

REFINITIV

DELTA REPORT

10-Q

VNRX - VOLITIONRX LTD

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 1832

| | |
|-------------|-----|
| ■ CHANGES | 183 |
| ■ DELETIONS | 690 |
| ■ ADDITIONS | 959 |

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

FORM 10-Q

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

For the quarterly period ended **September 30, 2023** **March 31, 2024**

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

For the transition period from _____ to _____

Commission File Number: 001-36833

VOLITIONRX LIMITED VolitionRx Limited

(Exact name of registrant as specified in its charter)

Delaware

91-1949078

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

1489 West Warm Springs Road, Suite 110

Henderson, Nevada

89014

(Address of principal executive offices)

(Zip Code)

1489 West Warm Springs Road, Suite 110

Henderson, Nevada 89014

(Address of principal executive offices) (Zip Code)

+1 (646) 650-1351

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

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

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of **November 7, 2023** **May 6, 2024**, there were **78,685,873** **82,815,121** shares of the registrant's \$0.001 par value common stock issued and outstanding.

VOLITIONRX LIMITED
QUARTERLY REPORT ON FORM 10-Q
FOR THE ~~NINE~~ THREE MONTHS ENDED ~~SEPTEMBER 30, 2023~~ MARCH 31, 2024

TABLE OF CONTENTS

| | PAGE |
|---|-------------|
| PART I | PAGE |
| Item 1. FINANCIAL STATEMENTS (UNAUDITED) | 4 |
| Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS | 38 27 |
| Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK | 46 33 |
| Item 4. CONTROLS AND PROCEDURES | 46 33 |
| PART II | PAGE |
| Item 1. LEGAL PROCEEDINGS | 48 35 |
| Item 1A. RISK FACTORS | 48 35 |
| Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS | 48 35 |
| Item 3. DEFAULTS UPON SENIOR SECURITIES | 48 35 |
| Item 4. MINE SAFETY DISCLOSURES | 48 35 |
| Item 5. OTHER INFORMATION | 48 35 |
| Item 6. EXHIBITS | 49 36 |
| SIGNATURES | 50 37 |

Use **Use of Terms**

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

[Table of Contents](#)

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q for the quarterly period ended **September 30, 2023** **March 31, 2024**, or this Report, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which statements are subject to considerable risks and uncertainties. These forward-looking statements are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this Report or incorporated by reference into this Report are forward-looking statements. These statements include, among other things, statements regarding predictions of earnings, revenues, expenses or other financial items; plans or expectations with respect to our development activities or business strategy; clinical studies and results; industry trends; anticipated demand for our products, or the products of our competitors; manufacturing forecasts, and the potential impact of our relationship with contract manufacturers and original equipment manufacturers on our business; the commercialization of our products and the relationships and anticipated outcome of our engagements with our licensors; the future cost and potential benefits of our research and development efforts; forecasts of our liquidity position or available cash resources; our anticipated use of our cash reserves; the impact of pending litigation; and statements relating to the assumptions underlying any of the foregoing. Throughout this Report, we have attempted to identify forward-looking statements by using words such as "may," "believe," "will," "could," "project," "anticipate," "expect," "estimate," "should," "continue," "potential," "plan," "forecasts," "goal," "seek," "intend," other forms of these words or similar words or expressions or the negative thereof (although not all forward-looking statements contain these words).

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

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

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

In addition, actual results may differ as a result of additional risks and uncertainties of which we are currently unaware or which we do not currently view as material to our business. For these reasons, readers are cautioned not to place undue reliance on any forward-looking statements. Our actual financial condition and results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" within this Report, as well as in our Annual Report on Form 10-K for the fiscal year ended **December 31, 2022** **December 31, 2023**, as filed with the SEC on **March 15, 2023** **March 25, 2024**, or our Annual Report, in the documents that we file as exhibits to this Report and the documents that we incorporate by reference into this Report, with the understanding that our future results may be materially different from what we currently expect. The forward-looking statements we make speak only as of the date on which they are made. Except as required by law or the listing rules of the NYSE American Market, we expressly disclaim any intent or obligation to update any forward-looking statements after the date hereof. If we do update or correct any forward-looking statements, readers should not conclude that we will make additional updates or corrections. We qualify all of our forward-looking statements with these cautionary statements.

[Table of Contents](#)

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

| | Page |
|--|------|
| Condensed Consolidated Balance Sheets | 5 |
| Condensed Consolidated Statements of Operations and Comprehensive Loss | 6 |
| Condensed Consolidated Statements of Stockholders' <u>Equity</u> (Deficit) Deficit | 7 |
| Condensed Consolidated Statements of Cash Flows | 9 8 |
| Notes to the Condensed Consolidated Financial Statements | 10 9 |

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

Condensed Consolidated Balance Sheets

(Expressed in United States Dollars, except share numbers)

| | September 30, 2023 | December 31, 2022 | March 31, 2024 | December 31, 2023 |
|---|-----------------------|----------------------|-------------------|----------------------|
| | \$ (UNAUDITED) | \$ (UNAUDITED) | \$ (UNAUDITED) | \$ (UNAUDITED) |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 10,808,747 | 10,867,050 | 11,772,163 | 20,729,983 |
| Accounts receivable | 34,441 | 72,609 | 133,500 | 242,617 |
| Prepaid expenses | 860,780 | 784,920 | 1,094,287 | 521,370 |
| Other current assets | 493,351 | 447,566 | 470,103 | 360,125 |
| Total Current Assets | 12,197,319 | 12,172,145 | 13,470,053 | 21,854,095 |
| Property and equipment, net | 5,304,805 | 5,393,012 | 5,180,551 | 5,523,013 |
| Operating lease right-of-use assets | 490,468 | 619,392 | 569,163 | 549,504 |
| Intangible assets, net | 48,276 | 110,505 | 215,133 | 23,886 |
| Total Assets | 18,040,868 | 18,295,054 | 19,434,900 | 27,950,498 |
| LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) | | | | |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | | | |
| Current Liabilities | | | | |
| Accounts payable | 3,059,844 | 3,043,008 | 3,527,673 | 3,211,287 |
| Accrued liabilities | 2,867,610 | 2,872,247 | 3,305,316 | 3,928,761 |
| Deferred revenue | 10,000,000 | 10,000,000 | 23,000,000 | 23,000,000 |
| Management and directors' fees payable | 59,982 | 71,119 | 60,246 | 59,625 |
| Current portion of long-term debt | 1,258,193 | 1,066,700 | 1,149,944 | 1,207,007 |

| | | | | |
|--|--------------------|--------------------|-------------------|-------------------|
| Current portion of finance lease liabilities | 46,279 | 46,014 | 47,875 | 48,570 |
| Current portion of operating lease liabilities | 194,772 | 245,163 | 201,047 | 199,323 |
| Current portion of grant payable | 50,349 | 41,836 | 54,700 | 55,855 |
| Warrant liability | 117,115 | - | 145,571 | 126,649 |
| Total Current Liabilities | 17,654,144 | 17,386,087 | 31,492,372 | 31,837,077 |
| Long-term debt, net of current portion | 2,086,200 | 2,779,240 | 3,372,568 | 3,624,860 |
| Finance lease liabilities, net of current portion | 395,390 | 436,132 | 379,667 | 400,022 |
| Operating lease liabilities, net of current portion | 323,957 | 400,091 | 396,376 | 378,054 |
| Grant payable, net of current portion | 432,486 | 420,466 | 413,968 | 422,707 |
| Total Long-Term Liabilities | 3,238,033 | 4,035,929 | 4,562,579 | 4,825,643 |
| Total Liabilities | 20,892,177 | 21,422,016 | 36,054,951 | 36,662,720 |
| Stockholders' Equity (Deficit) | | | | |
| Stockholders' Deficit | | | | |
| Common Stock | | | | |
| Authorized: 100,000,000 shares of common stock, at \$0.001 par value per share | | | | |
| Issued and outstanding: 78,342,417 shares and 57,873,379 shares, respectively | 78,343 | 57,873 | | |
| Issued and outstanding: 82,108,972 shares and 81,898,321 shares, respectively | | | 82,109 | 81,898 |
| Additional paid-in capital | 191,517,500 | 164,397,468 | 194,997,353 | 194,448,414 |
| Accumulated other comprehensive income | 239,622 | 227,097 | 258,966 | 243,940 |
| Accumulated deficit | (193,878,257) | (167,257,429) | (210,943,895) | (202,576,507) |
| Total VolitionRx Limited Stockholders' Equity (Deficit) | (2,042,792) | (2,574,991) | | |
| Total VolitionRx Limited Stockholders' Deficit | | | (15,605,467) | (7,802,255) |
| Non-controlling interest | (808,517) | (551,971) | (1,014,584) | (909,967) |
| Total Stockholders' Equity (Deficit) | (2,851,309) | (3,126,962) | | |
| Total Stockholders' Deficit | | | (16,620,051) | (8,712,222) |
| Total Liabilities and Stockholders' Equity (Deficit) | 18,040,868 | 18,295,054 | | |
| Total Liabilities and Stockholders' Deficit | | | 19,434,900 | 27,950,498 |

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

5

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

| | Three Months Ended September 30, | | Nine Months Ended September 30, | | Three Months Ended March 31, | |
|-----------------------|-------------------------------------|---------------|------------------------------------|----------------|---------------------------------|----------------|
| | 2023 | | 2022 | | 2024 | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenues | | | | | | |
| Services | 37,688 | 9,881 | 93,207 | 80,181 | | |
| Royalty | - | 2,911 | - | 2,911 | | |
| Service | | | | | 39,776 | 5,356 |
| Product | 127,523 | 19,922 | 438,122 | 103,585 | 131,759 | 144,452 |
| Total Revenues | 165,211 | 32,714 | 531,329 | 186,677 | 171,535 | 149,808 |

| | | | | | | |
|---|--------------------|--------------------|---------------------|---------------------|--------------------|--------------------|
| Operating Expenses | | | | | | |
| Research and development | 4,650,658 | 4,002,212 | 15,007,623 | 11,202,902 | 4,629,527 | 4,905,678 |
| General and administrative | 2,599,908 | 2,498,506 | 7,826,568 | 7,855,184 | 2,253,743 | 2,581,703 |
| Sales and marketing | 1,567,700 | 1,524,952 | 4,944,259 | 4,897,999 | 1,672,769 | 1,707,457 |
| Total Operating Expenses | 8,818,266 | 8,025,670 | 27,778,450 | 23,956,085 | 8,556,039 | 9,194,838 |
| Operating Loss | (8,653,055) | (7,992,956) | (27,247,121) | (23,769,408) | (8,384,504) | (9,045,030) |
| Other Income (Expenses) | | | | | | |
| Grant income | 48,656 | 171,439 | 214,451 | 564,879 | - | 165,795 |
| Loss on disposal of fixed assets | (15,913) | - | (15,913) | - | | |
| Interest income | 230 | 46,945 | 84,987 | 58,108 | 8,654 | 57,648 |
| Interest expense | (53,980) | (37,699) | (163,623) | (115,860) | (77,233) | (51,322) |
| Gain on change in fair value of warrant liability | 220,874 | - | 249,845 | - | | |
| Loss on change in fair value of warrant liability | | | | | (18,922) | - |
| Total Other Income | 199,867 | 180,685 | 369,747 | 507,127 | | |
| Total Other Income (Expenses) | | | | | (87,501) | 172,121 |
| Net Loss | (8,453,188) | (7,812,271) | (26,877,374) | (23,262,281) | (8,472,005) | (8,872,909) |
| Net Loss Attributable to Non-Controlling Interest | 82,887 | 69,305 | 256,546 | 235,584 | | |
| Net Loss Attributable to VolitionRx Limited Stockholders | (8,370,301) | (7,742,966) | (26,620,828) | (23,026,697) | | |
| Net Loss attributable to Non-Controlling Interest | | | | | 104,617 | 93,361 |
| Net Loss attributable to VolitionRx Stockholders | | | | | | |
| Other Comprehensive Income (Loss) | | | | | (8,367,388) | (8,779,548) |
| Foreign currency translation adjustments | 31,291 | 71,027 | 12,525 | 167,220 | 15,026 | (56,478) |
| Net Comprehensive Loss | (8,421,897) | (7,741,244) | (26,864,849) | (23,095,061) | (8,456,979) | (8,929,387) |

| | | | | |
|----------------------|------------|------------|------------|-----------------------|
| Net Loss Per Share – | | | | |
| Basic and Diluted | | | | |
| Attributable to | | | | |
| VolitionRx Limited | (0.11) | (0.14) | (0.39) | (0.42) |
| Net Loss Per Share – | | | | |
| Basic and Diluted | | | | |
| Attributable to | | | | |
| VolitionRx | | | | |
| Stockholders | | | | (0.10) (0.15) |
| Weighted Average | | | | |
| Shares Outstanding | | | | |
| – Basic and Diluted | 78,176,859 | 56,120,079 | 68,494,766 | 54,603,929 |
| Weighted Average | | | | |
| Shares Outstanding – | | | | |
| Basic and Diluted | | | | 81,956,660 60,176,975 |

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

6

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

For the Nine Months Ended September 30, 2023 and September 30, 2022

| For the Three Months Ended March 31, 2024 and March 31, 2023 | For the Three Months Ended | | |
|---|----------------------------|--------|--------------------|
| | Acc | | |
| | Common Stock | | Additional |
| | Shares | Amount | Paid-in Capital |
| | # | \$ | \$ |
| Balance, December 31, 2023 | 81,898,321 | 81,898 | 194,448,414 |
| Common stock issued for cash, net of issuance costs | 13,350 | 13 | 15,721 |
| Common stock issued for settlement of RSUs | 68,169 | 69 | (69) |

| | | | |
|---|-------------------|---------------|--------------------|
| Common stock issued in lieu of license fee | 129,132 | 129 | 125,129 |
| Stock-based compensation | - | - | 411,220 |
| Tax withholdings paid related to stock-based compensation | - | - | (3,062) |
| Foreign currency translation | - | - | - |
| Net loss for the period | - | - | - |
| Balance, March 31, 2024 | 82,108,972 | 82,109 | 194,997,353 |

| | Accumulated | | | | | | | Acc | | | |
|---|-------------------|---------------|--------------------|-----------------------------|----------------------|----------------------|--------------------|-------------------|---------------|--------------------|------------|
| | Common Stock | | Additional | Other | Non - | | | Common Stock | | Additional | Acc |
| | Shares | Amount | Paid-in Capital | Comprehensive Income (Loss) | Accumulated Deficit | Controlling Interest | Total | Shares | Amount | Paid-in Capital | Compre |
| Balance, December 31, 2022 | 57,873,379 | 57,873 | 164,397,468 | 227,097 | (167,257,429) | (551,971) | (3,126,962) | 57,873,379 | 57,873 | 164,397,468 | Acc |
| Common stock issued for cash, net of issuance costs | 5,224,703 | 5,225 | 8,422,430 | - | - | - | 8,427,655 | | | | |
| Common stock issued for cash | | | | | | | | 5,224,703 | 5,225 | 8,422,430 | |
| Common stock issued for settlement of RSUs | 26,978 | 27 | (27) | - | - | - | - | 26,978 | 27 | (27) | |
| Common stock repurchased | (13,294) | (13) | (31,759) | - | - | - | (31,772) | (13,294) | (13) | (31,759) | |
| Stock-based compensation | - | - | 693,657 | - | - | - | 693,657 | - | - | 693,657 | |
| Tax withholdings paid related to stock-based compensation | - | - | (14,336) | - | - | - | (14,336) | - | - | (14,336) | |
| Foreign currency translation | - | - | - | (56,478) | - | - | (56,478) | - | - | - | |

| | | | | | | | | | | | |
|---|-------------------|---------------|--------------------|----------------|----------------------|------------------|--------------------|-------------------|---------------|--------------------|---|
| Net loss for the period | - | - | - | - | (8,779,548) | (93,361) | (8,872,909) | - | - | - | - |
| Balance, March 31, 2023 | 63,111,766 | 63,112 | 173,467,433 | 170,619 | (176,036,977) | (645,332) | (2,981,145) | 63,111,766 | 63,112 | 173,467,433 | |
| Common stock issued for cash, net of issuance costs and allocation to warrant liability | 14,950,000 | 14,950 | 17,071,656 | - | - | - | 17,086,606 | | | | |
| Common stock issued for settlement of RSUs | 74,598 | 75 | (75) | - | - | - | - | 592,174 | | | |
| Stock-based compensation | - | - | 592,174 | - | - | - | - | 592,174 | | | |
| Tax withholdings paid related to stock-based compensation | - | - | (65,895) | - | - | - | - | (65,895) | | | |
| Foreign currency translation | - | - | - | 37,712 | - | - | - | 37,712 | | | |
| Net loss for the period | - | - | - | - | (9,470,979) | (80,298) | (9,551,277) | | | | |
| Balance, June 30, 2023 | 78,136,364 | 78,137 | 191,065,293 | 208,331 | (185,507,956) | (725,630) | 5,118,175 | | | | |
| Issuance costs | - | - | (12,501) | - | - | - | - | (12,501) | | | |
| Common stock issued for settlement of RSUs | 206,053 | 206 | (206) | - | - | - | - | - | | | |
| Stock-based compensation | - | - | 537,980 | - | - | - | - | 537,980 | | | |
| Tax withholdings paid related to stock-based compensation | - | - | (73,066) | - | - | - | - | (73,066) | | | |
| Foreign currency translation | - | - | - | 31,291 | - | - | - | 31,291 | | | |
| Net loss for the period | - | - | - | - | (8,370,301) | (82,887) | (8,453,188) | | | | |
| Balance, September 30, 2023 | 78,342,417 | 78,343 | 191,517,500 | 239,622 | (193,878,257) | (808,517) | (2,851,309) | | | | |

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

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

[Table of Contents](#)

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

| | Accumulated | | | | | | |
|---|-------------------|---------------|--------------------|----------------|----------------------|----------------------|-------------------|
| | Common Stock | | Additional | | Other | | Non - |
| | Shares | Amount | Capital | Income (Loss) | Accumulated Deficit | Controlling Interest | Total |
| Balance, December 31, 2021 | 53,772,261 | 53,772 | 154,730,938 | 148,326 | (136,988,636) | (222,295) | 17,722,105 |
| Common stock issued for cash, net of issuance costs | 3,000 | 3 | 9,464 | - | - | - | 9,467 |
| Common stock issued for settlement of RSUs | 15,000 | 15 | (15) | - | - | - | - |
| Stock-based compensation | - | - | 915,031 | - | - | - | 915,031 |
| Foreign currency translation | - | - | - | (117,904) | - | - | (117,904) |
| Net loss for the period | - | - | - | - | (7,634,030) | (83,977) | (7,718,007) |
| Balance, March 31, 2022 | 53,790,261 | 53,790 | 155,655,418 | 30,422 | (144,622,666) | (306,272) | 10,810,692 |
| Common stock issued for settlement of RSUs | 56,712 | 57 | (57) | - | - | - | - |
| Stock-based compensation | - | - | 854,304 | - | - | - | 854,304 |
| Tax withholdings paid related to stock-based compensation | - | - | (67,988) | - | - | - | (67,988) |
| Foreign currency translation | - | - | - | 214,097 | - | - | 214,097 |
| Net loss for the period | - | - | - | - | (7,649,701) | (82,302) | (7,732,003) |
| Balance, June 30, 2022 | 53,846,973 | 53,847 | 156,441,677 | 244,519 | (152,272,367) | (388,574) | 4,079,102 |
| Common stock issued for cash | 3,450,000 | 3,450 | 5,941,733 | - | - | - | 5,945,183 |
| Common stock issued for settlement of RSUs | 199,030 | 199 | (199) | - | - | - | - |
| Stock-based compensation | - | - | 639,075 | - | - | - | 639,075 |
| Tax withholdings paid related to stock-based compensation | - | - | (82,288) | - | - | - | (82,288) |
| Foreign currency translation | - | - | - | 71,027 | - | - | 71,027 |
| Net loss for the period | - | - | - | - | (7,742,966) | (69,305) | (7,812,271) |
| Balance, September 30, 2022 | 57,496,003 | 57,496 | 162,939,998 | 315,546 | (160,015,333) | (457,879) | 2,839,828 |

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

[Table of Contents](#)

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

| | Nine Months Ended September 30, | | Three Months Ended March 31, | |
|--|------------------------------------|--------------------|---------------------------------|--------------------|
| | 2023 | 2022 | 2024 | 2023 |
| | | \$ | \$ | \$ |
| Operating Activities | | | | |
| Net loss | (26,877,374) | (23,262,281) | (8,472,005) | (8,872,909) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | | |
| Depreciation and amortization | 855,947 | 687,116 | 263,207 | 271,990 |
| Amortization of operating lease right-of-use assets | 194,036 | 193,444 | 58,866 | 62,585 |
| Loss on disposal of fixed assets | 15,913 | - | | |
| Stock-based compensation | 1,823,811 | 2,408,410 | 411,220 | 693,657 |
| Gain on change in fair value of warrant liability | (249,845) | - | | |
| Loss on change in fair value of warrant liability | | | 18,922 | - |
| Changes in operating assets and liabilities: | | | | |
| Prepaid expenses | (2,402) | (227,381) | (572,917) | (253,447) |
| Accounts receivable | (34,441) | 6,960 | 106,325 | (118,592) |
| Other current assets | (45,785) | 360,414 | (109,978) | (269,344) |
| Deferred revenue, current and non-current | - | 9,987,488 | | |
| Accounts payable and accrued liabilities | 12,128 | 545,266 | 11,755 | (206,562) |
| Management and directors' fees payable | (11,137) | 339 | 621 | 9,019 |
| Right-of-use assets operating leases liabilities | (191,586) | (173,830) | (58,400) | (61,141) |
| Net Cash Used In Operating Activities | (24,510,735) | (9,474,055) | (8,342,384) | (8,744,744) |
| Investing Activities | | | | |
| Purchases of property and equipment | (775,027) | (991,430) | (28,809) | (200,592) |
| Purchase of License | | | (50,000) | - |
| Net Cash Used In Investing Activities | (775,027) | (991,430) | (78,809) | (200,592) |
| Financing Activities | | | | |
| Net proceeds from issuances of common stock | 25,868,720 | 5,954,650 | 15,733 | 8,427,655 |
| Tax withholdings paid related to stock-based compensation | (153,297) | (150,276) | (3,062) | (14,336) |
| Common stock repurchased | (31,772) | - | - | (31,772) |
| Proceeds from grants repayable | - | 210,603 | | |
| Proceeds from long-term debt | 216,908 | 1,011,835 | | |
| Payments on long-term debt | (680,325) | (941,857) | (210,183) | (223,340) |
| Payments on grants repayable | 27,052 | (37,824) | | |
| Payments on finance lease obligations | (35,071) | (35,063) | (11,886) | (11,445) |
| Net Cash Provided By Financing Activities | 25,212,215 | 6,012,068 | | |
| Net Cash (Used In) Provided By Financing Activities | | | (209,398) | 8,146,762 |
| Effect of foreign exchange on cash | 15,244 | 288,173 | (327,229) | (57,598) |
| Net change in cash and cash equivalents | (58,303) | (4,165,244) | (8,957,820) | (856,172) |
| Cash and cash equivalents – beginning of the period | 10,867,050 | 20,581,313 | 20,729,983 | 10,867,050 |
| Cash and cash equivalents – End of Period | 10,808,747 | 16,416,069 | 11,772,163 | 10,010,878 |
| Supplemental Disclosures of Cash Flow Information | | | | |
| Interest paid | 163,623 | 115,860 | 77,233 | 51,322 |
| Non-Cash Financing Activities | | | | |
| Common stock issued upon cashless exercises of stock options and settlement of vested RSUs | | | 197 | 27 |
| Offering costs from issuance of common stock | 239,772 | 420,819 | - | 195,892 |
| Non-Cash Financing Activities | | | | |
| Common stock issued for settlement of vested RSUs | 308 | 271 | | |

| | | |
|--|---------|---------|
| Fair value of warrants issued in connection with public offering | 366,960 | - |
| Common stock issued for License rights | | 125,258 |
| Non-cash note payable | 356,258 | 620,549 |

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

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

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

Basis of Presentation

The interim condensed consolidated financial statements of VolitionRx Limited (the "Company" or "VolitionRx") for the three and nine months ended September 30, 2023 and September 30, 2022, are unaudited. These interim consolidated financial statements are prepared in accordance with the requirements for unaudited interim periods and, consequently, do not include all disclosures required to be made in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In the opinion of the Company's management, the accompanying condensed consolidated financial statements contain all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the Company's financial position as of September 30, 2023, and its results of operations and cash flows for the periods ended September 30, 2023 and September 30, 2022. The results of operations for the periods ended September 30, 2023 and September 30, 2022, are not necessarily indicative of the results for a full-year period. These interim condensed consolidated financial statements should be read in conjunction with the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the Securities and Exchange Commission (the "SEC") on March 15, 2023 (the "Annual Report").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company also regularly evaluates estimates and assumptions related to deferred income tax asset valuation allowances, useful lives of property and equipment and intangible assets, borrowing rate used in operating lease right-of-use asset and liability valuations, impairment analysis of intangible assets, and valuations of stock-based compensation. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. In addition, the Company has considered the potential impact of certain economic factors, including inflation, rising interest rates, and recessionary pressures, on its business and operations. Although the full impact of these factors is unknown and cannot be reasonably estimated, the Company believes it has made appropriate accounting estimates and assumptions based on the facts and circumstances available as of the reporting date. However, the Company's actual results may differ materially and adversely from these estimates and assumptions, which may result in material effects on the Company's financial condition, results of operations, and liquidity. To the extent there are material differences between the estimates and the actual results, the Company's condensed consolidated financial statements could be materially affected.

Principles of Consolidation

The accompanying condensed consolidated financial statements for the period ended September 30, 2023 include the accounts of the Company and its subsidiaries. The Company has two wholly owned subsidiaries, Singapore Volition Pte. Limited ("Singapore Volition") and Volition Global Services SRL ("Volition Global"). Singapore Volition has one wholly owned subsidiary, Belgian Volition SRL ("Belgian Volition"). Belgian Volition has four subsidiaries, Volition Diagnostics UK Limited ("Volition Diagnostics"), Volition America, Inc. ("Volition America"), Volition Germany GmbH ("Volition Germany"), and its one majority owned subsidiary Volition Veterinary Diagnostics Development LLC ("Volition Vet"). See Note 8(f), *Commitments and Contingencies – Other Commitments*, for more information regarding VolitionRx, Volition Vet, Volition Germany and Volition America. All intercompany balances and transactions have been eliminated in consolidation.

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

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

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Company considers interest bearing deposits with original maturity dates of three months or less to be cash equivalents. The Company invests excess cash from its operating cash accounts in overnight investments and reflects these amounts in cash and cash equivalents in the condensed consolidated balance sheets at fair value using quoted prices in active markets for identical assets. As of September 30, 2023, cash and cash equivalents totaled approximately \$10.8 million, of which \$nil was held in an overnight money market account.

Accounts Receivables

Trade accounts receivable are stated at the amount the Company expects to collect. Due to the nature of the accounts receivable balance, the Company believes the risk of doubtful accounts is minimal and therefore no allowance is recorded. If the financial condition of the Company's customers were to deteriorate, adversely affecting their ability to

make payments, additional allowances would be required. The Company may provide for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Company has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of September 30, 2023, the accounts receivable balance was \$34,441 and the allowance for doubtful debts was \$nil.

Revenue Recognition

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

The Company generates product and royalty revenues from the sale of its Nu.Q® Vet Cancer Test, from the sale of nucleosomes, and from the sale of research use only kits. In addition, revenue is received from external third parties for services the Company performs for them in its laboratory.

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

Royalty

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

Product

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

VOLITIONRX LIMITED

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

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

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of VolitionRx Limited (the "Company" or "VolitionRx") have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q of Regulation S-X. They do not include all the information and footnotes required by GAAP for complete financial statements. The December 31, 2023 consolidated balance sheet data was derived from audited financial statements but do not include all disclosures required by GAAP. However, except as disclosed herein, there has been no material change in the information disclosed in the notes to the consolidated financial statements for the year ended December 31, 2023 included in the Company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission on March 25, 2024 (the "Annual Report"). The interim unaudited condensed consolidated financial statements should be read in conjunction with those consolidated financial statements included in the Annual Report. In the opinion of management, all adjustments considered necessary for a fair presentation of the financial statements, consisting solely of normal recurring adjustments, have been made. Operating results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

Service Reclassifications

Certain reclassifications within operating expenses have been made to the prior period's financial statements to conform to the current period financial statement presentation. There is no impact in total to the results of operations and cash flows in all periods presented.

Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, "*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*," which requires a public entity to disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about reportable segment's profit or loss and assets that are currently required annually. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. These amendments are to be applied retrospectively. The Company is currently evaluating the impact this standard will have on its condensed consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*," which enhances the transparency and decision usefulness of income tax disclosures by requiring: (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. These amendments are to be applied prospectively, with retrospective application permitted. The Company is currently evaluating the impact this standard will have on its condensed consolidated financial statements.

The Company includes revenue recognized from laboratory services performed in the Company's laboratory on behalf of third parties under "Service" under the currently believes there are no other issued and not yet effective accounting standards that are materially relevant to its condensed consolidated statements of operations and comprehensive loss. For each development and/or commercialization agreement that results in revenues, the Company identifies all performance obligations, aside from those that are immaterial, which may include a license to intellectual property and know-how, development activities and/or transition activities. In order to determine the transaction price, in addition to any upfront payment, the Company estimates the amount of variable consideration at the outset of the contract either utilizing the expected value or most likely amount method, depending on the facts and circumstances relative to the contract. The Company constrains the estimates of variable consideration such that it is probable that a significant reversal of previously recognized revenue will not occur throughout the life of the contract. When determining if variable consideration should be constrained, management considers whether there are factors outside the Company's control that could result in a significant reversal of revenue. In making these assessments, the Company considers the likelihood and magnitude of a potential reversal of revenue. These estimates are re-assessed each reporting period as required.

Licensing

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

Revenue from Heska Agreement

On March 28, 2022, Belgian Volition entered into a Master License and Supply Agreement (the "License Agreement") with Heska Corporation ("Heska"), pursuant to which Belgian Volition granted Heska worldwide exclusive rights to sell the Nu.Q® Vet Cancer Test at the point of care ("POC") initially for the screening of lymphoma and hemangiosarcoma in dogs ("Canine Lymphoma & HSA"), and non-exclusive rights to sell its Nu.Q® Vet Cancer Test in kit format ("Kits") through Heska's network of central reference laboratories ("Central Lab") initially for Canine Lymphoma & HSA.

Under and subject to the terms of the License Agreement, Belgian Volition received an upfront payment of \$10.0 million in 2022, and is eligible to receive further milestone payments of (i) \$6.5 million upon the first commercial sale by or on behalf of Heska of a POC screening test for Canine Lymphoma & HSA, (ii) \$6.5 million upon the first commercial sale by or on behalf of Heska of a POC monitoring test for the same conditions, and (iii) \$5.0 million upon the first commercial sale by or on behalf of Heska of a screening or monitoring test for lymphoma in felines. The License Agreement also contains time-based triggers that could accelerate Heska's obligation to remit one or more of the foregoing payments prior to the achievement of the specified commercial milestones. Any further expansion of the License Agreement to cover other cancer and non-cancer indications is subject to negotiation between the parties.

Belgian Volition will also supply Central Lab Kits and will receive a pre-agreed price per test, adjusted annually for inflation. The price per test for POC key components ("Key Components") is also discounted to reflect the lower cost to Belgian Volition and additional assembly costs for Heska, as well as consideration for Heska's upfront and milestone payments. Heska will assemble the Key Components for use at the POC, and is responsible for marketing and distribution efforts and related costs, financial statements.

129

Table of Contents

VOLITIONRX LIMITED

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

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

Deferred Revenue (Contract Liabilities) and Contract Assets

Deferred revenue consists of amounts for which the Company has an unconditional right to bill, and/or amounts for which payment has been received (including non-refundable amounts), but have not been recognized as revenue because the related performance obligations are deemed incomplete. As of September 30, 2023, the Company recorded \$10.0 million as deferred revenue in respect of the non-refundable payment received in 2022 in relation to the Heska License Agreement.

Contract assets include costs and services incurred on contracts with open performance obligations. These contract assets were immaterial as of September 30, 2023.

Leases

The Company accounts for leases in accordance with ASC Topic 842, "Leases." The Company determines whether a contract is a lease at contract inception or for a modified contract at the modification date. At inception or modification, the Company recognizes right-of-use assets ("ROU") and related lease liabilities on the balance sheet for all leases greater than one year in duration. Lease liabilities and their corresponding ROU assets are initially measured at the present value of the unpaid lease payments as of the lease commencement date. If the lease contains a renewal and/or termination option, the exercise of the option is included in the term of the lease if the Company is reasonably certain that a renewal or termination option will be exercised. As the Company's leases do not provide an implicit rate, the Company uses an estimated incremental borrowing rate ("IBR") based on the information available at the commencement date of the respective lease to determine the present value of future payments. The IBR is determined by estimating what

it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term in equal amounts of rent expense attributed to each period during the term of the lease, regardless of when actual payments are made. This generally results in rent expense in excess of cash payments during the early years of a lease and rent expense less than cash payments in later years. The difference between rent expense recognized and actual rental payments is typically represented as the spread between the ROU asset and lease liability.

When calculating the present value of minimum lease payments, we account for leases as one single lease component if a lease has both lease and non-lease fixed cost components. Variable lease and non-lease cost components are expensed as incurred.

The Company does not recognize ROU assets and lease liabilities for short-term leases that have an initial lease term of 12 months or less. It recognizes the lease payments associated with short-term leases as an expense on a straight-line basis over the lease term.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, "Earnings Per Share," which requires presentation of both basic and diluted earnings per share ("EPS") on the face of the statement of operations and comprehensive loss. Basic EPS is computed by dividing net loss available to common stockholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. As of September 30, 2023, 9,151,605 potential common shares equivalents from warrants, options, and restricted stock units ("RSUs") were excluded from the diluted EPS calculations as their effect is anti-dilutive.

13

Table of Contents

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

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

Foreign Currency Translation

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

Fair Value Measurements

Pursuant to ASC 820, "Fair Value Measurements and Disclosures," an entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the assets or liabilities such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The financial instruments of the Company consist primarily of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, debt, and a warrant liability. These items are considered Level 1 due to their short-term nature and their market interest rates, except for the warrant liability, which is considered Level 2 and is recorded at fair value at the end of each reporting period.

Included in the following table are the Company's major categories of assets and liabilities measured at fair value on a recurring basis as of **September 30, 2023** **March 31, 2024**.

Fair Value Measurements at **September 30, 2023 **March 31, 2024****

| Description | Level 1 | Level 2 | Level 3 | Total |
|---|---------|----------------|----------------|----------------|
| | \$ | \$ | \$ | \$ |
| Liabilities | | | | |
| Warrant liability | - | 117,115 | 145,571 | 117,115 |
| As of December 31, 2023, the warrant liability was \$126,649. The following table provides a roll-forward of the warrant liability measured at fair value on a recurring basis for the three months ended March 31, 2024, as follows: | | | | |
| Warrant Liability | | | | Total |
| | | | | \$ |
| Balance at December 31, 2023 | | | | 126,649 |
| Loss on change in fair value of warrant liability | | | | 18,922 |
| Balance at March 31, 2024 | | | | 145,571 |

14 10

[Table of Contents](#)

VOLITIONRX LIMITED

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

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

Fair Value Measurements (continued)

As of December 31, 2022, there was no warrant liability. The following table provides a roll-forward of the warrant liability measured at fair value on a recurring basis for the nine months ended September 30, 2023, as follows:

Warrant Liability

| | \$ |
|---|------------------|
| Balance at December 31, 2022 | - |
| Fair value of warrant liability, at issuance | 366,960 |
| Gain on change in fair value of warrant liability | (249,845) |
| Balance at September 30, 2023 | 117,115 |

Research Basic and Development

In accordance with ASC 730, "Research and Development," the Company follows the policy of expensing its research and development costs in the period in which they are incurred. The Company incurred research and development expenses of \$15.0 million and \$11.2 million during the nine-months ended September 30, 2023, and September 30, 2022, respectively.

Warrants Liability Diluted Net Loss Per Share

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the face of the specific terms of operations and comprehensive loss. Basic EPS is computed by dividing net loss available to common stockholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. As of March 31, 2024, 9,094,349 potential common shares equivalents from warrants, options, and applicable authoritative guidance in ASC 480, "Distinguishing Liabilities from Equity" and ASC 815-40, "Contracts in Entity's Own Equity". The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and meet all of the requirements for equity classification under ASC 815-40, including whether the warrants are indexed to the Company's own stock and whether the events where holders of the warrants could potentially require net cash settlement are within the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, diluted EPS calculations as their effect is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

anti-dilutive.

15 11

VOLITIONRX VOLITIONRX LIMITED

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

Note 1 - Basis of Presentation 2 - Liquidity and Summary of Significant Accounting Policies (continued)

Stock-Based Compensation

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

Reclassification

Certain amounts presented in previously issued financial statements have been reclassified to be consistent with the current period presentation. The Company has reclassified the prior period comparative amounts for the three and nine months ended September 30, 2023. A previously classified loan note has been recategorized as accounts payable balance in the condensed consolidated statements of cash flows.

Recent Accounting Pronouncements

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

Note 2 - Going Concern Assessment

The Company's condensed consolidated financial statements are prepared using U.S. GAAP applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has incurred losses since inception of \$193.9 million, has had negative Management assesses liquidity and going concern uncertainty in the Company's consolidated financial statements to determine whether there is sufficient cash flows from operations on an annual basis, and has minimal revenues, which creates substantial doubt about its ability working capital, including available borrowings on loans, to continue as a going concern operate for a period of at least one year from the date the financial statements are issued, which is referred to as the "look-forward period," as defined in GAAP. As part of issuance this assessment, based on conditions that are known and reasonably knowable to management, management considered various scenarios, forecasts, projections, estimates and made certain key assumptions, including the timing and nature of these condensed consolidated financial statements projected cash expenditures or programs, its ability to delay or curtail expenditures or programs and its ability to raise additional capital, if necessary, among other factors.

For the three months ended March 31, 2024, the Company incurred a net loss of \$8.5 million and used cash flows in operating activities of \$8.3 million. As of March 31, 2024, the Company had cash and cash equivalents of \$11.8 million and an accumulated deficit of \$210.9 million.

The Company has generated operating losses and has experienced negative cash flows from operations since inception. The Company has not generated significant revenues and expects to incur further losses in the future, particularly from continued development of its clinical-stage diagnostic tests, and initiation of additional clinical trials to seek regulatory approval. The future of the Company as an operating business will depend on its ability to obtain sufficient capital contributions, financing and/or to generate revenues as may be required to sustain its operations. Management plans to address the above as needed by, (a) securing additional grant funds, (b) obtaining additional financing through debt or equity transactions, transactions; (c) granting licenses and/or distribution rights to third parties in exchange for specified up-front and/or milestone back-end payments, and (d) developing and commercializing its products on in an accelerated timeline, efficient manner. Management continues to exercise tight cost controls to conserve cash.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and to eventually attain profitable operations.

Management assessed the mitigating effect of its plans to determine if it is probable that the plans would be effectively implemented within one year after the condensed consolidated financial statements are issued and when implemented, would mitigate the relevant conditions or events that raise substantial doubt about the Company's ability to continue as a going concern. These plans are subject to market conditions and reliance on third parties, and there is no assurance that effective implementation of the Company's plans will result in the necessary funding to continue current operations and satisfy current and expected debt obligations. The Company has implemented short-term cash preservation and cost-saving initiatives to conserve cash. The Company concluded that these plans do not alleviate the substantial doubt about the Company's ability to continue as a going concern beyond one year from the date the condensed consolidated financial statements are issued.

The accompanying condensed consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of assets and their carrying amounts, or the amounts and classification of liabilities that might be necessary if may result should the Company is be unable to continue as a going concern. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

VOLITIONRX VOLITIONRX LIMITED

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

Note Note 3 - Property and Equipment

The Company's property and equipment consisted of the following amounts as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**:

| | Useful Life | Cost \$ | Accumulated Depreciation \$ | Net Carrying Value \$ | | | March 31, 2024 | December 31, 2023 |
|---|---------------|------------------|-----------------------------|-----------------------|--------------------|---------------|------------------|-------------------|
| | | | | | September 30, 2023 | Useful Life | | |
| Computer hardware and software | 3 years | 695,883 | 565,533 | 130,350 | | 3 years | 723,899 | 724,534 |
| Laboratory equipment | 5 years | 4,533,961 | 2,207,479 | 2,326,482 | | 5 years | 4,695,842 | 4,753,253 |
| Office furniture and equipment | 5 years | 361,911 | 261,056 | 100,855 | | 5 years | 375,815 | 378,800 |
| Buildings | 30 years | 2,026,448 | 344,987 | 1,681,461 | | 30 years | 2,069,344 | 2,113,031 |
| Building improvements | 5-15 years | 1,326,435 | 387,818 | 938,617 | | 5-15 years | 1,576,729 | 1,610,016 |
| Land | Not amortized | 127,040 | - | 127,040 | | Not amortized | 129,729 | 132,468 |
| | | 9,071,678 | 3,766,873 | 5,304,805 | | | | |
| December 31, 2022 | | | | | | | | |
| | Useful Life | Cost \$ | Accumulated Depreciation \$ | Net Carrying Value \$ | | | | |
| Computer hardware and software | 3 years | 656,759 | 497,306 | 159,453 | | | | |
| Laboratory equipment | 5 years | 4,190,289 | 1,951,387 | 2,238,902 | | | | |
| Office furniture and equipment | 5 years | 358,575 | 239,436 | 119,139 | | | | |
| Buildings | 30 years | 2,054,332 | 298,397 | 1,755,935 | | | | |
| Building improvements | 5-15 years | 1,317,132 | 326,337 | 990,795 | | | | |
| Land | Not amortized | 128,788 | - | 128,788 | | | | |
| | | 8,705,875 | 3,312,863 | 5,393,012 | | | | |
| Total property and equipment | | | | | | | 9,571,358 | 9,712,102 |
| Less accumulated depreciation | | | | | | | 4,390,807 | 4,189,089 |
| Total property and equipment net | | | | | | | 5,180,551 | 5,523,013 |

During the nine-month three-month periods ended **September 30, 2023** **March 31, 2024** and **September 30, 2022** **March 31, 2023**, the Company recognized **\$792,232** **\$277,501** and **\$624,830**, **\$250,861**, respectively, in depreciation expense.

1713

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

Note 4 - Intangible Assets

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

| | Cost \$ | Accumulated Amortization \$ | Net Carrying Value \$ | September 30, 2023 |
|---------|------------------|-----------------------------|-----------------------|--------------------|
| Patents | 1,091,356 | 1,043,080 | 48,276 | |

| | Cost \$ | Accumulated Amortization \$ | Net Carrying Value \$ | December 31, 2022 |
|--|------------------|-----------------------------|-----------------------|-------------------|
| Patents | 1,104,103 | 993,598 | 110,505 | |
| | March 31, 2024 | December 31, 2023 | | |
| | Cost \$ | Cost \$ | | |
| Patents | 1,110,005 | 1,130,936 | | |
| Licenses | 176,220 | - | | |
| Total Patents and Licenses | 1,286,225 | 1,130,936 | | |
| Less accumulated amortization | 1,071,092 | 1,107,050 | | |
| Total patents and Licenses, net | 215,133 | 23,886 | | |

During the nine-month three-month periods ended **September 30, 2023** **March 31, 2024** and **September 30, 2022** **March 31, 2023**, the Company recognized **\$63,715** **\$(14,294)** and **\$62,286**, **\$21,129**, respectively, in amortization expense.

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

| | \$ | 19,630 | Amount |
|--------------------------------|------------------|----------------|--------|
| 2024 | \$ 28,646 | 12,887 | \$ |
| 2025 | | 17,183 | |
| 2026 | | 17,183 | |
| 2027 | | 17,183 | |
| 2028 | | 17,183 | |
| Greater than 5 years | | 133,514 | |
| Total Intangible Assets | \$ 48,276 | 215,133 | |

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 "Property, Plant and Equipment," as of **December 31, 2022** **December 31, 2023**. The result of this review confirmed that the ongoing value of the patents was not impaired as of **December 31, 2022** **December 31, 2023**.

Note Note 5 - Related-Party Transactions

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

1814

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

Note Note 6 - Common Stock

As of **September 30, 2023** **March 31, 2024**, the Company was authorized to issue 100 million shares of common stock, par value \$0.001 per share, of which **78,342,417** **82,108,972** and **57,873,379** **81,898,321** shares were issued and outstanding as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, respectively.

Stock Option Exercises

During the **nine** **three** months ended **September 30, 2023** **March 31, 2024**, no shares of common stock were issued pursuant to the exercise of stock options.

Stock Options Expired / Cancelled

The table below summarizes During the three months ended March 31, 2024, no stock options granted under the Company's 2015 Stock Incentive Plan (the "2015 Plan") or the 2011 Equity Incentive Plan (the "2011 Plan"), as indicated, that to purchase shares of common stock expired or were cancelled during the nine months ended September 30, 2023.

| Equity Incentive Plan | Options (#) | Grant Date | Options | Grant | Cancellation Date |
|------------------------------|--------------------|-------------------|----------------------|-------------------|--------------------------|
| | | | Cancelled (#) | Price (\$) | |
| 2015 | 25,000 | Apr 15, 2016 | 25,000 | 4.00 | Feb 18, 2023 |
| 2015 | 55,000 | Apr 13, 2020 | 55,000 | 3.60 | Feb 18, 2023 |
| 2015 | 50,000 | Mar 30, 2017 | 50,000 | 5.00 | Feb 18, 2023 |
| 2015 | 50,000 | Feb 11, 2019 | 50,000 | 3.25 | Feb 18, 2023 |
| 2015 | 50,000 | Jan 23, 2018 | 50,000 | 4.00 | Feb 18, 2023 |
| 2015 | 32,383 | Aug 3, 2021 | 32,383 | 3.40 | Feb 18, 2023 |
| 2011 | 5,267 | Mar 20, 2013 | 5,267 | 4.35 | Mar 20, 2023 |
| 2011 | 1,100 | Mar 20, 2013 | 1,100 | 4.35 | Mar 20, 2023 |
| 2015 | 4,317 | Aug 3, 2021 | 4,317 | 3.40 | Jun 28, 2023 |
| 2011 | 550 | Sep 2, 2013 | 550 | 3.35 | Sep 2, 2023 |
| 2011 | 550 | Sep 2, 2013 | 550 | 4.35 | Sep 2, 2023 |
| 2011 | 550 | Sep 2, 2013 | 550 | 4.35 | Sep 2, 2023 |
| 2011 | 2,167 | Sep 2, 2013 | 2,167 | 3.35 | Sep 2, 2023 |
| 2011 | 2,167 | Sep 2, 2013 | 2,167 | 4.35 | Sep 2, 2023 |
| 2011 | 2,167 | Sep 2, 2013 | 2,167 | 4.35 | Sep 2, 2023 |
| 2015 | 4,318 | Aug 3, 2021 | 4,318 | 3.40 | Sep 28, 2023 |
| | 285,536 | | 285,536 | | |

19

[Table of Contents](#)

VOLITIONRX LIMITED

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

Note 6 - Common Stock (continued) cancelled.

RSU Settlements

Below is a table summarizing the RSUs vested and settled during the **nine** **three** months ended **September 30, 2023** **March 31, 2024**, all of which were issued pursuant to the 2015 Plan.

| Equity Incentive Plan | RSUs Vested (#) | Vest Date | Shares issued (#) | Shares Withheld for Taxes (#) |
|------------------------------|----------------------------|------------------|------------------------------|--|
| | | | | |
| 2015 | 4,000 | Feb 8, 2023 | 2,369 | 1,631 |
| 2015 | 15,000 | Mar 1, 2023 | 9,609 | 5,391 |
| 2015 | 15,000 | Mar 25, 2023 | 15,000 | - |
| 2015 | 2,500 | Apr 4, 2023 | 1,759 | 741 |
| 2015 | 13,500 | Apr 4, 2023 | 7,995 | 5,505 |
| 2015 | 35,000 | Apr 4, 2023 | 22,610 | 12,390 |
| 2015 | 50,000 | May 1, 2023 | 35,707 | 14,293 |
| 2015 | 4,000 | Jun 1, 2023 | 2,270 | 1,730 |
| 2015 | 7,500 | Jun 1, 2023 | 4,257 | 3,243 |
| 2015 | 208,809 | Aug 3, 2023 | 167,809 | 41,000 |
| 2015 | 34,102 | Aug 15, 2023 | 23,764 | 10,338 |
| 2015 | 12,000 | Sep 7, 2023 | 7,046 | 4,954 |
| 2015 | 12,500 | Sep 21, 2023 | 7,434 | 5,066 |
| | 413,911 | | 307,629 | 106,282 |

Warrant Expiration

Effective February 26, 2023, a warrant to purchase 125,000 shares of common stock expired unexercised.

| Equity Incentive Plan | RSUs Vested (#) | Vest Date | Shares issued (#) | Shares Withheld for Taxes (#) |
|------------------------------|------------------------|------------------|--------------------------|--------------------------------------|
| 2015 | 21,582 | Feb 8, 2024 | 21,582 | - |
| 2015 | 9,000 | Mar 1, 2024 | 6,057 | 2,943 |
| 2015 | 44,217 | Mar 27, 2024 | 40,530 | 3,687 |
| | 74,799 | | 68,169 | 6,630 |

Warrants Issued in Equity Capital Raises

On February 17, 2023, the Company entered into an underwriting agreement with Newbridge Securities Corporation ("Newbridge") in connection with an **the** **June 2023** underwritten public offering of 4,945,000 shares of the Company's common stock which includes Newbridge's exercise in full of its overallotment option, pursuant to the Company's "shelf" registration statement on Form S-3 (declared effective by the SEC on November 8, 2021, File No. 333-259783) (as amended and supplemented from time to time, the "2021 Form S-3"). The public offering price was \$1.75 per share. The underwriter purchased the shares from the Company at a price of \$1.6275 per share on February 22, 2023, after taking into account the underwriting discounts and commissions. The net proceeds received by the Company for the sale and issuance of the shares were approximately \$8.0 million, before deducting offering expenses of \$0.2 million paid by the Company.

[Table of Contents](#)

VOLITIONRX LIMITED

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

Note 6 - Common Stock (continued)

Equity Capital Raises (continued)

On June 1, 2023, the Company entered into an underwriting agreement with Prime Executions, Inc. dba Freedom Capital Markets ("Freedom") acting as the book-running manager of the offering and Bancroft Capital, LLC acting as co-manager in connection with an underwritten public offering of 14,950,000 shares of the Company's common stock, which includes Freedom's exercise in full of its overallotment option, pursuant to the 2021 Form S-3. The underwriter purchased 13,000,000 shares and 1,950,000 shares from dated June

1, 2023, the Company on June 5 and June 23, 2023 respectively. The public offering price was \$1.27 per share. The underwriter purchased the shares from the Company at a price of \$1.1811 per share. The net proceeds received by the Company for the sale and issuance of the shares were approximately \$17.6 million, before deducting offering expenses of \$0.1 million paid by the Company. In addition, the Company issued Freedom warrants to purchase an aggregate of 448,500 shares of Company common stock to Freedom, at an exercise price of \$2.00 per share.

The Company evaluated the warrants as either equity-classified or liability-classified instruments based on an assessment of the specific terms of the warrants and applicable authoritative guidance in ASC 480 and ASC 815-40. The Company determined the warrants issued in the to Freedom offering failed the indexation guidance under ASC 815-40, specifically, the warrants provide for a Black-Scholes value calculation in the event of certain transactions ("Fundamental Transactions"), which includes a floor on volatility utilized in the value calculation at 100% or greater. The Company has determined that this provision introduces leverage to the holders of the warrants that could result in a value that would be greater than the settlement amount of a fixed-for-fixed option on the Company's own equity shares. Accordingly, pursuant to ASC 815-40, the Company has classified the fair value of the warrants as a liability upon issuance and marked to market each reporting period in the Company's consolidated statement of operations until their exercise or expiration.

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 6 - Common Stock (continued)

Warrants Issued in Equity Capital Raise (continued)

The fair value of the warrants as of June 1, 2023 December 31, 2023, the issuance date, and September 30, 2023 March 31, 2024, were \$366,960 \$126,649 and \$117,115, \$145,571, respectively. The warrant liability was estimated using the Black-Scholes pricing model with the following assumptions.

| | (At Issuance) | | | |
|-------------------------|-----------------------|-------------------|-------------------|----------------------|
| | September 30, 2023 | June 1, 2023 | March 31, 2024 | December 31, 2023 |
| Risk-free interest rate | 4.6% | 3.7% | 4.3% | 3.89 % |
| Expected volatility | 72.34 % | 71.56 % | 81.35 % | 76.30 % |
| Expected life (years) | 4.72 | 5.03 | 4.19 | 4.44 |
| Expected dividend yield | - | - | - | - |
| Total fair value | \$ 117,115 | \$ 366,960 | \$ 145,571 | \$ 126,649 |

The fair value of the warrants deemed to be a liability, due to certain contingent put features, was determined using the Black-Scholes option pricing model, which was deemed to be an appropriate model due to the terms of the warrants issued, including a fixed term and exercise price.

[Table of Contents](#)

VOLITIONRX LIMITED Common Stock Issued for EpiCypher License Agreement

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 6 - Common Stock (continued) On March 12, 2024, the Company issued 129,132 shares of restricted common stock to EpiCypher, Inc. at a price of \$0.97 per share as partial consideration for license rights in connection with a License Agreement between EpiCypher and Belgian Volition.

Equity Distribution Agreement

On May 20, 2022, the Company entered into an equity distribution agreement (the "2022 EDA") with Jefferies LLC ("Jefferies") to sell shares of the Company's common stock, with an aggregate offering price of up to \$25.0 million, from time to time through an "at the market" offering pursuant to the Company's 2021 Form S-3 through Jefferies acting as the Company's agent and/or principal. The Company is not obligated to sell any shares under the 2022 EDA.

During the three months ended September 30, 2023, the Company did not sell any shares of its common stock under the 2022 EDA. During the nine months ended September 30, 2023 March 31, 2024, the Company raised aggregate net proceeds (net of broker commissions and fees) of approximately \$0.7 million \$15,733 under the 2022 EDA through the sale of 279,703 13,350 shares of its common stock. As of September 30, 2023 March 31, 2024, the Company has raised aggregate net proceeds (net of broker commissions and fees) of approximately \$1.5 million under the 2022 EDA through the sale of 630,532 643,882 shares of its common stock.

See Note 9, *Subsequent Events*, for additional details regarding sales under the 2022 EDA subsequent to March 31, 2024.

2216

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

Note 7 – Stock-Based Compensation

a) Warrants

The following table summarizes the changes in warrants outstanding of the Company during the **nine-month** **three-month** period ended **September 30, 2023** **March 31, 2024**.

| | Number of Warrants | Weighted Average Exercise Price (\$) |
|--|---------------------------|---|
| Outstanding at December 31, 2022 | 539,000 | 3.80 |
| Granted | 448,500 | 2.00 |
| Expired/Cancelled | (125,000) | 2.47 |
| Outstanding at September 30, 2023 | 862,500 | 3.05 |
| Exercisable at September 30, 2023 | 387,000 | 4.28 |

| | Number of Warrants | Weighted Average Exercise Price (\$) |
|--|---------------------------|---|
| Outstanding at December 31, 2023 | 862,500 | 3.05 |
| Granted | - | - |
| Expired/Cancelled | - | - |
| Outstanding at March 31, 2024 | 862,500 | 3.05 |
| Exercisable at March 31, 2024 | 835,500 | 3.05 |

Below is a table summarizing the warrants issued and outstanding as of **September 30, 2023** **March 31, 2024**, which have an aggregate weighted average remaining contractual life of **4.08** **3.58** years.

| Number Outstanding | Number Exercisable | Exercise Price (\$) | Weighted Average Remaining Contractual Life | Proceeds to Company if Exercised (\$) |
|---------------------------|---------------------------|----------------------------|--|--|
| | | | (Years) | |
| 448,500 | - | 2.00 | 4.71 | 897,000 |
| 54,000 | 27,000 | 3.05 | 5.02 | 164,700 |
| 50,000 | 50,000 | 3.45 | 2.42 | 172,500 |
| 125,000 | 125,000 | 3.95 | 3.26 | 493,750 |
| 185,000 | 185,000 | 4.90 | 3.34 | 906,500 |
| 862,500 | 387,000 | | | 2,634,450 |

| Number Outstanding | Number Exercisable | Exercise Price (\$) | Weighted Average Remaining Contractual Life (Years) | Proceeds to Company if Exercised (\$) |
|--------------------|--------------------|---------------------|---|---------------------------------------|
| 448,500 | 448,500 | 2.00 | 4.21 | 897,000 |
| 54,000 | 27,000 | 3.05 | 4.51 | 164,700 |
| 50,000 | 50,000 | 3.45 | 1.92 | 172,500 |
| 125,000 | 125,000 | 3.95 | 2.76 | 493,750 |
| 185,000 | 185,000 | 4.90 | 2.84 | 906,500 |
| 862,500 | 835,500 | | | 2,634,450 |

Stock-based compensation expense related to warrants of \$25,447 \$5,071 and \$68,852 \$14,920 was recorded in the nine three months ended September 30, 2023 March 31, 2024 and September 30, 2022 March 31, 2023, respectively. Total remaining unrecognized compensation cost related to non-vested warrants is \$10,365 \$167 and is expected to be recognized over a period of 0.51 0.01 years. As of September 30, 2023 March 31, 2024, the total intrinsic value of warrants outstanding was \$nil.

23

[Table of Contents](#)

VOLITIONRX LIMITED

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

Note 7 – Stock-Based Compensation (continued)

b) Options

The following table summarizes the changes in options outstanding of the Company during the nine-month three-month period ended September 30, 2023 March 31, 2024.

| | Number of Options | Weighted Average Exercise Price (\$) |
|--|----------------------|--------------------------------------|
| Outstanding at December 31, 2022 | 4,985,105 | 3.87 |
| Expired/Cancelled | (285,536) | 3.89 |
| Outstanding at September 30, 2023 | 4,699,569 | 3.87 |
| Exercisable at September 30, 2023 | 4,662,889 | 3.88 |

| | Number of Options | Weighted Average Exercise Price (\$) |
|--|----------------------|--------------------------------------|
| Outstanding at December 31, 2023 | 4,699,569 | 3.87 |
| Expired/Cancelled | - | - |
| Outstanding at March 31, 2024 | 4,699,569 | 3.87 |
| Exercisable at March 31, 2024 | 4,699,569 | 3.87 |

17

[Table of Contents](#)

VOLITIONRX LIMITED

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

Note 7 – Stock-Based Compensation (continued)

b) Options (continued)

Below is a table summarizing the options issued and outstanding as of **September 30, 2023** **March 31, 2024**, all of which were issued pursuant to the Company's 2011 Plan (for option issuances prior to 2016) or the 2015 Plan (for option and RSU issuances commencing in 2016) and which have an aggregate weighted average remaining contractual life of **4.49** **3.98** years. As of **September 30, 2023** **March 31, 2024**, an aggregate of 9,700,000 shares of common stock were authorized for issuance under the 2015 Plan, of which **1,004,079** **642,693** shares of common stock remained available for future issuance thereunder.

| Number Outstanding | Number Exercisable | Exercise Price (\$) | Weighted Average | | |
|--------------------|--------------------|---------------------|------------------------------------|---------------------------------------|--|
| | | | Remaining Contractual Life (Years) | Proceeds to Company if Exercised (\$) | |
| 585,000 | 585,000 | 3.25 | 1.37 | 1,901,250 | |
| 981,569 | 944,889 | 3.40 | 7.85 | 3,337,335 | |
| 740,000 | 740,000 | 3.60 | 6.61 | 2,664,000 | |
| 1,607,837 | 1,607,837 | 4.00 | 2.99 | 6,431,348 | |
| 89,163 | 89,163 | 4.38 | 4.32 | 390,534 | |
| 50,000 | 50,000 | 4.80 | 3.26 | 240,000 | |
| 646,000 | 646,000 | 5.00 | 3.49 | 3,230,000 | |
| 4,699,569 | 4,662,889 | | | 18,194,467 | |

24

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

b) Options (continued)

| Number Outstanding | Number Exercisable | Exercise Price (\$) | Weighted Average Remaining Contractual Life (Years) | | Proceeds to Company if Exercised (\$) |
|--------------------|--------------------|---------------------|---|--|---------------------------------------|
| | | | | | |
| 585,000 | 585,000 | 3.25 | 0.87 | | 1,901,250 |
| 981,569 | 981,569 | 3.40 | 7.35 | | 3,337,335 |
| 740,000 | 740,000 | 3.60 | 6.11 | | 2,664,000 |
| 1,607,837 | 1,607,837 | 4.00 | 2.49 | | 6,431,348 |
| 89,163 | 89,163 | 4.38 | 3.82 | | 390,534 |
| 50,000 | 50,000 | 4.80 | 2.76 | | 240,000 |
| 646,000 | 646,000 | 5.00 | 2.99 | | 3,230,000 |
| 4,699,569 | 4,699,569 | | | | 18,194,467 |

Stock-based compensation expense related to stock options of **\$287,013** **\$0** and **\$1,021,938** **\$117,034** was recorded in the **nine** **three** months ended **September 30, 2023** **March 31, 2024** and **September 30, 2022** **March 31, 2023**, respectively. Total remaining unrecognized compensation cost related to non-vested stock options is **\$350** and is expected to be recognized over a period of 0.01 years. **nil**. As of **September 30, 2023** **March 31, 2024**, the total intrinsic value of stock options outstanding was **\$nil**.

c) Restricted Stock Units

Below is a table summarizing the RSUs issued and outstanding as of **September 30, 2023** **March 31, 2024**, all of which were issued pursuant to the 2015 Plan.

| | Number of RSUs | Weighted Average Share Price (\$) | Weighted Average Grant Date | |
|----------------------------------|----------------|-----------------------------------|-----------------------------|-----------------------------|
| | | | Number of RSUs | Fair Value Share Price (\$) |
| Outstanding at December 31, 2022 | 2,262,908 | 1.77 | | |
| Outstanding at December 31, 2023 | | | 3,634,952 | 1.01 |
| Granted | 1,827,882 | 0.82 | 14,000 | 0.97 |
| Vested/Settled | (413,911) | 3.07 | (74,799) | 1.74 |

| | | | | |
|--|------------------|-------------|------------------|-------------|
| Cancelled / Forfeited | (87,343) | 1.82 | (41,873) | 1.05 |
| Outstanding at September 30, 2023 | 3,589,536 | 1.13 | | |
| Outstanding at March 31, 2024 | | | 3,532,280 | 0.99 |

18

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

c) Restricted Stock Units (continued)

Below is a table summarizing the RSUs granted during the **nine** **three** months ended **September 30, 2023** **March 31, 2024**, all of which were issued pursuant to the 2015 Stock Incentive Plan. The RSUs vest equally over periods stated on the dates noted, subject to continued service, and will result in the RSU compensation expense stated.

| Equity Incentive Plan | RSUs (#) | Grant Date | Vesting Period | First | Second | Third | RSU Expense \$ | RSUs (#) | Grant Date | Vesting Period | First | Second | Third | RSU Expense (\$) | |
|-----------------------|------------------|------------|----------------|--------------|--------------|--------------|----------------|------------------|---------------|----------------|--------------|--------------|--------------|------------------|---------------|
| | | | | Vesting Date | Vesting Date | Vesting Date | | | | | | | | | |
| 2015 | 57,000 | 2023 | 36 Months | Mar 27, 2023 | Mar 27, 2024 | Mar 27, 2025 | 98,040 | 14,000 | Feb 22, 2024 | 36 Months | Feb 22, 2025 | Feb 22, 2026 | Feb 22, 2027 | 13,589 | |
| 2015 | 50,000 | 2023 | 24 Months | Mar 27, 2023 | Mar 27, 2024 | Mar 27, 2025 | N/A | 86,000 | | | | | | | |
| 2015 | 5,325 | 2023 | 12 Months | Mar 27, 2023 | Mar 27, 2024 | N/A | 9,159 | | | | | | | | |
| 2015 | 47,000 | 2023 | 36 Months | Jun 15, 2023 | Jun 15, 2024 | Jun 15, 2025 | 74,260 | | | | | | | | |
| 2015 | 8,392 | 2023 | 12 Months | Jun 15, 2023 | Jun 15, 2024 | N/A | 13,260 | | | | | | | | |
| 2015 | 43,165 | 2023 | 6 Months | Jul 13, 2023 | Oct 13, 2023 | Jan 13, 2024 | 56,978 | | | | | | | | |
| 2015 | 14,000 | 2023 | 36 Months | Jul 13, 2023 | Jul 13, 2024 | Jul 13, 2025 | 18,479 | | | | | | | | |
| 2015 | 34,000 | 2023 | 36 Months | Sep 11, 2023 | Sep 11, 2024 | Sep 11, 2025 | 44,540 | | | | | | | | |
| 2015 | 1,569,000 | 2023 | 36 Months | Sep 28, 2023 | Sep 28, 2024 | Sep 28, 2025 | 1,098,300 | | | | | | | | |
| | 1,827,882 | | | | | | | 1,499,016 | 14,000 | | | | | | 13,589 |

Below is a table summarizing the RSUs vested and settled during the three months ended March 31, 2024, all of which were issued pursuant to the 2015 Plan.

| Equity Incentive Plan | RSUs Vested (#) | Vest Date | Shares Withheld for Taxes | |
|-----------------------|-----------------|--------------|---------------------------|--------------|
| | | | Shares issued (#) | (#) |
| 2015 | 21,582 | Feb 8, 2024 | 21,582 | - |
| 2015 | 9,000 | Mar 1, 2024 | 6,057 | 2,943 |
| 2015 | 44,217 | Mar 27, 2024 | 40,530 | 3,687 |
| | 74,799 | | 68,169 | 6,630 |

Below is a table summarizing the RSUs cancelled during the three months ended March 31, 2024, all of which were originally issued pursuant to the 2015 Plan.

| Equity Incentive Plan | RSUs (#) | RSUs Cancelled | | |
|-----------------------|----------|-------------------|--------------|-------|
| | | Cancellation Date | Vest Date | (#) |
| 2015 | 8,000 | Jan 16, 2024 | Sep 28, 2024 | 8,000 |
| 2015 | 6,000 | Jan 16, 2024 | Oct 4, 2024 | 6,000 |
| 2015 | 8,000 | Jan 16, 2024 | Sep 28, 2025 | 8,000 |
| 2015 | 6,000 | Jan 16, 2024 | Oct 4, 2025 | 6,000 |
| 2015 | 8,000 | Jan 16, 2024 | Sep 28, 2026 | 8,000 |

| | | | | |
|------|---------------|--------------|--------------|---------------|
| 2015 | 667 | Feb 9, 2024 | Jun 15, 2024 | 667 |
| 2015 | 667 | Feb 9, 2024 | Jun 15, 2025 | 667 |
| 2015 | 666 | Feb 9, 2024 | Jun 15, 2026 | 666 |
| 2015 | 1,775 | Mar 25, 2024 | Mar 27, 2024 | 1,775 |
| 2015 | 2,098 | Mar 25, 2024 | Jun 15, 2024 | 2,098 |
| | <u>41,873</u> | | | <u>41,873</u> |

25 19

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

c) VOL Restricted Stock Units (continued)

Below is a table summarizing the RSUs vested and settled during the nine months ended September 30, 2023, all of which were issued pursuant to the 2015 Plan.

| Equity Incentive Plan | RSUs Vested (#) | Vest Date | Shares issued (#) | Shares Withheld for Taxes (#) |
|-----------------------|-----------------|--------------|-------------------|-------------------------------|
| 2015 | 4,000 | Feb 8, 2023 | 2,369 | 1,631 |
| 2015 | 15,000 | Mar 1, 2023 | 9,609 | 5,391 |
| 2015 | 15,000 | Mar 25, 2023 | 15,000 | - |
| 2015 | 2,500 | Apr 4, 2023 | 1,759 | 741 |
| 2015 | 13,500 | Apr 4, 2023 | 7,995 | 5,505 |
| 2015 | 35,000 | Apr 4, 2023 | 22,610 | 12,390 |
| 2015 | 50,000 | May 1, 2023 | 35,707 | 14,293 |
| 2015 | 4,000 | Jun 1, 2023 | 2,270 | 1,730 |
| 2015 | 7,500 | Jun 1, 2023 | 4,257 | 3,243 |
| 2015 | 208,809 | Aug 3, 2023 | 167,809 | 41,000 |
| 2015 | 34,102 | Aug 15, 2023 | 23,764 | 10,338 |
| 2015 | 12,000 | Sep 7, 2023 | 7,046 | 4,954 |
| 2015 | 12,500 | Sep 21, 2023 | 7,434 | 5,066 |
| | <u>413,911</u> | | <u>307,629</u> | <u>106,282</u> |

26

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

c) Restricted Stock Units (continued)

Below is a table summarizing the RSUs cancelled during issued and outstanding as of March 31, 2024 and which have an aggregate weighted average remaining contractual life of 1.59 years.

| Number Outstanding | Weighted Average Grant Date Fair Value Share Price (\$) | Weighted Average Remaining Contractual Life (Years) |
|--------------------|---|---|
| 40,000 | 0.58 | 1.62 |
| 450,000 | 0.68 | 3.05 |
| 450,000 | 0.69 | 2.01 |
| 1,545,000 | 0.70 | 1.50 |
| 14,000 | 0.97 | 1.90 |

| | | |
|------------------|------|------|
| 34,000 | 1.31 | 1.45 |
| 14,000 | 1.32 | 1.28 |
| 707,987 | 1.46 | 1.01 |
| 32,294 | 1.58 | 0.96 |
| 12,500 | 1.69 | 0.48 |
| 56,333 | 1.72 | 1.42 |
| 29,000 | 2.01 | 0.38 |
| 666 | 2.15 | 1.17 |
| 11,500 | 2.45 | 0.17 |
| 85,000 | 2.95 | 0.26 |
| 50,000 | 3.31 | 0.08 |
| 3,532,280 | | |

Stock-based compensation expense related to RSUs of \$406,149 and \$561,703 was recorded in the **three** months ended September 30, 2023 March 31, 2024 and March 31, 2023, all of which were originally issued pursuant respectively. Total remaining unrecognized compensation cost related to the 2015 Plan non-vested RSUs is \$1,489,205.

| Equity Incentive Plan | RSUs (#) | Cancellation Date | Vest Date | RSUs Cancelled (#) |
|-----------------------|---------------|-------------------|--------------|--------------------|
| 2015 | 5,000 | Apr 30, 2023 | Jun 1, 2024 | 5,000 |
| 2015 | 4,334 | Apr 30, 2023 | Oct 4, 2023 | 4,334 |
| 2015 | 4,333 | Apr 30, 2023 | Oct 4, 2024 | 4,333 |
| 2015 | 4,333 | Apr 30, 2023 | Oct 4, 2025 | 4,333 |
| 2015 | 5,000 | Apr 30, 2023 | Jun 1, 2023 | 5,000 |
| 2015 | 5,000 | May 5, 2023 | Oct 4, 2023 | 5,000 |
| 2015 | 5,000 | May 5, 2023 | Oct 4, 2024 | 5,000 |
| 2015 | 5,000 | May 5, 2023 | Oct 4, 2025 | 5,000 |
| 2015 | 6,000 | May 5, 2023 | Mar 1, 2024 | 6,000 |
| 2015 | 667 | Jun 15, 2023 | Nov 29, 2023 | 667 |
| 2015 | 667 | Jun 15, 2023 | Nov 29, 2024 | 667 |
| 2015 | 666 | Jun 15, 2023 | Nov 29, 2025 | 666 |
| 2015 | 5,000 | Jun 28, 2023 | Oct 4, 2023 | 5,000 |
| 2015 | 5,000 | Jun 28, 2023 | Oct 4, 2024 | 5,000 |
| 2015 | 5,000 | Jun 28, 2023 | Oct 4, 2025 | 5,000 |
| 2015 | 2,343 | Jun 28, 2023 | Aug 3, 2023 | 2,343 |
| 2015 | 3,334 | Jul 28, 2023 | Oct 4, 2023 | 3,334 |
| 2015 | 3,333 | Jul 28, 2023 | Oct 4, 2024 | 3,333 |
| 2015 | 3,333 | Jul 28, 2023 | Oct 4, 2025 | 3,333 |
| 2015 | 4,000 | Jul 28, 2023 | Feb 8, 2024 | 4,000 |
| 2015 | 3,334 | Sep 22, 2023 | Mar 27, 2024 | 3,334 |
| 2015 | 3,333 | Sep 22, 2023 | Mar 27, 2025 | 3,333 |
| 2015 | 3,333 | Sep 22, 2023 | Mar 27, 2026 | 3,333 |
| | 87,343 | | | 87,343 |

27 20

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 7 – Stock-Based Compensation (continued)

• VOL Restricted Stock Units (continued)

Below is a table summarizing the RSUs issued and outstanding as of September 30, 2023 and which have an aggregate weighted average remaining contractual life of 1.62 years.

| Number Outstanding | Weighted Average | | Remaining Contractual Life (Years) |
|--------------------|-----------------------|------------------|------------------------------------|
| | Grant date Fair Value | Share Price (\$) | |
| 450,000 | | 0.69 | 2.51 |
| 1,569,000 | | 0.70 | 2.00 |
| 34,000 | | 1.31 | 1.95 |
| 57,165 | | 1.32 | 1.38 |
| 1,080,000 | | 1.46 | 1.01 |
| 55,392 | | 1.58 | 1.50 |
| 12,500 | | 1.69 | 0.98 |
| 102,325 | | 1.72 | 1.26 |
| 29,000 | | 2.01 | 0.88 |
| 1,000 | | 2.15 | 1.17 |
| 11,500 | | 2.45 | 0.67 |
| 9,000 | | 2.81 | 0.42 |
| 85,000 | | 2.95 | 0.76 |
| 19,904 | | 3.04 | 0.01 |
| 50,000 | | 3.31 | 0.59 |
| 2,000 | | 3.38 | 0.21 |
| 21,750 | | 3.51 | 0.09 |
| 3,589,536 | | | |

Stock-based compensation expense related to RSUs of \$1,511,351 and \$1,317,620 was recorded in the nine months ended September 30, 2023 and September 30, 2022, respectively. Total remaining unrecognized compensation cost related to non-vested RSUs is \$2,316,272.

28

Table of Contents

VOLITIONRX LTD

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

Note 8 – Commitments and Contingencies

a) Finance Lease Obligations

In 2016, the Company entered into a capital lease with ING Asset Finance Belgium S.A. ("ING") to purchase a property located in Belgium for €1.12 million, maturing in May 2031 with implicit interest of 2.62%. As of September 30, 2023, the balance payable was \$441,669.

The following is a schedule showing the future minimum lease payments under finance leases by years and the present value of the minimum payments as of **September 30, 2023**.

| | |
|---|-------------------|
| 2023 | \$ 14,236 |
| 2024 | \$ 56,941 |
| For the Three Months Ending March 31, 2024 | Amount |
| | \$ |
| 2024 - remaining | 43,610 |
| 2025 | \$ 56,941 |
| 2026 | \$ 56,942 |
| 2027 | \$ 56,943 |
| 2028 | 58,147 |
| Greater than 5 years | \$ 249,107 |
| Total | \$ 491,110 |
| Less: Amount representing interest | \$ (49,441) |
| Present value of minimum lease payments | \$ 441,669 |
| | 427,542 |

b) Operating Lease Right-of-Use Obligations

As operating leases as of **September 30, 2023** **March 31, 2024**, operating lease right-of-use assets and liabilities arising from operating leases were \$490,468 and \$518,729, respectively. December 31, 2023, consisted of the following:

| | March 31, 2024 | December 31, 2023 |
|--|-------------------|----------------------|
| | \$ | \$ |
| Operating right-of-use assets | <u>569,163</u> | <u>549,504</u> |
| Operating lease liabilities, current portion | 201,047 | 199,323 |
| Operating lease liabilities, long term | <u>396,376</u> | <u>378,054</u> |
| Total operating lease liabilities | <u>597,423</u> | <u>577,377</u> |
| Weighted average remaining lease (months) | 36 | 33 |
| Weighted average discount rate | 3.26 % | 3.02 % |

During the **nine** **three** months ended **September 30, 2023** **March 31, 2024**, cash paid for amounts included for the measurement of lease liabilities was **\$190,825** **\$65,166** and the Company recorded operating lease expense of **\$192,030**. The Company's weighted average discount rate is **2.63%** **\$65,660**.

21

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and the weighted average remaining lease term is 24 months. Contingencies

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

The following is a schedule showing the future minimum lease payments under operating leases by years and the present value of the minimum payments as of **September 30, 2023** **March 31, 2024**.

| | |
|--|-------------------|
| 2023 | \$ 73,862 |
| 2024 | \$ 178,601 |
| 2025 | \$ 136,305 |
| 2026 | \$ 109,110 |
| 2027 | \$ 40,943 |
| 2028 | <u>5,042</u> |
| Total Operating Lease Obligations | \$ 543,863 |
| Less: Amount representing interest | <u>(25,134)</u> |
| Present Value of minimum lease payments | \$ 518,729 |

| For the Three Months Ending March 31, 2024 | Amount |
|---|-----------------------|
| | \$ |
| 2024 - Remaining | 177,094 |
| 2025 | 192,151 |
| 2026 | 165,104 |
| 2027 | 92,786 |
| 2028 | <u>10,295</u> |
| Total | 637,430 |
| Less: imputed interest | <u>(40,007)</u> |
| Total Operating Lease Liabilities | <u>597,423</u> |

The Company's office space leases are short-term and the Company has elected under the short-term recognition exemption not to recognize them on the balance sheet. During the **nine****three** months ended **September 30, 2023****March 31, 2024**, the Company recognized **\$53,077****\$29,961** in short-term lease costs associated with office space leases. The annual payments remaining for short-term office leases were as follows:

| | |
|--|------------------|
| 2023 | \$ 18,415 |
| 2024 | \$ 32,376 |
| Total Operating Lease Liabilities | \$ 50,791 |

| For the Three Months Ending March 31, 2024 | Amount |
|--|---------------|
| | \$ |
| 2024 - Remaining | 78,085 |
| 2025 | 7,186 |
| Total Operating Lease Liabilities | 85,271 |

c) Grants Repayable

As of March 31, 2024, the total grant balance repayable was \$468,668 and the payments remaining were as follows:

| For the Three Months Ending March 31, 2024 | Amount |
|--|----------------|
| | \$ |
| 2024 - Remaining | 54,700 |
| 2025 | 36,661 |
| 2026 | 44,187 |
| 2027 | 49,056 |
| 2028 | 52,461 |
| Greater than 5 years | 231,603 |
| Total Grants Repayable | 468,668 |

29 22

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

Note 8 – Commitments and Contingencies (continued)

c) Grants Repayable

In 2010, the Company entered into an agreement with the Walloon Region government in Belgium for a colorectal cancer research grant for €1.05 million. Per the terms of the agreement, €314,406 of the grant is to be repaid, by installments over the period from June 30, 2014 to June 30, 2023. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 6% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €314,406 and the 6.00% royalty on revenue, is equal to twice the amount of funding received. As of September 30, 2023, the grant balance repayable was \$26,467.

In 2018, the Company entered into an agreement with the Walloon Region government in Belgium for a colorectal cancer research grant for €605,000. Per the terms of the agreement, €181,500 of the grant is to be repaid by installments over 12 years commencing in 2020. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 3.53% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €181,500 and the 3.53% royalty on revenue, is equal to the amount of funding received. As of September 30, 2023, the grant balance repayable was \$105,823.

In 2020, the Company entered into an agreement with the Walloon Region government in Belgium for a research grant for €929,433. Per the terms of the agreement, €278,830 of the grant is to be repaid by installments over 15 years commencing in 2022. In the event that the Company receives revenue from products or services as defined in the agreement, it is due to pay a 4.34% royalty on such revenue to the Walloon Region. The maximum amount payable to the Walloon Region, in respect of the aggregate of the amount repayable of €278,830 and the 4.34% royalty on revenue, is equal to the amount of funding received. As of September 30, 2023, the grant balance repayable was \$253,345.

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

of €148,500 and the 2.89% royalty on revenue, is equal to the amount of funding received. As of September 30, 2023, the grant balance repayable was \$97,200.
d) Long-Term Debt

As of September 30, 2023 March 31, 2024, the total grant balance repayable for long-term debt payable was \$482,835 \$4,522,512 and the payments remaining were as follows:

| | |
|-------------------------------|-------------------|
| 2023 | \$ 50,349 |
| 2024 | \$ 27,100 |
| 2025 | \$ 35,902 |
| 2026 | \$ 43,271 |
| 2027 | \$ 48,039 |
| Greater than 5 years | \$ 278,174 |
| Total Grants Repayable | \$ 482,835 |

30

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

d) Long-Term Debt

In 2016, the Company entered into a 7-year loan agreement with Namur Invest for €440,000 with a fixed interest rate of 4.85%, maturing in December 2023. As of September 30, 2023, the principal balance payable was \$27,619.

In 2016, the Company entered into a 15-year loan agreement with ING for €270,000 with a fixed interest rate of 2.62%, maturing in December 2031. As of September 30, 2023, the principal balance payable was \$172,523.

In 2017, the Company entered into a 7-year loan agreement with SOFINEX for up to €1 million with a fixed interest rate of 4.50%, maturing in September 2024. As of September 30, 2023, €1 million had been drawn down under this agreement and the principal balance payable was \$317,599.

In 2019, the Company entered into a 4-year loan agreement with Namur Innovation and Growth for €500,000 with a fixed interest rate of 4.80%, maturing in September 2024. As of September 30, 2023, the principal balance payable was \$173,421.

In 2020, the Company entered into a 10-year loan agreement with Namur Invest for a maximum of €830,000 with fixed interest rate of 4.00%, maturing March 2031. As of September 30, 2023, the principal balance payable was \$697,313.

In 2021, the Company entered into a 3 ½ year loan agreement with SOFINEX for a maximum of €450,000 with fixed interest rate of 5.00%, maturing June 2025. As of September 30, 2023, the principal balance payable was \$317,599.

In 2022, the Company entered into a 4 year loan agreement with Namur Invest for a maximum of €1.0 million with fixed interest rate of 6.00%, maturing in July 2026. As of September 30, 2023, the principal balance payable was \$897,254.

In 2022, the Company entered into a 4-year loan agreement with Namur Invest for a maximum of €500,000 with fixed interest rate of 5.45%, maturing December 2027. As of September 30, 2023, the principal balance payable was \$529,332.

In June 2023, the Company entered into a 4-year loan agreement with Namur Invest for a maximum of €400,000 with fixed interest rate of 7.00%, maturing June 2027. As of September 30, 2023, €200,000 had been drawn down under this agreement and the principal balance payable was \$211,733.

As of September 30, 2023, the total balance for long-term debt payable was \$3,344,393 and the payments remaining were as follows:

| | |
|------------------------------------|---------------------|
| 2023 | \$ 467,217 |
| 2024 | \$ 1,191,157 |
| 2025 | \$ 763,132 |
| 2026 | \$ 542,217 |
| 2027 | \$ 294,892 |
| Greater than 5 years | \$ 440,735 |
| Total | \$ 3,699,350 |
| Less: Amount representing interest | \$ (354,957) |
| Total Long-Term Debt | \$ 3,344,393 |

31

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

| For the Three Months Ending March 31, 2024 | Amount |
|--|------------------|
| 2024 - Remaining | \$ 1,212,648 |
| 2025 | 903,830 |
| 2026 | 678,239 |
| 2027 | 443,116 |
| 2028 | 1,879,108 |
| Greater than 5 years | 317,107 |
| Total | 5,434,048 |
| Less: amount representing interest | (911,536) |
| Total Long-Term Debt | 4,522,512 |

e) Collaborative Agreement Obligations

In 2018, the Company entered into a research collaboration agreement with the University of Taiwan for a three-year research period for a cost to the Company of up to \$2.55 million payable over such period. As of **September 30, 2023** **March 31, 2024**, \$510,000 is still to be paid by the Company under this agreement.

In 2022, the Company entered into a sponsored research agreement with The University of Texas MD Anderson Cancer Center to evaluate the role of neutrophil extracellular traps ("NETs") in cancer patients with sepsis for a cost to the Company of **\$582,135**, **\$449,406** which is still to be paid by the Company under this agreement. As of **September 30, 2023** **March 31, 2024**, **\$nil** **\$449,406** is due by the Company under this agreement.

In August 2023, the Company entered into a project research agreement with Guy's and St Thomas' NHS Foundation Trust to evaluate the practical clinical utility of the NuQ® H3.1 nucleosome levels in adult patients with sepsis to facilitate early diagnosis and prognostication for a cost to the Company of **\$198,042**, **\$163,966**. As of **September 30, 2023** **March 31, 2024**, **\$nil** **\$40,992** is still to be paid by the Company under this agreement. As of March 31, 2024, \$40,992 is due by the Company under this agreement.

In July 2023, the Company entered into a research agreement with Xenetic Biosciences Inc and CLS Therapeutics Ltd to evaluate the anti-tumoral effects of Nu.Q® CAR T cells for a cost to the Company of \$107,589. As of **September 30, 2023** **March 31, 2024**, \$81,447 is still to be paid by the Company under this agreement and as of March 31, 2024, \$26,142 is due by the Company under this agreement.

In January 2024, the Company entered into an agreement with the University Medical Centre Amsterdam ("UMC"). UMC will perform a retrospective study to evaluate the diagnostic potential of H3.1 nucleosomes as diagnostic, prognostic and phenotyping biomarkers in sepsis for a cost to the Company of \$139,965. As of March 31, 2024, \$139,965 is still to be paid by the Company under this agreement. As of March 31, 2024, \$139,965 is due by the Company under this agreement. The project is expected to be completed by the end of 2024.

23

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

e) Collaborative Agreement Obligations (continued)

As of March 31, 2024, the total amount to be paid for future research and collaboration commitments was approximately **\$ 1,290,177** **\$1,344,784** and the payments remaining were as follows:

| | |
|--|---------------------|
| 2023 | \$ 671,388 |
| 2024 - 2027 | \$ 618,789 |
| Total Collaborative Agreement Obligations | \$ 1,290,177 |

| | Total Amount Remaining | 2024 - | |
|-------------------------------|---------------------------|-----------|---------|
| | | Remaining | 2025 |
| | \$ | \$ | \$ |
| National University of Taiwan | 510,000 | 510,000 | - |
| MD Anderson Cancer Center | 449,406 | 285,860 | 163,546 |
| Guys and St Thomas | 163,966 | 163,966 | - |

| | | | |
|--|------------------|------------------|----------------|
| Xentic Bioscience | 81,447 | 81,447 | - |
| UMC | 139,965 | 139,965 | - |
| Total Collaborative Obligations | 1,344,784 | 1,181,238 | 163,546 |

f) Other Commitments

Volition Vet

On October 25, 2019, the Company entered into an agreement with TAMU for provision of in kind services of personnel, animal samples and laboratory equipment in exchange for a non-controlling interest of 7.5% in Volition Vet with an additional 5%, vesting in a year from the date of the agreement, giving TAMU in aggregate, a 12.5% equity interest as of such date. As of **September 30, 2023** **March 31, 2024**, TAMU has a 12.5% equity interest in Volition Vet.

Volition Germany

On January 10, 2020 **As of March 31, 2024**, \$211 is payable under the Company, through its wholly-owned subsidiary Belgian Volition, acquired an epigenetic reagent company, Octamer GmbH ("Octamer"), based in Munich, Germany, and hired its founder for his expertise and knowledge to be passed to Company personnel. On March 9, 2020, Octamer was renamed to Volition Germany GmbH (or "Volition Germany").

In connection with the transaction agreement, the Company entered into a royalty agreement with the founder providing for the payment of royalties in the amount of 6% of net sales of Volition Germany's nucleosomes as reagents to pharmaceutical companies for use in the development, manufacture and screening of molecules for use as therapeutic drugs for a period of five years post-closing.

As of September 30, 2023, \$207 is payable under the 6% royalty agreement **Germany** based on sales to date towards the Company's aggregate minimum royalty obligation of \$116,453. **\$118,918**.

Volition America

Effective February 10, 2024 the Company and Diagnostic Oncology CRO, LLC ("DXOCRO") further amended and restated August 2022 amended and restated Master Agreement to expand the scope of DXOCRO's consultant services provided thereunder (the "Second A&R Master Agreement"). The Second A&R Master Agreement requires DXOCRO to conduct a prospective optimization/range finding study of Volition's Nu.Q® H3.1 in vitro diagnostic test proposed for use in sepsis. The study is an extension of the sepsis monitoring clinical trial that was previously covered under a separate exhibit. The Company anticipates DXOCRO's additional services under this Agreement will be completed by the end of the third quarter of 2024 at a total additional cost to the Company of up to \$0.7 million. The Company's payment obligations accrue upon delivery of projects under the Agreement. The Company may terminate the Agreement or any project thereunder upon at least 30 days' prior written notice. Unless earlier terminated, the Second A&R Master Agreement terminates on the later of December 31, 2025 or the date upon which all services have been completed. As of March 31, 2024, \$130,883 is payable under the Second A&R Master Agreement, and up to \$696,920 may be payable by the Company in future periods for services rendered.

VolitionRx

On February 5, 2024, the Company entered into a 9-month loan agreement with First Insurance Funding for a maximum of \$294,603 with fixed interest rate of 8.42%, maturing in November 2024. As of March 31, 2024, the maximum has been drawn down under this agreement and the principal balance payable was \$261,869. The agreement is in relation to the directors and officers insurance policy.

3224

Table of Contents

VOLITIONRX VOLITIONRX LIMITED

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

Note 8 – Commitments and Contingencies (continued)

f) Other Commitments (continued)

Volition America

On November 3, 2020, the Company entered into a professional services master agreement (the "Master Agreement") with Diagnostic Oncology CRO, LLC ("DXOCRO") to conduct a pivotal clinical trial and provide regulatory submission and reimbursement related services. On August 8, 2022, the Company and DXOCRO amended and restated the Master Agreement to expand the scope of DXOCRO's consultant services provided thereunder (the "A&R Master Agreement"). The A&R Master Agreement requires DXOCRO to support development and clinical validation studies for the Company's Nu.Q® product portfolio in the United States, including by conducting large-scale finding studies across multiple sites in the U.S. using Nu.Q® NETs and Nu.Q® Cancer tests to determine clinical utility in sepsis and non-Hodgkin's lymphoma. The Company anticipates DXOCRO's services under the agreement will be completed by the end of the fourth quarter 2023 at a total cost to the Company of up to \$4.2 million. The Company's payment obligations accrue upon delivery of

projects under the agreement. The Company may terminate the agreement or any project thereunder upon at least 30 days' prior written notice. Unless earlier terminated, the A&R Master Agreement terminates on the later of December 31, 2025 or the date upon which all services have been completed. As of September 30, 2023, \$428,669 is payable under the A&R Master Agreement, and up to \$354,850 may be payable by Company in future periods for services rendered.

VolitionRx

On February 27, 2023, the Company entered into a 9-month loan agreement with First Insurance Funding for a maximum of \$356,258 with fixed interest rate of 7.42%, maturing November 2023. As of September 30, 2023, the maximum has been drawn down under this agreement and the principal balance payable was \$79,168.

g) Legal Proceedings

In the ordinary course of business, the Company may be subject to claims, counter claims, counter-claims, lawsuits and other litigation of the type that generally arise from the conduct of its business. The Company knows of no legal proceedings which the Company believes will have a material adverse effect on its financial position.

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

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

On June 23, 2022, the Compensation Committee of the Board of Directors approved the achievement of all of the remaining outstanding corporate goals related to the August 2021 and October 2021 awards, resulting in the payment of the cash bonus awards and the vesting of the remaining rights to the equity-based awards, which equity-based awards remain subject to time-based vesting in equal installments on each of August 3, 2022 and August 3, 2023 (with the exception of October 4, 2022 and October 4, 2023 for one award) and the continuous service of the award recipient through the applicable vesting date.

In October 2022, the Compensation Committee of the Board of Directors approved the granting of RSUs under the 2015 Plan to various employees in exchange for services provided to the Company. These RSUs vest upon the achievement of certain corporate goals focused around product development and commercialization with further time based vesting over three years, and subject to continued service.

In October 2022, the Compensation Committee of the Board of Directors approved the granting of RSUs under the 2015 Plan to various employees in exchange for services provided to the Company. These RSUs vest upon the share price closing above \$5.00 per share for a minimum of ten consecutive trading days within a period of three years from the date of grant, with further time-based vesting in a single installment six months after the timely achievement of the target, if at all, and subject to continued service.

33

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

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

In October 2022 the Compensation Committee of the Board of Directors approved the granting of cash bonuses, payable upon achievement of various corporate goals focused around product development, manufacturing, financing and commercialization, to various personnel including directors, executives, members of management, consultants and employees of the Company and/or its subsidiaries. Conditional upon the achievement by January 1, 2023 and July 1, 2023 of all specified corporate goals as set forth in the minutes of the Compensation Committee, as well as continued service by the award recipients, the Company at the sole discretion of the Chief Executive Officer and the Chief Financial Officer paid a cash bonus to such award recipients.

An aggregate of 1,144,000 RSUs were issued under the 2015 Plan in connection with the October 2022 grants and an aggregate of 1,000,000 stock options and 500,000 RSUs were issued under the 2015 Plan in connection with the August 2021 and October 2021 grants.

As of ~~September 30, 2023~~ March 31, 2024, the Company has recognized total compensation expense of \$901,059 \$1,184,860 of which \$527,940 is in relation to the options RSUs from the 2021 grants in 2022 that will vest in 2023, \$388,561 is in relation to RSUs from such grants that have vested will vest in 2023, 2024, and \$268,359 is in relation to RSUs from such grants that will vest in 2025. The Company has unrecognized compensation expense of \$350 in relation to such stock options, based on the outcomes related to the prescribed performance targets on the outstanding awards.

| Total | Amortized | Amortized | Amortized | Un-Amortized |
|---------|-----------|-----------|-----------|--------------|
| Award | 2023 | 2022 | 2021 | 2023 |
| \$ | \$ | \$ | \$ | \$ |
| 969,593 | - | 580,412 | 389,181 | - |
| 901,409 | 270,196 | 450,090 | 180,773 | 350 |

As of September 30, 2023, the Company has recognized compensation expense of \$758,708 in relation to RSUs from the 2021 grants that have vested in 2023. The Company has unrecognized compensation expense of \$331 \$392,093 in relation to such RSUs, based on the outcomes related to the prescribed performance targets on the outstanding awards.

| Total | Amortized | Amortized | Amortized | Un-Amortized |
|-------|-----------|-----------|-----------|--------------|
|-------|-----------|-----------|-----------|--------------|

| Award | 2023 | 2022 | 2021 | 2023 |
|---------|---------|---------|---------|------|
| \$ | \$ | \$ | \$ | \$ |
| 822,149 | - | 493,207 | 328,942 | - |
| 759,039 | 227,778 | 379,191 | 151,739 | 331 |

34

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

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

As of September 30, 2023, the Company has recognized total compensation expense of \$961,535 of which \$522,195 is in relation to RSUs from the 2022 grants that will vest in 2023, \$260,249 is in relation to RSUs from such grants that will vest in 2024, and \$179,091 is in relation to RSUs from such grants that will vest in 2025. The Company has unrecognized compensation expense of \$623,561 in relation to such RSUs, based on the outcomes related to the prescribed performance targets on the outstanding awards.

| Total | Total | Vesting | Amortized | Amortized | Un-Amortized | Amortized | Amortized | Amortized | Un- |
|------------------|-------|----------------|----------------|----------------|--------------|-----------|----------------|----------------|----------------|
| Award | Award | Year | 2023 | 2022 | Year | 2024 | 2023 | 2022 | Amortized |
| \$ | \$ | | \$ | \$ | Year | \$ | \$ | \$ | \$ |
| 527,940 | 2023 | 388,108 | 134,087 | 5,745 | 2023 | - | 393,853 | 134,087 | - |
| 521,493 | 2024 | 195,161 | 65,088 | 261,244 | 2024 | 63,355 | 260,119 | 65,088 | 129,796 |
| 535,663 | 2025 | 132,405 | 46,686 | 356,572 | 2025 | 44,090 | 177,584 | 46,686 | 262,297 |
| 1,585,096 | | 715,674 | 245,861 | 623,561 | | | 107,445 | 831,556 | 245,861 |
| 527,940 | | | | | 2023 | - | 393,853 | 134,087 | - |
| 455,003 | | | | | 2024 | 63,355 | 260,119 | 65,088 | 129,796 |
| 486,567 | | | | | 2025 | 44,090 | 177,584 | 46,686 | 262,297 |
| 1,469,510 | | | | | | | 107,445 | 831,556 | 245,861 |
| | | | | | | | | | 392,093 |

In September 2023, the Compensation Committee of the Board of Directors approved the granting of cash bonuses, payable upon achievement of various corporate goals focused around revenue, operations and regulatory, to various personnel including directors, executives, members of management, consultants and employees of the Company and/or its subsidiaries. Conditional upon the achievement by December 31, 2023 and June 30, 2024 of specified corporate goals as set forth in the minutes of the Compensation Committee, as well as continued service by the award recipients, the Company at the sole discretion of the Chief Executive Officer and the Chief Financial Officer would pay a cash bonus to such award recipients. As of **September 30, 2023** **March 31, 2024**, the Company has accrued compensation expense of **\$603,465** **\$536,535** in relation to the cash bonuses to be paid upon achievement of the specified corporate goals based on the expected outcomes related to the prescribed performance targets.

In September 2023, the Compensation Committee of the Board of Directors approved the granting of an aggregate of 1,569,000 RSUs under the 2015 Plan to various personnel including directors, executives, members of management, consultants and employees of the Company and/or its subsidiaries in exchange for services provided to the Company. These RSUs vest upon the achievement of certain corporate goals focused around revenue, operations and regulatory targets as of December 31, 2023 and June 30, 2024, as set forth in the minutes of the Compensation Committee, with further time based vesting over three years, and subject to continued service by the award recipient. The achievement of the corporate goals is to be determined by the Compensation Committee in its sole discretion.

In September 2023, the Compensation Committee of the Board of Directors approved the granting of an aggregate of 450,000 RSUs under the 2015 Plan to various employees in exchange for services provided to the Company. These RSUs have an effective date of grant of October 19, 2023, vest upon the share price closing above \$5.00 per share for a minimum of 30 consecutive trading days within a period of three years from the effective date of grant and ending October 19, 2026, with further time-based vesting in a single installment six months after the timely achievement of the target, if at all, and subject to continued service by the award recipients. The estimated fair value of the RSUs that include a market vesting condition will be measured on the grant date using a Monte Carlo Simulation of a Geometric Brownian Motion stock path model and incorporating the probability of vesting occurring. The estimated fair value of these awards will be recognized over the derived service period (as determined by the valuation model), with such recognition occurring regardless of whether the market condition is met.

35

[Table of Contents](#)

VOLITIONRX LIMITED

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(\$ expressed in United States Dollars)

Note 8 – Commitments and Contingencies (continued)

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

As of **September 30, 2023** **March 31, 2024**, the Company had recognized total compensation expense of **\$5,494** **\$335,437**. The Company has unrecognized compensation expense of **\$1,092,806** **\$746,063** in relation to the RSUs from **the grants in 2023**, **grants**, of which **\$363,120** **\$177,800** is in relation to RSUs that will vest in 2024, **\$364,601** **\$268,899** in relation to RSUs that will vest in 2025, and **\$365,085** **\$299,364** in relation to RSUs that will vest in **2026**, **2026** based on the outcomes related to the prescribed performance targets on the outstanding awards.

| Total Award | Total Award | Vesting Year | Amortized 2023 | Un-Amortized | Un- Amortized | | | |
|----------------|------------------|-----------------|-------------------|------------------|------------------|-------------------|-------------------|-------------------|
| | | | | | Vesting Year | Amortized 2024 | Amortized 2023 | Amortized 2024 |
| | | | | | \$ | \$ | \$ | \$ |
| 272,570 | | | | | 2024 | 87,942 | 94,770 | 177,800 |
| 316,412 | | | | | 2025 | 44,090 | 47,513 | 268,899 |
| 331,067 | | | | | 2026 | 29,419 | 31,703 | 299,364 |
| 920,049 | | | | | | 161,451 | 173,986 | 746,063 |
| | 366,113 | 2024 | 2,993 | 363,120 | | | | |
| | 366,101 | 2025 | 1,500 | 364,601 | | | | |
| | 366,086 | 2026 | 1,001 | 365,085 | | | | |
| | 1,098,300 | | 5,494 | 1,092,806 | | | | |
| | | | | | 3625 | | | |

[Table of Contents](#)

VOLITIONRX VOLITIONRX LIMITED

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

Note 9 – Subsequent Events

Restricted Cancellation of Stock Units Options

On October 4, 2023 377,250 April 16 2024, 36,821 vested stock options previously granted to an employee were cancelled and returned as authorized shares under the 2015 Plan on the expiration of the exercise period following the resignation of such employee.

Settlement of RSUs

On April 4, 2024, 51,000 RSUs previously granted to various employees vested and resulted in the issuance of **300,123** **32,337** shares of common stock, 9,668 RSUs remain unsettled and the remaining 67,459 stock. 18,663 shares of common stock were withheld for taxes and returned as authorised shares under to the 2015 Stock Incentive Plan.

On October 4 2023, 2,667 May 1, 2024, 50,000 RSUs previously granted to an employee were cancelled by mutual consent and returned as authorized shares under the 2015 Stock Incentive Plan.

On October 13, 2023, 21,583 RSUs vested and resulted in the issuance of **21,583** **34,496** shares of common stock.

Effective October 19, 2023, the Company granted aggregate RSUs of 450,000 **15,504** shares of common stock under the Company's 2015 Stock Incentive Plan to various employees in exchange were withheld for services provided taxes and returned to the Company. These RSUs vest upon the share price closing above \$5.00 per share for a minimum of thirty consecutive trading days within a period of three years from the date of grant, with further time-based vesting in a single installment six months after the timely achievement of the target, if at all, and subject to continued service. The estimated fair value of the RSUs that include a market vesting condition will be measured on the grant date using a Monte Carlo Simulation of a Geometric Brownian Motion stock path model and incorporating the probability of vesting occurring. The estimated fair value of these awards will be recognized over the derived service period (as determined by the valuation model), with such recognition occurring regardless of whether the market condition is met. 2015 Plan.

On October 20 2023, 19,000 RSUs previously granted **Sales Pursuant to employees were cancelled and returned as authorized shares under the 2015 Stock Incentive Plan upon the resignation of such employees prior to vesting. Equity Distribution Agreement**

On November 1, 2023 During the period from April 1, 2024 through May 6, 2024, 21,750 RSUs vested the Company sold and resulted in the issuance of 21,750 settled 639,316 shares of common stock. stock for aggregate net proceeds (net of broker commissions and fees) of approximately \$515,775 under the 2022 EDA.

END NOTES TO FINANCIALS

Table of Contents

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

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

Company Overview

Volition is a multi-national epigenetics company focused on advancing company. It has patented technologies that use chromosomal structures, such as nucleosomes, and transcription factors as biomarkers in cancer and other diseases. The tests in the science Company's product portfolio detect certain characteristic changes that occur from the earliest stages of epigenetics disease, enabling early detection and exploiting these advances in human health with the ambition of saving offering a better way to monitor disease progression and improving lives through the earlier detection of and improvement in monitoring the progress of life-altering diseases. This has been our mission since our founding, and it is coming a patient's response to fruition at the very heart of epigenetics, treatment.

Through The tests offered by Volition and its subsidiaries Volition is developing and commercializing simple, easy are designed to use, cost-effective blood tests to help diagnose and monitor a range of life-altering diseases, including some certain cancers and diseases associated with NETosis, such as sepsis, sepsis and COVID-19. Early diagnosis and monitoring have the potential to not only prolong the life of patients but also improve their quality of life.

Cancer is associated with a loss of normal chromosomal epigenetic regulation and Volition is working to detect these epigenetic changes in chromosome fragments which circulate in the blood. The most common of these are nucleosomes and we investigate these through our Nucleosomics™ technology platform Nu.Q®. We also investigate epigenetic changes in transcription factor binding, in particular CCCTC-binding factor ("CTCF"), and on October 21, 2023, published our first data relating to this novel detection method.

We have five Our key pillars of focus to commercialize in different areas, are:

Cancer - detecting and monitoring human cancer through both our Nu.Q® and CTCF technologies.

Nu.Q® Vet - cost-effective, easy-to-use cancer screening blood test tests for dogs and other companion animals. The Nu.Q® Vet Cancer Test is commercially available as a cancer screening test in dogs.

Nu.Q® NETs - monitoring the immune system to save lives in both humans and animals.

Nu.Q® Capture Discover - capturing and concentrating samples for more accurate diagnosis. a complete solution to profiling nucleosomes.

Nu.Q® Discover Cancer - monitoring disease progression, response to treatment and Minimal Residual Disease.

Capture-PCR™ - a complete solution to profiling nucleosomes.

isolating and capturing circulating tumor derived DNA from plasma samples for early cancer detection.

Our research, product development and manufacturing activities are centered in Belgium, with innovation and U.S. regulatory operations in California, and additional offices in Nevada, London, and Singapore, where we focus on bringing our diagnostic and disease monitoring products to market.

Commercialization Strategy

We are guided by three underlying principles to our commercialization strategy – ensuring our products:

- Result in low capital expenditures for licensors and end users and low operating expenses for Volition,
- Are affordable, and
- Are accessible worldwide.

The principles above inform our overall commercialization strategy for our products, which is driven by the following:

- Conducting R&D in-house and through our research partners;
- Monetizing our IP with upfront payments, milestone payments, royalties, and sales of kits and key components; and
- Commercializing our products via global players and in fragmented markets through regional companies.

We aim to partner with established diagnostic companies to market, sell, and process our tests, leveraging their networks and expertise.

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

We aim to remain an intellectual property ("IP") IP powerhouse in the epigenetic space and plan expect to monetize our IP and technologies through licensing development, commercialization and distribution contracts with companies that have established distribution networks and expertise on a worldwide or regional basis, in both human and animal care across platforms (centralized labs and point-of-care) point-of-care / in-house diagnostics.

38 27

[Table of Contents](#)

To this end, on March 28, 2022, Volition entered into a master license and product supply agreement with Heska Corporation ("Heska"), a leading global provider of advanced veterinary diagnostics. In exchange for granting Heska exclusive worldwide rights to sell our Nu.Q® Vet Cancer Test at the point of care for companion animals, Volition received a \$10.0 million upfront payment upon signing, received \$13.0 million based upon the achievement of two milestones and is eligible to receive up to an additional \$18.0 million \$5.0 million based upon the achievement of certain near and mid-term milestones, a final milestone upon the earlier of the first commercial sale by or on behalf of Heska of a screening or monitoring test for lymphoma in felines, or the nine-month anniversary of the first peer reviewed paper evidencing clinical utility for the screening or monitoring of lymphoma in felines being published in any one of a number of periodicals identified by the parties. In addition, Volition has granted Heska non-exclusive rights to sell the Nu.Q® Vet Cancer Test in kit format for companion animals through Heska's network of central reference laboratories. In February June 2023 Heska commenced pre-orders was acquired by Mars Petcare and became part of its Antech Diagnostics division. In April 2024, Antech announced the launch of the in-clinic version of the Nu.Q® Canine Cancer Screen test in the US and Monitor Test for veterinarians in Heska's network at the point of care. Europe.

We also entered into a licensing and supply agreement with IDEXX Laboratories, Inc. ("IDEXX"), a global leader in pet healthcare innovation in October 2022. This contract provides worldwide customer reach through IDEXX's global reference laboratory network as we continue to commercialize our transformational Nu.Q® technology within the companion animal healthcare sector and capitalize on the significant opportunities available. IDEXX launched the IDEXX Nu.Q® Canine Cancer Screen in the United States Test in January 2023.

Further, In November 2023, we engaged DNAtech, Portugal, and, through our agreement with Heska, Scil Lab Europe, to launch the Nu.Q® Vet Cancer Test to customers in Europe commencing in November 2022. Subsequent to the quarter ended, September 30, 2023, we have launched the Nu.Q® Vet Cancer Test in the UK and Ireland through two distributors, VPG (Veterinary our distributor, the Veterinary Pathology Group) Group, and Nationwide.

Following in the roll-out UK through Nationwide Laboratories. In March 2024, Fujifilm Vet Systems announced the launch of our the Nu.Q® Vet Cancer Test and Nu.Q® Discover, the next series of products we anticipate launching are as follows: in Japan.

28

a canine cancer monitoring claim;

NETosis related screening and monitoring tests for use in human sepsis, and coagulation; and
cancer tests for humans.

[Table of Contents](#)

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

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

The use of Nu.Q® Capture technology in the field of transcription factors has led to the successful isolation of tumor derived transcription factor-DNA complexes from blood samples obtained from cancer patients. Subsequent to the quarter end September 30, 2023, at the European Society for Medical Oncology conference in Madrid, Spain in October 2023, we demonstrated what we believe to be an entirely new method for the early detection of cancer. We believe that this novel CTCF-ChIP/qPCR method developed by Volition shows enormous promise for the accurate, rapid, low-cost detection of early-stage cancer.

Liquidity and Capital Resources

We have financed our operations since inception primarily through private placements and public offerings of our common stock. As of **September 30, 2023** **March 31, 2024**, we had cash and cash equivalents of approximately **\$10.8 million** **\$11.8 million**.

Net cash used in operating activities was **\$24.5 million** **\$8.3 million** for the **nine** **three** months ended **September 30, 2023** **March 31, 2024** and **\$9.5 million** **\$8.7 million** for the **nine** **three** months ended **September 30, 2022** **March 31, 2023**, respectively. The **increase** **decrease** in cash used in operating activities for the period ended **September 30, 2023** **March 31, 2024** when compared to the same period in **2022** was primarily due to **2023** can be attributed to a **\$10.0 million** payment received pursuant to our license and supply agreement with Heska in the period ended **September 30, 2022** and increased spending **less expenditure** on clinical **trials** activities in **2023** in furtherance of our commercialization strategy, **trials**.

Net cash used in investing activities was **\$0.8 million** **\$0.1 million** and **\$1.0 million** **\$0.2 million** for the **nine** **three** months ended **September 30, 2023** **March 31, 2024** and **September 30, 2022** **March 31, 2023**, respectively. The decrease was primarily due to **lower** **a reduction** in purchases of laboratory equipment.

Net cash **provided by** **used in** financing activities was **\$25.2 million** **\$0.2 million** for the **nine** **three** months ended **September 30, 2023** **March 31, 2024** and net cash provided by financing activities was **\$6.0 million** **\$8.1 million** for the comparable period ended **September 30, 2022** **March 31, 2023**. The **increase** **decrease** in cash provided by financing activities for the period ended **September 30, 2023** **March 31, 2024** when compared to same period in **2022** **2023** was primarily due to **\$17.6 million** in net cash received from the issuance of shares of common stock in a registered public offering in June **2023**, **\$8.0 million** in net cash received from the issuance of shares of common stock in a registered public offering in February **2023** and **\$0.7 million** in net cash received from the issuance of shares of common stock under our "at-the-market" **facilities** **facility** during the period ended **September 30, 2023** **March 31, 2023**.

39

For additional information on our "at the market facility," refer to Note 6, *Common Stock – Equity Distribution Agreement*, of the notes to the condensed consolidated financial statements included within this Report.

[Table of Contents](#)

The following table summarizes our approximate contractual payments due by year as of **September 30, 2023** **March 31, 2024**.

Approximate Payments (Including Interest) Due by Year

| Description | Total | 2023 | 2024 - 2027 | 2028 + | 2024 - | | 2029 | | |
|--|------------------|------------------|------------------|----------------|------------------|------------------|------------------|---|----------------|
| | \$ | \$ | \$ | \$ | Total | Remaining | 2025 - 2028 | + | 2029 + |
| Financing lease liabilities | 491,110 | 14,236 | 227,767 | 249,107 | 472,433 | 43,610 | 232,590 | | 196,233 |
| Operating lease liabilities and short-term lease | 594,654 | 92,277 | 497,335 | 5,042 | 722,701 | 255,179 | 467,522 | | - |
| Grants repayable | 482,835 | 50,349 | 154,312 | 278,174 | 468,668 | 54,700 | 182,365 | | 231,603 |
| Long-term debt | 3,699,350 | 467,217 | 2,791,398 | 440,735 | 5,434,048 | 1,212,648 | 3,904,293 | | 317,107 |
| Collaborative agreements obligations | 1,290,177 | 671,388 | 618,789 | - | 1,344,784 | 1,181,238 | 163,546 | | - |
| Total | 6,558,126 | 1,295,467 | 4,289,601 | 973,058 | 8,442,634 | 2,747,375 | 4,950,316 | | 744,943 |

We intend to use our cash reserves to predominantly fund further research and development, **activities** and **launch new products**, **commercialization activities**. We do not currently have sufficient any substantial source of revenues to cover our annual expenses, including our contractual obligations, and expect to rely on additional future financing, **our operations in future periods, mainly through the sale of licensing or distribution rights, grant funding and the sale of equity or debt securities and licensing rights**, to provide sufficient funding to execute our strategic plan. However, there can be **There is no assurance that we will be successful in raising further funds**.

In the event additional funds, or that financing is delayed, we will be able to do so on terms that are satisfactory to us.

prioritize the completion of clinical validation studies for the purpose of the sale of licensing or distribution rights, and the maintenance of our patent rights. In the event of an ongoing lack of financing, it may be necessary to discontinue operations, which will adversely affect the value of our common stock.

We have not attained profitable operations **on an ongoing basis** and are dependent upon obtaining financing to pursue any extensive activities. For these reasons, our auditors **stated** included in their report on our audited financial statements for the **fiscal** year ended **December 31, 2022** **December 31, 2023**, an explanatory paragraph regarding factors that raise substantial doubt that we will be able to continue as a going concern.

4029

[Table of Contents](#)

Results of Operations

Comparison of the Three Months Three-Months Ended September 30, 2023 March 31, 2024 and September 30, 2022 March 31, 2023

The following table sets forth our results of operations for the three months ended **September 30, 2023** **on March 31, 2024**, and **September 30, 2022** **March 31, 2023**, respectively.

| | Three Months Ended | | | | Three Months Ended | | | |
|---|--------------------|------------------|------------------------|------------------------|--------------------|------------------|------------------------|------------------------|
| | September 30, | | Increase (Decrease) | Increase (Decrease) | March 31, | | Increase (Decrease) | Increase (Decrease) |
| | 2023 | 2022 | | | 2024 | 2023 | | |
| Service | \$ 37,688 | \$ 9,881 | \$ 27,807 | >100% | \$ 39,776 | \$ 5,356 | \$ 34,420 | >100% |
| Royalty | - | 2,911 | (2,911) | (100%) | | | | |
| Product | 127,523 | 19,922 | 107,601 | >100% | 131,759 | 144,452 | (12,693) | (9%) |
| Total Revenues | 165,211 | 32,714 | 132,497 | >100% | 171,535 | 149,808 | 21,727 | 15% |
| Research and development | 4,650,658 | 4,002,212 | 648,446 | 16% | 4,629,527 | 4,905,678 | (276,151) | (6%) |
| General and administrative | 2,599,908 | 2,498,506 | 101,402 | 4% | 2,253,743 | 2,581,703 | (327,960) | (13%) |
| Sales and marketing | 1,567,700 | 1,524,952 | 42,748 | 3% | 1,672,769 | 1,707,457 | (34,688) | (2%) |
| Total Operating Expenses | 8,818,266 | 8,025,670 | 792,596 | 10% | 8,556,039 | 9,194,838 | (638,799) | (7%) |
| Grant income | 48,656 | 171,439 | (122,783) | (72%) | - | 165,795 | (165,795) | (100%) |
| Loss on disposal of fixed assets | (15,913) | - | (15,913) | >100% | | | | |
| Interest income | 230 | 46,945 | (46,715) | (100%) | 8,654 | 57,648 | (48,994) | (85%) |
| Interest expense | (53,980) | (37,699) | (16,281) | 43% | (77,233) | (51,322) | (25,911) | 50% |
| Gain on change in fair value of warrant liability | 220,874 | - | 220,874 | >100% | | | | |
| Loss on change in fair value of warrant liability | | | | | (18,922) | - | (18,922) | >100% |

| | | | | | | | | |
|--------------|-------------|-------------|---------|-----|-------------|-------------|-----------|----------|
| Total Income | 199,867 | 180,685 | 19,182 | 11% | (87,501) | 172,121 | (259,622) | >(100 %) |
| Net Loss | (8,453,188) | (7,812,271) | 640,917 | 8% | (8,472,005) | (8,872,909) | (400,904) | (5%) |

Revenues

Our operations are transitioning from a research and development focused stage to a commercialization stage. Revenues during the three-months ended September 30, 2023 March 31, 2024 were \$165,211 \$171,535, compared with \$32,714 \$149,808 for the three-months ended September 30, 2022 March 31, 2023. The main source of revenue during the three months ended September 30, 2023 March 31, 2024 and March 31, 2023 was product revenues from sales of the Nu.Q® Vet Cancer Test and services revenues from our Nu.Q® Discover offering. The primary source of revenue during the three-months ended September 30, 2022 was product revenues from sales of the Nu.Q® Vet Cancer Test and H3.1 kits under the Volition Nu.Q® Discover offering. Test.

Operating Expenses

Total operating expenses increased decreased to \$8.8 million \$8.6 million for the three months ended September 30, 2023 March 31, 2024 from \$8.0 million \$9.2 million for the three months ended September 30, 2022 March 31, 2023, as a result of the factors described below.

41.30

[Table of Contents](#)

Research and Development Expenses

Research and development expenses increased decreased to \$4.7 million \$4.6 million from \$4.0 million \$4.9 million for the three-months ended September 30, 2023 March 31, 2024, and September 30, 2022 March 31, 2023, respectively. This increase decrease was primarily related to increased decreased direct research and development expenses as a result of the reduced clinical trials with DXOCRO, and partially offset by higher personnel expenses. The number of full-time equivalent ("FTE") personnel we employed in this division increased decreased by 72 to 7166 compared to the prior year period.

| | Three Months Ended September 30, | | | Three Months Ended March 31, | | | | |
|--|-------------------------------------|------------------|----------------|---------------------------------|------------------|------------------|------------------|--------|
| | 2023 | | 2022 | Change | 2024 | | 2023 | Change |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Personnel expenses | 2,373,968 | 1,981,242 | 392,726 | | 2,213,209 | 2,044,133 | 169,076 | |
| Stock-based compensation | 162,651 | 165,569 | (2,918) | | 118,118 | 143,054 | (24,936) | |
| Direct research and development expenses | 1,677,977 | 1,500,506 | 177,471 | | 1,715,842 | 2,174,812 | (458,970) | |
| Other research and development | 148,033 | 163,796 | (15,763) | | 318,301 | 281,072 | 37,229 | |
| Depreciation and amortization | 288,029 | 191,099 | 96,930 | | 264,057 | 262,607 | 1,450 | |
| Total research and development expenses | 4,650,658 | 4,002,212 | 648,446 | | 4,629,527 | 4,905,678 | (276,151) | |

General and Administrative Expenses

General and administrative expenses increased decreased to \$2.6 million \$2.3 million from \$2.5 million \$2.6 million for the three-months ended September 30, 2023 March 31, 2024, and September 30, 2022 March 31, 2023, respectively. This increase was primarily due to higher personnel costs expenses, legal expenses and legal and professional fees, stock-based compensation during the period. The FTE personnel number within this division decreased by 1 to 2220 compared to the prior year period.

| | Three Months Ended September 30, | | | Three Months Ended March 31, | | | | |
|--------------------------|-------------------------------------|-----------|----------|---------------------------------|-----------|-----------|-----------|--------|
| | 2023 | | 2022 | Change | 2024 | | 2023 | Change |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Personnel expenses | 1,437,615 | 1,336,790 | 100,825 | | 1,140,824 | 1,260,635 | (119,811) | |
| Stock-based compensation | 214,833 | 248,138 | (33,305) | | 176,688 | 303,525 | (126,837) | |

| | | | | | | |
|--|------------------|------------------|----------------|------------------|------------------|------------------|
| Legal and professional fees | 517,955 | 391,315 | 126,640 | 499,947 | 631,019 | (131,072) |
| Other general and administrative | 368,047 | 428,327 | (60,280) | 390,316 | 327,684 | 62,632 |
| Depreciation and amortization | 61,458 | 93,936 | (32,478) | 45,968 | 58,840 | (12,872) |
| Total general and administrative expenses | 2,599,908 | 2,498,506 | 101,402 | 2,253,743 | 2,581,703 | (327,960) |

Sales and Marketing Expenses

Sales and marketing expenses increased to \$1.6 million remained flat at \$1.7 million from \$1.5 million \$1.7 million for the three-months ended September 30, 2023 March 31, 2024, and September 30, 2022 March 31, 2023, respectively. This increase was primarily due to The higher personnel expenses partly and direct marketing and professional fees were more than offset by a reduction in stock-based compensation and direct marketing and professional fees during the period. The FTE personnel number within this division increased by 14 to 21 22 compared to the prior year period.

| | Three Months Ended | | | Three Months Ended | | |
|---|--------------------|------------------|---------------|--------------------|------------------|-----------------|
| | September 30, | | Change | March 31, | | Change |
| | 2023 | 2022 | | 2024 | 2023 | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Personnel expenses | 1,237,449 | 1,076,939 | 160,510 | 1,293,243 | 1,219,265 | 73,978 |
| Stock-based compensation | 160,496 | 225,367 | (64,871) | 116,414 | 247,077 | (130,663) |
| Direct marketing and professional fees | 156,775 | 210,059 | (53,284) | 251,064 | 227,985 | 23,079 |
| Depreciation and amortization | 12,980 | 12,587 | 393 | 12,048 | 13,130 | (1,082) |
| Total sales and marketing expenses | 1,567,700 | 1,524,952 | 42,748 | 1,672,769 | 1,707,457 | (34,688) |

Table of Contents

Other Income (Expense)

For the three months ended September 30, 2023, the Company's other income was \$199,867 compared to other income of \$180,685 for the three months ended September 30, 2022. These prior year amounts primarily consisted of grant income. The increase in other income was due to the change in fair value of the warrant liability partly offset by reduced grant income earned during the period.

Net Loss

For the three months ended September 30, 2023, the Company's net loss was approximately \$8.5 million in comparison to a net loss of \$7.8 million for the three months ended September 30, 2022. The change was primarily a result of increased clinical trial and personnel costs.

Comparison of the Nine Months Ended September 30, 2023 and September 30, 2022

The following table sets forth our results of operations for the nine months ended September 30, 2023 and September 30, 2022:

| | Nine Months Ended | | | Percentage | |
|---|-------------------|-------------------|------------------|------------|------------------|
| | September 30, | | (Decrease) | Increase | |
| | 2023 | 2022 | | \$ | % |
| | \$ | \$ | | | |
| Service | 93,207 | 80,181 | 13,026 | | 16% |
| Royalty | - | 2,911 | (2,911) | | (100%) |
| Product | 438,122 | 103,585 | 334,537 | | >100% |
| Total Revenues | 531,329 | 186,677 | 344,652 | | >100 % |
| Research and development | 15,007,623 | 11,202,902 | 3,804,721 | | 34% |
| General and administrative | 7,826,568 | 7,855,184 | (28,616) | | (0%) |
| Sales and marketing | 4,944,259 | 4,897,999 | 46,260 | | 1% |
| Total Operating Expenses | 27,778,450 | 23,956,085 | 3,822,365 | | 16% |
| Grant income | 214,451 | 564,879 | (350,428) | | (62%) |
| Loss on disposal of fixed assets | (15,913) | - | (15,913) | | >100% |
| Interest income | 84,987 | 58,108 | 26,879 | | 46% |
| Interest expense | (163,623) | (115,860) | (47,763) | | 41% |
| Gain on change in fair value of warrant liability | 249,845 | - | 249,845 | | >100% |

| | | | | |
|--------------------|--------------|--------------|-----------|--------|
| Total Other Income | 369,747 | 507,127 | (137,380) | (27 %) |
| Net Loss | (26,877,374) | (23,262,281) | 3,615,093 | 16 % |

Revenues

Our operations are still transitioning from a research and development stage to a commercialization stage. Revenues during the nine-months ended September 30, 2023 were \$531,329, compared with \$186,677 for the nine-months ended September 30, 2022. The main source of revenues during the nine-months ended September 30, 2023 was product sales of the Nu.Q® Vet Cancer Test and services revenue from our Nu.Q® Discover offering. The primary source of revenue during the nine-months ended September 30, 2022 was product sales of the Nu.Q® Vet Cancer Test and services revenue from our Nu.Q® Discover offering.

Operating Expenses

Total operating expenses increased to \$27.8 million from \$24.0 million for the nine months ended September 30, 2023 and September 30, 2022, respectively, as a result of the factors described below.

4331

[Table of Contents](#)

Research and Development Expenses

Research and development expenses increased to \$15.0 million for the nine months ended September 30, 2023, from \$11.2 million for the nine months ended September 30, 2022. This increase was primarily related to increased direct research and development expenses as a result of the clinical trials with DXOCRO, higher personnel expenses and depreciation. The FTE personnel number increased by 7 to 71 compared to the prior year period.

| | Nine Months Ended | | |
|--|-------------------|-------------------|------------------|
| | September 30, | | Change |
| | 2023 | 2022 | |
| | \$ | \$ | \$ |
| Personnel expenses | 6,783,623 | 5,342,531 | 1,441,092 |
| Stock-based compensation | 455,125 | 512,517 | (57,392) |
| Direct research and development expenses | 6,240,312 | 4,098,535 | 2,141,777 |
| Other research and development | 700,654 | 738,743 | (38,089) |
| Depreciation and amortization | 827,909 | 510,576 | 317,333 |
| Total research and development expenses | 15,007,623 | 11,202,902 | 3,804,721 |

General and Administrative Expenses

General and administrative expenses decreased to \$7.8 million from \$7.9 million for the nine months ended September 30, 2023 and September 30, 2022, respectively. This decrease was primarily due to lower stock-based compensation costs, general and administrative costs and depreciation partly offset by higher personnel expenses and legal and professional fees during the period. The FTE personnel number decreased by 1 to 22 compared to the prior year period.

| | Nine Months Ended | | |
|--|-------------------|------------------|-----------------|
| | September 30, | | Change |
| | 2023 | 2022 | |
| | \$ | \$ | \$ |
| Personnel expenses | 4,105,660 | 3,793,292 | 312,368 |
| Stock-based compensation | 777,482 | 1,080,840 | (303,358) |
| Legal and professional fees | 1,674,613 | 1,380,191 | 294,422 |
| Other general and administrative | 1,087,346 | 1,268,174 | (180,828) |
| Depreciation and amortization | 181,467 | 332,687 | (151,220) |
| Total general and administrative expenses | 7,826,568 | 7,855,184 | (28,616) |

Sales and Marketing Expenses

Sales and marketing expenses remained flat at \$4.9 million compared to \$4.9 million for the nine months ended September 30, 2023 and September 30, 2022, respectively. Higher personnel expenses were offset by reduced stock-based compensation and direct marketing and professional fees during the period. The FTE personnel number increased by 1 to 21 compared to the prior year period.

| | Nine Months Ended | | |
|--------------------------|-------------------|-----------|-----------|
| | September 30, | | Change |
| | 2023 | 2022 | |
| | \$ | \$ | \$ |
| Personnel expenses | 3,674,191 | 3,264,104 | 410,087 |
| Stock-based compensation | 591,204 | 815,052 | (223,848) |

| | | | |
|---|------------------|------------------|---------------|
| Direct marketing and professional fees | 639,528 | 781,519 | (141,991) |
| Depreciation and amortization | 39,336 | 37,324 | 2,012 |
| Total sales and marketing expenses | 4,944,259 | 4,897,999 | 46,260 |
| Other Income (Expense) (Expenses) | | | |

For the nine months three-months ended September 30, 2023 March 31, 2024, the Company's other income was \$369,747 expenses were \$87,501 compared to other income of \$507,127 \$172,121 for the nine months three-months ended September 30, 2022 March 31, 2023. These amounts primarily consisted of grant income. The This decrease in other income was mainly due a reduction in to no grant income earned in during the current period.

44

[Table of Contents](#)

Net Loss

For the nine months three-months ended September 30, 2023 March 31, 2024, the Company's net loss was \$8.5 million, a decrease of approximately \$26.9 million \$0.4 million in comparison to a net loss of \$23.3 million \$8.9 million for the nine months three-months ended September 30, 2022 March 31, 2023. The change was primarily a result of increased clinical trial and personnel costs. the factors described above.

Going Concern

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

Off-Balance Sheet Arrangements

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

Future Financings

We may seek to obtain additional capital through the sale of debt or equity securities if we deem it desirable or necessary. These sales may include the sale of equity securities from time to time through our an "at the market offering program" with Jefferies LLC under the our Equity Distribution Agreement dated May 20, 2022 (see Agreement. see Note 6, Common Stock – Equity Distribution Agreement, of the notes to the interim condensed consolidated financial statements). However, we may be unable to obtain such additional capital when needed, or on terms favorable to us or our stockholders, if at all. If we raise additional funds by issuing equity securities, the percentage ownership of our stockholders will be reduced, stockholders may experience additional dilution, or such equity securities may provide for rights, preferences or privileges senior to those of the holders of our common stock. If additional funds are raised through the issuance of debt securities, the terms of such securities may place restrictions on our ability to operate our business.

Critical Accounting Policies and Estimates

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

We also regularly evaluate estimates and assumptions related to deferred income tax asset valuation allowances, useful lives of property and equipment and intangible assets, borrowing rate used in operating lease right-of-use asset and liability valuations, impairment analysis of intangible assets and valuations of stock-based compensation.

We base our estimates and assumptions on current facts, historical experiences, information from third party professionals and various other factors that it believes we believe 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. Actual results may differ materially and adversely from our estimates. To the extent there are material differences between the estimates and the actual results, future results of operations could be materially affected.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A summary of these policies is included in the notes to our financial statements. **There have been no material changes to the critical accounting policies and key estimates and assumptions disclosed in the section titled "Critical Accounting Policies and Estimates" in Part II, Item 7 within our Annual Report.**

Recently Issued Accounting Pronouncements

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

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which requires a public entity to disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about reportable segment's profit or loss and assets that are currently required annually. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. These amendments are to be applied retrospectively. The Company is currently evaluating the impact this standard will have on its condensed consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which enhances the transparency and decision usefulness of income tax disclosures by requiring: (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. These amendments are to be applied prospectively, with retrospective application permitted. The Company is currently evaluating the impact this standard will have on its condensed consolidated financial statements.

45 32

Table of Contents

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

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

Our management carried out an evaluation, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer have concluded, as they previously concluded as of **December 31, 2022** **December 31, 2023**, that our disclosure controls and procedures were not effective as of **September 30, 2023** **March 31, 2024**, because of material weaknesses in our internal control over financial reporting, as referenced below and described in detail in our Annual Report.

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

During the year ended December 31, 2022, our management, with oversight from our audit committee, implemented the following remediation steps to address and mitigate the underlying deficiencies which gave rise to the We identified material weaknesses and to improve in our internal controls over financial reporting. A material weakness is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting: reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weaknesses identified include:

- hired specialists in human resources and information technology to recommend and implement relevant we do not have sufficient written documentation of our internal control policies and processes that will strengthen procedures, including written policies and procedures to ensure the control environment;
- changed organizational correct application of accounting and financial reporting lines with respect to the current requirements of GAAP and reallocated certain responsibilities to improve segregation of duties around payroll;
- engaged additional resources to help us assess, document, design and implement control activities related to internal control over financial reporting; and
- implemented additional review procedures at each month end close. SEC disclosure requirements.

During 2023, Notwithstanding the material weakness, we intend believe that our financial statements contained in this Report fairly present our financial position, results of operations and cash flows for the periods covered by this Report in all material respects.

Our management, with the oversight of our audit committee, has initiated steps and plans to take additional measures to strengthen certain processes we have identified remediate the underlying causes of the material weakness, which we currently believe once implemented will be primarily through revising precision level management review controls and gaining additional assurance regarding our outside service providers' quality control procedures. It is possible that we may determine that additional remediation steps will be necessary in conjunction with the completed actions above will mitigate and remedy this weakness, future.

We also intend *Planned Remediation of Material Weaknesses*

Our management has been actively engaged in developing and implementing remediation plans to take additional steps address material weaknesses described above.

These remediation efforts are ongoing and include or are expected to continue to strengthen the control environment. Such measures include but may not be limited to: include:

- hiring additional finance resources;
- strengthening engaging internal control consultants to assist us in performing a financial reporting risk assessment as well as identifying and designing our system of internal processes and reviews, including formal documentation thereof; and controls necessary to mitigate the risks identified;
- preparation of risk-control matrices written documentation of our internal control policies and procedures;
- increasing personnel resources and technical accounting expertise within the accounting function to identify key risks replace our outside service providers; and develop
- until we have sufficient technical accounting resources, we have engaged external consultants to provide support and document policies to mitigate those risks assist us in our evaluation of more complex applications of GAAP.

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

46 33

Table of Contents

Planned Remediation of Material Weaknesses (continued)

We continue to enhance corporate oversight over process-level controls and structures to ensure that there is appropriate assignment of authority, responsibility, and accountability to enable remediation of our material weaknesses. We believe that our remediation plan will be sufficient to remediate the identified material weaknesses and strengthen our internal control over financial reporting. As we continue to evaluate, and work to improve, our internal control over financial reporting, management may determine that additional measures to address control deficiencies or modifications to the remediation plan are necessary.

Changes in Internal Control over Financial Reporting

Except for the ongoing remediation of the material weaknesses in internal controls over financial reporting noted above, no changes in our internal control over financial reporting were made during the three months ended **September 30, 2023** **March 31, 2024**, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations of the Effectiveness of Disclosure Controls and Internal Controls

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

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

[Table of Contents](#)**PART PART II OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS**

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

ITEM 1A. RISK FACTORS

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

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**None. Recent Sales of Unregistered Securities**

On March 12, 2024, the Company issued 129,132 shares of its common stock to EpiCypher, Inc. in a private placement transaction for a deemed aggregate purchase price of approximately \$100,000 as partial consideration for certain license rights in connection with a License Agreement between EpiCypher and Belgian Volition. The above issuance did not involve any underwriters, underwriting discounts or commissions, or any public offering and the Company believes such issuance was exempt from the registration requirements of the Securities Act by virtue of Section 4(a)(2) and/or Regulation D due to, among other things, the fact that there was no general solicitation or advertising, the transactions did not involve a public offering of securities, the representations of investment intent and accredited investor status by EpiCypher and the securities were restricted from further transfer as evidenced by legend thereon.

Repurchase of Equity Securities

No equity securities were repurchased during the first quarter of 2024.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

[Table of Contents](#)**ITEM 6. EXHIBITS**

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | | |
|----------------|---|---------------------------|------------|---------|-------------|----------------|
| | | Form | File No. | Exhibit | Filing Date | Filed Herewith |
| 3.1 | Second Amended and Restated Certificate of Incorporation, as currently in effect. | 8-K | 001-36833 | 3.1 | 10/11/16 | |
| 3.2 | Amended and Restated Bylaws, as currently in effect. | S-8 | 333-208512 | 4.2 | 12/11/15 | |
| 4.1 | Description of Capital Stock. | 10-K | 001-36833 | 4.1 | 2/20/20 | |

| | | |
|--------------|---|---|
| <u>31.1</u> | <u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.</u> | X |
| <u>31.2</u> | <u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.</u> | X |
| <u>32.1*</u> | <u>Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u> | X |
| 101.INS | Inline XBRL Instance Document. | X |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document. | X |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document. | X |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document. | X |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document. | X |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document. | X |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) | X |

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | | |
|----------------|---|---------------------------|-----------|---------|-------------|----------------|
| | | Form | File No. | Exhibit | Filing Date | Filed Herewith |
| <u>3.1</u> | <u>Second Amended and Restated Certificate of Incorporation, as currently in effect.</u> | 8-K | 001-36833 | 3.1 | 10/11/16 | X |
| <u>3.2</u> | <u>Amended and Restated Bylaws, as amended and currently in effect.</u> | | | | | |
| <u>4.1</u> | <u>Description of Capital Stock.</u> | 10-K | 001-36833 | 4.1 | 2/20/20 | X |
| <u>10.1#</u> | <u>Contract of Employment, by and between Volition Diagnostics UK Ltd. And Dr. Andrew Retter, dated March 19, 2024.</u> | 10-K | 001-36833 | 10.36 | 3/25/24 | |
| <u>31.1</u> | <u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.</u> | | | | | X |
| <u>31.2</u> | <u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.</u> | | | | | X |
| <u>32.1*</u> | <u>Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u> | | | | | X |
| 101.INS | Inline XBRL Instance Document. | | | | | X |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document. | | | | | X |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document. | | | | | X |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document. | | | | | X |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document. | | | | | X |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document. | | | | | X |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) | | | | | X |

Indicates a management contract or compensatory plan or arrangement.

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

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

4936

[Table of Contents](#)

SIGNATURES

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

VOLITIONRX LIMITED

Dated: May 13, 2024

By: /s/ Cameron Reynolds

Cameron Reynolds
President and Chief Executive Officer
(Authorized Signatory and Principal Executive Officer)

Dated: May 13, 2024

By: /s/ Terig Hughes

Terig Hughes
Chief Financial Officer and Treasurer
(Authorized Signatory and Principal
Financial and Accounting Officer)

5037

EXHIBIT 3.2

AMENDED AND RESTATED

BYLAWS

OF

VOLITIONRX LIMITED

TABLE OF CONTENTS

Page

| | |
|--|----------|
| ARTICLE I - CORPORATE OFFICES | 1 |
| 1.1 Registered Office | 1 |
| 1.2 Other Offices | 1 |
| 1.3 Books and Records | 1 |
| ARTICLE II - MEETINGS OF STOCKH | 1 |
| 2.1 Place of Meetings | 1 |
| 2.2 Annual Meeting | 1 |
| 2.3 Special Meeting | 1 |
| 2.4 Advance Notice Procedures | 2 |

| | |
|---|-----------|
| 2.5 Notice of Stockholders' Meetings | 7 |
| 2.6 Quorum | 7 |
| 2.7 Adjourned Meeting; Notice | 7 |
| 2.8 Conduct Of Business | 8 |
| 2.9 Voting | 8 |
| 2.10 Stockholder Action by Written Consent Without a Meeting | 8 |
| 2.11 Record Dates | 8 |
| 2.12 Proxies | 9 |
| 2.13 List of Stockholders Entitled to Vote | 9 |
| 2.14 Inspectors of Election | 10 |

| | |
|--------------------------------|-----------|
| ARTICLE III - DIRECTORS | 10 |
|--------------------------------|-----------|

| | |
|--|-----------|
| 3.1 Powers | 10 |
| 3.2 Number of Directors | 10 |
| 3.3 Election, Qualification and Term of Office of Directors | 11 |
| 3.4 Resignation and Vacancies | 11 |
| 3.5 Place of Meetings; Meetings by Telephone | 11 |
| 3.6 Regular Meetings | 12 |
| 3.7 Special Meetings; Notice | 12 |
| 3.8 Quorum; Voting | 12 |
| 3.9 Board Action by Written Consent Without a Meeting | 13 |
| 3.10 Fees and Compensation of Directors | 13 |
| 3.11 Removal of Directors | 13 |
| 3.12 Interested Directors | 13 |

i

| | |
|--------------------------------|-----------|
| ARTICLE IV - COMMITTEES | 13 |
|--------------------------------|-----------|

| | |
|--|-----------|
| 4.1 Committees of Directors | 13 |
| 4.2 Committee Minutes | 14 |
| 4.3 Meetings and Action of Committees | 14 |
| 4.4 Subcommittees | 14 |

| | |
|------------------------|-----------|
| ARTICLE V - OFF | 15 |
|------------------------|-----------|

| | |
|---|-----------|
| 5.1 Officers | 15 |
| 5.2 Appointment of Officers | 15 |
| 5.3 Subordinate Officers | 15 |
| 5.4 Removal and Resignation of Officers | 15 |
| 5.5 Vacancies in Offices | 15 |
| 5.6 Representation of Shares of Other Corporations | 15 |
| 5.7 Authority and Duties of Officers | 15 |

| | |
|---------------------------|-----------|
| ARTICLE VI - STOCK | 16 |
|---------------------------|-----------|

| | |
|---|-----------|
| 6.1 Stock Certificates; Partly Paid Shares | 16 |
| 6.2 Special Designation on Certificates | 16 |
| 6.3 Lost Certificates | 17 |

| | |
|--|--------|
| 6.4 Dividends | 17 |
| 6.5 Transfer of Stock | 17 |
| 6.6 Stock Transfer Agreements | 17 |
| 6.7 Registered Stockholders | 17 |
| ARTICLE VII - MANNER OF GIVING NOTICE AND WAIVER | 18 |
| 7.1 Notice of Stockholders' Meetings | 18 |
| 7.2 Notice by Electronic Transmission | 18 |
| 7.3 Notice to Stockholders Sharing an Address | 19 |
| 7.4 Notice to Person with Whom Communication is Unlawful | 19 |
| 7.5 Waiver of Notice | 19 |
| ARTICLE VIII - INDEMNIFICATION | 19 |
| 8.1 Indemnification of Directors and Officers in Third Party Proceedings | 19 |
| 8.2 Indemnification of Directors and Officers in Actions by or in the Right of the Corporation | 20 |
| 8.3 Successful Defense | 20 |
| 8.4 Indemnification of Others | 20 |
| 8.5 Advance Payment of Expenses | 20 |
| 8.6 Limitation on Indemnification | 21 |
| 8.7 Determination; Claim | 21 |
| 8.8 Non-Exclusivity of Rights | 22 |
| 8.9 Insurance | 22 |
| 8.10 Survival | 22 |
| 8.11 Effect of Repeal or Modification | 22 |
| 8.12 Certain Definitions | 22 |
| ARTICLE IX - GENERAL MATTERS | 23 |
| 9.1 Execution of Corporate Contracts and Instruments | 23 |
| 9.2 Fiscal Year | 23 |
| 9.3 Seal | 23 |
| 9.4 Checks, Notes, Drafts, Etc | 23 |
| 9.5 Conflict With Applicable Law or Certificate of Incorporation | 23 |
| 9.6 Construction; Definitions | 23 |
| 9.7 Selection of Forum | 23 |
| ARTICLE X - AMENDMENTS | 23 |

**AMENDED AND RESTATED BYLAWS
OF VOLITIONRX LIMITED
ARTICLE I - CORPORATE OFFICES**

1.1 Registered Office. The registered office of VolitionRx Limited shall be fixed in the corporation's certificate of incorporation, as the same may be amended from time to time.

1.2 Other Offices. The corporation's board of directors may at any time establish other offices at any place or places where the corporation is qualified to do business.

1.3 Books and Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be maintained on any information storage device or method; provided that the records so kept can be converted into clearly legible paper form within a

reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

ARTICLE II - MEETINGS OF STOCKHOLDERS

2.1 Place of Meetings. Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the board of directors. The board of directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law (the "DGCL"). In the absence of any such designation or determination, stockholders' meetings shall be held at the corporation's principal executive office.

2.2 Annual Meeting. The annual meeting of stockholders shall be held on such date, at such time, and at such place (if any) within or without the State of Delaware as shall be designated from time to time by the board of directors and stated in the corporation's notice of the meeting. At the annual meeting, directors shall be elected and any other proper business, brought in accordance with Section 2.4 of these bylaws, may be transacted. The board of directors may cancel, postpone or reschedule any previously scheduled annual meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

2.3 Special Meeting.

(i) A special meeting of the stockholders, other than those required by statute, may be called at any time by (A) the board of directors pursuant to a resolution adopted by a majority of the board of directors, (B) the chairman of the board of directors, (C) the chief executive officer or (D) the president (in the absence of a chief executive officer), but a special meeting may not be called by any other person or persons. The board of directors may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

(ii) The notice of a special meeting shall include the purpose for which the meeting is called. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting by or at the direction of the board of directors, chairman of the board of directors, chief executive officer or president (in the absence of a chief executive officer). Nothing contained in this Section 2.3(ii) shall be construed as limiting, fixing or affecting the time when a meeting of stockholders called by action of the board of directors may be held.

1

2.4 Advance Notice Procedures.

(i) **Advance Notice of Stockholder Business.** At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be brought: (A) pursuant to the corporation's proxy materials with respect to such meeting, (B) by or at the direction of the board of directors, or (C) by a stockholder of the corporation who (1) is a stockholder of record at the time of the giving of the notice required by this Section 2.4(i) and on the record date for the determination of stockholders entitled to vote at the annual meeting and (2) has timely complied in proper written form with the notice procedures set forth in this Section 2.4(i). In addition, for business to be properly brought before an annual meeting by a stockholder, such business must be a proper matter for stockholder action pursuant to these bylaws and applicable law. For the avoidance of doubt, except for proposals properly made in accordance with Rule 14a-8 under the Securities and Exchange Act of 1934, as amended, or any successor thereto (the "1934 Act"), and the regulations thereunder (or any successor rule and in any case as so amended), clause (C) above shall be the exclusive means for a stockholder to bring business before an annual meeting of stockholders.

(a) To comply with clause (C) of Section 2.4(i) above, a stockholder's notice must set forth all information required under this Section 2.4(i) and must be timely received by the secretary of the corporation. To be timely, a stockholder's notice must be received by the secretary at the principal executive offices of the corporation not later than the 45th day nor earlier than the 75th day before the one-year anniversary of the date on which the corporation first mailed its proxy materials or a notice of availability of proxy materials (whichever is earlier) for the preceding year's annual meeting; *provided, however,* that in the event that no annual meeting was held in the previous year or if the date of the annual meeting is advanced by more than 30 days prior to or delayed by more than 60 days after the one-year anniversary of the date of the previous year's annual meeting, then, for notice by the stockholder to be timely, it must be so received by the secretary not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of (i) the 90th day prior to such annual meeting, or (ii) the tenth day following the day on which Public Announcement (as defined below) of the date of such annual meeting is first made. In no event shall any adjournment, rescheduling or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described in this Section 2.4(i)(a). "Public Announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service, in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act.

2

(b) To be in proper written form, a stockholder's notice to the secretary must set forth as to each matter of business the stockholder intends to bring before the annual meeting: (1) a brief description of the business intended to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (2) the name and address, as they appear on the corporation's books, of the stockholder proposing such business and any Stockholder Associated Person (as defined below), (3) the class and number of shares of the corporation that are held of record or are beneficially owned by the stockholder or any Stockholder Associated Person and any derivative positions held or beneficially held by the stockholder or any Stockholder Associated Person, (4) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of such stockholder or any Stockholder Associated Person with respect to any securities of the corporation, and a description of any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares), the effect or intent of which is to mitigate loss to, or to manage the risk or benefit from share price changes

for, or to increase or decrease the voting power of, such stockholder or any Stockholder Associated Person with respect to any securities of the corporation, (5) any material interest of the stockholder or a Stockholder Associated Person in such business, and (6) a statement whether either such stockholder or any Stockholder Associated Person will deliver a proxy statement and form of proxy to holders of at least the percentage of the voting power of the corporation's voting shares required under applicable law to carry the proposal (such information provided and statements made as required by clauses (1) through (6), a "Business Solicitation Statement"). In addition, to be in proper written form, a stockholder's notice to the secretary must be supplemented not later than ten days following the record date for the determination of stockholders entitled to notice of the meeting to disclose the information contained in clauses (3) and (4) above as of the record date. For purposes of this Section 2.4, a "Stockholder Associated Person" of any stockholder shall mean (i) any person controlling, directly or indirectly, or acting in concert with, such stockholder, (ii) any beneficial owner of shares of stock of the corporation owned of record or beneficially by such stockholder and on whose behalf the proposal or nomination, as the case may be, is being made, or (iii) any person controlling, controlled by or under common control with such person referred to in the preceding clauses (i) and (ii).

(c) A stockholder providing written notice required by this Section 2.4(i) shall update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) the date that is five business days prior to the meeting and, in the event of any adjournment or postponement thereof, five business days prior to such adjourned or postponed meeting. In the case of an update and supplement pursuant to clause (i) of this Section 2.4(i)(c), such update and supplement shall be received by the secretary at the principal executive offices of the corporation not later than five business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 2.4(i)(c), such update and supplement shall be received by the secretary at the principal executive offices of the corporation not later than two business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two business days prior to such adjourned or postponed meeting.

(d) Without exception, no business shall be conducted at any annual meeting except in accordance with the provisions set forth in this Section 2.4(i) and, if applicable, Section 2.4(ii). In addition, business proposed to be brought by a stockholder may not be brought before the annual meeting if such stockholder or a Stockholder Associated Person, as applicable, takes action contrary to the representations made in the Business Solicitation Statement applicable to such business or if the Business Solicitation Statement applicable to such business contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading. The chairperson of the annual meeting shall, if the facts warrant, determine and declare at the annual meeting that business was not properly brought before the annual meeting and in accordance with the provisions of this Section 2.4(i), and, if the chairperson should so determine, he or she shall so declare at the annual meeting that any such business not properly brought before the annual meeting shall not be conducted.

3

(ii) *Advance Notice of Director Nominations at Annual Meetings.* Notwithstanding anything in these bylaws to the contrary, only persons who are nominated in accordance with the procedures set forth in this Section 2.4(ii) shall be eligible for election or re-election as directors at an annual meeting of stockholders. Nominations of persons for election to the board of directors of the corporation shall be made at an annual meeting of stockholders only (A) by or at the direction of the board of directors or (B) by a stockholder of the corporation who (1) was a stockholder of record at the time of the giving of the notice required by this Section 2.4(ii) and on the record date for the determination of stockholders entitled to vote at the annual meeting and (2) has complied with the notice procedures set forth in this Section 2.4(ii). In addition to any other applicable requirements, for a nomination to be made by a stockholder, the stockholder must have given timely notice thereof in proper written form to the secretary of the corporation.

(a) To comply with clause (B) of Section 2.4(ii) above, a nomination to be made by a stockholder must set forth all information required under this Section 2.4(ii) and must be received by the secretary of the corporation at the principal executive offices of the corporation at the time set forth in, and in accordance with, the final three sentences of Section 2.4(i)(a) above; provided additionally, however, that in the event that the number of directors to be elected to the board of directors is increased and there is no Public Announcement naming all of the nominees for director or specifying the size of the increased board made by the corporation at least ten days before the last day a stockholder may deliver a notice of nomination pursuant to the foregoing provisions, a stockholder's notice required by this Section 2.4(ii) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the secretary of the corporation at the principal executive offices of the corporation not later than the close of business on the tenth day following the day on which such Public Announcement is first made by the corporation.

(b) To be in proper written form, such stockholder's notice to the secretary must set forth:

(1) as to each person (a "nominee") whom the stockholder proposes to nominate for election or re-election as a director: (A) the name, age, business address and residence address of the nominee, (B) the principal occupation or employment of the nominee, (C) the class and number of shares of the corporation that are held of record or are beneficially owned by the nominee and any derivative positions held or beneficially held by the nominee, (D) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of the nominee with respect to any securities of the corporation, and a description of any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares), the effect or intent of which is to mitigate loss to, or to manage the risk or benefit of share price changes for, or to increase or decrease the voting power of the nominee, (E) a description of all arrangements or understandings between or among any of the stockholder, each nominee and/or any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder or relating to the nominee's potential service on the board of directors, (F) a written statement executed by the nominee acknowledging that as a director of the corporation, the nominee will owe a fiduciary duty under Delaware law with respect to the corporation and its stockholders, and (G) any other information relating to the nominee that would be required to be disclosed about such nominee if proxies were

being solicited for the election of the nominee as a director, or that is otherwise required, in each case pursuant to Regulation 14A under the 1934 Act (including without limitation the nominee's written consent to being named in the proxy statement, if any, as a nominee and to serving as a director if elected); and

4

(2) as to such stockholder giving notice, (A) the information required to be provided pursuant to clauses (2) through (5) of Section 2.4(i)(b) above, and the supplement referenced in the second sentence of Section 2.4(i)(b) above (except that the references to "business" in such clauses shall instead refer to nominations of directors for the purposes of this paragraph), and (B) a statement whether either such stockholder or Stockholder Associated Person will deliver a proxy statement and form of proxy to holders of at least the percentage of the corporation's voting shares reasonably believed by such stockholder or Stockholder Associated Person to be necessary to elect such nominee(s) (such information provided and statements made as required by clauses (A) and (B) above, a "Nominee Solicitation Statement").

(c) At the request of the board of directors, any person nominated by a stockholder for election as a director must furnish to the secretary of the corporation (1) that information required to be set forth in the stockholder's notice of nomination of such person as a director as of a date subsequent to the date on which the notice of such person's nomination was given and (2) such other information as may reasonably be required by the corporation to determine the eligibility of such proposed nominee to serve as an independent director of the corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee; in the absence of the furnishing of such information if requested, such stockholder's nomination shall not be considered in proper form pursuant to this Section 2.4(ii).

(d) A stockholder providing written notice required by this Section 2.4(ii) shall update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) the date that is five business days prior to the meeting and, in the event of any adjournment or postponement thereof, five business days prior to such adjourned or postponed meeting. In the case of an update and supplement pursuant to clause (i) of this Section 2.4(ii)(d), such update and supplement shall be received by the secretary at the principal executive offices of the corporation not later than five business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 2.4(ii)(d), such update and supplement shall be received by the secretary at the principal executive offices of the corporation not later than two business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two business days prior to such adjourned or postponed meeting.

(e) Without exception, no person shall be eligible for election or re-election as a director of the corporation at an annual meeting of stockholders unless nominated in accordance with the provisions set forth in this Section 2.4(ii). In addition, a nominee shall not be eligible for election or re-election if a stockholder or Stockholder Associated Person, as applicable, takes action contrary to the representations made in the Nominee Solicitation Statement applicable to such nominee or if the Nominee Solicitation Statement applicable to such nominee contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading. The chairperson of the annual meeting shall, if the facts warrant, determine and declare at the annual meeting that a nomination was not made in accordance with the provisions prescribed by these bylaws, and if the chairperson should so determine, he or she shall so declare at the annual meeting, and the defective nomination shall be disregarded.

5

(f) To be eligible to be a nominee for election as a director of the corporation, the proposed nominee must deliver (in accordance with the time periods prescribed for delivery of notice under this Section 2.4(iii)) to the secretary at the principal executive offices of the corporation a written questionnaire with respect to the background and qualification of such proposed nominee (which questionnaire shall be provided by the secretary upon written request) and a written representation and agreement (in form provided by the secretary upon written request) that such proposed nominee (i) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such proposed nominee, if elected as a director of the corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the corporation or (B) any Voting Commitment that could limit or interfere with such proposed nominee's ability to comply, if elected as a director of the corporation, with such proposed nominee's fiduciary duties under applicable law, (ii) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the corporation and (iii) in such proposed nominee's individual capacity and on behalf of the stockholder (or the beneficial owner, if different) on whose behalf the nomination is made, would be in compliance, if elected as a director of the corporation, and will comply with applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the corporation.

(iii) Advance Notice of Director Nominations for Special Meetings.

(a) For a special meeting of stockholders at which directors are to be elected pursuant to Section 2.3, nominations of persons for election to the board of directors shall be made only (1) by or at the direction of the board of directors or (2) by any stockholder of the corporation who (A) is a stockholder of record at the time of the giving of the notice required by this Section 2.4(iii) and on the record date for the determination of stockholders entitled to vote at the special meeting and (B) delivers a timely written notice of the nomination to the secretary of the corporation that includes the information set forth in Sections 2.4(ii)(b) and (ii)(c) above. To be timely, such notice must be received by the secretary at the principal executive offices of the corporation not later than the close of business on the later of the 90th day prior to such special meeting or the tenth day following the day on which Public Announcement is first made of the date of the special meeting and of the nominees proposed by the board of directors to be elected at such meeting. In no event shall any adjournment, rescheduling or postponement of a special meeting or

the announcement thereof commence a new time period for the giving of a stockholder's notice. A person shall not be eligible for election or re-election as a director at a special meeting unless the person is nominated (i) by or at the direction of the board of directors or (ii) by a stockholder in accordance with the notice procedures set forth in this Section 2.4(iii). In addition, a nominee shall not be eligible for election or re-election if a stockholder or Stockholder Associated Person, as applicable, takes action contrary to the representations made in the Nominee Solicitation Statement applicable to such nominee or if the Nominee Solicitation Statement applicable to such nominee contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading.

(b) The chairperson of the special meeting shall, if the facts warrant, determine and declare at the meeting that a nomination or business was not made in accordance with the procedures prescribed by these bylaws, and if the chairperson should so determine, he or she shall so declare at the meeting, and the defective nomination or business shall be disregarded.

(iv) *Other Requirements and Rights.* In addition to the foregoing provisions of this Section 2.4, a stockholder must also comply with all applicable requirements of state law and of the 1934 Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.4, including, with respect to business such stockholder intends to bring before the annual meeting that involves a proposal that such stockholder requests to be included in the corporation's proxy statement, the requirements of Rule 14a-8 (or any successor provision) under the 1934 Act.

6

Nothing in this Section 2.4 shall be deemed to affect any right of the corporation to omit a proposal from the corporation's proxy statement pursuant to Rule 14a-8 (or any successor provision) under the 1934 Act.

2.5 Notice of Stockholders' Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the DGCL, the certificate of incorporation or these bylaws, the written notice of any meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting.

2.6 Quorum. The holders of a majority of the voting power of the stock issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders, unless otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange. Where a separate vote by a class or series or classes or series is required, a majority of the voting power of the issued and outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange. A quorum, once established, shall not be broken by the subsequent withdrawal of enough votes to leave less than a quorum. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the meeting originally called.

Whether or not a quorum is present at a meeting of stockholders, the chairperson of the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the original meeting.

2.7 Adjourned Meeting; Notice. When a meeting is adjourned to another time or place, unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the board of directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 213(a) of the DGCL and Section 2.11 of these bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

7

2.8 Conduct Of Business. The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business. The chairperson of any meeting of stockholders shall be designated by the board of directors; in the absence of such designation, the chairman of the board, if any, the chief executive officer (in the absence of the chairman) or the president (in the absence of the chairman of the board and the chief executive officer), or in their absence any other executive officer of the corporation, shall serve as chairperson of the stockholder meeting.

2.9 Voting. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.11 of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgees and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder.

Except as otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange, directors shall be elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, the affirmative vote of the majority of the voting power of shares of such class or series or classes or series present in person or represented by proxy at the meeting shall be the act of such class or series or classes or series, except as otherwise provided by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange. Voting at meetings of stockholders need not be by written ballot.

2.10 Stockholder Action by Written Consent Without a Meeting. Subject to the rights of the holders of the shares of any series of preferred stock or any other class of stock or series thereof that have been expressly granted the right to take action by written consent, any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly called annual or special meeting of stockholders of the corporation and may not be effected by any consent in writing by such stockholders.

2.11 Record Dates. In order that the corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the board of directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the board of directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination.

8

If no record date is fixed by the board of directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the board of directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the provisions of Section 213 of the DGCL and this Section 2.11 at the adjourned meeting.

In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the board of directors adopts the resolution relating thereto.

2.12 Proxies. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL. A written proxy may be in the form of a telegram, cablegram, or other means of electronic transmission which sets forth or is submitted with information from which it can be determined that the telegram, cablegram, or other means of electronic transmission was authorized by the stockholder.

2.13 List of Stockholders Entitled to Vote. The officer who has charge of the stock ledger of the corporation shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting; *provided, however,* if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible electronic network, *provided* that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the corporation's principal place of business. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then such list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

9

2.14 Inspectors of Election. Before any meeting of stockholders, the board of directors shall appoint an inspector or inspectors of election to act at the meeting or its adjournment. The number of inspectors shall be either one (1) or three (3). If any person appointed as inspector fails to appear or fails or refuses to act, then the

chairperson of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy; provided further that, in any case, if no inspector or alternate is able to act at a meeting of stockholders, the chairperson of the meeting shall appoint at least one (1) inspector to act at the meeting.

Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. Such inspectors shall:

- (i) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;
- (ii) receive votes, ballots or consents;
- (iii) hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (iv) count and tabulate all votes or consents;
- (v) determine when the polls shall close;
- (vi) determine the result; and
- (vii) do any other acts that may be proper to conduct the election or vote with fairness to all stockholders.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is *prima facie* evidence of the facts stated therein.

ARTICLE III - DIRECTORS

3.1 Powers. The business and affairs of the corporation shall be managed by or under the direction of the board of directors, except as may be otherwise provided in the DGCL or the certificate of incorporation.

3.2 Number of Directors. The board of directors shall consist of one or more members, each of whom shall be a natural person. Unless the certificate of incorporation fixes the number of directors, the number of directors shall be determined from time to time by resolution of the board of directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

10

3.3 Election, Qualification and Term of Office of Directors. Except as provided in Section 3.4 of these bylaws, each director, including a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors.

3.4 Resignation and Vacancies. Any director may resign at any time upon notice given in writing or by electronic transmission to the corporation. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the certificate of incorporation or these bylaws, when one or more directors resign from the board of directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the certificate of incorporation or these bylaws, vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. If the directors are divided into classes, a person so elected by the directors then in office to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall have been duly elected and qualified.

If at any time, by reason of death or resignation or other cause, the corporation should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Delaware Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the DGCL.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole board of directors (as constituted immediately prior to any such increase), the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the voting power of the voting stock at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the DGCL as far as applicable.

3.5 Place of Meetings; Meetings by Telephone. The board of directors may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the board of directors, or any committee designated by the board of directors, may participate in a meeting of the board of directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

11

3.6 Regular Meetings. Regular meetings of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by the board of directors.

3.7 Special Meetings; Notice. Special meetings of the board of directors for any purpose or purposes may be called at any time by the chairman of the board of directors, the chief executive officer, the president, the secretary or a majority of the authorized number of directors, at such times and places as he or she or they shall designate.

Notice of the time and place of special meetings shall be:

- (i) delivered personally by hand, by courier or by telephone;
- (ii) sent by United States first-class mail, postage prepaid;
- (iii) sent by facsimile; or
- (iv) sent by electronic mail;

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the corporation's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the corporation's principal executive office) nor the purpose of the meeting.

3.8 Quorum; Voting. At all meetings of the board of directors, a majority of the total authorized number of directors shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the board of directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board of directors, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws.

If the certificate of incorporation provides that one or more directors shall have more or less than one vote per director on any matter, every reference in these bylaws to a majority or other proportion of the directors shall refer to a majority or other proportion of the votes of the directors.

12

3.9 Board Action by Written Consent Without a Meeting. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board of directors or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board of directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Any person (whether or not then a director) may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time (including a time determined upon the happening of an event), no later than 60 days after such instruction is given or such provision is made and such consent shall be deemed to have been given for purposes of this Section 3.9 at such effective time so long as such person is then a director and did not revoke the consent prior to such time. Any such consent shall be revocable prior to its becoming effective.

3.10 Fees and Compensation of Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, the board of directors shall have the authority to fix the compensation of directors.

3.11 Removal of Directors. Unless otherwise provided in the certificate of incorporation, any director may be removed from office by the stockholders of the corporation only for cause by a majority of the voting power of all the then outstanding shares then entitled to vote at the election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

3.12 Interested Directors. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or the committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose if: (i) the material facts as to his or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to his or their relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

ARTICLE IV - COMMITTEES

4.1 Committees of Directors. The board of directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The board of directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the board of directors or in these bylaws, shall have and may exercise all the powers and authority of the board of directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the corporation.

13

4.2 Committee Minutes. Each committee shall keep regular minutes of its meetings and report the same to the board of directors when required.

4.3 Meetings and Action of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

- (i) Section 3.5 (place of meetings and meetings by telephone);
- (ii) Section 3.6 (regular meetings);
- (iii) Section 3.7 (special meetings and notice);
- (iv) Section 3.8 (quorum; voting);
- (v) Section 7.5 (waiver of notice); and
- (vi) Section 3.9 (action without a meeting)

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the board of directors and its members. However:

- (i) the time of regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee;
- (ii) special meetings of committees may also be called by resolution of the board of directors; and
- (iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The board of directors or a committee may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

Any provision in the certificate of incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the certificate of incorporation or these bylaws.

4.4 Subcommittees. Unless otherwise provided in the certificate of incorporation, these bylaws or the resolutions of the board of directors designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

14

ARTICLE V - OFFICERS

5.1 Officers. The officers of the corporation shall be a president and a secretary. The corporation may also have, at the discretion of the board of directors, a chairman of the board of directors, a vice chairman of the board of directors, a chief executive officer, a chief financial officer or treasurer, one or more vice presidents, one or more assistant vice presidents, one or more assistant treasurers, one or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

5.2 Appointment of Officers. The board of directors shall appoint the officers of the corporation, except such officers as may be appointed in accordance with the provisions of Sections 5.3 of these bylaws, subject to the rights, if any, of an officer under any contract of employment.

5.3 Subordinate Officers. The board of directors may appoint, or empower the chief executive officer or, in the absence of a chief executive officer, the president, to appoint, such other officers and agents as the business of the corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the board of directors may from time to time determine.

5.4 Removal and Resignation of Officers. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the board of directors at any regular or special meeting of the board of directors or, except in the case of an officer chosen by the board of directors, by any officer upon whom such power of removal may be conferred by the board of directors.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices. Any vacancy occurring in any office of the corporation shall be filled by the board of directors or as provided in Section 5.3.

5.6 Representation of Shares of Other Corporations. The chairman of the board of directors, the president, any vice president, the treasurer, the secretary or assistant secretary of this corporation, or any other person authorized by the board of directors or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this corporation all rights incident to any and all shares or other equity interests of any other corporation or corporations or entity or entities standing in the name of this corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.7 Authority and Duties of Officers. All officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the board of directors or the stockholders and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the board of directors.

15

ARTICLE VI - STOCK

6.1 Stock Certificates; Partly Paid Shares. The shares of the corporation shall be represented by certificates, provided that the board of directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of the corporation by the chairman of the board of directors or vice-chairman of the board of directors, or the president or a vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The corporation shall not have power to issue a certificate in bearer form.

The corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly-paid shares, or upon the books and records of the corporation in the case of uncertificated partly-paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully-paid shares, the corporation shall declare a dividend upon partly-paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 Special Designation on Certificates. If the corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; *provided, however, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock, a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this Section 6.2 or Sections 151, 156, 202(a) or 218(a) of the DGCL or with respect to this Section 6.2 a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.*

16

6.3 Lost Certificates. Except as provided in this Section 6.3, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 Dividends. The board of directors, subject to any restrictions contained in the certificate of incorporation or applicable law, may declare and pay dividends upon the shares of the corporation's capital stock.

The board of directors may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation, and meeting contingencies.

6.5 Transfer of Stock. Transfers of record of shares of stock of the corporation shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, subject to Section 6.3 of these bylaws, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer.

6.6 Stock Transfer Agreements. The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

6.7 Registered Stockholders. The corporation:

(i) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner;

(ii) shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares; and

(iii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

17

ARTICLE VII - MANNER OF GIVING NOTICE AND WAIVER

7.1 Notice of Stockholders' Meetings. Notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the corporation's records. An affidavit of the secretary or an assistant secretary of the corporation or of the transfer agent or other agent of the corporation that the notice has been given shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

7.2 Notice by Electronic Transmission. Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the corporation under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if:

(i) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent; and

(ii) such inability becomes known to the secretary or an assistant secretary of the corporation or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(iv) if by any other form of electronic transmission, when directed to the stockholder.

An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

An "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

Notice by a form of electronic transmission shall not apply with respect to Sections 164, 296, 311, 312 or 324 of the DGCL.

18

7.3 Notice to Stockholders Sharing an Address. Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the corporation under the provisions of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any stockholder who fails to object in writing to the corporation, within 60 days of having been given written notice by the corporation of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

7.4 Notice to Person with Whom Communication is Unlawful. Whenever notice is required to be given, under the DGCL, the certificate of incorporation or these bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

7.5 Waiver of Notice. Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

ARTICLE VIII - INDEMNIFICATION

8.1 Indemnification of Directors and Officers in Third Party Proceedings. Subject to the other provisions of this Article VIII, the corporation shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, 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, arbitrative, investigative or other (a "Proceeding") (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director or officer of the corporation, or is or was a director or officer of the corporation serving at the request of the corporation as a director, officer, employee, member, manager, trustee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), damages, losses, liabilities, judgments, fines, penalties, ERISA excise taxes, amounts paid or payable in settlement, any federal, state, local or foreign taxes, and all other charges paid or payable by such person in connection with investigating, defending, being a witness in or participating in, or preparing to defend, be a witness or participate in, any 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. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which 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 that such person's conduct was unlawful.

19

8.2 Indemnification of Directors and Officers in Actions by or in the Right of the Corporation. Subject to the other provisions of this Article VIII, the corporation shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, 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 corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the corporation, or is or was a director or officer of the corporation serving at the request of the corporation as a director, officer, employee, member, manager, trustee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees), damages, losses, liabilities, judgments, fines, penalties, ERISA excise taxes, amounts paid or payable in settlement, any federal, state, local or foreign taxes, and all other charges paid or payable 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 shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or 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 of Chancery or such other court shall deem proper.

8.3 Successful Defense. To the extent that a present or former director or officer of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described in Section 8.1 or Section 8.2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees), damages, losses, liabilities, judgments, fines, penalties, ERISA excise taxes, amounts paid or payable in settlement, any federal, state, local or foreign taxes, and all other charges paid or payable by such person in connection therewith.

8.4 Indemnification of Others. Subject to the other provisions of this Article VIII, the corporation shall have power to indemnify its employees and agents to the extent not prohibited by the DGCL or other applicable law. The board of directors shall have the power to delegate to such person or persons as the board shall in its discretion determine the determination of whether employees or agents shall be indemnified.

8.5 Advance Payment of Expenses. Expenses (including attorneys' fees) actually and reasonably incurred by an officer or director of the corporation in defending any Proceeding shall be paid by the corporation in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this Article VIII or the DGCL. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents of the corporation or by persons serving at the request of the corporation as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be so paid upon such terms and conditions, if any, as the corporation deems appropriate. The right to advancement of expenses shall not apply to any claim for which indemnity is excluded pursuant to these bylaws, but shall apply to any Proceeding referenced in Section 8.6(ii) or 8.6(iii) prior to a determination that the person is not entitled to be indemnified by the corporation.

20

8.6 Limitation on Indemnification. Subject to the requirements in Section 8.3 and the DGCL, the corporation shall not be obligated to indemnify any person pursuant to this Article VIII in connection with any Proceeding (or any part of any Proceeding):

(i) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(ii) for the disgorgement of profits arising from the purchase or sale by such person of securities of the corporation in violation of Section 16(b) of the 1934 Act, or any similar successor statute, state law or other law;

(iii) for any reimbursement to the corporation of any bonus or other incentive-based or equity-based compensation previously received by such person or payment of any profits realized by such person from the sale of securities of the corporation, as required in each case under the 1934 Act (including any such reimbursements under Section 304 of the Sarbanes-Oxley Act of 2002 in connection with an accounting restatement of the corporation or the payment to the corporation of profits arising from the purchase or sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act);

(iv) initiated by such person, including any Proceeding against the corporation or its directors, officers, employees, or other indemnitees and not by way of defense, except (a) proceedings regarding indemnification for expenses in enforcing rights (unless a court of competent jurisdiction determines that each of the material assertions made by such person in such proceeding was not made in good faith or was frivolous); or (b) where the corporation has joined in or the board has consented to the initiation of such proceedings; or

(v) if a final decision by a court of competent jurisdiction determines that such indemnification is prohibited by applicable law; provided, however, that if any provision or provisions of this Article VIII shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (1) the validity, legality and enforceability of the remaining provisions of this Article VIII (including, without limitation, each portion of any paragraph or clause containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (2) to the fullest extent possible, the provisions of this Article VIII (including, without limitation, each such portion of any paragraph or clause containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

8.7 Determination; Claim. The corporation shall indemnify any claimant person against any and all expenses that are incurred by such person in connection with any action for indemnification or advancement of expenses from the corporation under this Article VIII, to the extent such person is successful in such action, and to the extent not prohibited by law. In any such suit, the corporation shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

21

8.8 Non-Exclusivity of Rights. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the certificate of incorporation or any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the DGCL or other applicable law.

8.9 Insurance. The corporation may purchase and maintain insurance on behalf of any person who 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 corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of the DGCL.

8.10 Survival. The rights to indemnification and advancement of expenses conferred by this Article VIII shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

8.11 Effect of Repeal or Modification. A right to indemnification or to advancement of expenses arising under a provision of the certificate of incorporation or a bylaw shall not be eliminated or impaired by an amendment to the certificate of incorporation or these bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought, unless the provision in effect at the time of such act or omission explicitly authorizes such elimination or impairment after such action or omission has occurred.

8.12 Certain Definitions. For purposes of this Article VIII, references to the "corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VIII, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article VIII.

22

ARTICLE IX - GENERAL MATTERS

9.1 Execution of Corporate Contracts and Instruments. Except as otherwise provided by law, the certificate of incorporation or these bylaws, the board of directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute any document or instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the board of directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

9.2 Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the board of directors and may be changed by the board of directors.

9.3 Seal. The corporation may adopt a corporate seal, which shall be adopted and which may be altered by the board of directors. The corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

9.4 Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the corporation by such officer, officers, person or persons as from time to time may be designated by the board of directors or by an officer or officers authorized by the board of Directors to make such designation.

9.5 Conflict With Applicable Law or Certificate of Incorporation. These bylaws are adopted subject to any applicable law and the certificate of incorporation. Whenever these bylaws may conflict with any applicable law or the certificate of incorporation, such conflict shall be resolved in favor of such law or the certificate of incorporation.

9.6 Construction; Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

9.7 Selection of Forum. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, or (iv) any action asserting a claim governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article IX, Section 9.7.

ARTICLE X - AMENDMENTS

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the affirmative vote of the holders of at least a majority of the combined voting power of the then outstanding shares of capital stock of all classes and series of the Corporation entitled to vote generally in the election of directors, voting as a single class, shall be required for the stockholders of the corporation to alter, amend or repeal, or adopt any provision of these bylaws. The board of directors shall also have the power to adopt, amend or repeal bylaws.

23

VOLITIONRX LIMITED

CERTIFICATE OF AMENDMENT AND RESTATEMENT OF BYLAWS

The undersigned hereby certifies that he is the duly elected, qualified, and acting Secretary of VolitionRx Limited, a Delaware corporation, and that the foregoing bylaws were amended and restated on August 18, 2015 by the corporation's board of directors and approved by vote of the corporation's stockholders on October 30, 2015.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this day of October 30, 2015.

/s/ Rodney Rootsart

Rodney Rootsart, Secretary

24

CERTIFICATE OF AMENDMENT

OF

THE AMENDED AND RESTATED BYLAWS

OF

VOLITIONRX LIMITED

a Delaware corporation

The undersigned hereby certifies that he is the duly elected, qualified and acting Corporate Secretary of VolitionRx Limited, a Delaware corporation (the "Corporation"), and that the Amended and Restated Bylaws of the Corporation were amended by resolution of the Board of Directors of the Corporation, effective as of April 24, 2024, as follows:

Section 2.6 is hereby amended and restated in its entirety to read as follows:

2.6 Quorum. The holders of thirty-three and one-third percent (33 1/3%) of the voting power of the stock issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders, unless otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange. Where a separate vote by a class or series or classes or series is required, the holders of thirty-three and one-third percent (33 1/3%) of the voting power of the issued and outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange. A quorum, once established, shall not be broken by the subsequent withdrawal of enough votes to leave less than a quorum. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the meeting originally called.

Whether or not a quorum is present at a meeting of stockholders, the chairperson of the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the original meeting.

The foregoing amendment to the Bylaws of the Corporation has not been modified, amended, rescinded or revoked and remains in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto subscribed my name on April 24, 2024.

/s/ Rodney Rootsmaert

Rodney Rootsmaert

Corporate Secretary

EXHIBIT 31.1

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

I, Cameron Reynolds, certify that:

1. I have reviewed this quarterly report on Form 10-Q of VolitionRx Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2024

/s/ Cameron Reynolds

Cameron Reynolds

President and Chief Executive Officer

(Principal Executive Officer)

EXHIBIT 31.2

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

I, Terig Hughes, certify that:

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

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **November 14, 2023** **May 13, 2024**

/s/ Cameron Reynolds

Cameron Reynolds

President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

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

I, Terig Hughes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of VolitionRx Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a)

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

(b)

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

Terig Hughes

(c)

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

Treasurer

(d)

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

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

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

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

Date: November 14, 2023

/s/ Terig Hughes

Terig Hughes

Chief Financial Officer and Treasurer

(Principal Financial and Accounting Officer)

opi

EXHIBIT 32.1

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

The following certifications are hereby made in connection with the Quarterly Report on Form 10-Q of VolitionRx Limited (the "Company") for the quarterly period ended **September 30, 2023** **March 31, 2024**, as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

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

Date: **November 14, 2023** **May 13, 2024**

/s/ Cameron Reynolds

Cameron Reynolds

President and Chief Executive Officer

(Principal Executive Officer)

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

Date: **November 14, 2023** **May 13, 2024**

/s/ Terig Hughes

Terig Hughes

Chief Financial Officer and Treasurer

(Principal Financial and Accounting Officer)

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024, Refinitiv. All rights reserved. Patents Pending.