

VOLITIONRX LTD  
Form 10-Q  
November 06, 2014

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

**FORM 10-Q**

**X .QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934**

For the quarterly period ended **September 30, 2014**

**.TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**Commission File Number: 000-30402**

**VOLITIONRX LIMITED**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State of incorporation)

**91-1949078**  
(I.R.S. Employer Identification  
No.)

**1 Scotts Road**  
**#24-05 Shaw Centre**  
**Singapore 228208**  
(Address of principal executive offices)

**Telephone: (212) 618-1750**

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**Facsimile: +65 6333 7235**

(Registrant's Telephone and Facsimile Number)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  . No  . (Not required)

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

Large accelerated filer  . Accelerated filer  .  
Non-accelerated filer  . (Do not check if a smaller reporting company)  .  
Smaller reporting company

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

As of November 6, 2014, there were 14,450,717 shares of the registrant's \$0.001 par value common stock issued and outstanding.

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**Special Note Regarding Forward-Looking Statements**

Information included in this Form 10-Q contains forward-looking statements. This information may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of VolitionRX Limited (the Company), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words may,

will, should, expect, anticipate, estimate, believe, intend, or project or the negative of these words or on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that these projections included in these forward-looking statements will come to pass. Actual results of the Company could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company has no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

*\*Please note that throughout this Quarterly Report, and unless otherwise noted, the words "we," "our," "us," the "Company," or "VNRX" refers to VolitionRX Limited.*

**PART I - FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

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**VOLITIONRX LIMITED**

(A Development Stage Company)

## Condensed Consolidated Balance Sheets

(Expressed in US dollars)

|   | <b>September 30,<br/>2014</b> | <b>December 31,<br/>2013</b> |
|---|-------------------------------|------------------------------|
|   | <b>\$</b>                     | <b>\$</b>                    |
|   | <i>(unaudited)</i>            |                              |
| <b>ASSETS</b>   |                               |                              |
| Cash  | 2,419,667                     | 888,704                      |
| Prepaid expenses  | 133,848                       | 82,135                       |
| Other current assets  | 117,409                       | 34,612                       |
| <b>Total Current Assets</b>   | <b>2,670,924</b>              | <b>1,005,451</b>             |
| Property and equipment, net   | 315,777                       | 63,265                       |
| Intangible assets, net  | 862,753                       | 1,002,043                    |
| <b>Total Assets</b>   | <b>3,849,454</b>              | <b>2,070,759</b>             |
| <b>LIABILITIES</b>  |                               |                              |
| Accounts payable and accrued liabilities                                      | 693,646                       | 518,086                      |
| Management and directors' fees payable  | 240,978                       | 222,294                      |
| Derivative liability  | 6,446,068                     |                              |
| Deferred grant income   | 199,862                       | 216,894                      |
| <b>Total Current Liabilities</b>  | <b>7,580,554</b>              | <b>957,274</b>               |
| Grant repayable   | 367,112                       | 432,811                      |
| <b>Total Liabilities</b>  | <b>7,947,666</b>              | <b>1,390,085</b>             |
| <b>STOCKHOLDERS (DEFICIT) EQUITY</b>  |                               |                              |
| Preferred Stock   |                               |                              |
| Authorized: 1,000,000 shares of preferred stock, at \$0.001 par value         |                               |                              |
| Issued and outstanding: Nil shares and Nil shares, respectively               |                               |                              |
| Common Stock  |                               |                              |
| Authorized: 100,000,000 shares of common stock, at \$0.001 par value          |                               |                              |
| Issued and outstanding: 14,308,960 shares and 11,679,757 shares, respectively | 14,309                        | 11,680                       |
| Additional paid-in capital  | 14,548,494                    | 12,024,711                   |
| Accumulated other comprehensive loss  | (93,526)                      | (59,795)                     |
| Accumulated Deficit   | (18,567,489)                  | (11,295,922)                 |

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|   |             |           |
|---|-------------|-----------|
| Total Stockholders (Deficit) Equity                 | (4,098,212) | 680,674   |
| Total Liabilities and Stockholders (Deficit) Equity | 3,849,454   | 2,070,759 |

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

**VOLITIONRX LIMITED**

(A Development Stage Company)

## Condensed Consolidated Statements of Operations and Comprehensive Loss

(Expressed in US dollars)

(unaudited)

|  | <b>For the three<br/>months ended<br/>September 30,<br/>2014</b> | <b>For the three<br/>months ended<br/>September 30,<br/>2013</b> | <b>For the nine<br/>months ended<br/>September 30,<br/>2014</b> | <b>For the nine<br/>months ended<br/>September 30,<br/>2013</b> |
|--|--|--|---|---|
|  | \$   | \$   | \$  | \$  |
| Revenue                                  | 14,785   |  | 14,785  |   |
| Expenses                                 |  |  |   |   |
| General and administrative               | 129,318  | 67,961   | 249,986   | 242,660   |
| Professional fees                        | 119,510  | 153,226  | 412,532   | 310,585   |
| Salaries and office administrative fees  | 457,355  | 179,846  | 670,518   | 569,238   |
| Research and development                 | 1,071,984  | 524,534  | 2,733,742   | 1,758,372   |
| Total Operating Expenses                 | 1,778,167  | 925,567  | 4,066,778   | 2,880,855   |
| Net Operating Loss                       | (1,763,382)  | (925,567)  | (4,051,993)   | (2,880,855)   |
| Other Income/(Expenses)                  |  |  |   |   |
| Grants received                          |  |  | 143,987   |   |
| Loss on derivative remeasurement         | (4,130,562)  |  | (3,363,561)   |   |
| Net Other Expenses                       | (4,130,562)  |  | (3,219,574)   |   |
| Provision for income taxes               |  |  |   |   |
| Net Loss                                 | (5,893,944)  | (925,567)  | (7,271,567)   | (2,880,855)   |
| Other Comprehensive Loss                 |  |  |   |   |
| Foreign currency translation adjustments | (19,893)   | (6,478)  | (33,731)  | (18,336)  |
| Total Other Comprehensive Loss           | (19,893)   | (6,478)  | (33,731)  | (18,336)  |
| Net Comprehensive Loss                   | (5,913,837)  | (932,045)  | (7,305,298)   | (2,899,191)   |
| Net Loss per Share Basic and Diluted     | (0.44)   | (0.08)   | (0.56)  | (0.27)  |
|  | 13,524,998   | 11,086,237   | 13,057,866  | 10,649,152  |



Weighted Average Shares Outstanding  
Basic and Diluted

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

**VOLITIONRX LIMITED**

(A Development Stage Company)

## Condensed Consolidated Statements of Cash Flows

(Expressed in US dollars)

(unaudited)

|   | <b>For the nine<br/>months ended<br/>September 30,<br/>2014<br/>\$</b> | <b>For the nine<br/>months ended<br/>September 30,<br/>2013<br/>\$</b> |
|---|--|--|
| Operating Activities  |  |  |
| Net loss  | (7,271,567)  | (2,880,855)  |
| Adjustments to reconcile net loss to net cash used in operating activities: |  |  |
| Depreciation and amortization   | 99,904   | 109,044  |
| Stock based compensation  | 311,907  | 236,966  |
| Common stock and warrants issued to settle liabilities for services         | 403,483  | 348,172  |
| Amortization of stock issued in advance of services                         |  | 52,500   |
| Non-operating income grants received  | (143,987)  |  |
| Loss on derivative re-measurement   | 3,363,561  |  |
| Changes in operating assets and liabilities:                                |  |  |
| Prepaid expenses  | (61,483)   | (81,965)   |
| Other current assets  | (88,422)   | 7,292  |
| Accounts payable and accrued liabilities                                    | 238,446  | (166,093)  |
| Net Cash Used In Operating Activities                                       | (3,148,158)  | (2,374,939)  |
| Investing Activities  |  |  |
| Purchases of property and equipment   | (297,607)  | (713)  |
| Net Cash Used in Investing Activities                                       | (297,607)  | (713)  |
| Financing Activities  |  |  |
| Proceeds from issuance of common shares                                     | 4,893,529  | 1,871,500  |
| Grants received   | 143,987  | 605,154  |
| Grants repaid   | (33,166)   |  |
| Repayment of notes payable  |  | (1,321)  |
| Net Cash Provided By Financing Activities                                   | 5,004,350  | 2,475,333  |
| Effect of foreign exchange on cash  | (27,622)   | (2,627)  |

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|   |           |         |
|---|-----------|---------|
| Increase in Cash                                  | 1,530,963 | 97,054  |
| Cash Beginning of Period                          | 888,704   | 376,421 |
| Cash End of Period                                | 2,419,667 | 473,475 |
| Supplemental Disclosures of Cash Flow Information |           |         |
| Interest paid                                     | 10,274    |         |
| Income tax paid                                   |           |         |
| Non Cash Financing Activities::                   |           |         |
| Common stock issued for debt                      |           | 77,333  |

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

**VOLITIONRX LIMITED**

(A Development Stage Company)

Notes to the Condensed Consolidated Financial Statements

September 30, 2014 and December 31, 2013

(Unaudited)

**Note 1 - Condensed Financial Statements**

The accompanying unaudited financial statements have been prepared by VolitionRX Limited (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, 2014, 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 unaudited financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2013 audited financial statements. The results of operations for the periods ended September 30, 2014 and 2013 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 \$18,661,015 and currently has very limited 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 condensed consolidated financial statements for the period ended September 30, 2014 include the accounts of the Company and its wholly-owned subsidiaries, Singapore Volition Pte Ltd, Belgian Volition SA, and Hypergenomics Pte. Ltd. All significant intercompany balances and transactions have been eliminated in consolidation.

**Note 3 - Summary of Significant Accounting Policies (continued)**

Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. As at September 30, 2014 and December 31, 2013, the Company had \$2,419,667 and \$888,704, respectively in cash and cash equivalents.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, Earnings Per Share, which requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing Diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. For the three months ended September 30, 2014, 543,275 dilutive warrants and 2,357,275 potentially dilutive warrants and options were excluded from the Diluted EPS calculation as their effect is anti dilutive. For the nine months ended September 30, 2014, 592,204 dilutive warrants and 2,112,995 potentially dilutive warrants and options were excluded from the Diluted EPS calculation as their effect is anti dilutive.

Foreign Currency Translation

The Company's functional currency is the Euro and its reporting currency is the United States dollar. Management has adopted ASC 830-20, Foreign Currency Matters - Foreign Currency Transactions. All assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. For revenues and expenses, the weighted average exchange rate for the period is used. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in other comprehensive loss.

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.

The Company has limited operations and is considered to be in the development stage. In the quarterly period ended September 30, 2014, the Company has elected to early adopt Accounting Standards Update No. 2014-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements. The adoption of this ASU allows the Company to remove the inception to date information and all references to the development stage.

**Note 4 - Intangible Assets**

The Company's intangible assets consist of intellectual property, principally patents, acquired in the acquisition of ValiBio SA. The patents are being amortized over their remaining lives, which are 9 years and 17 years.

|         | <b>Cost</b> | <b>Accumulated<br/>Amortization</b> | <b>December 31,<br/>2013<br/>Net Carrying<br/>Value</b> |
|---------|-------------|-------------------------------------|---|
|         | <b>\$</b>   | <b>\$</b>                           | <b>\$</b>   |
| Patents | 1,314,559   | 312,516                             | 1,002,043   |
|         | 1,314,559   | 312,516                             | 1,002,043   |

**Note 4 - Intangible Assets (continued)**

|         | <b>Cost</b> | <b>Accumulated<br/>Amortization</b> | <b>September 30,<br/>2014<br/>Net Carrying<br/>Value</b> |
|---------|-------------|-------------------------------------|--|
|         | <b>\$</b>   | <b>\$</b>                           | <b>\$</b>  |
| Patents | 1,219,969   | 357,216                             | 862,753  |
|         | 1,219,969   | 357,216                             | 862,753  |

During the nine month period ended September 30, 2014, and the year ended December 31, 2013, the Company recognized \$72,646 and \$114,879 in amortization expense respectively. During the year ended December 31, 2013 the Company also recognized impairment losses of \$350,000. No impairment losses were recognized during the nine month period ended September 30, 2014.

The Company amortizes the long-lived assets on a straight line basis with terms ranging from 13 to 20 years. The annual estimated amortization schedule over the next five years is as follows:

|                  |           |
|------------------|-----------|
| 2014 - remaining | \$ 22,721 |
| 2015             | \$ 90,882 |
| 2016             | \$ 90,882 |
| 2017             | \$ 90,882 |
| 2018             | \$ 90,882 |

The Company periodically reviews its long lived assets to ensure that their carrying value does not exceed their fair market value. The Company carried out such a review in accordance with ASC 360 as of December 31, 2013. The result of this review confirmed that the fair value of the patents exceeded their carrying value as of December 31, 2013.

**Note 5 - Related Party Transactions**

The Company contracts with a related party to rent office space, be provided with office support staff, and have consultancy services provided on behalf of the Company. See Note 8 for obligation under the contract.



**Note 6 - Common Stock**

On February 26, 2014, the Company issued 1,500,000 shares of common stock for a total of \$3,000,000 at a price of \$2.00 per share. Attached to these share issuances were 1,500,000 warrants, immediately exercisable for a period of five years at \$2.20 per share. The warrants were valued at \$3,955,546 using the Black-Scholes Option Pricing model using the following assumptions: Five year term, \$2.68 stock price, \$2.20 exercise price, 239% volatility, 1.50% risk free rate. Agents received 30,975 warrants, exercisable on the same terms as the warrants issued for cash subscriptions, and valued at \$82,507 on the same basis as above. Due to a ratchet provision in the warrant agreement effective for the twelve months to February 26, 2015, all the foregoing warrants have been treated as a derivative liability in accordance with ASC 815. Other fees and expenses directly attributable to agents in respect of these issuances were \$147,186 in cash, and \$25,900 settled by the issue of shares of common stock. Legal expenses directly attributable to the issuances amounted to \$84,879.

On February 26, 2014, the Company issued 16,667 shares of common stock to settle liabilities for services valued at \$35,000, at a price of \$2.10 per share.

On March 25, 2014, the Company issued 12,334 shares of common stock to settle liabilities for services valued at \$25,900, at a price of \$2.10 per share.

On March 26, 2014, the Company issued 99,178 shares of common stock to the subscribers for the 297,500 shares of common stock issued on June 10, 2013. These additional shares were issued for no additional consideration under the terms of the Private Placement Memorandum because certain subsequent fundraising targets had not been met.

**Note 6 - Common Stock (continued)**

On June 5, 2014, the Company issued 160,228 shares of common stock for cash of \$352,500, at a price of \$2.20 per share.

On September 24, 2014, the Company issued 21,250 shares of common stock at a price of \$2.20 per share to settle liabilities for services valued at \$46,748. In addition, on that date, the Company issued 492,316 shares of common stock at a price of \$2.20 for cash of \$1,083,094 and 27,230 shares of common stock at a price of \$2.20 to an agent in settlement of their debt of \$59,906.

On September 26, 2014, the Company issued 300,000 shares of common stock at a price of \$2.50 per share for cash of \$688,970. The amount received was the net proceeds, after fees of \$60,000 had been paid to an agent and \$1,030 paid in other fees and bank charges.

In addition, on that date, the Company issued 24,000 warrants to the same agent, immediately exercisable over a period of three years at \$3 per share. The warrants were valued at \$103,223 using the Black-Scholes Option Pricing model using the following assumptions: Three year term, \$4.45 stock price, \$3 exercise price, 235% volatility, 1.08% risk free rate.

**Note 7 - Warrants and Options**

a)

**Warrants**

On January 28, 2014, the Company issued 10,000 warrants to a consultant for services at an exercise price of \$2.40, exercisable immediately for three years. The warrants were valued at \$21,500 using the Black-Scholes Option Pricing model using the following assumptions: Three-year term, \$2.26 stock price, \$2.40 exercise price, 229% volatility, 0.75% risk free rate.

On February 26, 2014, the Company issued 1,500,000 warrants attached to the issue of 1,500,000 shares for cash totaling \$3,000,000. The Company has valued these warrants at \$3,995,546 and treated this amount as a derivative liability, in accordance with ASC 815. The warrants are exercisable immediately for five years at an exercise price of

\$2.20.

On February 26, 2014, the Company issued 30,975 warrants to agents as part remuneration in respect of the issuance of 1,500,000 shares for cash totaling \$3,000,000. The warrants were valued at \$82,507 using the Black-Scholes Option Pricing model using the following assumptions: Five-year term, \$2.68 stock price, \$2.20 exercise price, 241% volatility, 1.5% risk free rate. The Company has treated this amount as a derivative liability, in accordance with ASC 815. Each warrant is exercisable immediately for five years at an exercise price of \$2.20 per share.

On September 5, 2014, the Company issued 10,000 warrants to a consultant for services. These warrants were valued at \$20,092 using the Black-Scholes Option Pricing model using the following assumptions: Three year term, \$2.10 stock price, \$2.40 exercise price, 236% volatility, 0.99% risk free rate. Each warrant is exercisable immediately for three years at an exercise price of \$2.40 per share.

On September 26, 2014, the Company issued 24,000 warrants to an agent as part remuneration in respect of the issuance of 300,000 shares for net proceeds of \$688,970. These warrants were valued at \$103,223 using the Black-Scholes Option Pricing model using the following assumptions: Three year term, \$4.45 stock price, \$3 exercise price, 235% volatility, 1.08% risk free rate. Each warrant is exercisable immediately for three years at an exercise price of \$3 per share.

All of the 1,530,975 warrants issued on February 26, 2014, have been treated as a derivative liability, in accordance with ASC 815, owing to a ratchet provision in the warrant agreement being effective for the twelve months to February 26, 2015. The derivative liability was measured at \$4,078,054 as at February 26, 2014. It was re-measured as of March 31, 2014, and revalued at \$4,182,748. The derivative liability was further re-measured as of June 30, 2014, and revalued at \$2,315,506, resulting in a gain of \$1,867,241 for the three months ended June 30, 2014. At September 30, 2014, the derivative liability was re-measured and revalued at \$6,446,068, resulting in a loss of \$4,130,562 for the three months ended September 30, 2014.

**Note 7 - Warrants and Options (continued)**

Below is a table summarizing the warrants issued and outstanding as of September 30, 2014.

| <b>Date Issued</b> | <b>Number Outstanding</b> | <b>Exercise Price \$</b> | <b>Contractual Life (Years)</b> | <b>Expiration Date</b> | <b>Value if Exercised \$</b> |
|--------------------|---------------------------|--------------------------|---------------------------------|------------------------|------------------------------|
| 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           | 250,000                   | 1.05                     | 5                               | 07/13/16               | 262,500                      |
| 05/11/12           | 344,059                   | 2.60                     | 4                               | 05/10/16               | 894,553                      |
| 05/11/12           | 26,685                    | 1.75                     | 3                               | 05/10/15               | 46,699                       |
| 03/20/13           | 200,000                   | 2.47                     | 3                               | 03/20/16<br>-12/20/19  | 494,000                      |
| 06/10/13           | 29,750                    | 2.00                     | 5.5                             | 12/10/18               | 59,500                       |
| 08/07/13           | 45,000                    | 2.40                     | 3                               | 08/07/16               | 108,000                      |
| 11/25/13           | 456,063                   | 2.40                     | 5                               | 11/25/18               | 1,094,551                    |
| 12/31/13           | 64,392                    | 2.40                     | 5                               | 12/31/18               | 154,541                      |
| 01/28/14           | 10,000                    | 2.40                     | 3                               | 01/28/17               | 24,000                       |
| 02/26/14           | 1,530,975                 | 2.20                     | 5                               | 02/26/19               | 3,368,145                    |
| 09/05/14           | 10,000                    | 2.40                     | 3                               | 09/05/17               | 24,000                       |
| 09/26/14           | 24,000                    | 3.00                     | 3                               | 09/26/17               | 72,000                       |
| <b>09/30/14</b>    | <b>3,490,924</b>          | <b>1.96</b>              | <b>4.7</b>                      |                        | <b>6,852,489</b>             |

b)

**Options**

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

Options to purchase 25,000 shares were granted on May 16, 2014. These options vest in equal six monthly installments over three years from the date of grant, and expire three years after the vesting dates. The exercise prices are \$3.00 for options vesting in the first year, \$4.00 for options vesting in the second year, and \$5.00 for options vesting in the third year. The Company has calculated the estimated fair market value of these options using the Black-Scholes Option Pricing model and the following assumptions: term 3 to 5.5 years, stock price \$2.01, exercise prices \$3.00-\$5.00, 235% volatility, 0.80% risk free rate.

On August 5, 2014, it was approved at the Company's Annual General Meeting to increase the number of restricted shares that the Company is authorized to issue under the 2011 Equity Incentive Plan to 2,000,000.

On August 18, 2014, The Company granted options to purchase 670,000 shares. These options vest in two equal tranches, the first tranche vests on February 18, 2015. The second tranche vests on February 18, 2016. All the options expire four years after their vesting dates. The exercise prices are \$2.50 for options vesting in the first year and \$3.00 for options vesting in the second year. The Company has calculated the estimated fair market value of these options using the Black-Scholes Option Pricing model and the following assumptions: term 4.5 to 5.5 years, stock price \$1.85, exercise prices \$2.50-\$3.00, 237% volatility, 1.58% risk free rate.

On August 18, 2014, The Company granted options to purchase 60,000 shares. These options vest in six equal monthly installments over three years, starting six months after the date of grant, and expire three years after the vesting dates. The exercise prices are \$3.00 for options vesting in the first year, \$4.00 for options vesting in the second year, and \$5.00 for options vesting in the third year. The Company has calculated the estimated fair market value of these options using the Black-Scholes Option Pricing model and the following assumptions: term 3.5 to 6 years, stock price \$1.85, exercise prices \$3.00-\$5.00, 237% volatility, 0.89% risk free rate.

During the nine month period ended September 30, 2014, 10,000 options expired following the cessation of a consultant's contract.

**Note 7 - Warrants and Options (continued)**

Below is a table summarizing the options issued and outstanding as of September 30, 2014.

| <b>Date Issued</b> | <b>Number Outstanding</b> | <b>Exercise Price \$</b> | <b>Contractual Life (Years)</b> | <b>Expiration Date</b> | <b>Value if Exercised \$</b> |
|--------------------|---------------------------|--------------------------|---------------------------------|------------------------|------------------------------|
| 11/25/11           | 680,000                   | 3.00-5.00                | 3                               | 05/25/15-11/25/17      | 2,710,000                    |
| 09/01/12           | 30,000                    | 4.31-6.31                | 3                               | 03/01/16-09/01/18      | 159,300                      |
| 12/13/12           | 100,000                   | 3.01                     | 3                               | 12/13/15               | 301,000                      |
| 03/20/13           | 37,000                    | 2.35-4.35                | 3                               | 09/20/16-03/20/19      | 123,950                      |
| 09/02/13           | 16,300                    | 2.35-4.35                | 3                               | 03/02/14-09/02/16      | 54,605                       |
| 05/16/14           | 25,000                    | 3.00-5.00                | 3-5.5                           | 11/16/17-05/16/20      | 100,000                      |
| 08/18/14           | 670,000                   | 2.50-3.00                | 4.5-5.5                         | 02/18/19-02/18/20      | 1,842,500                    |
| 08/18/14           | 60,000                    | 3.00-5.00                | 3.5-6.0                         | 02/18/18-08/18/20      | 240,000                      |
| <b>09/30/14</b>    | <b>1,618,300</b>          | <b>3.89</b>              | <b>3</b>                        |                        | <b>5,531,355</b>             |

Total remaining unrecognized compensation cost related to non-vested stock options is approximately \$1,209,924 and is expected to be recognized over a period of three years.

**Note 8 - Commitments and Contingencies**

a)

**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 \$1,329,413 (€1,048,020) to help fund the research endeavors of the Company in the area of colorectal cancer. The Company had received the entirety of these funds in respect of approved expenditures as of March 31, 2014. Under the terms of the agreement, the Company is due to repay \$398,824 (€314,406) of this amount by installments over the period June 30, 2014 to June 30, 2023. The Company has recorded the balance of \$1,009,610 (€733,614) to other income as there is no obligation to repay this amount. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 6 percent royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of \$398,824 (€314,406) and the 6 percent royalty on revenue, is twice the amount of funding received.

b)

Administrative Support Agreement

On August 6, 2010, the Company entered into an agreement with a related party to rent office space, contract for office support staff, and have consulting services provided on behalf of the Company. The agreement requires the Company to pay \$6,270 per month for office space and staff services as well as approximately \$16,000 per month in fees for two senior executives. The Company is also required to pay for all reasonable expenses incurred. The contract is in force for 12 months with automatic extensions of 12 months with a 3 month notice required for termination of the contract.

c)

Leases

The Company leases premises and facilities under operating leases with terms ranging from 12 months to 24 months. The annual non-cancelable operating lease payments on these leases are as follows:

|            |           |
|------------|-----------|
| 2014       | \$ 84,251 |
| 2015       | \$ 2,458  |
| Thereafter | Nil       |

d)

Bonn University Agreement

On July 11, 2012, the Company entered into an agreement with Bonn University, Germany, relating to a program of samples testing. The agreement was for a period of two years from June 1, 2012 to May 31, 2014. The total payments made by the Company in accordance with the agreement were \$494,715 (€390,000). On April 16, 2014, the Company entered into an extension of this agreement, for a period of a further two years from June 1, 2014 to May 31, 2016. The total payments to be made by the Company in accordance with the extension of the agreement are \$494,715 (€390,000).

**Note 8 - Commitments and Contingencies (continued)**

e)

Hvidovre Hospital, Denmark Agreement

On August 8, 2014, Belgium Volition SA entered into an agreement with Hvidovre Hospital, University of Copenhagen in Denmark, relating to a program of samples testing associated with colorectal cancer. It will run for a period of two years to August 8, 2016. Total payments (inclusive of local taxes) to be made under the agreement are \$1,745,920 (DKR 10,245,000).

f)

Legal Proceedings

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

**Note 9 - Subsequent Events**

1.

Common Stock

On October 3, 2014, 50,000 warrants were exercised for total proceeds of \$123,500. As a result, an aggregate total of 50,000 shares of common stock were issued.

On October 9, 2014, the Company issued 91,757 shares of common stock for a total of \$229,393

2.



Warrants

On October 31, 2014, the Company amended the terms of 1,121,225 warrants of the 1,530,975 that had been issued on February 26, 2014 (See note 6). The aforementioned warrants had a ratchet provision effective until February 26, 2015 and have been treated as a derivative liability. As a result of the amendment, the ratchet provision is now effective until October 31, 2014.

**END NOTES TO FINANCIALS**

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF PLAN OF OPERATION

*This Management's Discussion and Analysis of Plan of Operation contains forward-looking statements. These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections. We may use words such as anticipate, expect, intend, plan, believe, foresee, estimate and variations of these words and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted. You should read this report completely and with the understanding that actual future results may be materially different from what we expect. The forward-looking statements included in this report are made as of the date of this report and should be evaluated with consideration of any changes occurring after the date of this Report. We will not update forward-looking statements even though our situation may change in the future and we assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.*

### ***Liquidity and Capital Resources***

As of September 30, 2014, the Company had cash of \$2,419,667, other current assets and prepayments of \$251,257, and current liabilities of \$7,580,554. This represents a working capital deficit of \$4,909,630. Current liabilities include an amount of \$6,446,068 in respect of a derivative liability. After excluding this liability there is an operating working capital surplus of \$1,536,438.

We intend to use our cash reserves to fund further research and development activities. We do not currently have any substantial source of revenues and expect to rely on additional financing. We are pursuing plans to seek further capital through the sale of additional stock by way of private placement, but there is no assurance that we will be successful in raising further funds.

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 completion of clinical validation studies and regulatory approval processes for the purpose of bringing products to the IVD market would be delayed. 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 and medium 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. 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 and medium term objectives of the business plan, in particular 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 medium term.

On October 31, 2014, the Company amended the terms of 1,121,225 warrants of the 1,530,975 that had been issued on February 26, 2014 (See note 6 to The Financial Statements.) The aforementioned warrants had a ratchet provision effective until February 26, 2015 and have been treated as a derivative liability. As a result of the amendment, the ratchet provision is now effective until October 31, 2014. If the ratchet provision had been changed in these warrants to give an effective date prior to September 30, 2014, then the derivative liability in the balance sheet would have been \$1,725,226, as opposed to \$6,446,068 disclosed on the balance sheet as at September 30, 2014 (See note 7a to The Financial Statements.)

**Results of Operations****Three Months Ended September 30, 2014**

The following table sets forth the Company's results of operations for the three months ended September 30, 2014 and the comparative period for the three months ended September 30, 2013.

|  | <b>Three Months<br/>Ended</b> | <b>Three Months<br/>Ended</b> |                               | <b>Percentage<br/>Increase/<br/>Decrease</b> |
|--|-------------------------------|-------------------------------|-------------------------------|--|
|  | <b>September 30,<br/>2014</b> | <b>September 30,<br/>2013</b> | <b>Increase/<br/>Decrease</b> | <b>Decrease</b>                              |
|  | <b>(\$)</b>                   | <b>(\$)</b>                   | <b>(\$)</b>                   | <b>(%)</b>                                   |
| Revenues   | 14,785                        | –                             | 14,785                        | –  |
| Operating Expenses                                       | (1,778,167)                   | (925,567)                     | (852,600)                     | 92.1%  |
| Net Other Expense  | (4,130,562)                   | –                             | (4,130,562)                   | –  |
| Income Taxes   | –                             | –                             | –                             | –  |
| Net Loss   | (5,893,944)                   | (925,567)                     | (4,968,377)                   | 536.8%                                       |
| Basic and Diluted Loss Per Share                         | (0.44)                        | (0.08)                        | (0.36)                        | 450.0%                                       |
| Weighted Average Basic and Diluted<br>Shares Outstanding | 13,524,998                    | 11,086,237                    | 2,438,761                     | 22.0%  |

**Revenues**

The Company had revenues of \$14,785 from operations in the three months ended September 30, 2014, and no revenues from operations in the comparative period for the three months ended September 30, 2013. The Company's operations are still predominantly in the development stage.

**Operating Expenses**

For the three months ended September 30, 2014, the Company's operating expenses increased by \$852,600, or 92.1%. Operating expenses are comprised of salaries and office administrative fees, research and development expenses,

professional fees, and other general and administrative expenses. Salaries and office administrative fees increased by \$277,509, due principally to an increase in costs on a warrants revaluation of \$155,654. In addition, there was an extra \$78,548 of costs generated from the amortization of share options, following additional share options being granted in August 2014. Research and development expenses increased by \$547,450. This is mainly explained by additional costs of \$90,219 for the purchases of antibodies and samples, and \$213,367 in staff and consultancy costs. \$151,914 was also spent on a new Danish Study in 2014, and an additional \$65,214 on share option amortization for staff in R&D. These increases all reflect a higher level of research and development activity. Professional fees decreased by \$33,716, due principally to decreases in fees for public relations and investor relations services, as services were rationalized. General and administrative expenses increased by \$61,357. This increase is in part explained by an increase in fundraising services costs of \$35,906, associated with fees paid to placement agents and a \$17,321 increase in travel, subsistence and conference costs.

### **Net Other Expenses**

For the three months ended September 30, 2014, the Company recorded other expenses of \$4,130,562 in relation to the revaluation of a derivative liability resulting from the issue of 1,500,000 warrants attached to the issuance of 1,500,000 shares, together with 30,975 warrants issued to agents.

### **Net Loss**

For the three months ended September 30, 2014, the Company recorded a net loss of \$5,893,944, a negative change of \$4,968,377 or 536.8% in relation to the comparative period loss of \$925,567 for the three months ended September 30, 2013. The change is a result of the changes described above.

**Nine Months Ended September 30, 2014**

The following table sets forth the Company's results of operations for the nine months ended September 30, 2014 and the comparative period for the nine months ended September 30, 2013.

|  | <b>Nine Months<br/>Ended<br/>September 30,<br/>2014</b> | <b>Nine Months<br/>Ended<br/>September 30,<br/>2013</b> | <b>Increase/<br/>Decrease<br/>(\$)</b> | <b>Percentage<br/>Increase/<br/>Decrease<br/>(%)</b> |
|--|---|---|--|--|
| Revenues   | (\$)<br>14,785  | (\$)<br>–   | (\$)<br>14,785                         | –  |
| Operating Expenses                                       | (4,066,778)   | (2,880,855)   | (1,185,923)                            | 41.2%  |
| Net Other Expense  | (3,219,574)   | –   | (3,219,574)                            | –  |
| Income Taxes   | –   | –   | –                                      | –  |
| Net Loss   | (7,271,567)   | (2,880,855)   | (4,390,712)                            | 152.4%   |
| Basic and Diluted Loss Per Share                         | (0.56)  | (0.27)  | (0.29)                                 | 105.8%   |
| Weighted Average Basic and Diluted<br>Shares Outstanding | 13,057,866  | 10,649,152  | 2,408,714                              | 22.6%  |

**Revenues**

The Company had \$14,785 of revenues from operations in the nine months ended September 30, 2014, and no revenues from operations in the comparative period for the nine months ended September 30, 2013. The Company's operations are still predominantly in the development stage.

**Operating Expenses**

For the nine months ended September 30, 2014, the Company's operating expenses increased by \$1,185,923, or 41.2%. Operating expenses are comprised of salaries and office administrative fees, research and development expenses, professional fees, and other general and administrative expenses. Salaries and office administrative fees increased by \$101,280, due to an increase of \$41,230 in share options amortization, a \$21,316 increase in warrants costs and an extra \$28,129, as a result of the handover to, and overlap with the new CFO. Research and development expenses increased by \$975,370, mainly due to increases of \$208,425 in patent filing costs, \$166,297 in purchases of antibodies

and samples, and \$336,368 in staff and consultancy costs. An additional \$151,914 was also spent on a new Danish Study in 2014. These increases all reflect a higher level of research and development and patent activity. Professional fees increased by \$101,947, due principally to increases of \$39,493 in legal fees, with additional fund raising activities in 2014 and \$58,429 in fees for investor relations services, as a result of the issue of warrants and additional resource being taken on in this area. General and administrative expenses increased by \$7,326.

### **Net Other Expenses**

For the nine months ended September 30, 2014, the Company recorded other income of \$143,987, representing grant funds received from public bodies in respect of approved expenditures, where there is no obligation to repay. There were no grant funds that met these criteria in respect of the nine months ended September 30, 2013. The Company also recorded a loss of \$3,363,561, in relation to the revaluation of a derivative liability, resulting from the issuance of 1,500,000 warrants attached to the issuance of 1,500,000 shares, together with 30,975 warrants issued to agents.

### **Net Loss**

For the nine months ended September 30, 2014, the Company had a net loss of \$7,271,567, which is an increase of \$4,390,712 or 152.4% over the comparative period for the nine months ended September 30, 2013. 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 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.

***Off-Balance Sheet Arrangements***

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

***Future Financings***

We 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 equity securities or arrange for debt or other financing to fund our operations and other activities.

***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.



***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.

***Recently Issued Accounting Pronouncements***

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.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

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 4. CONTROLS AND PROCEDURES**

### *Evaluation of Disclosure Controls and Procedures*

Disclosure controls and procedures are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by our company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management carried out an evaluation under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act"). Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures were not effective as of September 30, 2014, due to the material weakness resulting from no member of our Board of Directors qualifying as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K. On November 5, 2014, the Board of Directors formed an Audit Committee and adopted its Charter. Mr. Guy Innes is a Chartered Accountant and qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K. Please refer to our Annual Report for the year ended December 31, 2013 on Form 10-K as filed with the SEC on March 28, 2014, for a complete discussion relating to the foregoing evaluation of Disclosures and Procedures.

### *Changes in Internal Control over Financial Reporting*

Our management has also evaluated our internal control over financial reporting, and there have been no significant changes in our internal controls or in other factors that could significantly affect those controls subsequent to the date of our last evaluation.

The Company is not required by current SEC rules to include, and does not include, an auditor's attestation report. The Company's registered public accounting firm has not attested to Management's reports on the Company's internal control over financial reporting.

## **PART II - OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which our director, officer or any affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

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

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

### **1.**

#### **Quarterly Issuances:**

On or about September 24, 2014, the Company issued 540,796 shares of common stock to 10 non-U.S. investors and 7 U.S. Investors at a price of \$2.20 per share, for an aggregate amount of \$1,189,749.

On or about September 26, 2014, the Company issued 300,000 shares of common stock to 23 U.S. Investors at a price of \$2.50 per share, for an aggregate amount of \$750,000. The net proceeds received by the Company after commissions were \$677,970.

2.

**Subsequent Issuances:**

On or about October 3, 2014, 50,000 warrants were exercised for total proceeds of \$123,500. As a result, an aggregate total of 50,000 shares of common stock were issued to 1 U.S. Investor.

On or about October 9, 2014, the Company issued 91,757 shares of common stock to 7 non-U.S. investors and 10 U.S. Investors at a price of \$2.50 per share, for an aggregate amount of \$229,393.

***Exemption From Registration.*** *The shares of Common Stock referenced herein were issued in reliance upon one of the following exemptions:*

*(a) The shares of Common Stock referenced herein were issued in reliance upon the exemption from securities registration afforded by the provisions of Section 4(2) of the Securities Act of 1933, as amended, ("Securities Act"), based upon the following: (a) each of the persons to whom the shares of Common Stock were issued (each such person, an "Investor") confirmed to the Company that it or he is an "accredited investor," as defined in Rule 501 of Regulation D promulgated under the Securities Act and has such background, education and experience in financial and business matters as to be able to evaluate the merits and risks of an investment in the securities, (b) there was no public offering or general solicitation with respect to the offering of such shares, (c) each Investor was provided with certain disclosure materials and all other information requested with respect to the Company, (d) each Investor acknowledged that all securities being purchased were being purchased for investment intent and were "restricted securities" for purposes of the Securities Act, and agreed to transfer such securities only in a transaction registered under the Securities Act or exempt from registration under the Securities Act and (e) a legend has been, or will be, placed on the certificates representing each such security stating that it was restricted and could only be transferred if subsequently registered under the Securities Act or transferred in a transaction exempt from registration under the Securities Act.*

*(b) The shares of common stock referenced herein were issued pursuant to and in accordance with Rule 506 of Regulation D and Section 4(2) of the Securities Act. We made this determination in part based on the representations of the Investor(s), which included, in pertinent part, that such Investor(s) was an accredited investor as defined in Rule 501(a) under the Securities Act, and upon such further representations from the Investor(s) that (a) the Investor is acquiring the securities for his, her or its own account for investment and not for the account of any other person and not with a view to or for distribution, assignment or resale in connection with any distribution within the meaning of the Securities Act, (b) the Investor agrees not to sell or otherwise transfer the purchased securities unless they are registered under the Securities Act and any applicable state securities laws, or an exemption or exemptions from such registration are available, (c) the Investor either alone or together with its representatives has knowledge and experience in financial and business matters such that he, she or it is capable of evaluating the merits and risks of an investment in us, and (d) the Investor has no need for the liquidity in its investment in us and could afford the complete*

*loss of such investment. Our determination is made based further upon our action of (a) making written disclosure to each Investor prior to the closing of sale that the securities have not been registered under the Securities Act and therefore cannot be resold unless they are registered or unless an exemption from registration is available, (b) making written descriptions of the securities being offered, the use of the proceeds from the offering and any material changes in the Company's affairs that are not disclosed in the documents furnished, and (c) placement of a legend on the certificate that evidences the securities stating that the securities have not been registered under the Securities Act and setting forth the restrictions on transferability and sale of the securities, and upon such inaction of the Company of any general solicitation or advertising for securities herein issued in reliance upon Rule 506 of Regulation D and Section 4(2) of the Securities Act.*

*(c) The shares of Common Stock referenced herein were issued pursuant to and in accordance with Rule 903 of Regulation S of the Act. We completed the offering of the shares pursuant to Rule 903 of Regulation S of the Act on the basis that the sale of the shares was completed in an "offshore transaction", as defined in Rule 902(h) of Regulation S. We did not engage in any directed selling efforts, as defined in Regulation S, in the United States in connection with the sale of the shares. Each investor represented to us that the investor was not a "U.S. person", as defined in Regulation S, and was not acquiring the shares for the account or benefit of a U.S. person. The agreement executed between us and each investor included statements that the securities had not been registered pursuant to the Act and that the securities may not be offered or sold in the United States unless the securities are registered under the Act or pursuant to an exemption from the Act. Each investor agreed by execution of the agreement for the shares: (i) to resell the securities purchased only in accordance with the provisions of Regulation S, pursuant to registration under the Act or pursuant to an exemption from registration under the Act; (ii) that we are required to refuse to register any sale of the securities purchased unless the transfer is in accordance with the provisions of Regulation S, pursuant to registration under the Act or pursuant to an exemption from registration under the Act; and (iii) not to engage in hedging transactions with regards to the securities purchased unless in compliance with the Act. All certificates representing the shares were or upon issuance will be endorsed with a restrictive legend confirming that the securities had been issued pursuant to Regulation S of the Act and could not be resold without registration under the Act or an applicable exemption from the registration requirements of the Act.*

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

### ITEM 5. OTHER INFORMATION

#### *Subsequent Events*

On November 5, 2014, the Board of Directors formed and adopted Charters for its Audit Committee, Nominations and Governance Committee, and Compensation Committee.

### ITEM 6. EXHIBITS

| <b>Exhibit Number</b> | <b>Description</b>  | <b>Filing</b>   |
|-----------------------|---|---|
| 2.01                  | Share Purchase Agreement by and between Singapore Volition and ValiRX PLC dated September 22, 2010                          | Filed with the SEC on May 8, 2012 as part of our Amended Current Report on Form 8-K/A.      |
| 2.02                  | 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. |
| 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             |

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|          |  |   |
|----------|--|---|
| 3.01 (c) | Amended & Restated Certificate of Incorporation  | Form 8-K/A.<br>Filed with the SEC on October 7, 2013 as part of our Current Report on Form 8-K. |
| 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 with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A.    |
| 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 Nucleosomic <sup>TM</sup> by and between ValiBio SA and The Walloon Region dated December 17, 2009 | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A.    |
| 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 with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A.    |
| 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    | Employment Agreement by and between PB Commodities Pte Ltd and Cameron Reynolds dated September 4, 2010  | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A.    |
| 10.09    | Employment Agreement by and between PB Commodities Pte Ltd and Rodney Rootsart dated September 4, 2010   | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A.    |
| 10.10    | Deed of Novation by and among Singapore Volition Pte Limited, ValiRX PLC, ValiBio SA and Chroma Therapeutics Limited dated September 22, 2010                                | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A.    |





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| 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 | Employment Agreement by and between Singapore Volition and Dr. George S. Morris dated September 29, 2010                                       | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A. |
| 10.13 | Master Consultancy Services Agreement by and between Singapore Volition Pte Limited and OncoLytika Ltd dated October 1, 2010                   | Filed with the SEC on April 1, 2013 as part of our Annual Report on Form 10-K.               |
| 10.14 | Consultancy Agreement by and between PB Commodities Pte Ltd and Kendall Life Sciences Consultants Ltd dated October 4, 2010                    | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on Form 8-K/A. |
| 10.15 | 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.  |
| 10.16 | Consultancy Agreement by and between Belgian Volition S.A. and Borlaug Limited dated January 1, 2011   | Filed with the SEC on April 1, 2013 as part of our Annual Report on Form 10-K.               |
| 10.17 | 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.  |
| 10.18 | 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.  |
| 10.19 | 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.  |
| 10.20 | 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.  |
| 10.21 | 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.  |
| 10.22 | 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.  |
| 10.23 | 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.  |
| 10.24 | 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.  |
| 10.25 | 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.          |
| 10.26 | Agreement, Consent and Waiver by and between Standard Capital Corporation and its Shareholders dated September 27, 2011                        | Filed with the SEC on April 5, 2012 as part of our Amended Current Report on Form 8-K/A.     |
| 10.27 | Agreement by and between Hypergenomics Pte Limited and PB Commodities Pte Ltd dated October 1, 2011  | Filed with the SEC on February 24, 2012 as part of our Amended Current Report on             |

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Form 8-K/A.

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| 10.28    | Agreement by and between Belgian Volition SA and the Biobank of CHU UCL Mont-Godinne dated August 6, 2012   | Filed with the SEC on October 4, 2012 as part of our Amended Registration Statement on Form S-1/A. |
| 10.29    | Common Stock Purchase Agreement by and among the Company and the purchasers thereto dated February 26, 2014 | Filed with the SEC on February 28, 2014 as part of our Current Report on Form 8-K.                 |
| 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.                  |
| 31.01    | Certification of Principal Executive Officer Pursuant to Rule 13a-14  | Filed herewith.  |
| 31.02    | Certification of Principal Financial Officer Pursuant to Rule 13a-14  | Filed herewith.  |
| 32.01    | CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act   | Filed herewith.  |
| 32.02    | CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act   | Filed herewith.  |
| 101.INS* | XBRL Instance Document  | Filed herewith.  |
| 101.SCH* | XBRL Taxonomy Extension Schema Document   | Filed herewith.  |
| 101.CAL* | XBRL Taxonomy Extension Calculation Linkbase Document   | Filed herewith.  |
| 101.LAB* | XBRL Taxonomy Extension Labels Linkbase Document  | Filed herewith.  |
| 101.PRE* | XBRL Taxonomy Extension Presentation Linkbase Document  | Filed herewith.  |
| 101.DEF* | XBRL Taxonomy Extension Definition Linkbase Document  | Filed herewith.  |

\*

Pursuant to Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**VOLITIONRX LIMITED**

Dated: November 6, 2014

/s/ Cameron Reynolds  
By: Cameron Reynolds  
Its: President, Principal Executive Officer and  
Director

Dated: November 6, 2014

/s/ Michael O Connell  
By: Michael O Connell  
Its: Principal Financial Officer, Principal Accounting  
Officer, & Treasurer

Pursuant to the requirement of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated:

Dated: November 6, 2014

/s/ Cameron Reynolds  
Cameron Reynolds President, CEO & Director

Dated: November 6, 2014

/s/ Dr. Martin Faulkes  
Dr. Martin Faulkes Director

Dated: November 6, 2014

/s/ Guy Archibald Innes  
Guy Archibald Innes Director

Dated: November 6, 2014

/s/ Dr. Alan Colman  
Dr. Alan Colman Director

Dated: November 6, 2014

/s/ Dr. Habib Skaff  
Dr. Habib Skaff Director

Dated: November 6, 2014

/s/ Rodney Gerard Rootsart  
Rodney Gerard Rootsart Secretary