

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) Securities Exchange Act of 1934 for Quarterly Period Ended June 30, 2015

-OR-

Transition Report Pursuant to Section 13 or 15(d) of the Securities And Exchange Act of 1934 for the transaction period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: **000-54717**

**BIONIK LABORATORIES CORP.**  
(Exact name of Registrant in its charter)

**Delaware**

(State or Other Jurisdiction of  
Incorporation or Organization)

**27-1340346**

(I.R.S. Employer Identification Number)

**483 Bay Street, N105  
Toronto, Ontario**

(Address of Principal Executive Offices)

**M5G 2C9**

(Zip Code)

Registrant's Telephone Number, Including Area Code: **(416) 640-7887**

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerate filer, or a small reporting company as defined by Rule 12b-2 of the Exchange Act):

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

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

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date. As of August 13, 2015, 22,408,313 shares of Common Stock, par value \$0.001 per share, and 50,000,000 Exchangeable Shares having substantially identical rights to the Common Stock.

---

**BIONIK LABORATORIES CORP.**  
**FORM 10-Q**  
**INDEX**

	<u>Page</u>
<b>PART I – FINANCIAL INFORMATION</b>	
<a href="#"><u>Item 1. Financial Statements</u></a>	3
<a href="#"><u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u></a>	18
<a href="#"><u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u></a>	27
<a href="#"><u>Item 4. Controls and Procedures</u></a>	27
<b>PART II - OTHER INFORMATION</b>	
<a href="#"><u>Item 1. Legal Proceedings</u></a>	28
<a href="#"><u>Item 1A. Risk Factors</u></a>	28
<a href="#"><u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u></a>	28
<a href="#"><u>Item 3. Defaults Upon Senior Securities</u></a>	28
<a href="#"><u>Item 4. Mine Safety Disclosures</u></a>	28
<a href="#"><u>Item 5. Other Information</u></a>	28
<a href="#"><u>Item 6. Exhibits</u></a>	28
<a href="#"><u>SIGNATURES</u></a>	29

Item 1. Financial Statements

**BIONIK LABORATORIES CORP.**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**June 30, 2015 and 2014**

**(Amounts expressed in US Dollars)  
Index**

	<u>Page</u>
<a href="#"><u>Unaudited Condensed Consolidated Interim Financial Statements</u></a>	3
<a href="#"><u>Condensed Consolidated Interim Balance Sheets as at June 30, 2015 (Unaudited) and December 31, 2014 (Audited)</u></a>	4
<a href="#"><u>Condensed Consolidated Interim Statements of Operations and Comprehensive Loss (Unaudited) for the three and six month periods ended June 30, 2015 and 2014</u></a>	5
<a href="#"><u>Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited) for the six month period ended June 30, 2015</u></a>	6
<a href="#"><u>Condensed Consolidated Interim Statements of Cash Flows (Unaudited) for the six month periods ended June 30, 2015 and 2014</u></a>	7
<a href="#"><u>Notes to Condensed Consolidated Interim Financial Statements (Unaudited)</u></a>	8-17

**Bionik Laboratories Corp.****Condensed Consolidated Interim Balance Sheets**

(Amounts expressed in US Dollars)

	As at <b>June 30, 2015</b> <b>(unaudited)</b>	As at <b>December 31, 2014</b> <b>(audited)</b>
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	9,078,216	209,933
Prepaid expenses and other receivables (Note 3)	164,353	81,130
Due from related parties (Note 7)	42,151	44,986
Loan receivable (Note 4)	150,000	-
<b>Total Current Assets</b>	<b>9,434,720</b>	<b>336,049</b>
Equipment (Note 5)	114,544	77,922
<b>Total Assets</b>	<b>9,549,264</b>	<b>413,971</b>
<b>Liabilities and Shareholders' Equity (Deficiency)</b>		
<b>Current</b>		
Accounts payable (Note 7)	197,082	308,947
Accrued liabilities	33,270	155,463
<b>Total Liabilities</b>	<b>230,352</b>	<b>464,410</b>
<b>Shareholders' Equity (Deficiency)</b>		
Special Voting Preferred Stock, par value \$0.001; Authorized - 1; Issued and outstanding - 1 (December 31, 2014 – Nil)	-	-
Common Shares, par value \$0.001; Authorized - 150,000,000 (December 31, 2014 – 200,000,000); Issued and outstanding – 22,408,313 and 50,000,000 Exchangeable Shares (December 31, 2014 – nil and 49,737,096 Exchangeable Shares) (Note 8)	72,408	49,737
Additional paid in capital	17,924,377	4,936,456
Deficit	(8,720,022)	(5,053,982)
Accumulated other comprehensive income	42,149	17,350
<b>Total Shareholders' Equity (Deficiency)</b>	<b>9,318,912</b>	<b>(50,439)</b>
<b>Total Liabilities and Shareholders' Equity (Deficiency)</b>	<b>9,549,264</b>	<b>413,971</b>

Contingencies (Note 11)

Subsequent Event (Note 13)

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

**Bionik Laboratories Corp.****Condensed Consolidated Interim Statements of Operations and Comprehensive Loss**

for the three and six month periods ended June 30, 2015 and 2014 (unaudited)

(Amounts expressed in U.S. Dollars)

	<b>Three months ended June 30, 2015</b>	<b>Six months ended June 30, 2015</b>	<b>Three months ended June 30, 2014</b>	<b>Six months ended June 30, 2014</b>
	\$	\$	\$	\$
<b>Expenses</b>				
Research and development	609,823	1,045,493	277,359	549,920
Professional and consulting fees	185,572	446,922	151,916	314,937
General and administrative	324,200	491,948	183,660	258,322
Imputed interest expense (Note 6)	-	-	-	30,711
Interest expense	9,963	10,363	5,094	22,269
Depreciation (Note 5)	17,002	27,414	11,492	22,691
Other income	(25,208)	(25,295)	(21,696)	(502,037)
Share-based compensation expense (Notes 8(v) and 9)	1,297,558	1,669,195	19,748	90,286
	<u>(2,418,910)</u>	<u>(3,666,040)</u>	<u>(627,573)</u>	<u>(787,099)</u>
<b>Net loss for the period</b>	(2,418,910)	(3,666,040)	(627,573)	(787,099)
Foreign exchange translation adjustment for the period	-	24,799	(3,116)	(3,098)
<b>Net loss and comprehensive loss for the period</b>	<u>(2,418,910)</u>	<u>(3,641,241)</u>	<u>(630,689)</u>	<u>(790,197)</u>
Loss per share - basic and diluted	<u>\$ (0.04)</u>	<u>\$ (0.06)</u>	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>
Weighted average number of shares outstanding – basic and diluted	<u>68,765,736</u>	<u>57,773,973</u>	<u>46,022,905</u>	<u>41,390,813</u>

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

**Bionik Laboratories Corp.**

**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)**  
(Amounts expressed in US Dollars)

	Special voting preferred shares		Common shares		Additional Paid In Capital	Deficit	Accumulated Other Comprehensive Income	Total
	Shares	Amount \$	Shares	Amount \$				
<b>Recapitalization of capital retroactively adjusting the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree as at, January 1, 2014</b>	<b>1</b>	<b>-</b>	<b>36,621,885</b>	<b>36,622</b>	<b>1,736,247</b>	<b>(2,506,754)</b>	<b>22,903</b>	<b>(710,982)</b>
Issuance of common shares for cash (Note 8(i))	-	-	10,792,335	10,792	2,605,270	-	-	2,616,062
Share issue costs	-	-	-	-	(11,609)	-	-	(11,609)
Shares issues on conversion of loans (Notes 8(ii) and (iii))	-	-	1,012,142	1,012	238,734	-	-	239,746
Beneficial conversion feature (Note 6)	-	-	-	-	27,677	-	-	27,677
Shares issued on exercise of stock options (Note 8(iv))	-	-	1,310,734	1,311	227,564	-	-	228,875
Share compensation expense	-	-	-	-	90,286	-	-	90,286
Net loss for the period	-	-	-	-	-	(787,099)	-	(787,099)
Foreign currency translation	-	-	-	-	-	-	(3,098)	(3,098)
<b>Balance, June 30, 2014</b>	<b>1</b>	<b>-</b>	<b>49,737,096</b>	<b>49,737</b>	<b>4,914,169</b>	<b>(3,293,853)</b>	<b>19,805</b>	<b>1,689,858</b>
Share compensation expense	-	-	-	-	22,287	-	-	22,287
Net loss for the period	-	-	-	-	-	(1,760,129)	-	(1,760,129)
Foreign currency translation	-	-	-	-	-	-	(2,455)	(2,455)
<b>Balance, December 31, 2014</b>	<b>1</b>	<b>-</b>	<b>49,737,096</b>	<b>49,737</b>	<b>4,936,456</b>	<b>(5,053,982)</b>	<b>17,350</b>	<b>(50,439)</b>
Effect of the Reverse Acquisition (Note 8(vii))	-	-	6,000,063	6,000	(6,000)	-	-	-
Shares issued on private placement	-	-	16,408,250	16,408	13,110,192	-	-	13,126,600
Share issue costs	-	-	-	-	(1,785,203)	-	-	(1,785,203)
Share compensation expense (Notes 8(v) and 9)	-	-	262,904	263	1,668,932	-	-	1,669,195
Net loss for the period	-	-	-	-	-	(3,666,040)	-	(3,666,040)
Foreign currency translation	-	-	-	-	-	-	24,799	24,799
<b>Balance, June 30, 2015</b>	<b>1</b>	<b>-</b>	<b>72,408,313</b>	<b>72,408</b>	<b>17,924,377</b>	<b>(8,720,022)</b>	<b>42,149</b>	<b>9,318,912</b>

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

**Bionik Laboratories Corp.****Condensed Consolidated Interim Statements of Cash Flows  
for the six month periods ended June 30, 2015 and 2014 (unaudited)**  
(Amounts expressed in U.S. Dollars)

	<b>Six months ended June 30, 2015</b>	<b>Six months ended June 30, 2014</b>
	<u>\$</u>	<u>\$</u>
<b>Operating activities</b>		
Net loss for the period	(3,666,040)	(787,099)
Adjustment for items not affecting cash		
Depreciation of equipment	27,414	22,691
Imputed interest	-	30,711
Share compensation expense	1,669,195	90,286
	<u>(1,969,431)</u>	<u>(643,411)</u>
Changes in non-cash working capital items		
Prepaid expenses and other receivables	(83,223)	(762,806)
Due from related parties	2,835	(27,696)
Accounts payable	(111,865)	(37,934)
Accrued liabilities	(122,193)	(176,510)
<b>Net cash used in operating activities</b>	<u>(2,283,877)</u>	<u>(1,648,357)</u>
<b>Investing activities</b>		
Acquisition of equipment	(64,036)	(96,309)
Provision of a loan receivable	(150,000)	-
<b>Net cash used in investing activities</b>	<u>(214,036)</u>	<u>(96,309)</u>
<b>Financing activities</b>		
Proceeds from issuance of shares, net of issue costs	11,341,397	2,656,097
Proceeds from exercise of stock options	-	228,875
Repayment of loans from related parties	-	(199,737)
<b>Net cash provided by financing activities</b>	<u>11,341,397</u>	<u>2,685,235</u>
Effects of foreign currency exchange rate changes	24,799	(3,323)
Net increase in cash and cash equivalents for the period	8,868,283	937,246
Cash and cash equivalents, beginning of period	209,933	119,557
<b>Cash and cash equivalents, end of period</b>	<u>9,078,216</u>	<u>1,056,803</u>
Supplemental information:		
Issuance of shares on conversion of loans	\$ 500,000	\$ 239,746

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

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

**(Amounts expressed in U.S. Dollars)**

**1. NATURE OF OPERATIONS**

**The Company and its Operations**

Bionik Laboratories Corp. (formerly Drywave Technologies Inc., the “Company” or “Bionik”) was incorporated on January 8, 2010 in the State of Colorado as Strategic Dental Management Corp. On July 16, 2013, the Company changed its name to Drywave Technologies Inc. (“Drywave”) and its state of incorporation from Colorado to Delaware. Effective February 13, 2015, the Company changed its name to Bionik Laboratories Corp. and reduced the authorized number of shares of common stock from 200,000,000 to 150,000,000. Concurrently, the Company implemented a 1-for-0.831105 reverse stock split of the common stock, which had previously been approved on September 24, 2014. The unaudited condensed consolidated financial statements consolidate the Company and its wholly-owned subsidiaries Bionik Laboratories Inc. (“Bionik Canada”) and Bionik Acquisition Inc.

The Company is a bioengineering research and development company targeting diseases and injuries that impact human mobility. The Company is working towards its first product, which will be the “ARKE”, a robotic pair of exoskeleton legs to be used for rehabilitation purposes and potentially for day-to-day use as a replacement for a wheelchair.

These unaudited condensed consolidated interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), which contemplates continuation of the Company as a going concern, which assumes the realization of assets and satisfaction of liabilities and commitments in the normal course of business.

On February 26, 2015, the Company finalized a Share Exchange Agreement whereby Bionik Canada issued 50,000,000 Exchangeable Shares, representing a 3.14 exchange ratio, for 100% of the common shares of Bionik Canada (the “Merger”). The Exchangeable Shares are exchangeable at the option of the holder, each into one share of the common stock of the Company. In addition the Company issued one Special Preferred Voting Share (the “Special Preferred Share”) (Note 8).

As a result of the shareholders of Bionik Canada having a controlling interest in the Company subsequent to the Merger, for accounting purposes the Merger does not constitute a business combination. The transaction has been accounted for as a recapitalization of the Company with Bionik Canada being the accounting acquirer even though the legal acquirer is Bionik, accordingly, the historic financial statements of Bionik Canada are presented as the comparative balances for the period prior to the Merger.

References to the Company refer to the Company and its wholly-owned subsidiaries, Bionik Acquisition Inc. and Bionik Canada. References to Drywave relate to the Company prior to the Merger.

The Company has not yet realized any revenues from its planned operations. As at June 30, 2015, the Company had a working capital surplus of \$9,204,368 (December 31, 2014 - a working capital deficit of \$128,361) and shareholders’ equity of \$9,318,912 (December 31, 2014 - a shareholder’s deficiency of \$50,439) and incurred a net loss and comprehensive loss of \$3,641,241 for the six month period ended June 30, 2015 (June 30 2014 - \$790,197). Further, the Company expects that the ARKE will be categorized as a Class II medical device with the U.S. Food and Drug Administration (“FDA”) and accordingly will be subject to FDA regulations, guidelines and the FDA’s Quality System Regulation (“QSR”) in order to market and sell their product in the U.S. The costs of obtaining the necessary FDA approval and maintaining compliance with the FDA could be significant.

The Company’s principal offices are located at 483 Bay Street, N105, Toronto, Ontario, M5G 2C9.



**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

**(Amounts expressed in U.S. Dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Unaudited Condensed Consolidated Interim Financial Statements**

These unaudited condensed consolidated interim financial statements have been prepared on the same basis as the annual audited financial statements and should be read in conjunction with those annual audited financial statements filed on Form 10-K for the year ended December 31, 2014. In the opinion of management, these unaudited condensed consolidated interim financial statements reflect adjustments, necessary to present fairly the Company's financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

**Recently Issued Accounting Pronouncements**

On May 28, 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)". The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. The accounting standard is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. Early adoption is not permitted. The impact on the condensed interim financial statements of adopting ASU 2014-09 will be assessed by management.

On August 27, 2014, the FASB issued a new financial accounting standard on going concern, ASU No. 2014-15, "Presentation of Financial Statements – Going Concern (Sub-Topic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern." The standard provides guidance about management's responsibility to evaluate whether there is a substantial doubt about the organization's ability to continue as a going concern. The amendments in this Update apply to all companies. They become effective in the annual period ending after December 15, 2016, with early application permitted. The impact on the condensed interim financial statements of adopting ASU 2014-15 will be assessed by management.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying condensed consolidated interim financial statements.

**Foreign Currency Translation**

On April 1, 2015, Bionik Canada and Bionik Acquisition Inc. changed its functional currency from the Canadian Dollar to the U.S. Dollar. This reflects the fact that the majority of the Company's business is influenced by an economic environment denominated in U.S. currency as well the Company anticipates revenues to be earned in U.S. dollars. The change in accounting treatment is applied prospectively. The functional currency is separately determined for the Company and each of its subsidiaries, and is used to measure the financial position and operating results. The functional currency of the Company and its wholly-owned subsidiaries is the U.S. dollar. Transactions denominated in a currency other than the functional currency are recorded on initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are translated at the end of each reporting period into the functional currency at the exchange rate at that date. Exchange differences are recognized in profit or loss. Non-monetary assets and liabilities measured at cost are translated at the exchange rate at the date of the transaction.

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

(Amounts expressed in U.S. Dollars)

**3. PREPAID EXPENSES AND OTHER RECEIVABLES**

	<u>June 30,</u> 2015	<u>December 31,</u> 2014
	\$	\$
Prepaid expenses and sundry receivables (Note 4)	57,603	18,172
Prepaid insurance	68,671	40,630
Sales taxes receivable (i)	38,079	22,328
	<u>164,353</u>	<u>81,130</u>

i) Sales tax receivable represents net harmonized sales taxes (HST) input tax credits receivable from the Government of Canada.

**4. LOAN RECEIVABLE**

During the period, the Company provided a loan to a third party in the amount of \$150,000 under normal commercial terms. The loan carries an interest rate of 6% payable semi-yearly, is secured by all assets of the third party and is repayable in 10 months. As at June 30, 2015 accrued interest amounted to \$1,130, which is included in prepaid expenses and sundry receivables.

**5. EQUIPMENT**

Equipment consisted of the following as at June 30, 2015 and December 31, 2014.

	<b>June 30, 2015</b>			December 31, 2014		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
	\$	\$	\$	\$	\$	\$
Computers and electronics	141,686	53,865	87,821	77,650	27,438	50,212
Furniture and fixtures	24,909	8,496	16,413	24,909	7,325	17,584
Tools and parts	11,913	1,603	10,310	11,913	1,787	10,126
	<u>178,508</u>	<u>63,964</u>	<u>114,544</u>	<u>114,472</u>	<u>36,550</u>	<u>77,922</u>

Equipment is recorded at cost less accumulated depreciation. Depreciation expense during the six and three month periods ended June 30, 2015 was \$27,414 and \$17,002, respectively (June 30, 2014 - \$22,691 and \$11,492).

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

**(Amounts expressed in U.S. Dollars)**

**6. CONVERTIBLE SECURED PROMISSORY NOTE**

On December 8, 2011, the Company received \$61,500 CAD from a lender that at the time was non-interest bearing and had no specified terms of repayment. On February 28, 2012 the lender and the Company agreed to the terms of a Convertible Secured Promissory Note, which securitized the previous note plus an additional \$60,000 CAD for a total principal amount of \$121,500 CAD. The note was interest bearing at prime plus 1%, secured by a general security agreement and was to mature on the earlier of a qualifying financing event or February 28, 2014. The lender had an option to convert the principal plus accrued interest at a discount of 20% to the share price in the event of a qualifying financing event prior to February 28, 2014.

The note matured on February 28, 2014, at this point the conversion option expired and the note became due on demand; however, no repayment was demanded. Upon the occurrence of the April financing (Note 8(i)) the Company agreed to honor the original conversion option and a beneficial conversion feature of \$27,677 was recognized. As the note was due on demand the Company immediately recognized imputed interest of \$27,677 in the condensed consolidated interim statement of operations and comprehensive loss.

On May 9, 2014, the lender converted the note plus accrued interest into common shares based on the 20% discount to the \$0.81 (\$0.90 CAD) per share equity financing that was accomplished in April 2014 and the Company issued these pre-transaction shares in June, 2014 (see Note 8(iii)).

**7. RELATED PARTY TRANSACTIONS AND BALANCES**

**Due from related parties**

- (a) As of June 30, 2015, the Company had advances receivable from the Chief Operating Officer (“COO”) and Chief Technology Officer (“CTO”) for \$42,151 (December 31, 2014 – \$44,986). These advances are unsecured, bear interest at a rate of 1% based on the Canada Revenue Agency’s prescribed rate for such advances and are payable on demand in Canadian dollars. The Company advanced funds to settle a tax assessment; the Company paid additional salary amounts that had not been made during the period; and, the Company reimbursed \$37,837 (\$44,000 CAD) related to various out-of-pocket costs they incurred on behalf of the Company, all of which resulted in a net advance of \$42,151 as of June 30, 2015.

**Issuance of shares to settle due to related party**

- (b) During the nine months ended December 31, 2014, one advance amounting to \$85,947 (\$95,000 CAD) was settled by issuance of 105,555 pre-merger common shares to a former director.

**Accounts payable and accrued liabilities**

- (c) As at June 30, 2015, \$6,567 (December 31, 2014 - \$4,220) was owing to the CEO, \$7,448 (December 31, 2014 - \$5,930) owing to the CTO and \$22,115 owing to the COO and \$8,893 owing to the CFO, related to business expenses, all of which are included in accounts payable.

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

(Amounts expressed in U.S. Dollars)

**8. SHARE CAPITAL**

	June 30, 2015		December 31, 2014	
	Number of shares	\$	Number of shares	\$
<b>Exchangeable Shares:</b>				
Balance at beginning of period	49,737,096	49,737	36,621,885	36,622
Shares issued for services (v)	262,904	263	-	-
Shares issued under private placement	-	-	(i) 10,792,335	10,792
Shares issued on conversion and settlement of debt	-	-	(ii)(iii) 1,012,142	1,012
Shares issued on the exercise of options	-	-	(iv) 1,310,734	1,311
Balance at end of the period	50,000,000	50,000	49,737,096	49,737
<b>Common Shares</b>				
Balance at beginning of the period	-	-	-	-
Shares issued as Merger consideration (vii)	6,000,063	6,000	-	-
Shares issued under private placement (v)-(xii)	16,408,250	16,408	-	-
Balance at end of the period	22,408,313	22,408	-	-
<b>TOTAL COMMON SHARES</b>	<b>72,408,313</b>	<b>72,408</b>	<b>-</b>	<b>-</b>

- (i) In April, 2014, the Company completed a private placement issuing 10,792,335 common shares at a price of \$0.24 per share for gross proceeds of \$2,590,160. A former director of the Company assisted in securing a significant portion of this financing. The Company incurred \$11,609 in share issue costs related to the transaction.
- (ii) In May 2014, the Company issued 436,908 common shares in exchange for the settlement of \$115,223 of unsecured debt.
- (iii) In June, 2014, the Company issued 575,234 common shares on conversion of the convertible secured promissory note (Note 6). The note plus accrued interest totaled \$124,523 and was converted at a 20% discount to the April 2014 private placement.
- (iv) In June 2014, the Company issued 1,310,734 common shares for the exercise of stock options. The Company received cash of \$228,875.
- (v) On February 25, 2015, 262,904 common shares were issued to two former lenders connected with a \$241,185 loan received and repaid during fiscal 2013. The common shares were valued at \$210,323 based on the value of the concurrent private placement (Note 8(vi)), and recorded in stock-based compensation on the unaudited condensed consolidated interim statement of operations and comprehensive loss. As part of the consideration for the initial loan the CTO and COO had transferred 314,560 common shares to the lenders. For contributing the common shares to the lenders the Company intends to reimburse the CTO and COO 320,000 common shares; however, these shares have not yet been issued.

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

**(Amounts expressed in U.S. Dollars)**

**8. SHARE CAPITAL - continued**

- (vi) Concurrently with the closing of the Merger on February 26, 2015, the Company issued 7,735,750 units (the “Units”) for gross proceeds of \$6,188,600 (the “First Closing”) (including \$500,000 of outstanding bridge loans converted into Units at the offering price) at a purchase price of \$0.80 per Unit (the “Purchase Price”) in a private placement offering (the “Offering”). Each Unit consists of one common share of the Company, and a warrant to purchase one common share of the Company at an exercise price of \$1.40 per share exercisable for 4 years. The Company incurred share issue costs before legal and other costs related to the transaction of \$848,822 and issued 773,575 broker warrants exercisable at \$0.80 for a period of 4 years.
- (vii) Immediately following the Merger and the First Closing, 6,000,063 common shares were held by existing Drywave stockholders, 7,735,750 were held by the investors in the Offering and Bionik Canada shareholders held an equivalent of 50,000,000 shares of our common shares through their ownership of 100% of the Exchangeable Shares which are held in 1 Special Preferred Share. The Special Preferred Share has the right to 50,000,000 common shares and to vote alongside the common shares of the Company as a single class.
- (viii) On March 27, 2015, the Company issued 1,212,500 Units for gross proceeds of \$970,000 to accredited investors in a second closing (the “Second Closing”). Each Unit consisted of one common share of the Company, and a warrant to purchase one common share of the Company at an exercise price of \$1.40 per share exercisable for 4 years. The Company incurred share issue costs before legal and other costs related to the Second Closing of \$141,100 and issued 121,250 broker warrants exercisable at \$0.80 for a period of 4 years.
- (ix) On March 31 2015, the Company issued 891,250 Units for gross proceeds of \$713,000 to accredited investors in a third closing (the “Third Closing”). Each Unit consisted of one common share of the Company, and a warrant to purchase one common share of the Company at an exercise price of \$1.40 per share exercisable for 4 years. The Company incurred share issue costs before legal and other costs related to the Third Closing of \$92,690 and issued 89,125 broker warrants exercisable at \$0.80 for a period of 4 years.
- (x) On April 21, 2015, the Company issued 3,115,000 Units for gross proceeds of \$2,492,000 to accredited investors in a fourth closing (the “Fourth Closing”). Each Unit consisted of one common share of the Company, and a warrant to purchase one common share of the Company at an exercise price of \$1.40 per share exercisable for 4 years. The Company incurred share issue costs before legal and other related to the Fourth Closing of \$338,960 and issued 311,500 broker warrants exercisable at \$0.80 for a period of 4 years.
- (xi) On May 27, 2015, the Company issued 1,418,750 Units for gross proceeds of \$1,135,000 to accredited investors in a fifth closing (the “Fifth Closing”). Each Unit consisted of one common share of the Company, and a warrant to purchase one common share of the Company at an exercise price of \$1.40 per share exercisable for 4 years. The Company incurred share issue costs before legal and other costs related to the Fifth Closing of \$151,975 and issued 141,875 broker warrants exercisable at \$0.80 for a period of 4 years.

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

**(Amounts expressed in U.S. Dollars)**

**8. SHARE CAPITAL - continued**

- (xii) On June 30, 2015, the Company issued 2,035,000 Units for gross proceeds of \$1,628,000 to accredited investors in a sixth and final closing (the "Sixth Closing"). Each Unit consisted of one common share of the Company, and a warrant to purchase one common share of the Company at an exercise price of \$1.40 per share exercisable for 4 years. The Company incurred share issue costs before legal and other costs related to the Sixth Closing of \$211,656 and issued 203,500 broker warrants exercisable at \$0.80 for a period of 4 years.

**Special Voting Preferred Share**

In connection with the Merger (Note 1), on February 26, 2015, the Company entered into a voting and exchange trust agreement (the "Trust Agreement"). Pursuant to the Trust Agreement, the Company issued one Special Voting Preferred Share to the Trustee, and the parties created a trust for the Trustee to hold the Special Voting Preferred Share for the benefit of the holders of the Exchangeable Shares (the "Beneficiaries"). Pursuant to the Trust Agreement, the Beneficiaries will have voting rights in the Company equivalent to what they would have had they received shares of common stock in the same amount as the Exchangeable Shares held by the Beneficiaries.

In connection with the Merger and the Trust Agreement, effective February 20, 2015, the Company filed a certificate of designation of the Special Voting Preferred Share (the "Special Voting Certificate of Designation") with the Delaware Secretary of State. Pursuant to the Special Voting Certificate of Designation, one share of the Company's blank check preferred stock was designated as Special Voting Preferred Share. The Special Voting Preferred Share entitles the Trustee to exercise the number of votes equal to the number of Exchangeable Shares outstanding on a one-for-one basis during the term of the Trust Agreement.

The Special Voting Preferred Share is not entitled to receive any dividends or to receive any assets of the Company upon liquidation, and is not convertible into common shares of the Company.

The voting rights of the Special Voting Preferred Share will terminate pursuant to and in accordance with the Trust Agreement. The Special Voting Preferred Share will be automatically cancelled at such time as no Exchangeable Shares are held by a Beneficiary.

**9. STOCK OPTIONS**

The purpose of the Company's stock option plan, is to attract, retain and motivate persons of training, experience and leadership to the Company, including their directors, officers and employees, and to advance the interests of the Company by providing such persons with the opportunity, through share options, to acquire an increased proprietary interest in the Company.

Options may be granted in respect of authorized and unissued shares, provided that the aggregate number of shares reserved for issuance upon the exercise of all Options granted under the Plan, shall not exceed 10,800,000 or such greater number of shares as may be determined by the Board and approved, if required, by the shareholders of the Company and by any applicable stock exchange or other regulatory authority. Optioned shares in respect of which options are not exercised shall be available for subsequent options.

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

(Amounts expressed in U.S. Dollars)

**9. STOCK OPTIONS - continued**

On April 11, 2014 and June 20, 2014 the Company issued 657,430 and 264,230 options to employees and a consultant at an exercise price of \$0.165 and \$0.23, respectively, with a term of seven years. The options vest one-third on grant date and two thirds equally over the subsequent two years on the anniversary date. During the year ended December 31, 2014, 125,824 of the 657,430 options were cancelled. On February 26, 2015, as a result of the Merger, the options were revalued. The fair value, as remeasured, of the 531,606 April issuance and the 264,230 June issuance was \$230,930 and \$118,957 respectively. During the six month period ended June 30, 2015, 104,853 options were cancelled and \$93,025 and \$45,909 (June 30, 2014 - \$67,616 and \$22,670) has been recorded as stock-based compensation related to the vesting of these stock options. During the three month period ended June 30, 2015, \$19,165 and \$9,225 (June 30, 2014 - \$14,194 and \$5,554) has been recorded as stock-based compensation related to the vesting of these stock options.

On July 1, 2014, the Company issued 2,972,592 options to management of the Company, at an exercise price of \$0.23 with a term of 7 years, which vest May 27, 2015. On February 26, 2015, as a result of the Merger, the options were re-valued at a fair value of \$1,259,487 which has been recorded as stock based compensation related to the vesting of these options on June 26, 2015 for the three and six month periods ended June 30, 2015.

On February 17, 2015 the Company issued 314,560 options to a director, employees and a consultant with an exercise price of \$0.23, that vest one third immediately and two thirds over the next two anniversary dates with an expiry date of seven years. The grant date fair value of the options was \$136,613. During the period ended June 30, 2015 52,428 options were cancelled and \$60,451 has been recorded as stock-based compensation related to the vesting of these stock options. During the three month period ended June 30, 2015, \$9,681 has been recorded as stock-based compensation related to the vesting of these stock options.

These options granted and revalued during the period ended June 30, 2015 were valued using the Black-Scholes option pricing model with the following key assumptions:

	<b>February 17, 2015</b>	<b>July 1, 2014</b>	<b>June 20, 2014</b>	<b>April 11, 2014</b>
Expected life in years	5	4.35	6.32	4.14
Risk free rate	1.59%	1.59%	1.59%	1.59%
Dividend yield	0%	0%	0%	0%
Forfeiture rate	0%	0%	0%	0%
Expected volatility	114%	114%	114%	114%

A summary of the Company's outstanding options is as follows:

	<b>Number of Options</b>	<b>Weighted-Average Exercise Price (\$)</b>
Outstanding, December 31, 2013	1,310,665	0.19
Exercised	(1,310,665)	0.19
Issued	3,894,252	0.22
Cancelled	(125,824)	0.17
Outstanding, December 31, 2014	3,768,428	0.22
Cancelled as a result of Merger	(3,768,428)	0.22
Re-issued as part of Merger	3,768,428	0.22
Issued	314,560	0.23
Cancelled	(157,281)	0.23
<b>Outstanding, June 30, 2015</b>	<b>3,925,707</b>	<b>0.22</b>

**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

(Amounts expressed in U.S. Dollars)

**9. STOCK OPTIONS - continued**

The following is a summary of stock options outstanding as of June 30, 2015:

Exercise Price (\$)	Number of Options	Expiry Date	Number of Exercisable Options
0.165	531,606	April 1, 2021	354,404
0.23	159,377	June 20, 2021	123,727
0.23	2,972,592	July 1, 2021	2,972,592
0.23	262,132	February 17, 2022	104,857
	<u>3,925,707</u>		<u>3,555,580</u>

**10. WARRANTS**

The following is a continuity schedule of the Company's common share purchase warrants:

	Number of Warrants	Weighted-Average Exercise Price (\$)
Outstanding and exercisable, December 31, 2014 and 2013	-	-
Issued	18,049,075	1.35
Outstanding and exercisable, June 30, 2015	<u>18,049,075</u>	<u>1.35</u>

The following is a summary of common share purchase warrants outstanding as of June 30, 2015:

Exercise Price (\$)		Number of Warrants	Expiry Date
1.40	Note 8(vi)	7,735,750	February 26, 2019
0.80	Note 8(vi)	773,575	February 26, 2019
1.40	Note 8(viii)	1,212,500	March 27, 2019
0.80	Note 8(viii)	121,250	March 27, 2019
1.40	Note 8(ix)	891,250	March 31, 2019
0.80	Note 8(ix)	89,125	March 31, 2019
1.40	Note 8(x)	3,115,000	April 21, 2019
0.80	Note 8(x)	311,500	April 21, 2019
1.40	Note 8(xi)	1,418,750	May 27, 2019
0.80	Note 8(xi)	141,875	May 27, 2019
1.40	Note 8(xii)	2,035,000	June 30, 2019
0.80	Note 8(xii)	203,500	June 30, 2019
		<u>18,049,075</u>	



**BIONIK LABORATORIES CORP.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the six month periods ended June 30, 2015 and 2014 (unaudited)**

**(Amounts expressed in U.S. Dollars)**

**10. WARRANTS - continued**

In 2014 the Company repaid loans of \$180,940 plus accrued interest of \$12,138 owing to investors introduced by Pope and Co. As part of this transaction the Company will issue to these lenders warrants exercisable into 349,522 common shares at an exercise price of \$0.23 per share for a period of up to two years.

**11. CONTINGENCIES**

From time to time, the Company may be involved in a variety of claims, suits, investigations and proceedings arising in the ordinary course of our business, collections claims, breach of contract claims, labor and employment claims, tax and other matters. Although claims, suits, investigations and proceedings are inherently uncertain and their results cannot be predicted with certainty, the Company believes that the resolution of current pending matters will not have a material adverse effect on its business, financial position, results of operations or cash flow. Regardless of the outcome, litigation can have an adverse impact on the Company because of legal costs, diversion of management resources and other factors.

**12. RISK MANAGEMENT**

The Company's cash balances are maintained in two banks in Canada and a Canadian Bank subsidiary in the US. Deposits held in banks in Canada are insured up to \$100,000 CAD per depositor for each bank by The Canada Deposit Insurance Corporation, a federal crown corporation. Actual balances at times may exceed these limits.

**Interest Rate Risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Company settled its loans payable and convertible secured promissory note; therefore, it retains minimal exposure to fluctuations in the market interest rate. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities.

**Liquidity Risk**

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due. Accounts payable and accrued liabilities are due within the current operating period.

The Company has funded its operations through the issuance of capital stock, convertible debt and loans in addition to grants and investment tax credits received from the Government of Canada.

Based on management's assessment of the Company's cash flow needs, management believes the Company has sufficient cash to sustain operations for an additional 12 month period.

**13. SUBSEQUENT EVENT**

Subsequent to June 30, 2015, the Company entered into service agreements with unrelated companies that result in a commitment to issue up to an aggregate 102,500 common shares based upon certain milestones over the period from August 2015 to July 2017 and pay up to \$135,000 over the next 12 months.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

### Forward-looking Statements

This Quarterly Report on Form 10-Q contains statements reflecting assumptions, expectations, projections, intentions or beliefs about future events that are intended as “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements included or incorporated by reference in this Quarterly Report on Form 10-Q, other than statements of historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. These statements appear in a number of places, including, but not limited to in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” These statements represent our reasonable judgment of the future based on various factors and using numerous assumptions and are subject to known and unknown risks, uncertainties and other factors that could cause our actual results and financial position to differ materially from those contemplated by the statements. You can identify these statements by the fact that they do not relate strictly to historical or current facts, and use words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “may,” “will,” “should,” “plan,” “project” and other words of similar meaning. In particular, these include, but are not limited to, statements relating to the following:

- projected operating or financial results, including anticipated cash flows used in operations;
- expectations regarding capital expenditures; and
- our beliefs and assumptions relating to our liquidity position, including our ability to obtain additional financing.

Any or all of our forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors including, among others:

- the loss of key management personnel on whom we depend;
- our ability to operate our business efficiently, manage capital expenditures and costs (including general and administrative expenses) and obtain financing when required; and
- our expectations with respect to our acquisition activity.

In addition, there may be other factors that could cause our actual results to be materially different from the results referenced in the forward-looking statements, some of which are included in this Quarterly Report on Form 10-Q, including in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Many of these factors will be important in determining our actual future results. Consequently, no forward-looking statement can be guaranteed. Our actual future results may vary materially from those expressed or implied in any forward-looking statements. All forward-looking statements contained in this Quarterly Report on Form 10-Q are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date they are made, and we disclaim any obligation to update any forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q, except as otherwise required by applicable law.

This discussion and analysis should be read in conjunction with the accompanying condensed consolidated interim financial statements and related notes and the Company’s Annual Report on Form 10-K, for the transition period ended December 31, 2014 as filed with the Securities and Exchange Commission. The discussion and analysis of the financial condition and results of operations are based upon the financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an on-going basis we review our estimates and assumptions. The estimates were based on historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results are likely to differ from those estimates under different assumptions or conditions, but we do not believe such differences will materially affect our financial position or results of operations.

## **Nature of Company**

We are a pioneering medical device and robotics company with a focus in developing transformational technologies and solutions for individuals with neurological disorders. We strive to develop products that improve an individual's health, comfort, accessibility and quality of life through products that use advanced algorithms and sensing technologies to anticipate a user's movement.

## **Products Under Development**

Bionik's near-term focus is on bringing its core product, Arke, to the rehabilitation market, as well as accelerating its earlier-stage research programs, Cronos and the Apollo. As the Company looks to expand its pipeline, management believes that the technology in Arke can be utilized for other new robotic rehabilitation products, which we expect to pursue in the future.

In addition to this internal pipeline, the Company has deployed a growth strategy focused on developing its earlier-stage research programs and acquiring/licensing synergistic products and technologies to fuel its product pipeline.

The ARKE is a robotic lower body exoskeleton designed for wheelchair bound individuals suffering from spinal cord injuries, stroke and other mobility disabilities which could allow patients to restore proper walking gait, rehabilitate more efficiently and finally could improve current methods of manual rehabilitation and its future results. ARKE is expected to complement or replace existing rehabilitation methods by enabling a patient full motion control and increasing feedback for physicians and care providers during the rehabilitation process. Further, the ability to walk during rehabilitation has the potential to reduce bone density loss, muscle atrophy, secondary illness and the frequency of re-hospitalization, while potentially helping to increase blood flow and nutrient delivery throughout the body. It is also believed that additional potential improvements in patients is expected to include but are not limited to: better bowel control, better bladder control and medication reduction.

We have achieved significant progression in the Arke development. We completed clinical testing of the generation 1 product. The clinical feedback from this testing, directed the development for ARKE's generation 2. Generation 2 of the Arke exoskeleton development was completed in the second quarter of 2015 as planned and currently the manufacturing phase of the entire system is underway.

There are significant improvements in generation 2 of the Arke, including:

- Significantly slimmer than the first clinical tested version and much lighter;
- Incorporates a built-in removable data interface that will give the physiotherapist full control of the product but also will allow the patient to visually see their own progress;
- Significantly improved control system with adaptive walking and step recovery; and
- A system that collects data from all sensors on the device.

The next step of the data collection system is to save patient data from the exoskeleton in the data interface and send the data to the cloud where the data can be processed. In the future this system will allow optimization of various rehabilitation programs and individualization of expected goals for each patient.

In the third quarter of 2015 we expect to finalize the initial manufacturing of our generation 2 ARKE product. After manufacturing is complete Bionik will engage in clinical testing activities with our clinical partners.

Our product pipeline includes earlier-stage research programs:

The Chronos system is an intelligent patient queuing system for clinics and hospitals. The development of Chronos has continued to progress on grants funding. We now have a fully working beta version. In the third and fourth quarters of 2015, we expect to test the product in clinics in order to receive feedback for improvements.

The Apollo is an above-the-knee prosthetic device. Development of Apollo has been on hold as a result of delays in the financing that was completed in June 2015. Now that we are funded, we expect to move forward with investigating the viability of this product and determine next steps for the development program.

### **General – History of the Company**

Bionik Laboratories Corp. was incorporated on January 8, 2010 in the State of Colorado. At the time of our incorporation the name of our company was Strategic Dental Management Corp. On July 16, 2013, we changed our name from Strategic Dental Management Corp. to Drywave Technologies, Inc. and changed our state of incorporation from Colorado to Delaware. Effective February 13, 2015, we filed with the Secretary of State of Delaware a Certificate of Amendment to our Articles of Incorporation whereby, among other things, we changed our name to Bionik Laboratories Corp. and reduced the authorized number of shares of our common stock, par value \$0.001 per share (the “Common Stock”), from 200,000,000 to 150,000,000. Additionally, on September 24, 2014, our stockholders approved a 1-for-0.831105 reverse stock split of the issued and outstanding shares of our Common Stock, and adopted an equity incentive plan. The reverse stock split was implemented on February 13, 2015.

### **The Acquisition Transaction**

On February 26, 2015, we entered into an Investment Agreement with Bionik Acquisition Inc. (the “Investment Agreement”), a company existing under the laws of Canada, and our wholly owned subsidiary (“Acquireco”), and Bionik Laboratories, Inc. (“Bionik Canada”), a company incorporated on March 24, 2011 under the Canada Business Corporations Act, whereby we acquired 100 Class 1 common shares of Bionik Canada representing 100% of the outstanding Class 1 common shares of Bionik Canada, taking into account the Exchangeable Share Transaction (as defined below) (the “Acquisition Transaction”). After giving effect to the Acquisition Transaction, we commenced operations through Bionik Canada.

Immediately prior to the closing of the Acquisition Transaction and the First Closing (as defined below), we transferred all of the business, properties, assets, operations and goodwill of the Company (other than cash and cash equivalents), and liabilities as of March 6, 2013, to our then-existing wholly owned subsidiary, Strategic Dental Alliance, Inc., a Colorado corporation (“Strategic Dental Alliance”), and then transferred all of the capital stock of Strategic Dental Alliance to Brian E. Ray, a former officer and existing director (through March 20, 2015) and Jon Lundgreen, a former officer and director, pursuant to a Spin-Off Agreement (the “Spin-Off Agreement”). Also as of immediately prior to the closing of the Acquisition Transaction and the First Closing, we entered into an Assignment and Assumption Agreement with Tungsten 74 LLC, pursuant to which Tungsten 74 LLC assumed all of our remaining liabilities through the closing of the Acquisition Transaction (the “Assignment and Assumption Agreement”). Accordingly, as of the closing of the Acquisition Transaction and the First Closing, we had no assets or liabilities.

As a condition of the closing of the Acquisition Transaction, Bionik Canada created a new class of exchangeable shares (the “Exchangeable Shares”), which were issued to the existing common shareholders of Bionik Canada in exchange for all of their outstanding common shares, all of which were cancelled (the “Exchangeable Share Transaction”).

Pursuant to the rights and privileges of the Exchangeable Shares, the holders of such Exchangeable Shares maintain the right to (i) receive dividends equal to, and paid concurrently with, dividends paid by the Company to the holders of Common Stock; (ii) vote, through the Trustee’s voting of the Special Voting Preferred Stock (as defined herein) on all matters that the holders of Common Stock are entitled to vote upon; and (iii) receive shares of Common Stock upon the liquidation or insolvency of the Company upon the redemption of such Exchangeable Shares by Acquireco.

As part of the Exchangeable Share Transaction, we entered into the following agreements, each dated February 26, 2015:

- Voting and Exchange Trust Agreement (the “Trust Agreement”) with Bionik Canada and Computershare Trust Company of Canada (the “Trustee”); and
- Support Agreement (the “Support Agreement”) with Acquireco and Bionik Canada.

Pursuant to the terms of the Trust Agreement, the parties created a trust for the benefit of its beneficiaries, which are the holders of the Exchangeable Shares, enabling the Trustee to exercise the voting rights of such holders until such time as they choose to redeem their Exchangeable Shares for shares of the Common Stock of the Company, and allowing the Trustee to hold certain exchange rights in respect of the Exchangeable Shares.

As a condition of the Trust Agreement and prior to the execution thereof, we filed a Certificate of Designation with the Delaware Secretary of State, effective February 20, 2015, designating a class of our preferred shares as The Special Voting Preferred Stock (the “Special Voting Preferred Stock”) and issued one share of the Special Voting Preferred Stock to the Trustee.

The Special Voting Preferred Stock entitles the Trustee to exercise the number of votes equal to the number of Exchangeable Shares outstanding on a one-for-one basis during the term of the Trust Agreement. The Trust Agreement further sets out the terms and conditions under which holders of the Exchangeable Shares are entitled to instruct the Trustee as to how to vote during any stockholder meetings of our company.

Pursuant to the terms of the Trust Agreement, we granted the Trustee the right to require our Company to purchase the Exchangeable Shares from any beneficiary upon the occurrence of certain events including in the event that we are bankrupt, insolvent or our business is wound up. The Trust Agreement continues to remain in force until the earliest of the following events: (i) no outstanding Exchangeable Shares are held by any beneficiary under the Trust Agreement; and (ii) each of Bionik Canada and us elects to terminate the Trust Agreement in writing and the termination is approved by the beneficiaries.

Pursuant to the terms of the Support Agreement, we agreed to certain covenants while the Exchangeable Shares were outstanding, including: (i) not to declare or pay any dividends on our common stock unless simultaneously declaring the equivalent dividend for the holders of the Exchangeable Shares, (ii) advising Bionik Canada in advance of any dividend declaration by our company, (iii) ensure that the record date for any dividend or other distribution declared on the shares of the Company is not less than seven days after the declaration date of such dividend or other distribution; (iv) taking all actions reasonably necessary to enable Bionik Canada to pay and otherwise perform its obligations with respect to the issued and outstanding Exchangeable Shares, (iv) to ensure that shares of the Company are delivered to holders of Exchangeable Shares upon exercise of certain redemption rights set out in the agreement and in the rights and restrictions of the Exchangeable Shares, and (v) reserving for issuance and keeping available from our authorized common stock such number of shares as may be equal to: (A) the number of Exchangeable Shares issued and outstanding from time to time; and (B) the number of Exchangeable Shares issuable upon the exercise of all rights to acquire Exchangeable Shares from time to time.

The Support Agreement also outlines certain restrictions on our ability to issue any dividends, rights, options or warrants to all or substantially all of our stockholders during the term of the agreement unless the economic equivalent is provided to the holders of Exchangeable Shares. The Support Agreement is governed by the laws of the Province of Ontario.

Concurrently with the closing of the Acquisition Transaction and in contemplation of the Acquisition Transaction, we sold 7,735,750 units (the "Units") for gross proceeds of \$6,188,600 (including \$500,000 of outstanding bridge loans converted into Units at the offering price) at a purchase price of \$0.80 per Unit (the "Purchase Price") in a private placement offering (the "Offering"). Each Unit consists of one share of common stock, par value \$0.001 per share (the "Common Stock") and a four year warrant (the "Warrant") to purchase one share of Common Stock at an initial exercise price of \$1.40 per share (the "Warrant Shares"). We incurred share issued costs related to this transaction of \$848,822.

The Offering was being offered with a minimum offering amount of \$6,000,000 (the "Minimum Offering Amount") and up to a maximum offering amount of \$12,800,000 (subject to a \$2,600,000 overallotment option). Once the Minimum Offering amount was reached and held in escrow and other conditions to closing were satisfied (including the simultaneous closing of the Acquisition Transaction), the Company and the placement agent were able to conduct a first closing (the "First Closing"). As a result of the Offering, after payment of placement agent fees and expenses but before the payment of other offering expenses such as legal and accounting expenses, we received net proceeds of approximately \$5,339,778 at the First Closing, including the \$500,000 in bridge loans we previously received that were taken into account as part of the Minimum Offering Amount. In addition, the placement agent is entitled to 10% warrant coverage for all Units sold in the Offering, which will be exercisable at \$0.80 per share for a period of 4 years.

As of the Acquisition Transaction and the First Closing, an aggregate of 90,575,126 shares of our Common Stock were deemed cancelled, of which 90,207,241 were held by our former Chief Executive Officer.

Immediately following the Acquisition Transaction, the Exchangeable Share Transaction and the First Closing, there were 63,735,813 shares of our common stock and equivalents issued and outstanding of which 6,000,063 were held by existing stockholders, 7,735,750 were held by the investors in the Offering and Bionik Canada shareholders held an equivalent of 50,000,000 shares of our common stock through their ownership of 100% of the Exchangeable Shares.

On March 27, 2015, we sold to accredited investors in a second closing, 1,212,500 Units for gross proceeds of \$970,000 at the Purchase Price. After payment of placement agent fees and expenses but before the payment of other Offering expenses such as legal and accounting expenses, we received net proceeds of \$828,900.

On March 31, 2015, we sold to accredited investors in a third closing of the Offering, 891,250 Units for gross proceeds of \$713,000 at the Purchase Price. After payment of placement agent fees and expenses but before the payment of other offering expenses such as legal and accounting expenses, we received net proceeds of \$620,310.

On April 21, 2015, we sold to accredited investors in a fourth closing of the Offering, 3,115,000 Units for gross proceeds of \$2,492,000 at the Purchase Price. After payment of placement agent fees and expenses but before the payment of other offering expenses such as legal and accounting expenses, we received net proceeds of \$2,153,040.

On May 27, 2015, we sold to accredited investors in a fifth closing of the Offering, 1,418,750 Units for gross proceeds of \$1,135,000 at the Purchase Price. After payment of placement agent fees and expenses but before the payment of other offering expenses such as legal and accounting expenses, we received net proceeds of \$983,025.

On June 30, 2015, we sold to accredited investors in a sixth and final closing of the Offering, 2,035,000 Units for gross proceeds of \$1,628,000 at the Purchase Price. After payment of placement agent fees and expenses but before the payment of other offering expenses such as legal and accounting expenses, we received net proceeds of approximately \$1,416,344.

Through the final closing of the Offering on June 30, 2015, we raised in the Offering aggregate gross proceeds of \$13,126,600. As a result, our pre-Acquisition Transaction stockholders hold approximately 8.3% of our issued and outstanding shares of Common Stock, the former stockholders of Bionik Canada hold the right to approximately 69.0% of our issued and outstanding shares of Common Stock through their ownership of 100% of the Exchangeable Shares, and the investors in the Offering hold approximately 22.7% of our issued and outstanding shares of Common Stock.

#### **Significant Accounting Policies and Estimates**

The discussion and analysis of the financial condition and results of operations are based upon the condensed consolidated interim financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an on-going basis we review our estimates and assumptions. The estimates were based on historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results are likely to differ from those estimates under different assumptions or conditions, but we do not believe such differences will materially affect our financial position or results of operations.

## Results of Operations

From the inception of Bionik Canada on March 24, 2011 through to June 30, 2015, we have generated a deficit of \$8,720,022. We expect to incur additional operating losses during the fiscal year ending December 31, 2015 and beyond, principally as a result of our continuing research and development of ARKE, our planned first product and general and administrative costs associated with being a public company.

Our results of operations are presented for the three and six months ended June 30, 2015 with comparatives for the three and six months ended June 30, 2014. Bionik Canada changed its fiscal year to December 31 to conform to the fiscal year of the Company, effective after Bionik Canada's previous fiscal year ended March 31, 2014.

### *Three and Six Months Ended June 30, 2015 Compared to the Three and Six Months ended June 30, 2014*

#### *Operating Expenses*

Total operating expenses for the three and six months ended June 30, 2015 were \$2,418,910 and \$3,666,040 compared to \$627,573 and \$787,099 for the three and six months ended June 30, 2014, as further described below.

Research and development expenses were \$609,823 and \$1,045,493 for the three and six months ended June 30, 2015, compared to expenses of \$277,359 and \$549,920 for the three and six months ended June 30, 2014. The increase relates primarily to the additional engineering and quality staff hired to develop our technology and meet regulatory mandates.

For the three and six months ended June 30, 2015, we incurred professional and consulting fees of \$185,572 and \$446,922 compared to \$151,916 and \$314,937 for the three and six months ended June 30, 2014. The increase in professional and consulting fees relate primarily to the addition of a consultant to assist in meeting ISO and initial FDA qualifying requirements as well as legal and accounting costs related to the Acquisition Transaction and the Offering.

For the three and six months ended June 30, 2015, we incurred general and administrative expenses of \$324,200 and \$491,948 compared to general and administrative expenses of \$183,660 and \$314,937 for the three and six months ended June 30, 2014. The increase in these expenses for the three and six months is due to growth of the Company, including the costs of being a public company.

For the three and six months ended June 30, 2015, we incurred interest expenses of \$9,963 and \$10,363 and imputed interest expenses of \$nil and \$nil, compared to interest expenses of \$5,094 and \$22,269 and imputed interest expenses of \$nil and \$30,711 for the three and six months ended June 30, 2014. The changes in interest expenses relates to the repayment of all debt in the Company by December 31, 2014.



### *Gain and losses included in other comprehensive income*

For the three and six months ended June 30, 2015, we generated a foreign exchange translation gain of \$nil and \$24,799, compared to a loss of \$3,116 and 3,098 for the three and six months ended June 30, 2014. The gain and losses result from the translation of the Company's financial statements into its reporting currency the U.S. dollar. Effective April 1, 2015, the Company changed the functional currency of its wholly owned subsidiaries, Bionik Acquisition Inc. and Bionik Canada from the Canadian dollar to the U.S. dollar. This reflects the fact that the majority of the Company's business is influenced by an economic environment denominated in U.S. currency as well the Company anticipates revenues to be earned in U.S. dollars. As a result of the change, there was no translation gain or loss for the three months ended June 30, 2015.

### *Other Income*

For the three and six months ended June 30, 2015, we have other income of \$25,208 and \$25,925, compared to other income of \$21,696 and \$502,037 for the three and six months ended June 30, 2014. The 2014 other income is related to a Canadian cash tax refund for Scientific Research and Experimental Development (SR&ED) for the period of April 1, 2013 to June 30, 2014.

### *Stock Compensation Expense*

For the three and six months ended June 30, 2015, the Company recorded \$1,297,558 and \$1,669,195 compared to \$19,748 and \$90,286 in the three and six months ended June 30, 2014. The increase in stock compensation relates to the stock options granted by the Company. The options previously granted by Bionik prior to the Acquisition Transaction were revalued on its completion and new options granted and options vesting during the quarter and the year to date resulted in this expense.

### *Comprehensive Loss*

Comprehensive loss for the three months ended June 30, 2015 amounted to \$2,418,910 resulting in a loss per share of \$(0.04) compared to a loss of \$630,689 for the three months ended June 30, 2014, resulting in a loss per share of \$(0.01).

Comprehensive loss for the three and six months ended June 30, 2015 amounted to \$2,418,910 and \$3,641,241 resulting in a loss per share of \$(0.04) and \$(0.06) compared to a loss of \$630,639 and \$790,197 for the three and six months ended June 30, 2014, resulting in a loss per share of \$(0.01) and \$(0.02).

The increase in the comprehensive loss for the three and six months ended June 30, 2015 compared to the three and six months ended June 30, 2014 is primarily due to higher research and development costs, professional and consulting fees and general and administrative costs all connected to the company's growth in the six months ended June 30, 2015 and the recording of the SR&ED refund in the first quarter of 2014. There has been no recognition of the Company's last SR&ED refund for the period ended February 25, 2015 to date - this refund will be recorded when received.

### **Liquidity and Capital Resources**

We are a development stage company and have not yet realized any revenues from our planned operations. We have incurred a deficit of \$8,720,022 from inception on March 24, 2011 to June 30, 2015.

We have funded operations through the issuance of capital stock, loans, grants and investment tax credits received from the Government of Canada. We raised in the Offering aggregate gross proceeds of \$13,126,600 which resulted in net proceeds after costs of \$11,341,397. At June 30, 2015 we have cash and cash equivalents of \$9,078,216. We expect that we will have sufficient funds to continue operations for at least the next 12 months.

During the period ended June 30, 2014, Bionik Canada raised funds of \$2,590,160 and issued 13,115,211 common shares, including debt settlements. In addition, Bionik Canada raised \$228,875 from the exercise of stock options to purchase 1,310,734 common shares.

As we proceed with the ARKE product development we have devoted and expect to continue to devote significant resources in the areas of capital expenditures and research and development costs and operations, marketing and sales expenditures.

We may require additional funds to further develop our business plan, including the anticipated commercialization of the ARKE. Based on our current operating plans, we will require additional resources to introduce the ARKE into the home market. Since it is impossible to predict with certainty the timing and amount of funds required to launch the ARKE in any other markets or any of our other proposed products, we anticipate that we will need to raise additional funds through equity or debt offerings or otherwise in order to meet our expected future liquidity requirements. Any such financing that we undertake will likely be dilutive to existing stockholders.

In addition, we expect to also need additional funds to respond to business opportunities including potential acquisitions of complementary technologies or business, protect our intellectual property, develop new lines of business and enhance our operating infrastructure. While we may need to seek additional funding for any such purposes, we may not be able to obtain financing on acceptable terms, or at all. In addition, the terms of our financings may be dilutive to, or otherwise adversely affect, holders of our common stock. We may also seek additional funds through arrangements with collaborators or other third parties. We may not be able to negotiate any such arrangements on acceptable terms, if at all. If we are unable to obtain additional funding on a timely basis, we may be required to curtail or terminate some or all of our product lines.

#### ***Net Cash Used in Operating Activities***

During the six months ended June 30, 2015, we used cash in operating activities of \$2,283,877 compared to \$1,648,357 for the six months ended June 30, 2014. The increased use of cash is mainly attributable to the larger loss in the six months ended June 30, 2015 of \$3,666,040 due to higher research and development costs and the costs of becoming a public company compared to the six months ended June 30, 2014 loss of \$787,099 which results after recording other income of \$502,037 in government grants and scientific refunds that were accrued in the first quarter of 2014. The Company plans to apply for its final refundable scientific program during the third quarter of 2015.

### ***Net Cash Used in Investing Activities***

During the six months ended June 30, 2015, net cash used in investing activities of \$214,036 and for the six months ended June 30, 2014, net cash used in investing activities of \$96,309, respectively, which in 2014 and 2015 was used for the acquisition of equipment and additionally in 2015 the Company provided an interest bearing loan to a third party of \$150,000. The equipment added is principally additional computer equipment related to the increase in engineers and 3D printing equipment to help with the development of our technology.

### ***Net Cash Provided by Financing Activities***

Net cash provided by financing activities was \$11,341,397 for the six months ended June 30, 2015 compared to \$2,685,234 for the six months ended June 30, 2014. The increase is due to the Offering in 2015, which was much larger than the funds raised in 2014.

### **Recent Issued Accounting Pronouncements**

On May 28, 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)". The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. The accounting standard is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. Early adoption is not permitted. The impact on the financial statements of adopting ASU 2014-09 will be assessed by management.

On August 27, 2014, the FASB issued a new financial accounting standard on going concern, ASU No. 2014-15, "Presentation of Financial Statements – Going Concern (Sub-Topic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern." The standard provides guidance about management's responsibility to evaluate whether there is a substantial doubt about the organization's ability to continue as a going concern. The amendments in this Update apply to all companies. They become effective in the annual period ending after December 15, 2016, with early application permitted. The impact on the financial statements of adopting ASU 2014-15 will be assessed by management.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying condensed consolidated interim financial statements.

### **Off Balance Sheet Arrangements**

We had no off-balance sheet transactions.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not applicable for smaller reporting companies.

### **Item 4. Controls and Procedures**

During the six months ended June 30, 2015, there were no changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **Evaluation of Disclosure Controls and Procedures**

We maintain “disclosure controls and procedures” as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this Quarterly Report, we carried out an evaluation, under the supervision and with the participation of our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(b) and 15d-15(b). Based upon this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures as of the end of the period covered by this Quarterly Report were ineffective.

## **PART II - OTHER INFORMATION**

### **Item 1. Legal Proceedings**

None

### **Item 1A. Risk Factors**

Not applicable for smaller reporting companies

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

Previously disclosed on Current Reports on Form 8-K.

### **Item 3. Defaults Upon Senior Securities.**

None

### **Item 4. Mine Safety Disclosures**

Not applicable

### **Item 5. Other Information**

None

### **Item 6. Exhibits**

Exhibit 31.1 - Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002  
Exhibit 31.2 - Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002  
Exhibit 32.1 - Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002  
Exhibit 32.2 - Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002  
Exhibit 101.INS - XBRL Instance Document  
Exhibit 101.SCH - XBRL Taxonomy Extension Schema Document  
Exhibit 101.CAL - XBRL Taxonomy Extension Calculation Linkbase Document  
Exhibit 101.DEF - XBRL Taxonomy Extension Definition Linkbase Document  
Exhibit 101.LAB - XBRL Taxonomy Extension Label Linkbase Document  
Exhibit 101.PRE - XBRL Taxonomy Extension Presentation Linkbase Document

**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.

Dated: August 14, 2015

BIONIK LABORATORIES CORP.

By: /s/ Peter Bloch

Name: Peter Bloch

Chief Executive Officer

(Principal Executive Officer)

By: /s/ Leslie Markow

Name: Leslie Markow

Chief Financial Officer

(Principal Financial and Accounting Officer)

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

I, Peter Bloch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bionik Laboratories Corp.;
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 controls 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 my 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 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(s) 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 registrant's board of directors (or persons performing the equivalent functions):
  - 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 controls over financial reporting.

Date: August 14, 2015

/s/ Peter Bloch  
\_\_\_\_\_  
Peter Bloch  
Chief Executive Officer  
(Principal Executive Officer)

---

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

I, Leslie Markow, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bionik Laboratories Corp.;
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 controls 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 my 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 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(s) 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 registrant's board of directors (or persons performing the equivalent functions):
  - 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 controls over financial reporting.

Date: August 14, 2015

/s/ Leslie Markow  
Leslie Markow  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

---

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bionik Laboratories Corp. (the "Company") on Form 10-Q for the quarter ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter Bloch, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 14, 2015

/s/ Peter Bloch

\_\_\_\_\_  
Peter Bloch

Chief Executive Officer

(Principal Executive Officer)

---



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bionik Laboratories Corp. (the "Company") on Form 10-Q for the quarter ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Leslie Markow, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 14, 2015

/s/ Leslie Markow  
Leslie Markow  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

---