

LEXAGENE HOLDINGS INC.
(former WOLFEYE RESOURCE CORP.)

Management's Discussion and Analysis
For the Six Months Ended
September 30, 2016

General

This management discussion and analysis of financial position and results of operations ("MD&A") is prepared as at November 28, 2016 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six months ended September 30, 2016 and related notes of Lexagene Holdings Inc. ("Lexagene" or the "Company"). These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Management is responsible for the preparation and integrity of the condensed interim consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the condensed interim consolidated financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

October 14, 2016 the Company announced completion of the reverse takeover transaction pursuant to which it acquired Bionomics Diagnostics Inc. ("BDI"). The Company's common shares resumed trading on the TSX Venture Exchange as a Tier 2 technology issuer under the symbol "LXG" on October 19, 2016.

Up to May 2015 the Company was a natural resource company engaged in the acquisition and exploration of exploration and evaluation assets ("mineral properties"). Following the acquisition of BDI, the Company will be engaged in commercializing a proprietary technology for automated pathogen detection. The Company trades on the TSX Venture Exchange (the "Exchange") under the symbol WEY.

Overview

The past fiscal year has been an incredibly challenging year for many companies. The downgrade of the US credit rating, the continuing European debt crisis and the slowing growth in China and the US has greatly affected junior companies. Raising capital to progress projects has proven to be very difficult in the economic climate of the past fiscal year. In order to survive this trench many junior mining companies have taken the strategy of looking into projects in technology, oil and gas, health care and other sectors where returns have been superior to mining. This is the strategy that Lexagene has adopted.

Corporate Changes

Upon closing of the RTO, Yari Nieken, Chris Cherry, and Nizar Bharmal resigned as directors of the Company. Additionally, Nizar Bharmal has resigned as director, President, Chief Executive Officer and Corporate Secretary. The Company will be led by Dr. Jack Regan, who has been appointed President and Chief Executive Officer. Other board members include Jim Hutchens and Daryl Rebeck. In addition, the board welcomes Dr. Eric Olsen and Mr. Tom Slezak as new directors. Lastly, Zula Kropivnitski will act as Corporate Secretary in addition to her current position as Chief Financial Officer.

Selected Yearly Information

	March 31, 2016	March 31, 2015	March 31, 2014
Total assets	\$ 39,613	\$ 119,463	\$ 183,620
Working capital (deficiency)	(67,543)	28,684	(377,442)
Loss for the year	(194,877)	(108,415)	(207,604)
Loss per share	(0.02)	(0.02)	(0.23)

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Net income (loss) for the period	Net income (loss) per Share (Basic & Diluted)	Total Assets
September 30, 2016	\$ (94,484)	\$ (0.01)	\$ 363,563
June 30, 2016	\$ (79,841)	\$ (0.01)	\$ 51,274
March 31, 2016	\$ (109,946)	\$ (0.012)	\$ 39,613
December 31, 2015	\$ (40,573)	\$ (0.004)	\$ 66,469
September 30, 2015	\$ (28,314)	\$ (0.003)	\$ 112,016
June 30, 2015	\$ (16,044)	\$ (0.002)	\$ 209,701
March 31, 2015	\$ (39,911)	\$ (0.01)	\$ 119,463
December 31, 2014	\$ (20,159)	\$ (0.01)	\$ 122,939
September 30, 2014	\$ (180,683)	\$ (0.03)	\$ 125,588

Results of Operations

Three months ended September 30, 2016

During the three months ended September 30, 2016, the Company recorded net loss of \$94,484 compared to a net loss of \$28,314 for the three months ended September 30, 2015. The significant change during the period ended September 30, 2016 compared to the period ended September 30, 2015 is due to increase in professional fees by \$22,967 and transfer agent and filing fees by \$28,490. These increases relate to reverse takeover transaction closed by the Company in October 2016. During the three months ended September 30, 2016 the Company incurred \$15,000 in administration fees compared to \$10,000 in administration expenses incurred during the three months ended September 30, 2015.

Six months ended September 30, 2016

During the six months ended September 30, 2016, the Company recorded net loss of \$174,325 compared to a net loss of \$41,358 for the six months ended September 30, 2015. The significant change during the period ended September 30, 2016 compared to the period ended September 30, 2015 is due to increase in professional fees by \$53,891. Consulting fees increased by \$10,000 from \$20,000 incurred during the six months ended September 30, 2015. Transfer agent and filing fees increased by \$38,124 from \$6,806 incurred in the same period of the previous year. During the six months ended September 30, 2016 the Company incurred \$30,000 in administration fees compared to \$20,000 in administration expenses incurred during the six months ended September 30, 2015. These increases relate to expenses incurred by the Company during the acquisition of Bionomic Diagnostic Inc.

Financial Condition, Liquidity and Capital Resource

The Company's working capital at September 30, 2016 was \$138,457 including cash of \$168,801, compared to a working capital deficiency of \$67,543 including cash of \$8,527 at March 31, 2016.

The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

The following amounts due to related parties are included in trade payables and accrued liabilities:

	September 30, 2016	March 31, 2016
Companies controlled by directors and former director of the Company	\$ 26,250	\$ -

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment. The Company incurred the following transactions with directors or companies that are controlled by directors of the Company:

	Six months ended September 30,	
	2016	2015
Management fees	\$ -	\$ 3,500
Consulting fees	30,000	20,000
	\$ 30,000	\$ 23,500

During the six months ended September 30, 2016 the Company incurred \$30,000 in fees paid to a management company to provide administrative services including services of a Chief Financial Officer. As at September 30, 2016 \$31,500 (March 31, 2015 - \$nil) was payable to this company and included in trade payables and accrued liabilities.

Financial Instruments and Risk Management

Fair Values

The fair values of cash, receivables, short-term loan and trade payables approximate their book values because of the short-term nature of these instruments.

(a) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist of tax receivables due from federal government agencies and a short term loan. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Such fluctuations may be significant.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Risks and Uncertainties

LexaGene is active in the biotechnology industry, which means it is exposed to a number of risks. There is a financial risk as the continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The Company has incurred operating losses since its inception and has experienced negative operating cash flows.

The Company is dependent upon its current management and if the services of such personnel were withdrawn for any reason, this could have a material adverse impact on the Company's operating activities.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of November 28, 2016.

Additional share information

The Company is authorized to issue an unlimited number of common shares without par value. As at November 28, 2016, the Company had 39,941,060 common shares issued and outstanding.

The Company has the following warrants that are outstanding and exercisable as at November 28, 2016:

Number of warrants	Exercise Price	Expiry Date
4,860,000	\$ 0.08	June 20, 2019
2,000,000	\$ 0.08	May 7, 2018
477,400	\$ 0.25	October 4, 2018

The Company does not have stock options outstanding as of September 30, 2016 and November 28, 2016.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute “forward-looking statements”. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, the following: evaluation and exploration asset costs and results, fluctuation in the prices of commodities for which the Company is exploring, foreign operations and foreign government regulations, competition, uninsured risks, recoverability of resources discovered, capitalization requirements, commercial viability, environmental risks and obligations, and the requirement for obtaining permits and licenses for the Company’s operations in the jurisdictions in which it operates.