 Unless otherwise stated the following definitions shall apply in this Agreement and to the Schedules, if any, attached hereto:

“**Appointment**” The employment of the Executive by the Company on the terms of this agreement.  
“**Board**” The main Board of Directors for the time being of the Company and includes any committee of the Board duly appointed by it.  
“**Commencement Date**” 01 September 2010  
“**Normal Working Hours**” Such time as is required to satisfactorily perform your duties on Working Days subject to the satisfaction of the board and as governed by Clause 6  
“**Property**” The residential premises, as leased by the Company from time to time, as made available to the Executive upon his relocation to Singapore.

#### 3 Job Title

- 3.1 From the Commencement Date the Executive will be deemed to be employed by the Company to act as the Executive Officer. The termination of this contract of employment will be governed by the provisions contained in Clause 11.

#### 4 Period of Employment

- 4.1 The Appointment shall be deemed to have commenced on the Commencement Date and, unless terminated earlier under Clause 11, will continue for an initial period of 12 months and, unless otherwise terminated in accordance with the terms of this Agreement, shall automatically be extended for a period of 12 months on the anniversary of each date on which it would otherwise have expired unless earlier termination provisions contained within this Agreement apply.

- 4.2 Notwithstanding the fact that the Appointment is for an initial term of one year, the Company or Executive may terminate this agreement by giving to the Company or Executive not less than 6 months' notice in writing. Thereafter, the Executive may terminate this agreement by giving to the Company not less than 3 months' notice in writing and/or the Company may terminate this Agreement by giving the Executive not less than 6 months notice
- 4.3 The Company reserves the right in its absolute discretion to elect to terminate the Appointment with immediate effect by paying to the Executive a sum equivalent to the fixed salary for the remainder of the duration of the Appointment (as may have been extended in accordance with clause 4.1).
- 4.4 If during the Appointment the Executive shall be removed from his office as a director of the Company pursuant to any power given to the Board or to the members of the Company by law or by the Articles of Association of the Company, or if he shall retire from his office as a director of the Company by rotation and shall not be re-elected, such event shall be deemed not to be a breach of this Agreement, and the job title of the Executive shall be altered appropriately.

## **5 Duties**

- 5.1 During the term of the Appointment, the Executive shall have (in addition to his implied duty of fidelity and his duties as a director at law) the following duties and obligations:
- a) at all times to use all reasonable endeavours to promote the interests and welfare and maintain the goodwill of the Company and not to do and to exercise all reasonable endeavours to prevent there being done anything which may be prejudicial or detrimental to the Company;
  - b) to faithfully and diligently to perform his duties and to exercise and carry out such powers and functions as may from time to time be vested in him by or under the authority of the Board;
  - c) to accept such appointment as the Board may require, on such terms as may be determined by the Board and notified to the Executive from time to time; and
  - d) to comply with the provisions required of him at law.

## **6 Place and Hours of Work**

- 6.1 The Executive's normal place of work shall initially be the Company's offices in Singapore or as otherwise directed by the Board.
- 6.2 The hours of work of the Executive are not fixed but are such normal working hours of the Company and such additional hours as may be necessary to enable him properly to discharge his duties.

## **7 Remuneration**

- 7.1 The Company shall pay US\$8,000 per month (the "Fees") to the bank or building society account nominated by the Executive.
- 7.2 The Company will not be responsible for the deduction of income tax and national insurance or similar contributions in respect of your Fees or expenses payable as a result of your appointment.

## **8 Expenses**

- 8.1 The Company shall reimburse (or procure the reimbursement of) all reasonable travel, accommodation and other expenses properly incurred by the Executive in the performance of his duties, subject to production of receipts or other appropriate evidence of payment.

## **9 Relocation Expenses**

- 9.1 Subject to production of receipts or other appropriate evidence of payment, the Company shall reimburse the Executive in respect of costs incurred by him in relocating to Singapore or such other location(s) as otherwise directed by the Board.

## **10 Licence to Occupy Property**

- 10.1 The Company permits the Executive to occupy the Property and to use the contents whilst the Executive is employed under the Agreement.

10.2 The Executive acknowledges that:

- a) the Executive shall occupy the Property as a licensee and that no relationship of landlord and tenant is created between the Company and the Executive by this agreement;
- b) the Company retains control, possession and management of the Property and the Executive has no right to exclude the Company from the Property; and
- c) the licence to occupy granted by this agreement is personal to the Executive and is not assignable.

10.3 The licence to occupy granted by this agreement shall end:

- a) if the Employment Contract ends; or
- b) if the Executive ceases to reside at the Property; or
- c) on the expiry of not less than four weeks' written notice given by the Company to the Executive at any time.

## 11 Termination

11.1 The Company may at any time terminate the Appointment with immediate effect without notice or payment in lieu of notice (or by such longer period of notice as the Company shall see fit) by giving the Executive written notice of any of the following events:

- a) if the Executive at the time the notice is given is prevented by reason of ill-health or accident or other incapacity from properly performing his duties and has been so prevented (whether by that or another reason) for at least a continuous period of 180 days or for an aggregate period of at least 180 days (whether or not, in either case, working days) in the preceding 12 months; or
- b) if the Executive shall have:
  - (i) committed any material breach or non-observance or, after having been given warning in writing, any repeated or continued breach or non-observance of any of his duties or any of his express or implied obligations arising from the Appointment otherwise as a director of the Company including refusing to comply with any instructions given to him by the Board;
  - (ii) been guilty of conduct or permitted or suffered events tending in the opinion of the Board to bring himself or the Company into disrepute whether or not such conduct or events took place during the Appointment, or are in any way connected to the Appointment;
  - (iii) become prevented by an applicable law or regulation from continuing as a director of the Company or performing any of his duties;
  - (iv) resigned or otherwise ceased to be a director of the Company by reason of his own action or default without the prior written consent of the Board;
  - (v) committed any act of fraud or dishonesty (whether or not connected with the Appointment) or committed any act which, in the reasonable opinion of the Board, adversely affects his ability to carry out his duties properly;
  - (vi) declared personal bankruptcy or claimed protection from creditors due to personal insolvency;
  - (vii) been convicted of a criminal offence (excluding an offence under road traffic legislation in respect of which he is not sentenced to a term of imprisonment, whether immediate or suspended);or
  - (viii) become of unsound mind as defined by relevant health act .



## 12 Obligations on the termination of the Appointment

12.1 Upon the termination of this Appointment (for whatever reason and howsoever arising) the Executive:

- a) shall not remove, conceal or destroy, but shall immediately deliver up to the Company:
  - (i) all Documents;
  - (ii) any other property belonging to the Company or any Group Company; and
  - (iii) any Intellectual Property belonging to the Company or any of its clients or customers which may be in his possession or under his control and
- b) shall, if requested, certify in writing to the Company and provide evidence that he has complied with this clause 12.1a);
- c) shall immediately resign without claim for compensation from any office or offices held by him in the Company or any other company as representative or nominee of the Company or otherwise by virtue of the Appointment, and if he fails to do so within seven days of the Termination Date, the Company is irrevocably authorised by this Agreement to appoint any person in his name and on his behalf to sign and deliver such resignation or resignations to the Company or any other company as may be appropriate; and
- d) shall immediately repay all outstanding debts or loans due to the Company or any Group Company.

## 13 Notice

13.1 Notices by either party:

- a) must be in writing addressed:
  - (i) to the Company at its registered office for the time being; and
  - (ii) to the Executive at his place of work or at the address set out in this Agreement or such other address as the Executive may from time to time have notified to the Company for the purpose of this clause; and
- b) will be effectively served:
  - (i) on the day of receipt, where any hand-delivered letter or a facsimile transmission is received on a business day before or during normal working hours;
  - (ii) on the following business day, where any hand-delivered letter or facsimile transmission is received either on a business day after normal working hours or on any other day;
  - (iii) on the second business day following the day of posting from within Singapore of any letter sent by prepaid mail; or
  - (iv) on the fifth business day following the day of posting to an overseas address of any prepaid airmail letter.

## 14 General

14.1 Other than the statutory procedures, there are no Company disciplinary and/or grievance procedures applicable to this Appointment. The Company will comply with all statutory obligations in this regard. If the Executive has any grievance relating to the Appointment, he should apply in writing, to the Chairman of the Board.

14.2 This Agreement shall be construed in accordance with and governed by Singaporean law and the Parties agree to submit to the non-exclusive jurisdiction of the courts of Singapore.

IN WITNESS whereof this Agreement has been duly signed on the date detailed below.

/s/ Rodney Rootsart  
**Rodney Rootsart**  
for and on behalf of  
PB Commodities Pte Ltd

/s/ Cameron Reynolds  
Cameron Reynolds

Dated: September 04, 2010

## Exhibit 10.25

### Terms & Conditions of Employment for Executive Officer

**Name of Employer:** PB Commodities Pte Ltd (“**the Company**”)  
**Registered Address of Employer:** 150 Orchard Road  
Orchard Plaza, 08-02  
Singapore, 238841

**Name of Executive:** Rodney Rootsart (“**the Executive**”)  
**Address of Executive:** Flat 2, 1 Hainthorpe Road  
West Norwood, SE27 0PL  
United Kingdom

#### **The Agreement:**

It is agreed that the Company will employ the Executive, and the Executive will work for the Company, on the following terms and conditions:

#### **1 Introduction**

- 1.1 This agreement (the “**Agreement**”) sets out the terms and conditions of employment between the Company and the Executive as of 01 September 2010.
- 1.2 This Agreement contains the entire understanding between the Company and the Executive relating to employment and supersedes all previous offer letters, Terms and Conditions of Employment or other relevant documents (which shall be deemed to have been terminated by mutual consent).

#### **2 Definitions and Interpretation**

- 2.1 References to clauses and Parties are respectively to clauses of and the Parties to this Agreement.
- 2.2 Unless otherwise stated the following definitions shall apply in this Agreement and to the Schedules, if any, attached hereto:
- |                                 |   |
|---------------------------------|---|
| “ <b>Appointment</b> ”          | The employment of the Executive by the Company on the terms of this agreement.  |
| “ <b>Board</b> ”                | The main Board of Directors for the time being of the Company and includes any committee of the Board duly appointed by it.                         |
| “ <b>Commencement Date</b> ”    | 01 September 2010   |
| “ <b>Normal Working Hours</b> ” | Such time as is required to satisfactorily perform your duties on Working Days subject to the satisfaction of the board and as governed by Clause 6 |

#### **3 Job Title**

- 3.1 From the Commencement Date the Executive will be deemed to be employed by the Company to act as the Executive Officer. The termination of this contract of employment will be governed by the provisions contained in Clause 10.

#### **4 Period of Employment**

- 4.1 The Appointment shall be deemed to have commenced on the Commencement Date and, unless terminated earlier under Clause 10, will continue for an initial period of 12 months and, unless otherwise terminated in accordance with the terms of this Agreement, shall automatically be extended for a period of 12 months on the anniversary of each date on which it would otherwise have expired unless earlier termination provisions contained within this Agreement apply.
- 4.2 Notwithstanding the fact that the Appointment is for an initial term of one year, the Company or Executive may terminate this agreement by giving to the Company or Executive not less than 6 months’ notice in writing. Thereafter, the Executive may terminate this agreement by giving to the Company not less than 3 months’ notice in writing and/or the Company may terminate this Agreement by giving the Executive not less than 6 months notice

- 4.3 The Company reserves the right in its absolute discretion to elect to terminate the Appointment with immediate effect by paying to the Executive a sum equivalent to the fixed salary for the remainder of the duration of the Appointment (as may have been extended in accordance with clause 4.1).
- 4.4 If during the Appointment the Executive shall be removed from his office as a director of the Company pursuant to any power given to the Board or to the members of the Company by law or by the Articles of Association of the Company, or if he shall retire from his office as a director of the Company by rotation and shall not be re-elected, such event shall be deemed not to be a breach of this Agreement, and the job title of the Executive shall be altered appropriately.

## **5 Duties**

- 5.1 During the term of the Appointment, the Executive shall have (in addition to his implied duty of fidelity and his duties as a director at law) the following duties and obligations:
- a) at all times to use all reasonable endeavours to promote the interests and welfare and maintain the goodwill of the Company and not to do and to exercise all reasonable endeavours to prevent there being done anything which may be prejudicial or detrimental to the Company;
  - b) to faithfully and diligently to perform his duties and to exercise and carry out such powers and functions as may from time to time be vested in him by or under the authority of the Board;
  - c) to accept such appointment as the Board may require, on such terms as may be determined by the Board and notified to the Executive from time to time; and
  - d) to comply with the provisions required of him at law.

## **6 Place and Hours of Work**

- 6.1 The Executive's normal place of work shall be the Company's offices in Singapore or as otherwise directed by the Board.
- 6.2 The hours of work of the Executive are not fixed but are such normal working hours of the Company and such additional hours as may be necessary to enable him properly to discharge his duties.

## **7 Remuneration**

- 7.1 The Company shall pay US\$6,000 per month (the "Fees") to the bank or building society account nominated by the Executive.
- 7.2 The Company will not be responsible for the deduction of income tax and national insurance or similar contributions in respect of your Fees or expenses payable as a result of your appointment.

## **8 Expenses**

- 8.1 The Company shall reimburse (or procure the reimbursement of) all reasonable travel, accommodation and other expenses properly incurred by the Executive in the performance of his duties, subject to production of receipts or other appropriate evidence of payment.

## **9 Relocation Expenses**

- 9.1 Subject to production of receipts or other appropriate evidence of payment, the Company shall reimburse the Executive in respect of costs incurred by him in relocating to Singapore or such other location(s) as otherwise directed by the Board.

## **10 Termination**

- 10.1 The Company may at any time terminate the Appointment with immediate effect without notice or payment in lieu of notice (or by such longer period of notice as the Company shall see fit) by giving the Executive written notice of any of the following events:
- a) if the Executive at the time the notice is given is prevented by reason of ill-health or accident or other incapacity from properly performing his duties and has been so prevented (whether by that or another reason) for at least a continuous period of 180 days or for an aggregate period of at least 180 days (whether or not, in either case, working days) in the preceding 12 months; or

b) if the Executive shall have:

- (i) committed any material breach or non-observance or, after having been given warning in writing, any repeated or continued breach or non-observance of any of his duties or any of his express or implied obligations arising from the Appointment otherwise as a director of the Company including refusing to comply with any instructions given to him by the Board;
- (ii) been guilty of conduct or permitted or suffered events tending in the opinion of the Board to bring himself or the Company into disrepute whether or not such conduct or events took place during the Appointment, or are in any way connected to the Appointment;
- (iii) become prevented by an applicable law or regulation from continuing as a director of the Company or performing any of his duties;
- (iv) resigned or otherwise ceased to be a director of the Company by reason of his own action or default without the prior written consent of the Board;
- (v) committed any act of fraud or dishonesty (whether or not connected with the Appointment) or committed any act which, in the reasonable opinion of the Board, adversely affects his ability to carry out his duties properly;
- (vi) declared personal bankruptcy or claimed protection from creditors due to personal insolvency;
- (vii) been convicted of a criminal offence (excluding an offence under road traffic legislation in respect of which he is not sentenced to a term of imprisonment, whether immediate or suspended);or
- (viii) become of unsound mind as defined by relevant health act .

## **11 Obligations on the termination of the Appointment**

11.1 Upon the termination of this Appointment (for whatever reason and howsoever arising) the Executive:

- a) shall not remove, conceal or destroy, but shall immediately deliver up to the Company:
  - (i) all Documents;
  - (ii) any other property belonging to the Company or any Group Company; and
  - (iii) any Intellectual Property belonging to the Company or any of its clients or customers which may be in his possession or under his control and
- b) shall, if requested, certify in writing to the Company and provide evidence that he has complied with this clause 11.1a);
- c) shall immediately resign without claim for compensation from any office or offices held by him in the Company or any other company as representative or nominee of the Company or otherwise by virtue of the Appointment, and if he fails to do so within seven days of the Termination Date, the Company is irrevocably authorised by this Agreement to appoint any person in his name and on his behalf to sign and deliver such resignation or resignations to the Company or any other company as may be appropriate; and
- d) shall immediately repay all outstanding debts or loans due to the Company or any Group Company.

## **12 Notices**

12.1 Notices by either party:

- a) must be in writing addressed:
  - (i) to the Company at its registered office for the time being; and
  - (ii) to the Executive at his place of work or at the address set out in this Agreement or such other address as the Executive may from time to time have notified to the Company for the purpose of this clause; and

b) will be effectively served:

- (i) on the day of receipt, where any hand-delivered letter or a facsimile transmission is received on a business day before or during normal working hours;
- (ii) on the following business day, where any hand-delivered letter or facsimile transmission is received either on a business day after normal working hours or on any other day;
- (iii) on the second business day following the day of posting from within Singapore of any letter sent by prepaid mail; or
- (iv) on the fifth business day following the day of posting to an overseas address of any prepaid airmail letter.

### 13 General

- 13.1 Other than the statutory procedures, there are no Company disciplinary and/or grievance procedures applicable to this Appointment. The Company will comply with all statutory obligations in this regard. If the Executive has any grievance relating to the Appointment, he should apply in writing, to the Chairman of the Board.
- 13.2 This Agreement shall be construed in accordance with and governed by Singaporean law and the Parties agree to submit to the non-exclusive jurisdiction of the courts of SIngapore.

IN WITNESS whereof this Agreement has been duly signed on the date detailed below.

/s/ Cameron Reynolds  
**Cameron Reynolds**  
for and on behalf of  
PB Commodities Pte Ltd

/s/ Rodney Rootsart  
Rodney Rootsart

Dated: September 04, 2010

**Exhibit 10.26**

**DATED: October 04, 2010**

**(1) PB COMMODITIES PTE LTD**

**- and -**

**(2) KENDALL LIFE SCIENCES CONSULTANTS LTD**

---

**CONSULTANCY AGREEMENT**

---

## Contents

1.	Interpretation	1
2.	Term of engagement	2
3.	Duties	2
4.	Fees	2
5.	Expenses	2
6.	Bonus	2
7.	Other activities	5
8.	Confidential information and Company property	3
9.	Termination	3
10.	Obligations upon termination	3
11.	Status	3
12.	Notices	4
13.	Entire agreement	4
14.	Variation	4
15.	Counterparts	4
16.	Third party rights	4
17.	Governing law and jurisdiction	4

---



THIS AGREEMENT is made the 4<sup>th</sup> day of October 2010

**BETWEEN:**

PB COMMODITIES PTE LTD incorporated and registered in Singapore with company number 200301165K whose registered office is at 150 Orchard Road, Orchard Plaza, 08-02, Singapore, 238841 (“**PB**”); and

KENDALL LIFE SCIENCES CONSULTANTS LTD incorporated and registered in England and Wales with company number 5271074 whose registered office is at The London Office, 202 Harbour Yard, Chelsea harbour, London SW10 0XD, United Kingdom (“**KLSC**”).

**WHEREAS:**

- A. PB provides consultancy services to Singapore Volition Pte. Limited (“**Volition**”) which has acquired cancer diagnostic technology rights in the field of epigenetics which it desires to commercialize.
- B. KLSC is a consultancy company specializing in life sciences structuring and management, start up companies support and fund raising. KLSC founders have extensive experience in these fields throughout Europe and North America.
- C. PB desires to appoint KLSC to support its efforts in fund raising and the development and implementation of its business plan for Volition and KLSC is willing to provide PB with such support

**IT IS HEREBY AGREED** as follows:

**1. Interpretation**

1.1 The definitions and rules of interpretation in this clause apply in this agreement (unless the context requires otherwise).

“ <b>Board</b> ”	means the board of directors of PB (including any committee of the board duly appointed by it);
“ <b>Commencement Date</b> ”	means 01 October 2010;
“ <b>Company Property</b> ”	means all documents, books, manuals, materials, records, correspondence, papers and information (on whatever media and wherever located) relating to the business or affairs of PB, Volition or any Group Company or its or their customers and business contacts, and any equipment, keys, hardware or software provided for KLSC or the Individual's use by PB or Volition during the Engagement, and any data or documents (including copies) produced, maintained or stored by KLSC or the Individual on the computer systems or other electronic equipment of PB, Volition, KLSC or the Individual during the Engagement.
“ <b>Confidential Information</b> ”	means information in whatever form (including without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) relating to the business, customers, products, affairs and finances of PB, Volition or any Group Company for the time being confidential to PB, Volition or any Group Company and trade secrets including, without limitation, technical data and know-how relating to the business of PB, Volition or any Group Company or any of its or their suppliers, customers, agents, distributors, shareholders, management or business contracts, and including (but not limited to) information that the Individual creates, develops, receives or obtains in connection with his Engagement, whether or not such information (if in anything other than oral form) is marked confidential.
“ <b>Engagement</b> ”	means the engagement of KLSC by PB on the terms of this agreement;
“ <b>Group Company</b> ”	means Volition, its Subsidiaries or Holding Companies from time to time and any Subsidiary of any Holding Company from time to time;
“ <b>Individual</b> ”	means Patrick Rousseau or such other person agreed by the parties;
“ <b>Pre-Contractual Statement</b> ”	means any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person (whether party to this agreement or not) relating to the Engagement other than as expressly set out in this agreement or any documents referred to in it;
“ <b>Services</b> ”	means the facilitation and implementation of PB's goals and objectives to be defined in close collaboration with PB's management in accordance with professional standards;
“ <b>Termination Date</b> ”	means the date of termination of this agreement howsoever arising;
“ <b>Wallonia Agreement</b> ”	means the agreement with the Region of Wallonia, Belgium, pursuant to which funding in the form of a soft loan shall be received by the Volition or any Group Company.

- 1.2 The headings in this agreement are inserted for convenience only and shall not affect its construction.
- 1.3 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.

## **2. Term of engagement**

- 2.1 PB shall engage KLSC and KLSC shall make available to PB the Individual to provide the Services on the terms of this agreement.
- 2.2 The Engagement shall commence on the Commencement Date and shall continue unless and until terminated:
- 2.2.1 as provided by the terms of this agreement; or
- 2.2.2 by either party giving to the other not less than three months prior written notice.

## **3. Duties**

- 3.1 During the Engagement KLSC shall procure that the Individual shall:
- 3.1.1 provide the Services with all due care, skill and ability and use his reasonable endeavours to promote the interests of PB, Volition and any Group Company;
- 3.1.2 unless the Individual is prevented by ill health or accident, devote at least 8 days in each calendar month to the carrying out of the Services; and
- 3.1.3 promptly give to the Board all such information and reports as it may reasonably require in connection with matters relating to the provision of the Services or the business of PB, Volition or any Group Company.
- 3.2 If the Individual is unable to provide the Services due to illness or injury KLSC shall advise PB of that fact as soon as reasonably practicable. For the avoidance of doubt, no fee shall be payable in accordance with clause 4 in respect of any period during which the Services are not provided.
- 3.3 KLSC shall use its reasonable endeavours to ensure that the Individual is available on reasonable notice to provide such assistance or information as PB may require.
- 3.4 Unless it or he has been specifically authorised to do so by PB in writing:
- 3.4.1 neither KLSC nor the Individual shall have any authority to incur any expenditure in the name of or for the account of PB or any company to which PB provides services; and
- 3.4.2 KLSC shall not, and shall procure that the Individual shall not, hold itself out as having authority to bind PB or any company to which PB provides services.
- 3.4.3
- 3.5 KLSC shall procure that the Individual shall comply with all reasonable standards of safety and comply with PB's health and safety procedures from time to time in force at the premises where the Services are provided and report to PB any unsafe working conditions or practices.

## **4. Fees**

- 4.1 PB shall pay KLSC a gross fee of €2,000 (Two thousand Euros) per month (the "Service Fee") inclusive of VAT (if applicable). This amount will be payable monthly in arrears by payment directly into a nominated bank account.
- 4.2 The Service Fee shall increase to €4,000 (Four thousand Euros) per month upon KLSC securing additional funding for Volition, its Subsidiaries or Holding Companies to the satisfaction of the board of Volition in consultation with PB.
- 4.3 On the last working day of each month during the Engagement KLSC shall submit to PB an invoice which gives details of the days which the Individual has worked and the Services provided during that month.
- 4.4 KLSC and the Individual shall be fully responsible for the payment of all relevant taxes in relation to the Service Fee as detailed in clause 11.

4.5 Any tax, fee, charge or benefit paid by PB, Volition or a Group Company on behalf of, or for services provided by KLSC or the Individual to PB, Volition or a Group Company (even if unrelated to this Service Agreement) may be deducted from the Service Fee at the discretion of PB

4.6 Payment in full or in part of the fees claimed under clause 4 or any expenses claimed under clause 5 shall be without prejudice to any claims or rights of PB against KLSC or the Individual in respect of the provision of the Services.

## **5. Expenses**

5.1 PB shall reimburse all reasonable expenses properly and necessarily incurred by KLSC or the Individual in the course of the Engagement and agreed upon by PB, subject to production of receipts or other appropriate evidence of payment.

5.2 In claiming expenses KLSC or the Individual shall comply with PB's Travel and Expenses Policy or any other Expenses Policies implemented by PB (as amended from time to time) a copy of which will be provided.

## **6. Bonus**

6.1 KLSC will be entitled to an option package to be decided by the Board of Volition in consultation with PB in their absolute discretion, to be applied in accordance with the directions of KLSC following the admission of Volition's shares to a recognised exchange upon the listing, merger or reverse takeover of the Volition.

## **7. Other activities**

Nothing in this agreement shall prevent KLSC or the Individual from being engaged, concerned or having any financial interest in any capacity in any other business, trade, profession or occupation during the Engagement. However, KLSC or the Individual may not be involved in any capacity with a business which does or could compete with the business of the Company without the prior written consent of the Board

## **8. Confidential information and Company property**

8.1 KLSC acknowledges that in the course of the Engagement it and the Individual will have access to Confidential Information. KLSC has therefore agreed to accept the restrictions in this clause 8.

8.2 KLSC shall not, and shall procure that the Individual shall not (except in the proper course of its or his duties), either during the Engagement or at any time after the Termination Date, use or disclose to any third party (and shall use its reasonable endeavours to prevent the publication and disclosure of) any Confidential Information. This restriction does not apply to:

8.2.1 any use or disclosure authorised by PB or required by law; or

8.2.2 any information which is already in, or comes into, the public domain otherwise than through KLSC's or the Individual's unauthorised disclosure.

8.3 At any stage during the Engagement, KLSC will promptly upon request return to PB all and any Company Property in its or the Individual's possession.

## **9. Termination**

9.1 Notwithstanding the provisions of clause 2.2, PB may terminate the Engagement with immediate effect without notice and without any liability to make any further payment to KLSC (other than in respect of amounts accrued prior to the Termination Date) if at any time:

9.1.1 KLSC or the Individual commits any gross misconduct affecting the business of PB, Volition or any Group Company;

9.1.2 KLSC or the Individual commits any serious or repeated breach or non-observance of any of the provisions of this agreement or refuses or neglects to comply with any reasonable and lawful directions of PB;

9.1.3 the Individual is convicted of any criminal offence (other than an offence for which a fine or non-custodial penalty is imposed); or

9.1.4 KLSC or the Individual is, in the reasonable opinion of the Board, negligent or incompetent in the performance of the Services;

- 9.1.5 the Individual is declared bankrupt or makes any arrangement with or for the benefit of his creditors or has a court administration order made against him;
  - 9.1.6 KLSC makes a resolution for its winding up, makes an arrangement or composition with its creditors or makes an application to a court of competent jurisdiction for protection from its creditors or an administration or winding-up order is made or an administrator or receiver is appointed in relation to KLSC;
  - 9.1.7 KLSC or the Individual commits any fraud or dishonesty or acts in any manner which in the opinion of PB brings or is likely to bring the Individual, KLSC, PB or Volition or any Group Company into disrepute or is materially adverse to the interests of PB, Volition or any Group Company.
  - 9.1.8 the Individual's involvement in securing funding under the Wallonia Agreement ceases upon it becoming apparent in the opinion of the PB (in consultation with Volition) that the Wallonia Agreement will not close.
- 9.2 The rights of PB under clause 9.1 are without prejudice to any other rights that it might have at law to terminate the Engagement or to accept any breach of this agreement on the part of KLSC as having brought the agreement to an end. Any delay by PB in exercising its rights to terminate shall not constitute a waiver thereof.

## **10. Obligations upon termination**

On the Termination Date KLSC shall, and shall procure that the Individual shall:

- 10.1.1 immediately deliver to PB all Company Property which is in its or his possession or under its or his control; and
- 10.1.2 delete any information relating to the business of PB, Volition or any Group Company stored on any magnetic or optical disk or memory and all matter derived from such sources which is in its or his possession or under its or his control outside the premises of PB, Volition or any Group Company..

## **11. Status**

- 11.1 The relationship of KLSC (and the Individual) to PB will be that of independent contractor and nothing in this agreement shall render it (nor the Individual) an employee, worker, agent or partner of PB and KLSC shall not hold itself out as such and shall procure that the Individual shall not hold himself out as such.
- 11.2 This agreement constitutes a contract for the provision of services and not a contract of employment and accordingly KLSC shall be fully responsible for and shall indemnify PB for and in respect of:
  - 11.2.1 any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with either the performance of the Services or any payment or benefit received by the Individual in respect of the Services, where such recovery is not prohibited by law. KLSC shall further indemnify PB against all reasonable costs, expenses and any penalty, fine or interest incurred or payable by PB in connection with or in consequence of any such liability, deduction, contribution, assessment or claim other than where the latter arise out of PB's negligence or wilful default;
  - 11.2.2 any liability arising from any employment-related claim or any claim based on worker status (including reasonable costs and expenses) brought by the Individual against PB arising out of or in connection with the provision of the Services.
- 11.3 KLSC warrants that it is not nor will it prior to the cessation of this agreement, become a Managed Service Company, within the meaning of section 61B, Income Tax (Earnings and Pensions) Act 2003.

## **12. Notices**

- 12.1 Any notice given under this agreement shall be in writing and signed by or on behalf of the party giving it and shall be served by delivering it personally, or sending it by pre-paid recorded delivery or registered post to the relevant party at its registered office for the time being or by sending it by fax to the fax number notified by the relevant party to the other party. Any such notice shall be deemed to have been received:
  - 12.1.1 if delivered personally, at the time of delivery;

12.1.2 in the case of pre-paid recorded delivery or registered post, 48 hours from the date of posting;

12.1.3 in the case of fax, at the time of transmission.

12.2 In proving such service it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party and delivered either to that address or into the custody of the postal authorities as a pre-paid recorded delivery or registered post or that the notice was transmitted by fax to the fax number of the relevant party.

### 13. Entire agreement

Each party on behalf of itself acknowledges and agrees with the other party that:

13.1.1 this agreement constitutes the entire agreement and understanding between KLSC and PB and supersedes any previous agreement between them relating to the Engagement (which shall be deemed to have been terminated by mutual consent);

13.1.2 in entering into this agreement neither party has relied on any Pre-Contractual Statement; and

13.1.3 the only remedy available to it or arising out of or in connection with any Pre-Contractual Statement shall be for breach of contract. Nothing in this agreement shall, however, operate to limit or exclude any liability for fraud.

### 14. Variation

No variation of this agreement shall be valid unless it is in writing and signed by or on behalf of each of the parties.

### 15. Counterparts

This agreement may be executed in any number of counterparts, each of which, when executed, shall be an original, and all the counterparts together shall constitute one and the same instrument.

### 16. Third party rights

16.1 A person who is not a party to this agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement.

16.2 The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under this agreement is not subject to the consent of any person that is not a party to this agreement.

### 17. Governing law and jurisdiction

17.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of Singapore.

17.2 The parties irrevocably agree that the courts of Singapore shall have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS whereof this Agreement has been duly signed on the date detailed at the top of page 1.

/s/ Rodney Rootsaert  
**Rodney Rootsaert**  
for and on behalf of  
**PB Commodities Pte. Ltd**

/s/ Patrick Rousseau  
**Patrick Rousseau**  
for and on behalf of  
**Kendall Life Sciences**  
**Consultants Ltd.**

## Exhibit 10.27

THIS AGREEMENT dated the 01<sup>st</sup> day of October 2011 is

BETWEEN:

- (1) **HYPERGENOMICS PTE LIMITED** a private limited company incorporated and registered in Singapore with registration number 201105503N and whose principal address is 165 Gangsa Road, Unit 01-70, Singapore, 670165 (hereinafter "**HYP**")

AND

- (2) **PB COMMODITIES PTE LTD** a private limited company incorporated and registered in Singapore with registration number 200301165K and with its register office address at 150 Orchard Road, #08-02, Orchard Plaza, Singapore 238841 (hereinafter "**PBC**")

**WHEREAS**

**HYP** wishes to obtain certain services as provided in Schedule 1 of this Agreement and wishes to appoint **PBC** to arrange for the services upon the terms herein provided;

**HYP** wishes to have the use of the office premises as provided by **PBC** including the use of the office facilities therein including the telephone, facsimile, computer and other general office services as well as the provision of office support staff for the running and maintenance of the office premises that will be used by **HYP**;

**PBC** is able and willing to provide the services to **HYP** on the terms and conditions set out herein.

**NOW THE PARTIES HAVE AGREED AS FOLLOWS**

### 1. SERVICES TO BE PROVIDED

- 1.1 **HYP** appoints **PBC** to source for and/or provide the services as set out in Schedule 1 (the "Services"), upon the terms herein provided. Further services which are required by **HYP** may be added to the list of Services upon terms to be mutually agreed between the parties.

### 2. HYP's OBLIGATIONS

- 2.1 The fees for the use of the premises and for the services and office staff provided by **PBC** shall be charged on a monthly basis in the amount of **USD1,450.00** (the "Monthly Service Fee") and shall be invoiced at the beginning of each month and paid promptly within 7 days of the date of receipt of the invoice
- 2.2 **HYP** agrees to repay promptly (without demand, deduction or set-off) to **PBC** all reasonable expenses incurred by, or invoiced to **PBC** in respect of the provision of the Services under this Agreement. Expenses will be included in the invoices submitted by **PBC** for the services it has provided under this Agreement. **PBC** shall maintain a proper account of the expenses incurred for the duration of the Agreement
- 2.3 All fees and expenses as invoiced by **PBC** are exclusive of any taxes and other government charges/levies which taxes and government charges/levies will be borne by **HYP** and added to the invoice that is issued to **HYP** by **PBC**.
- 2.4 **HYP** shall appoint a duly authorized representative or representatives to provide all necessary written instructions to **PBC** in order for **PBC** to carry out its obligations under this Agreement as well as to approve all terms of engagement of the various service providers procured by **PBC**. **PBC** shall only act upon written instructions received from the duly authorized representative(s) and shall not be liable for any delay in the performance of its obligations or services as a result of not receiving written instructions.

### 3. INFORMATION

- 3.1 **HYP** will make available to **PBC** any and all information that may reasonably be required for **PBC** to carry out its duties in terms hereof.

**4. DELEGATION PBC may:**

4.1 subject to such terms and conditions mutually agreed between **HYP** and **PBC**, from time to time delegate to any person, firm or company all or any of the services undertaken by it in terms hereof and may appoint or employ outside consultants or outside firms or independent agents.

4.2 subcontract the services it provides to **HYP**.

**5. LOSS OR DAMAGE**

5.1 All work to be conducted by **PBC** shall be performed with due care and diligence in good workmanlike manner.

5.2 Notwithstanding the provision of 5.1, **PBC** shall not be responsible for any liability, loss or damage suffered or incurred by **HYP**, which may arise as a result of or in consequence of any act or omission of **PBC**, its employees or agents and which is related, either directly or indirectly to the implementation of this agreement, whether or not such liability, loss or damage is caused or incurred or as a result of any act or omission or negligence of **PBC**, its employees or agents.

5.3 **HYP** acknowledges that the providers of the Services, which are sourced and/or introduced by **PBC** to **HYP**, are independent contractors and that **PBC** is not responsible and is not liable for the actions or inactions of such independent contractors and that in the event of any loss, damage or liability whether criminal or civil suffered (and legal fees and costs incurred) by **HYP** resulting from the act, neglect or default of any of the providers of the Services or their agents, employees, licensees or otherwise, **HYP** shall only look to the said providers and shall not seek redress, remedy, compensation or otherwise from **PBC**.

**6. INDEMNITY**

6.1 **HYP** hereby indemnifies and holds **PBC** harmless against all claims of whatever nature which may be brought against **PBC** by any person whomsoever arising out of or in any way attributable to **PBC** having acted in terms of this Agreement, and all legal costs (both solicitor-client and party-party), liability, damages or expenses which **PBC** may suffer, sustain or incur in respect of or arising out of such claims.

**7. DURATION AND EXTENSION**

7.1 The services to be provided by **PBC** under this Agreement shall commence on 1 October 2011 and shall continue for an initial period of 12 months ("Initial Term") and, unless otherwise terminated in accordance with the terms of this Agreement, shall automatically be extended for a period of 12 months on the anniversary of each date on which it would have expired ("Automatic Extension Date").

7.2 **HYP** may terminate this Agreement by giving **PBC** not less than 3 months notice in writing prior to the expiration of the Initial Term or, if automatically extended under Section 7.1, not less than 3 months notice in writing prior to the subsequent Automatic Extension Date.

7.3 **PBC** may terminate this Agreement by giving **HYP** not less than 3 months notice in writing.

7.4 Upon the expiration of the Initial Term and/or the Automatic Extension Date, the Monthly Service Fee and Monthly Consultancy Fee shall be subject to a review by **PBC** and if agreed between the Parties, an amendment.

**8. ARBITRATION**

8.1 The parties shall continuously act in good faith for the duration of this Agreement and in this regard any dispute, difference or question which may arise at any time hereafter between the parties arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall first be resolved by good faith negotiations between the parties which negotiations shall commence within thirty (30) days of the notice of dispute, difference or question.

8.2 Should the parties be unable to resolve the dispute, difference or question by good faith negotiations then the parties shall jointly refer such dispute, difference or question to the Singapore Mediation Centre for resolution. Should the mediator who shall be appointed by the Singapore Mediation Centre in accordance with its rules be unable to resolve the said dispute, difference or question to the satisfaction of the parties then clause 8.3 shall apply

- 8.3 Any dispute, difference or question which may arise at any time hereafter between the parties arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination which is not solved amicably between the parties in accordance with the provisions herein shall within thirty (30) days of the conclusion of the mediation in clause 8.2 herein be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. The reference to the SIAC Rules as understood in this Agreement refers to the rules which are most appropriate for the arbitration and the decision as to the most appropriate rules for the arbitration shall wholly and finally rest with the arbitrator appointed in accordance with this clause.
- 8.4 The tribunal shall consist of one arbitrator to be appointed by the Head/Chairman of the SIAC and the proceedings for the arbitration shall be conducted in the English language.

## **9. GOVERNING LAW**

- 9.1 This Agreement shall be governed and interpreted in every respect in accordance with the laws of Singapore.

## **10. NOTICE**

- 10.1 Notice to either party for the purposes of this Agreement or in respect of any legal proceedings, arbitration or otherwise shall be sent to the respective addresses set out below:

**PBC:**

150 Orchard Road, #08-02, Orchard Plaza, Singapore 238841

**HYP:**

165 Gangsa Road, Unit 01-70, Singapore, 670165

- 10.2 A notice is deemed to have been received:
- (a) if delivered personally, at the time of delivery; or
  - (b) in the case of fax, at the time a notice of successful transmission is received by the fax machine of the sender; or
  - (c) in the case of pre-paid first class post, recorded delivery or registered post, or registered airmail, when received by the other party.
- 10.3 Either party shall be entitled to change its aforesaid address to another address on giving the other party seven (7) days written notice of such proposed change of address.

## **11. CONFIDENTIAL INFORMATION**

- 11.1 Any information or data obtained by either party to this Agreement arising from the implementation of this Agreement shall be treated as strictly confidential by both the parties and their affiliates and shall not be divulged or permitted to be divulged to any person not being a party to this Agreement, without the prior written consent of the other party to this Agreement, it being the intent and purpose of the parties to this Agreement to prevent unjust enrichment resulting from unauthorized disclosure or use of data obtained, provided, however, that any information and data which is required to be furnished by law or contract or by any Stock Exchange on which the shares of either party to this Agreement are listed or quoted, may be so furnished. Every effort shall however be made to consult fully with the other party to this Agreement on all proposed releases of information with a view to avoiding untimely or damaging disclosures.

## **12. ASSIGNMENT**

- 12.1 Either party including the respective parties' assigns and successors-in-title may assign, in whole or in part, its rights and obligations under this Agreement, upon written notification to the other party.

## **13. WHOLE AGREEMENT**

- 13.1 This Agreement constitutes the whole agreement between the parties and supersedes any arrangements, understanding or previous agreement, whether orally, in writing or otherwise, between them relating to the subject matter they cover.



13.2 Each party acknowledges that in entering into this Agreement, it does not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty of any person other than as expressly set out in this Agreement.

**14. VARIATION AND WAIVER**

14.1 Any variation of this Agreement shall be in writing and signed by or on behalf of all parties.

14.2 Any waiver of any right under this Agreement is only effective if it is in writing, and it applies only to the party to whom the waiver is addressed and the circumstances for which it is given and shall not prevent the party who has given the waiver from subsequently relying on the provision it has waived.

14.3 No failure to exercise or delay in exercising any right or remedy provided under this Agreement or by law constitutes a waiver of such right or remedy or will prevent any future exercise in whole or in part thereof.

14.4 Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

**15. SEVERANCE**

15.1 If any provision of this Agreement (or part of a provision) is found by any court, tribunal, arbitrator(s) or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.

15.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

**16. AGREEMENT SURVIVES TERMINATION**

16.1 This Agreement (other than obligations that have already been fully performed) remains in full force after expiry or termination and the expiry or termination of this Agreement shall be without prejudice to any other rights which have already accrued to either of the parties under this Agreement.

**17. THIRD PARTY RIGHTS**

17.1 This Agreement is made for the benefit of the parties to them and their successors and permitted assigns, and is not intended to benefit, or be enforceable by anyone else and the provisions of the Contracts (Rights of Third Parties) Act shall not apply to this Agreement.

17.2 The right of the parties to terminate, rescind, or agree any amendment, variation, waiver or settlement under this Agreement is not subject to the consent of any person that is not a party to the Agreement.

Signed by the parties to have effect on the 01<sup>st</sup> day of October 2011.

/s/ Cameron Reynolds

**Cameron Reynolds**

FOR AND ON BEHALF OF

**Hypergenomics Pte Limited**

/s/ Laith Reynolds

**Laith Reynolds**

FOR AND ON BEHALF OF

**PB Commodities Pte Ltd**

## **SCHEDULE 1**

### **SERVICES**

1. Arranging and setting-up of offices in Singapore for the support of the various activities of **HYP** and its subsidiaries and related businesses including sharing of office space where necessary and the arranging of the purchase of equipment, supplies and other inventory and services for the regular day to day functioning of such offices including the recruitment of staff and appointment of service providers for these offices;
2. Provision of book keeping and office administration services for **HYP**; and
3. Sourcing and arranging for legal, accounting and other professional services for **HYP** which require the expertise, experience and knowledge of professionals operating from or out of Singapore.

**Exhibit 99.02**

**Volition RX Limited**

(A Development Stage Company)

Pro-Forma Financial Statements

For the Period Ended September 30, 2011

(unaudited – prepared by management)

Pro-Forma Balance Sheets	2
Pro-Forma Statements of Operations for the period ended September 30, 2011	3
Pro-Forma Statements of Operations for the year ended December 31, 2010	4
Notes to the Pro-Forma Financial Statements	5

---

**Volition RX Limited**

(A Development Stage Company)

Pro-Forma Balance Sheets

As at September 30, 2011

(Expressed in US dollars)

(unaudited)

	Standard Capital as at August 31, 2011 \$	Singapore Volition as at September 30, 2011 \$	Pro-Forma Adjustments \$ (Note 3)	Pro-Forma Consolidated \$
<b>ASSETS</b>				
Cash	139	959,090	–	<b>959,229</b>
Prepaid expenses	–	353,500	–	<b>353,500</b>
Other current assets	–	98,452	–	<b>98,452</b>
Total Current Assets	139	1,411,042	–	<b>1,411,181</b>
Property and equipment	–	24,726	–	<b>24,726</b>
Intangible assets	–	1,604,220	–	<b>1,604,220</b>
Total Assets	139	3,039,988	–	<b>3,040,127</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable and accrued liabilities	55,572	192,152	–	<b>247,724</b>
Accrued officer salaries	–	20,373	–	<b>20,373</b>
Due to related parties	71,877	188,955	–	<b>260,832</b>
Notes payable	–	1,110,000	–	<b>1,110,000</b>
Total Current Liabilities	127,449	1,511,480	–	<b>1,638,929</b>
Grant payable	–	653,563	–	<b>653,563</b>
Total Liabilities	127,449	2,165,043	–	<b>2,292,492</b>
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>				
Preferred stock	–	–	–	–
Common stock	2,285	3,070,816	(3,062,695) (1,212) (1,073)	<b>8,121</b>
Additional paid-in capital	100,665	390,530	3,062,695 (101,738) 1,073	<b>3,453,225</b>
Other comprehensive income	–	(1,295)	–	<b>(1,295)</b>
Accumulated deficit during the development stage	(230,260)	(2,585,106)	(127,310) 230,260	<b>(2,712,416)</b>
Total Stockholders' Equity (Deficit)	(127,310)	874,945	–	<b>747,635</b>
Total Liabilities and Stockholders' Equity (Deficit)	139	3,039,988	–	<b>3,040,127</b>



**Volition RX Limited**

(A Development Stage Company)

Pro-Forma Statement of Operations

For the Period Ended August 31 and September 30, 2011

(Expressed in US dollars)

(unaudited)

	Standard Capital for the year ended August 31, 2011 \$	Singapore Volition for the nine months ended September 30, 2011 \$	Pro-Forma Adjustments \$	Pro-Forma Consolidated \$
Revenues	-	-	-	-
Operating Expenses				
Depreciation and amortization	-	77,615	-	77,615
General and administrative	13,023	280,679	-	293,702
Research and development	-	506,221	-	506,221
Salaries and office administrative fees	-	826,471	-	826,471
<b>Total Operating Expenses</b>	<b>13,023</b>	<b>1,690,986</b>	<b>-</b>	<b>1,704,009</b>
<b>Net Loss</b>	<b>(13,023)</b>	<b>(1,690,986)</b>	<b>-</b>	<b>(1,704,009)</b>

Pro Forma Loss Per Share (Note 5)

**Volition RX Limited**

(A Development Stage Company)

Pro-Forma Statement of Operations

For the Year Ended August 31 and December 31, 2010

(Expressed in US dollars)

(unaudited)

	Standard Capital for the year ended August 31, 2010 \$	Singapore Volition for the period from August 5, 2010 (date of inception) to December 31, 2010 \$	Pro-Forma Adjustments \$	Pro-Forma Consolidated \$
Revenues	-	-	-	-
Operating Expenses				
Depreciation and amortization	-	21,101	-	21,101
General and administrative	10,947	43,126	-	54,073
Professional fees	-	624,801	-	624,801
Research and development	-	60,871	-	60,871
Salaries and office administrative fees	-	144,221	-	144,221
<b>Total Operating Expenses</b>	<b>10,947</b>	<b>894,120</b>	<b>-</b>	<b>905,067</b>
<b>Net Loss</b>	<b>(10,947)</b>	<b>(894,120)</b>	<b>-</b>	<b>(905,067)</b>

Pro Forma Loss Per Share (Note 5)



## **Volition RX Limited**

(A Development Stage Company)

Notes to the Pro-Forma Financial Statements

(Expressed in US dollars)

(unaudited)

### **1. Basis of Presentation**

On September 26, 2011, Standard Capital Corporation (“SCC” or the “Company”) entered into a share exchange agreement with Singapore Volition Pte Ltd. (“Singapore”), a private corporation formed under the republic of Singapore. Under the terms of the agreement, SCC will acquire 100% of the issued and outstanding common shares of Singapore in exchange for 6,908,652 common shares of the Company. After the close of the share exchange agreement, the former shareholders of Singapore will control approximately 85% of the total issued and outstanding common shares of SCC, resulting in a reverse takeover. The share exchange agreement closed on October 6, 2011 and the Company was renamed “Volition RX Limited”.

These unaudited pro forma financial statements (“pro forma financial statements”) have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”) and are expressed in US dollars. These pro forma financial statements do not contain all of the information required for annual financial statements. Accordingly, they should be read in conjunction with the most recent annual and interim financial statements of SCC.

These pro forma financial statements have been compiled from and include:

- (a) an unaudited pro forma balance sheet combining the audited balance sheet of SCC as at August 31, 2011 and the unaudited interim balance sheet of Singapore as at September 30, 2011, giving effect to the transaction as if it occurred on September 30, 2011;
- (b) an unaudited pro forma statement of operations combining the audited statement of operations of SCC for the year ended August 31, 2011 and the unaudited interim statement of operations of Singapore for the nine months ended September 30, 2011; and
- (c) an unaudited pro forma statement of operations combining the audited statement of operations of SCC for the year ended August 31, 2010 and Singapore for the period from August 5, 2010 (date of inception) to December 31, 2010.

The unaudited pro forma financial statements have been compiled using the significant accounting policies as set out in the audited financial statements of the Company for the year ended August 31, 2011. Based on the review of the accounting policies of SCC and Singapore, there are no material accounting differences between the accounting policies of the companies. The unaudited pro forma financial statements should be read in conjunction with the historical financial statements and notes thereto of Singapore.

It is management’s opinion that these pro forma financial statements include all adjustments necessary for the fair presentation, in all material respects, of the proposed transaction described above in accordance with US GAAP applied on a basis consistent with SCC’s accounting policies. No adjustments have been made to reflect potential cost savings that may occur subsequent to completion of the transaction. The pro forma statement of operations does not reflect non-recurring charges or credits directly attributable to the transaction, of which none are currently anticipated.

The unaudited pro forma financial statements are not intended to reflect the results of operations or the financial position of Volition RX Limited which would have actually resulted had the proposed transaction been effected on the dates indicated. Further, the unaudited pro forma financial information is not necessarily indicative of the results of operations that may be obtained in the future. The pro forma adjustments and allocations are based in part on provisional estimates of the fair value of the assets acquired and liabilities assumed. Any final adjustments may change the allocation of purchase price which could affect the fair value assigned to the assets and liabilities and could result in a change to the unaudited pro forma consolidated financial statements.

**Volition RX Limited**

(A Development Stage Company)

Notes to the Pro-Forma Financial Statements

(Expressed in US dollars)

(unaudited)

**2. Business Acquisition**

On September 26, 2011, the Company entered into a share exchange agreement with Singapore and the shareholders of all of the issued and outstanding common shares of Singapore. The share exchange agreement closed on October 6, 2011.

Pursuant to the agreement, SCC acquired all of the outstanding shares of common stock of Singapore (6,908,652 common shares) by issuing 6,908,652 common shares. As a result of the share exchange, the former shareholders of Singapore will control approximately 85% of the issued and outstanding common shares of SCC. The transaction was accounted for as a reverse merger with Singapore being treated as the acquirer pursuant to Accounting Standards Codification (“ASC”) 805-40, Business Combinations – Reverse Acquisitions and as such, the acquisition was deemed to be a capital transaction rather than a business combination. Accordingly, Singapore is deemed to be the purchaser for accounting purposes and these pro forma financial statements are presented as a continuation of Singapore. All assets and liabilities will be recorded at carryover values from SCC and the retained earnings and comparative operating history will reflect that of Singapore. As a result, no goodwill or intangible asset was recorded. The reverse merger transaction was treated as the issuance of equity by Singapore for the acquisition of SCC’s net assets.

The preliminary allocation of the purchase price is summarized in the table below and is subject to change.

	\$
<i>Fair value of SCC’s net assets to be acquired</i>	
Cash	139
Accounts payable and accrued liabilities	(55,572)
<u>Due to related parties</u>	<u>(71,877)</u>
<u>Net liabilities assumed on acquisition</u>	<u>(127,310)</u>

**3. Pro Forma Assumptions and Adjustments**

The unaudited pro-forma consolidated financial statements incorporate the following pro forma assumptions and adjustments:

- (a) For purposes of these pro-forma consolidated financial statements, it is assumed that all shareholders of Singapore exchanged their common shares for 6,908,652 common shares of SCC, at a rate of one common share of SCC for each Singapore common share. The excess purchase consideration over the fair value of Singapore’s assets and liabilities has been charged to deficit on a pro-forma basis, as described in Note 2.
- (b) Prior to the acquisition on October 6, 2011, SCC returned to treasury and cancelled 1,073,000 issued and outstanding common shares.

**Volition RX Limited**

(A Development Stage Company)

Notes to the Pro-Forma Financial Statements

(Expressed in US dollars)

(unaudited)

**4. Pro-Forma Common Shares**

Pro-forma common shares as at September 30, 2011, have been determined as follows:

	Number of Common Shares	Par Value \$	Additional Paid-in Capital \$
Issued and outstanding common shares of SCC	2,285,000	2,285	100,665
Issued and outstanding common shares of Singapore	6,908,652	3,070,816	390,530
Cancellation of issued and outstanding common shares of SCC	(1,073,000)	(1,073)	1,073
Eliminate issued and outstanding common shares of Singapore, and adjust to reflect par value	(6,908,652)	(3,070,816)	–
Issuance of common shares for acquisition	6,908,652	6,909	2,960,957
<b>Pro-forma balance</b>	<b>8,120,652</b>	<b>8,121</b>	<b>3,453,225</b>

**5. Pro-Forma Loss Per Share**

Pro-forma basic and diluted loss per share for the period ended September 30, 2011 and year ended December 31, 2010 have been calculated based on the weighted average number of SCC common shares outstanding plus the common shares issued for the acquisition of Singapore.

	Period ended September 30, 2011	Year Ended December 31, 2010
<b><i>Basic pro forma loss per share computation</i></b>		
<i>Numerator:</i>		
Pro forma net loss available to stockholders	\$ (1,704,099)	\$ (905,067)
<i>Denominator:</i>		
Issued and outstanding common shares of SCC	1,212,000	1,212,000
Common shares issued for acquisition of Singapore	6,908,652	6,908,652
Pro forma weighted average shares outstanding	8,120,652	8,120,652
<b>Basic and Diluted pro forma loss per share</b>	<b>(0.21)</b>	<b>(0.11)</b>

**Exhibit 99.03**

**SINGAPORE VOLITION PTE. LTD.**

(A Development Stage Company)

Condensed Consolidated Financial Statements

For the Period Ended September 30, 2011 and December 30, 2010

(Unaudited)

	Index
Condensed Consolidated Balance Sheets	2
Condensed Consolidated Statements of Operations	3
Condensed Consolidated Statements of Cash Flows	4
Condensed Consolidated Statement of Stockholders' Equity (Deficit)	5
Condensed Consolidated Notes to the Financial Statements	6

---

**SINGAPORE VOLITION PTE. LTD.**

(A Development Stage Company)

Condensed Consolidated Balance Sheets

(Expressed in US dollars)

(unaudited)

	September 30, 2011 \$	December 31, 2010 \$
<b>ASSETS</b>		
Cash	959,090	47,481
Prepaid expenses	353,500	5,700
Other current assets	98,452	11,970
Total Current Assets	1,411,042	65,151
Property and equipment, net	24,726	1,208
Intangible assets, net	1,604,220	1,151,522
Total Assets	3,039,988	1,217,881
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	192,152	228,000
Accrued officer salaries	20,373	15,000
Notes payable	–	59,943
Related party payables	188,955	245,867
Notes payable – related party	1,110,000	900,000
Total Current Liabilities	1,511,480	1,448,810
Grant repayable	653,563	--
Total Liabilities	2,165,043	1,448,810
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Common Stock (Note 7)		
Authorized: unlimited shares, no par value		
Issued and outstanding: 6,908,652 and 4,144,967 common shares, respectively	2,997,025	672,483
Additional paid-in capital	464,321	–
Share subscriptions received	–	30,000
Other Comprehensive Income	(1,295)	(39,292)
Deficit accumulated during the development stage	(2,585,106)	(894,120)
Total Stockholders' Equity (Deficit)	874,945	(230,929)
Total Liabilities and Stockholders' Equity (Deficit)	3,039,988	1,217,881

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

**SINGAPORE VOLITION PTE. LTD.**

(A Development Stage Company)

Condensed Consolidated Statements of Operations

(Expressed in US dollars)

(unaudited)

	For the three months ended September 30, 2011 \$	For the period from August 5, 2010 (Date of Inception) to September 30, 2010 \$	For the nine months ended September 30, 2011 \$	For the period from August 5, 2010 (Date of Inception) to September 30, 2011 \$
Revenue	–	–	–	–
Expenses				
Depreciation and amortization	30,053	–	77,615	98,716
General and administrative	80,737	363,775	280,679	930,353
Salaries and office administrative fees	417,236	19,980	826,471	970,692
Research and development	202,268	–	506,221	585,345
<b>Total Operating Expenses</b>	<b>730,294</b>	<b>383,755</b>	<b>1,690,986</b>	<b>2,585,106</b>
<b>Net Loss</b>	<b>(730,294)</b>	<b>(383,755)</b>	<b>(1,690,986)</b>	<b>(2,585,106)</b>
<b>Net Loss per Share – Basic and Diluted</b>	<b>(0.12)</b>	<b>(0.14)</b>	<b>(0.34)</b>	
<b>Weighted Average Shares Outstanding – Basic and Diluted</b>	<b>5,898,270</b>	<b>2,763,159</b>	<b>4,950,534</b>	

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

**SINGAPORE VOLITION PTE. LTD.**

(A Development Stage Company)

Condensed Consolidated Statements of Cash Flows

(Expressed in US dollars)

(unaudited)

	For the nine months ended September 30, 2011 \$	For the period from August 5, 2010 (Date of Inception) to September 30, 2010 \$	For the period from August 5, 2010 (Date of Inception) to September 30, 2011 \$
<b>Operating Activities</b>			
Net loss	(1,690,986)	(383,755)	(2,585,106)
Adjustments to net loss relating to non-cash operating items:			
Depreciation	77,615	–	98,717
Warrants granted for services	390,530	–	390,530
Common stock issued for services	362,484	350,001	797,644
Changes in operating assets and liabilities:			
Prepaid expenses	(3,500)	(5,700)	(9,200)
Other current assets	(83,407)	–	(61,894)
Accounts payable and accrued liabilities	(74,982)	3,414	122,351
Accrued officer salaries	5,424	–	20,424
Related party payables	(62,077)	37,769	(29,923)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>(1,078,899)</b>	<b>1,729</b>	<b>(1,256,457)</b>
<b>Investing Activities</b>			
Purchases of property and equipment	(24,526)	–	(24,526)
<b>Net Cash Used in Investing Activities</b>	<b>(24,526)</b>	<b>–</b>	<b>(24,526)</b>
<b>Financing Activities</b>			
Proceeds from issuance of common shares	1,655,849	–	1,923,172
Grants received	676,347	–	676,347
Proceeds from note payable	–	–	59,943
Repayment of notes payable	(59,942)	–	(59,943)
Repayment of note payable – related party	(255,807)	–	(355,807)
<b>Net Cash Provided By Financing Activities</b>	<b>2,016,447</b>	<b>–</b>	<b>2,243,712</b>
Effect of foreign exchange on cash	(1,413)	–	(3,639)
Increase in Cash	911,609	1,729	959,090
Cash – Beginning of Period	47,481	–	–
Cash – End of Period	959,090	1,729	959,090
<b>Supplemental Disclosures of Cash Flow Information</b>			
Interest paid	–	–	–
Income tax paid	–	–	–
<b>Non Cash Financing Activities::</b>			
Acquisition of subsidiary for Debt	–	–	1,000,000
Shares issuable for acquisition of intangible assets	510,000	–	510,000

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





**SINGAPORE VOLITION PTE. LTD.**

(A Development Stage Company)

Condensed Consolidated Statement of Stockholders' Equity (Deficit)

Period from August 5, 2010 (date of inception) to September 30, 2011

(Expressed in US dollars)

(unaudited)

	Common Stock		Additional Paid-in Capital	Share Subscriptions Receivable	Other Comprehensive Income/Loss	Deficit Accumulated During the Development Stage	Total
	Amount						
	Shares	(\$)					
Balance, August 5, 2010 (Date of inception)	-	-	-	-	-	-	-
Issuance of founders' shares	1	-	-	-	-	-	-
Issuance of shares for cash	474,647	237,323	-	30,000	-	-	267,323
Issuance of shares for services	3,670,319	435,160	-	-	-	-	435,160
Foreign currency translation	-	-	-	-	(39,292)	-	(39,292)
Net loss for the period	-	-	-	-	-	(894,120)	(894,120)
Balance, December 31, 2010	4,144,967	672,483	-	30,000	(39,292)	(894,120)	(230,929)
Common stock issued for cash	1,978,959	1,612,058	-	(30,000)	-	-	1,582,058
Common stock issued for services	434,726	362,484	-	-	-	-	362,484
Common stock issued in advance of services	350,000	350,000	-	-	-	-	350,000
Relative fair value of warrants attached to common stock sold for cash	-	-	73,791	-	-	-	73,791
Warrants granted for services	-	-	390,530	-	-	-	390,530
Foreign currency translation	-	-	-	-	37,997	-	37,997
Net loss for the period	-	-	-	-	-	(1,690,986)	(1,690,986)
Balance, September 30, 2011	6,908,652	2,997,025	464,321	-	(1,295)	(2,585,106)	874,945

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

**Singapore Volition Pte. Ltd.**  
(A Development Stage Company)  
Notes to the Financial Statements  
September 30, 2011 and December 31, 2010  
(Unaudited)

**Note 1 - Condensed Financial Statements**

The accompanying financial statements have been prepared by Singapore Volition Pte. Ltd (the "Company") without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at September 30, 2011, and for all periods presented herein, have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2010 audited financial statements. The results of operations for the periods ended September 30, 2011 and 2010 are not necessarily indicative of the operating results for the full years.

**Note 2 - Going Concern**

The Company's financial statements are prepared using generally accepted accounting principles in the United States of America 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 \$2,585,106 and currently has no revenues, which creates substantial doubt about its ability to continue as a going concern.

The future of the Company as an operating business will depend on its ability to obtain sufficient capital contributions and/or financing as may be required to sustain its operations. Management's plan to address this need includes, (a) continued exercise of tight cost controls to conserve cash, (b) receiving additional grant funds, and (c) obtaining additional financing through debt or equity financing.

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 secure other sources of financing and attain profitable operations. The accompanying 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.

**Note 3 - Summary of Significant Accounting Policies**

Use of Estimates

The preparation of financial statements in conformity with US generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. 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 will be affected.

Principles of Consolidation

The accompanying consolidated financial statements for the period ended September 30, 2011 include the accounts of the Company and its wholly-owned subsidiaries, Belgian Volition SA and Hypergenomics Pte. Ltd. All significant intercompany balances and transactions have been eliminated.

Recent Accounting Pronouncements

Management has considered all recent accounting pronouncements issued since the last audit of our consolidated financial statements. The Company's management believes that these recent pronouncements will not have a material effect on the Company's consolidated financial statements.

**Singapore Volition Pte. Ltd.**  
(A Development Stage Company)  
Notes to the Financial Statements  
September 30, 2011 and December 31, 2010  
(Unaudited)

**Note 4 - Acquisitions and Subsidiaries**

On September 22, 2010, the Company entered into a purchase agreement to acquire 100% of the outstanding shares of ValiBio SA from ValiRx Plc in exchange for \$400,000 and issuance of common shares of the Company with a fair value of \$600,000, issuable when the Company becomes a publicly-listed company. The agreement closed on October 11, 2010. Subsequent to the completion of the purchase, the Company changed the name of ValiBio SA to Belgian Volition SA.

The Company allocated the purchase price to the acquired assets and liabilities. It was determined that the carrying value of these assets approximated their fair value at acquisition. The remaining purchase price was then allocated to the acquired intellectual property, namely patents.

<u>Fair value of ValiBio SA net assets:</u>	\$
Cash and cash equivalents	(68)
Other current assets	34,526
Property and equipment	1,887
Intangible assets/patents	1,218,297
<u>Accounts payable and other liabilities</u>	<u>(254,642)</u>
Net assets on acquisition	1,000,000
<u>Purchase price</u>	<u>(1,000,000)</u>
<u>Excess of fair value of net assets over purchase price</u>	<u>—</u>

On June 19, 2011, the Company amended its purchase agreement with ValiRx Plc to include the purchase of additional patents in exchange for an additional \$510,000 payable in shares of the Company's common stock. The additional patents have been included within the Company's intangible assets.

As of September 30, 2011, the Company owed \$1,110,000 to be paid in shares of the Company's common stock to ValiRX Plc as part of the acquisition of ValiBio SA and the additional patents (see Note 5).

On March 7, 2011, the Company formed Hypergenomics Pte Ltd. as a wholly-owned subsidiary which is a limited private company domiciled in Singapore. The purpose of the formation was to hold and develop a segment of the acquired patents.

**Note 5 - Related Party Transactions**

Related Party Payables

As at September 30, 2011, the Company owed \$188,955 (2010 - \$245,867) to directors and officers of the Company and to other related parties. The amounts represent expenses paid on behalf of the Company or amounts borrowed to help fund operations. The amounts owing are unsecured, non-interest bearing, and due on demand.

Related Party Notes Payable

As at September 30, 2011, the Company owed \$1,110,000 (2010 - \$900,000) to ValiRX Plc. Of this amount, \$600,000 relates to the \$1,000,000 note payable in respect of the acquisition of ValiBio SA, of which \$355,807 has been repaid in cash, \$44,193 has been settled by payment of liabilities on behalf of ValiBio SA (see below), and the balance of \$600,000 is payable in shares in accordance with the terms of the Share Purchase Agreement. The remaining \$510,000 relates to the acquisition of further licenses and patent rights in June 2011 (see Note 4), and is also payable in shares under the terms of the Amended Share Purchase Agreement. These amounts are non-interest bearing and secured against the shares of ValiBio SA, and due by issuance of common shares of the Company once the Company becomes a publicly-listed entity.

During the nine months ended September 30, 2011, the Company made repayments of \$255,807 and assumed an additional \$510,000 in relation to acquisition of further licenses and patent rights (see Note 4). During the period, the Company paid various accounts payable totaling \$44,193 on behalf of ValiBio SA. Accordingly, the Company had reduced the amount owed to ValiBio by \$44,193.

**Singapore Volition Pte. Ltd.**  
(A Development Stage Company)  
Notes to the Financial Statements  
September 30, 2011 and December 31, 2010  
(Unaudited)

**Note 6 – Grant Repayable**

Walloon Region Grant

On March 16, 2010, the Company entered into an agreement with the Walloon Region government in Belgium wherein the Walloon Region would fund up to a maximum of \$1,424,993 (€1,048,020) to help fund the research endeavors of the Company. The Walloon Region agreed to provide working capital of \$570,095 (€419,280), which was received by the Company during January 2011.

Additional funds have continued to be provided for approved expenditures. The Company will be obligated to pay a minimum of \$427,498 (€314,406) if the project is deemed to be a failure under the terms of the agreement. If the project is deemed a success, the Company will pay both the minimum of \$427,498 (€314,406) and a 6% royalty on all relevant sales. The maximum amount payable due to the Walloon Region is twice the amount of funding received.

All amounts received under the grant will be recorded as a grant repayable until a determination as to the success of the project is determined. As at September 30, 2011, the Company had received a total of \$653,563 (€480,667) in grants which is reflected as a grant repayable.

**Note 7 - Common Stock**

During the nine month period ended September 30, 2011, the Company issued 1,978,959 shares of common stock, at prices ranging from \$0.50 to \$1.20 per share, for net cash proceeds of \$1,685,851. Attached to various share issuances totaling 370,000 shares were 300,000 warrants. Each warrant is immediately exercisable for a period of five years at \$0.50 per share. The warrants were valued using the Black-Scholes Option Pricing model using the following assumptions: Five-year term, \$0.50 stock price, \$0.50 exercise price, 190% volatility, 2.00% risk free rate. The Company has allocated \$73,791 of the total \$150,000 in proceeds to the value of the warrants.

During the nine month period ended September 30, 2011, the Company issued 434,726 shares of common stock to consultants, employees and directors for services. The stock was valued at \$362,484, at prices ranging from \$0.50 to \$1.00 per share. Values were based on the most recent cash issuance prices relative to the grant date as this was determined to be the most readily determinable value in accordance with ASC 718 and ASC 505.

During the nine month period ended September 30, 2011, the Company issued 350,000 shares of common stock to a related party in advance for services to be performed over a five year period to raise the profile of the Company through the development of relationships with medical organizations, cancer charities, government and other policy makers. The shares were valued at \$1.00 per share based on the most recent cash issuance prices relative to the grant dates as this was determined to be the most readily determinable value in accordance with ASC 718 and ASC 505.

The Company will expense the shares monthly as services are provided. Because the shares are fully vested and non-forfeitable, the shares were valued based on the current market price on the grant date and will be amortized over the life of the agreement.

**Note 8 - Warrants**

The Company has calculated the estimated fair market value of the warrants granted to employees and non-employees in exchange for services using the Black-Scholes Option Pricing model and the following assumptions: stock price at valuation, \$0.50-\$1.00; expected term of five years, exercise price of \$0.50, a risk free interest rate of 1.45%-2.14%, a dividend yield of 0% and volatility of 190%.

During the nine months ended September 30, 2011, the Company issued 300,000 warrants attached to the issuance of 370,000 shares. The Company has allocated \$73,791 of the total \$150,000 in proceeds to the value of the warrants. The warrants are exercisable immediately for five years at an exercise price of \$0.50, and do not contain any anti-dilution provisions.

The Company also issued 450,000 warrants valued at \$390,530 for services rendered to the Company. The warrants are exercisable immediately for five years at exercise prices of \$0.50 and \$1.05.

**Singapore Volition Pte. Ltd.**  
(A Development Stage Company)  
Notes to the Financial Statements  
September 30, 2011 and December 31, 2010  
(Unaudited)

**Note 8 – Warrants (continued)**

Below is a table summarizing the warrants issued and outstanding as of September 30, 2011.

<u>Date Issued</u>	<u>Number Outstanding</u>	<u>Exercise Price</u>	<u>Contractual Life (Years)</u>	<u>Expiration Date</u>	<u>Value if Exercised</u>
12/31/10	-	\$ -	-	-	\$ -
03/15/11	200,000	0.50	5	3/15/2016	100,000
03/24/11	100,000	0.50	5	3/24/2016	50,000
04/01/11	100,000	0.50	5	4/1/2016	50,000
06/21/11	100,000	0.50	5	6/21/2016	50,000
07/13/11	<u>250,000</u>	<u>1.05</u>	<u>5</u>	<u>07/13/16</u>	<u>262,500</u>
09/30/11	750,000	0.68	-	-	512,500

**Note 9 - Subsequent Events**

In accordance with ASC 855 Company management reviewed all material events through January 9, 2012 and determined that there are no material subsequent events to report other than those listed below.

On September 26, 2011, the Company entered into a share exchange agreement with Standard Capital Corporation (“SCC”) whereby SCC acquired 6,908,652 (100 percent) of the issued and outstanding common shares of the Company in exchange for 6,908,652 common shares of SCC. Upon completion of the transaction, the former shareholders of the Company owned 6,908,652 shares of the Company’s common stock, representing approximately 85% of the outstanding common stock of the Company. As a result, the acquisition has been recorded as a reverse merger with the Company being treated as the accounting acquirer and SCC as the legal acquirer (accounting acquiree).