



**MIRACULINS INC.
MANAGEMENT DISCUSSION & ANALYSIS
FOR THE YEARS ENDED NOVEMBER 30, 2008 and 2007**

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The following management's discussion and analysis ("MD&A") is current to March 26, 2009 and should be read in conjunction with the audited financial statements for year ended November 30, 2008, and related notes, which are prepared in accordance with Canadian generally accepted accounting principles. Annual references are to the company's fiscal years, which end on November 30. All amounts are expressed in Canadian Dollars unless otherwise noted. Additional information regarding the Company is available on SEDAR at www.sedar.com and on the Company's website at www.miraculins.com.

OVERVIEW

Miraculins Inc. ("Miraculins" or the "Company") is a diagnostic development company committed to extending life, reducing suffering and lowering healthcare costs. Through our work in the development and commercialization of diagnostic tests for unmet clinical needs, we seek to improve the overall diagnosis and treatment of patients by enhancing the information available to physicians. The Company is listed on the TSX Venture Exchange under the symbol "MOM".

The Company's business model is centred on acquiring and developing diagnostic opportunities in areas where there are unmet clinical needs. Once Miraculins has advanced the technology through the subsequent development stages, it plans to partner with large diagnostic companies and reference laboratories to commercialize and market its technology. These types of agreements typically involve upfront, milestone payments and ongoing royalties on sales.

Diagnostic technologies of greatest interest to the Company have completed discovery stage research and biomarker identification but require additional expertise and resources to be developed into validated commercially viable assays. It is believed that a significant number of promising diagnostic opportunities remain un-commercialized because of the sizable gap between the discovery stage, when research institutions are typically involved, and the commercialization stage, when the larger commercial enterprises become interested.

Through advancing its internally developed P2V™, Miraculins has direct experience in working to bridge this gap and new opportunities will leverage the Company's in house commercial assay development experience, existing capabilities and expertise in managing and conducting high caliber biomarker/assay validation studies, in house capabilities to process and store clinical samples, and growing network of commercialization partner contacts and clinical experts. Successful execution of this model also requires the convergence of product development, marketing, regulatory and corporate finance strategies. Under the new model, the Company in-licensed a suite of promising preeclampsia markers from Mount Sinai Hospital.

Subsequent to year-end, the Company closed a private placement with aggregate gross proceeds of \$232,500. As at March 26, 2009, the Company had approximately \$130,000 in cash, cash equivalents. We remain focused on advancing our technology platforms and securing the appropriate financing, collaboration and/or license agreements and continue to apply our limited resources to these activities. The Company is continuing its capital conservation efforts by reducing overhead and is exploring various alternatives for further strengthening its financial position, including working with our vendors to secure payment plans that meet our obligations while enabling us to focus our attention on the advancement of our technology platforms and our financing initiatives.

The Company's future operations are completely dependent upon its ability to generate product sales, negotiate collaboration or licence agreements with upfront payments, obtain research grant funding, or other strategic alternative, and/or secure additional funds. While the Company is striving to achieve the above plans, there is no assurance that such sources of funds will be available or obtained on favourable terms. If the Company cannot generate product sales, negotiate collaboration or licence agreements with upfront payments, obtain research grant funding, or if it cannot secure additional financing on terms that would be acceptable to it, the Company will have to consider additional strategic alternatives which may include, among other strategies, exploring the monetization of certain intangible assets as well as seeking to outlicense assets, potential asset divestitures, winding up, dissolution or liquidation of the Company. Based on our current estimates and expected operating activities there are sufficient financial resources exist to fund operations into the second quarter of 2009.

Corporate Highlights

- Recently in-licensed a suite of markers for the diagnosis of preeclampsia, a disease of growing incidence and the leading cause of maternal and prenatal deaths worldwide
- Internally developed P2V™ prostate cancer test has shown the potential to reduce the number of men referred unnecessarily to biopsy in studies totaling nearly 700 patients
- Management team and board of directors have important mix of industry, business development, operations, fundraising and diagnostic development experience
- Company has a highly categorized and well characterized internal sample bank to support research, development and future collaboration
- Under the direction of the Director of Research and Development, the Company has reviewed, evaluated and categorized approximately 500 promising diagnostic opportunities available for license from leading research institutions

The following table summarizes the company’s research and development programs:

Program	Product	Development Stage	Status
Preeclampsia	Endoglin Suite of Markers	Assay Development & Optimization Research Stage	Seeking Marketing Partner Research Ongoing
Prostate Cancer	P2V™ PSP94 and F/T PSA	PSP94 and Vitronectin Assays Completed PSP94 Assay Complete	Seeking Marketing Partner Seeking Marketing Partner
Colorectal Cancer	MIR-CC1	Awaiting Assay Development & Optimization	Program On Hold
Gastric Cancer	MIR-GP1 Suite of Markers	Marker Identification Required Marker Identification Required	Program On Hold Program On Hold
Pancreatic Cancer	Suite of Markers	Marker Identification Required	Program On Hold

NOTE: Miraculins’ products and technology are currently in the research stage. The Company does not, and may never have, a commercially viable product approved for marketing. To date, the Company has not generated any revenue from sales.

Corporate History

Miraculins began operations in 2002 as a research and development company focused on biomarker discovery using its proprietary B.E.S.T Platform™ for the screening and identification of target proteins and peptides related to diseases.

The Company’s original vision was to contribute to the saving of lives through the early detection and diagnosis of cancer by developing products to increase the information available to physicians and consequently enhance the quality of treatment for cancer patients. Through basic discovery research, subsequent development and the acquisition of complimentary technologies, Miraculins established programs in the areas of prostate, colorectal, gastric, pancreatic and breast cancer.

In the spring of 2008, Miraculins’ P2V™ prostate cancer test (the Company’s lead cancer program) advanced to the critical

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stage of clinical assay development. At that time, the Company appointed Dr. Stephen Frost to lead the Company's research and development. Previous to joining Miraculins, Dr. Frost worked in Abbott Laboratories' Diagnostics Division for over 15 years in both assay development and technology review capacities.

As Dr. Frost led the development of the P2V™ into a clinical grade immunoassay format, Miraculins announced a shift in its business model, moving the Company's focus away from basic discovery research and further down the diagnostic assay development and commercialization pathway. The Company's business plan now focuses on in-licensing/acquiring and developing both cancer and non-cancer diagnostic opportunities that address unmet clinical needs and have completed the early stage research phase; therefore best leveraging the Company's competencies.

In the fall of 2008, Miraculins announced its first technology acquisition under its new business model. The Company acquired a panel of biomarkers from Mount Sinai Hospital which have demonstrated the potential to detect or diagnose preeclampsia, a devastating condition of growing incidence affecting pregnant woman that is the leading cause of maternal and prenatal deaths worldwide.

Corporate Update

On February 12, 2009, the Company announced that Dr. Isabella Caniggia has joined its Scientific Advisory Board. Dr. Caniggia is an internationally recognized preeclampsia researcher and physician at the Samuel Lunenfeld Research Institute at Mount Sinai Hospital in Toronto. In addition to her position of Scientist at the Samuel Lunenfeld Research Institute and Associate Professor of Obstetrics and Gynaecology at the University of Toronto, Dr. Caniggia is a certified medical practitioner and surgeon with full registration from the Medical Council of Siena. Widely published in scientific journals and with over 100 invited presentations, Dr. Caniggia also serves as a reviewer for a number of leading peer-reviewed scientific journals and has been the recipient of numerous academic honours, grants and awards, including a number from the respected Canadian Institute of Health Research (CIHR). Dr. Caniggia's laboratory is at the forefront of research into the molecular signatures of preeclampsia and she is the inventor of Miraculins' promising technology in this area.

On January 22, 2009, the Company announced the successful completion of testing to characterize the performance of its P2V™ test in an immunoassay format. The results confirmed the test's diagnostic performance as a biopsy screening tool providing a 91% sensitivity with a 25% specificity. These results are statistically similar in performance to the mass spectrometry assay results which earlier reported the test performing with a 93% sensitivity and a 23% specificity. The P2V™ test is a patent pending combination of two markers, PSP94 and a fragment of vitronectin, for use as a biopsy screen tool for patients with prostate cancer.

Additionally, Miraculins has discovered that the detection of PSP94 in urine can improve the performance of free over total (F/T) PSA ratio in detecting aggressive prostate cancer, which could help significantly improve upon the standard free PSA test. The Company has successfully demonstrated that its PSP94 assay, when combined with F/T PSA ratio was able to differentiate men with aggressive prostate cancer (Gleason Score of 7-10, n=18) from men with favourable pathologies (Gleason Score of 6 or less, BPH or healthy men, n=70) with a sensitivity of 94% and specificity of 49% (AUC=0.80). When men with the confounding condition of hypertension were removed from testing, the combination yielded even better results and successfully separated the same populations with a sensitivity of 100% and a specificity of 84% (AUC=0.87, n=7 aggressive cancer and n=37 favourable pathologies).

On December 31, 2008, the Company closed an announced private placement with aggregate gross proceeds of \$232,500 from the sale of 4,650,000 units ("Units") at a price of \$0.05 per Unit. Each Unit is comprised of one common share of the Company (a "Share") and one Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one Share at a price of \$0.10 per Share for a period of 24 months from the date the Warrant is issued. The net proceeds of the Offering shall be used for research and development and working capital purposes.

On October 15, 2008, the Company announced that it had executed an agreement with Mount Sinai Hospital ("MSH") to license a suite of biomarkers that are potentially diagnostic for a condition called preeclampsia. There is currently no reliable

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test that can accurately predict the onset of preeclampsia, leaving the disease to be diagnosed by its symptoms, which are non-specific to preeclampsia. The collection of markers licensed by Miraculins has shown evidence of being able to diagnose the disease in its earliest stages.

The Company also announced recently that it had developed an agreement with Mount Sinai Services, a leading CLIA laboratory in Canada that will allow them to develop diagnostic kits under the ASR exemption using cGMP clinical grade materials supplied by the Company. Mount Sinai Services has also shown interest in offering diagnostic kits that are developed by the Company and have received full regulatory approval.

On June 19, 2008, the Company announced an update to its strategic direction moving the Company's focus further down the diagnostic assay development and commercialization pathway. The Company's business plan now focuses on in-licensing/acquiring and developing both cancer and non-cancer diagnostic opportunities that have completed early stage research and address unmet clinical needs. Although the Company moves away from basic proteomic research and discovery it continues advancement of its internal prostate cancer diagnostic program.

This updated strategic focus will leverage the existing capabilities and expertise Miraculins has developed over the past several years. These include the ability to manage and conduct high-caliber biomarker/assay validation studies, in-house capabilities to process and store clinical samples, a growing network of commercialization partner contacts and clinical experts, and the extensive commercial assay development experience of newly appointed Director of Research and Development, Dr. Stephen Frost, formerly of Abbott Diagnostics.

On May 8, 2008, Miraculins closed a private placement (the "Offering") with aggregate gross proceeds to the Company of \$625,065 from the sale of 4,167,098 units (the "Units") at a price of \$0.15 per Unit. Each Unit was comprised of one common share of the Company (a "Share") and one-half of one Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder thereof to purchase one Share at a price of \$0.25 for a period of twelve months from the date of issuance of the Warrant. The net proceeds of the Offering are being used for research and development and working capital purposes.

On April 14, 2008, Dr. Stephen J. Frost, Ph.D was appointed Director, Research and Development. Previous to his appointment, Dr. Frost worked at Abbott Laboratories' Diagnostics Division, for over 15 years. During his tenure at Abbott, Dr. Frost was responsible for the evaluation of oncology assays available for licence or acquisition from university and industry sources. Additionally, Dr. Frost was the project manager for numerous high-profile projects in the area of cancer, fertility and infectious disease diagnostics, and was responsible for the design and execution of feasibility and validation studies, while supporting the manufacturing and quality control functions for the project. Dr. Frost was also responsible for building and managing various dynamic teams for the achievement of development goals related to the project. Prior to joining Abbott, Dr. Frost worked as a research associate for NASA at the Johnson Space Center. Dr. Frost has a Ph.D. in biochemistry from the University of Texas and was awarded the Gip A. Hudson Memorial Prize for Research and the James E. Beall II Memorial Scholarship. Dr. Frost had been working with the Company as a consultant since January 2008.

RESEARCH PROGRAMS

The Company is focused on developing non-invasive diagnostic tests that address unmet clinical needs in various disease areas. Miraculins is currently working towards producing clinical grade reagents for endoglin, the lead marker in its suite of preeclampsia markers. Concurrently, the Company is actively executing a development plan for its preeclampsia program with studies taking place involving a specific subset of its suite of markers. Additionally, the Company's P2V™ test for prostate cancer has been successfully developed in immunoassay format and Miraculins is exploring commercialization opportunities.

Preeclampsia Program

Preeclampsia is a devastating condition affecting pregnant women that manifests abruptly and results in 15% of all premature births. In the most severe cases, it can progress to eclampsia, which can result in seizure, stroke, coma, and death. The incidence rate is 7 – 10% of all pregnant women and has an estimated \$7 billion impact on the healthcare system annually. Currently, the sole diagnosis for preeclampsia is by its symptoms, high blood pressure and significant amounts of protein in the urine, which are non-specific to the disease.

Miraculins has licensed the rights to a promising suite of biomarkers for preeclampsia from Mount Sinai Hospital. The technology was discovered through pioneering research conducted by Dr. Isabella Caniggia and her collaborators at the Samuel Lunenfeld Research Institute of Mount Sinai Hospital, and the Hospital for Sick Children.

One of the promising biomarkers in the portfolio acquired by Miraculins is a cell surface glycoprotein known as endoglin, which was recently the key focus of a major study published in the *New England Journal of Medicine* entitled “Soluble Endoglin and Other Circulating Anti-angiogenic Factors in Preeclampsia”. Under the direction of independent experts from institutions across the United States, the paper reports that endoglin levels change during gestation and that it can play a role in identifying the patients at highest risk of preeclampsia. An endoglin immunoassay will provide a strong base from which the Company can build its commercialization plan.

Miraculins’ objective is to develop a safe, reliable, serum-based diagnostic assay for preeclampsia. While research is ongoing to develop the marker suite, Miraculins is actively developing an analyte specific reagent (ASR) strategy for certain markers of interest, particularly endoglin. Miraculins is driving to have a commercial ASR product on the market in the near term.

The target market for Miraculins preeclampsia test is every expectant mother, estimated to be 6.4 million women annually in the US alone, greater than 12 million worldwide.

Prostate Cancer Program

Through the discovery and identification of proteins specific to prostate cancer, Miraculins has developed the P2V™ test, a urine based assay which has demonstrated the potential to reduce the number of men proceeding to biopsy based on current methods. P2V™ is a patented combination of the markers PSP94 (Prostate Secretory Protein) and a fragment of Vitronectin.

Discovery and validation of the markers in the P2V™ test has been conducted on nearly 600 separate and distinct patient samples including the PCSC04 study, a 200 patient, 15 site study with CMX Research Inc. The data from that study showed that Miraculins' urine based test performed with a specificity that would have eliminated approximately 23% of the biopsies for patients who did not have prostate cancer and a sensitivity that correctly identified 93% of patients who were true positives for prostate cancer.

The P2V™ test has been designed to eliminate unnecessary biopsies which are costly, invasive and can lead to complications. The current standard screen for prostate cancer, the PSA test, although sensitive, is not highly specific, sending upwards of 750,000 men for unnecessary prostate biopsies annually in the US alone. When used in conjunction with PSA, the P2V™ test has shown it could eliminate approximately 25% of unnecessary biopsies.

Miraculins has been engaged in discussions with a number of diagnostic developers and laboratory service providers and has filed a pre-IDE (Investigational Device Exemption) submission with the U.S. Food and Drug Administration (FDA). The research behind P2V™ has been presented at scientific meetings such as the AACR NCI EORTC International Conference: “Molecular Targets and Cancer Therapeutics” held from October 22 to 26, 2007, in San Francisco. The conference provided the opportunity to disseminate the Company's research results to the academic community and reach a targeted research audience. The Company will be pursuing further opportunities for peer reviewed publications and presentations in the near

term.

Additionally, Miraculins has discovered that the detection of PSP94 in urine can improve the performance of free over total (F/T) PSA ratio in detecting aggressive prostate cancer, which could help significantly improve upon the standard free PSA test. The Company has successfully demonstrated that its PSP94 assay, when combined with the F/T PSA ratio, was able to differentiate men with aggressive prostate cancer (Gleason Score of 7-10, n=18) from men with favourable pathologies (Gleason Score of 6 or less, BPH or healthy men, n=70) with a sensitivity of 94% and specificity of 49% (AUC=0.80). When men with the confounding condition of hypertension were removed from testing, the combination yielded even better results and successfully separated the same populations with a sensitivity of 100% and a specificity of 84% (AUC=0.87, n=7 aggressive cancer and n=37 favourable pathologies).

Miraculins is currently in discussions with a number of potential commercialization and marketing partners for both its P2V™ biopsy screening test, and its technology for improving F/T PSA testing in detecting aggressive prostate cancer.

Colorectal Cancer Program

Additionally, Miraculins has a number of potential biomarkers for colorectal cancer as result of its internal discovery and research program and the previous acquisition of the intellectual property of Europroteome AG. This includes biomarkers which have been shown to be 100% more sensitive than the fecal occult blood test (FOBT), the current preliminary screening standard for colorectal cancer, according to numbers available in the literature.

There are over 150,000 new diagnoses of colorectal cancer in North America each year. Although regular screening is strongly advised, the diagnostic tools for colorectal cancer are invasive and costly, and thus underused. Miraculins has conducted studies in this area in collaboration with the European Tumour Sample Institute gGmbH, and Fox Chase Cancer Center.

Miraculins' lead biomarker for colorectal cancer has been identified by amino acid sequence, and the next step for this program involves the development of a clinical grade immunoassay for the marker. In order to effectively manage current resources, the Company is currently focused on its preeclampsia and prostate cancer programs, while evaluating the next steps for this program.

Gastric Cancer Program

In 2008 the Company conducted an internal review of its gastric cancer program. The internal review process focused primarily on two original mass spectrometry data sets. The first data set was from a study using 171 samples (92 gastric cancer from stage 1 to stage 4, 79 non-gastric cancer) collected at European sites. The second data set was from a study using 93 samples (72 gastric cancer from stage 1 to stage 4, 21 non-gastric cancer) collected from a number of North American sites. Data analysis was conducted using a variety of statistical techniques including the receiver operator characteristic (ROC) curve. A perfect result with a ROC curve is an area under the curve (AUC) of 1.0 (therefore a sensitivity and specificity of 100%, respectively).

The internal review confirmed seven blood based protein biomarkers of interest for their potential to separate gastric cancer patients from non-gastric cancer patients. Promisingly, this includes a single marker that performs with a 72% sensitivity at 95% specificity (AUC=0.925) known as MIR GP1.

There are over 22,000 new cases of gastric cancer diagnosed each year in the United States. Current diagnostic methods include gastroscopes, barium x-rays, endoscopic ultrasound, and endoscopic biopsy; all of which are invasive and therefore suffer from low compliance. The market for a diagnostic in this cancer area is predominantly based on providing a general screen for the disease targeted at patients who have either a pre-disposition to this cancer or are in a high risk group.

The next steps for this program involve identifying these markers through protein purification and amino acid sequencing, beginning with MIR GP1. In order to effectively manage current resources, the Company is currently focused on its

preeclampsia and prostate cancer programs, while evaluating the next steps for this program.

Pancreatic Cancer Program

There are over 33,000 new cases of pancreatic cancer diagnosed each year in the United States with over 32,000 deaths resulting. Current diagnostic methods are limited to MRI, CT or CAT scan, ultrasound, barium x-ray or biopsy. There is an unmet need for a simple assay that would help to diagnose this disease in its earliest and most treatable stages.

Miraculins has promising intellectual property related to pancreatic cancer markers that requires further research. In order to effectively manage current resources, the Company is currently focused on its preeclampsia and prostate cancer programs, which are believed to be the closest programs to partnership revenue, while evaluating the next steps for this program.

Diagnostic Opportunities Database

Miraculins is actively in search of an in-licensing/acquiring development opportunities in areas where there are unmet clinical diagnostic needs. Under the direction of the Company's Director of Research and Development, Miraculins has evaluated and catalogued approximately 500 opportunities and is at varying stages of licensing discussions with a number of promising technologies. Diagnostic technologies of greatest interest to the Company have completed discovery stage research and biomarker identification but require additional expertise and resources to be developed into validated commercially viable assays.

OUTLOOK

The strategic direction of the Company is centered on the development and commercialization of diagnostic tests for unmet clinical needs. In order to advance these research programs, Miraculins expects to continue incurring operating losses. Based on current projections and strategic plans, it is conceivable that total expenses could increase in fiscal 2009, as compared to fiscal 2008. Any increase in expenditures would result from the continued development of current assets and the potential addition of complementary assets.

These financial statements have been prepared using Canadian generally accepted accounting principles ("Canadian GAAP") that are applicable to a going concern, which contemplates that Miraculins Inc. will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The use of these principles may not be appropriate because at November 30, 2008 there was substantial doubt that the Company will be able to continue as a going concern as a result of the Company's operating losses and its working capital deficiency of \$166,122 at November 30, 2008.

The Company's future operations are completely dependent upon its ability to generate product sales, negotiate collaboration or licence agreements with upfront payments, obtain research grant funding, or other strategic alternatives, and/or secure additional funds. While the Company is striving to achieve the above plans, there is no assurance that such sources of funds will be available or obtained on favourable terms. If the Company cannot generate product sales, negotiate collaboration or licence agreements with upfront payments, obtain research grant funding, or if it cannot secure additional financing on terms that would be acceptable to it, the Company will have to consider additional strategic alternatives which may include, among other strategies, exploring the monetization of certain intangible assets as well as seeking to outlicense assets, potential asset divestitures, winding up, dissolution or liquidation of the Company.

The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on the successful completion of the actions taken or planned, some of which are described above, which management believes will mitigate the adverse conditions and events which raise doubt about the validity of the going concern assumption used in preparing these financial statements. There is no certainty that these and other strategies will be sufficient to permit the Company to continue as a going concern.

These financial statements do not reflect adjustments in the carrying values of the Company's assets and liabilities, expenses, and the balance sheet classification used, that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

The Company's management believes sufficient financial resources exist to fund operations into the second quarter of 2009.

The Company may decide to accelerate, terminate or reduce its focus in certain research areas, or commence research in new areas as a result of the Company's research progress and the availability of financial resources. These decisions are made with the goals of managing the Company's cash resources and optimizing the Company's opportunities. The availability of funding may change management's strategy over the coming year.

RISKS AND UNCERTAINTY

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control. The Company is subject to risks inherent in the biotechnology industry, including:

Risks Related to the Company's Financial Condition

- The Company has not derived any revenue to date from the commercial sale of its diagnostic products. In light of the length of time and expense associated with bringing new products through commercialization, obtaining regulatory approval and bringing products to market, operating losses are expected to continue.
- The Company has relied on equity and debt financing to support operations and will continue to need significant amounts of additional capital that may not be available to the Company on favourable terms, and may be dilutive.
- The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates.

The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The availability of financing will be affected by the results of scientific and clinical research, ability to attain regulatory approvals, the market acceptance of the Company's products, and the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, and other relevant commercial considerations.

Risks Related to the Company's Business and Operations

- The Company is in various stages of development of diagnostic products and is dependent on the successful outcome of assay development and clinical assessment. Delays may cause the Company to incur additional costs which could adversely affect the Company's liquidity and financial results.
- Failure to protect intellectual property, or infringement on the intellectual property rights of others, may impede the Company's ability to operate freely.
- The Company's business is subject to significant government regulation and failure to achieve regulatory approval of diagnostic products would negatively affect its business.

- The Company is dependent on strategic partners, including clinical investigators and contract research organizations, as part of its diagnostic product development strategy, and it would be negatively affected if it is not able to initiate or maintain these relationships.
- Even if product candidates receive all of the required regulatory approvals, there is no guarantee of market acceptance or commercialization of the resulting product candidates, which will be determined by the Company's sales, marketing and distribution capabilities and the positioning and competitiveness of its diagnostic product compared with any alternatives.
- The Company's industry is characterized by rapid change and a failure by the Company to react to these changes could have a material adverse effect on its business.
- If the Company fails to hire or retain needed personnel, the implementation of its business plan could slow and future growth could suffer.

Miraculins views patents and other means of intellectual property protection as essential to the Company's core business by protecting the Company's proprietary technology from infringement by competitors. To that end, patents will be reviewed and continued to be sought in relation to those components or concepts of each of its pre-clinical and clinical diagnostic products by management of the Company to ensure the highest level of protection possible is obtained. The Company requires all employees, consultants, and parties to collaborative research agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration with the Company. These agreements require that all confidential information developed or made known during the course of the engagement with Miraculins is to be kept confidential. The Company also maintains agreements with scientific staff and all parties contracted in a scientific capacity, providing that all inventions resulting from work performed for Miraculins, using the Miraculins' property, or relating to Miraculins' business and conceived or completed during the period covered by the agreement are the exclusive property of the Company.

Risks Relating to the Company's Common Shares

- The Company has not paid, and does not intend to pay, any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them.
- The market price and trading volume of the Company's common shares may be volatile. In addition, variations in earnings estimates by securities analysts and the market prices of the securities of our competitors may also lead to fluctuations in the trading price of the common shares.
- The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

To date, no dividends have been declared or paid on the common shares, and it is not expected that dividends will be declared or paid in the immediate or foreseeable future. The policy of the Board of Directors of the Company is to reinvest all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of Miraculins will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

SELECTED ANNUAL FINANCIAL INFORMATION

The following is selected financial information about the Company, for its 2008, 2007, and 2006 fiscal years:

	2008	2007	2006
Research expenditures	(427,236)	(692,665)	(940,556)
General and administrative expenditures	(620,749)	(695,035)	(625,193)
Investment income	5,871	22,539	84,034
Loss for the year	(1,092,918)	(1,439,770)	(1,773,115)
Loss per share	(0.06)	(0.09)	(0.12)
Total assets	289,867	510,452	1,526,628
Total liabilities	283,711	53,307	118,541
Deficit	(7,237,921)	(6,145,003)	(4,705,233)
Total capital stock, contributed surplus and warrants	7,244,077	6,602,148	6,113,320

SELECTED QUARTERLY FINANCIAL INFORMATION

The selected financial information provided below is derived from our unaudited quarterly financial statements for each of the last eight quarters:

	Q4 - 2008	Q3 - 2008	Q2 - 2008	Q1 - 2008	Q4 - 2007	Q3 - 2007	Q2 - 2007	Q1 - 2007
Investment income	370	2,158	2,080	1,263	3,209	3,046	6,373	9,911
Loss for the period	(336,149)	(272,879)	(264,313)	(219,577)	(260,646)	(276,217)	(459,167)	(443,740)
Loss per share	(0.02)	(0.01)	(0.03)	(0.01)	(0.02)	(0.02)	(0.03)	(0.03)

The Company's cumulative quarterly loss over the past two years relates primarily to the expansion of the Company's research programs. The increased loss for the quarter ended November 30, 2008, as compared to the preceding quarters, is primarily due to the changes in lease payments and recognition of higher non-cash stock compensation expense.

RESULTS OF OPERATIONS

Research

Research expenditures include costs associated with the Company's research programs, the significant portion of which are salaries paid to research staff, equipment rental, consumables, and consulting. The Company is in the development stage and devotes a significant portion of its financial resources to research activities.

The changes in research expenditures for the years ended November 30, 2008 and 2007 are reflected in the following table:

Year ended November 30,	2008	2007	Increase (decrease)
Compensation related costs	\$ 168,683	\$ 262,755	\$ (94,072)
Consumables	58,409	158,225	(99,816)
Contract research and scientific consulting	73,906	134,853	(60,947)
Scientific equipment	62,841	103,659	(40,818)
Laboratory rent and occupancy costs	53,078	54,080	(1,002)
Other research costs	11,404	2,843	8,561
less: Government assistance	(1,085)	(23,750)	22,665
Research	\$ 427,236	\$ 692,665	\$ (265,429)

As expected, research expenditures for the year ended November 30, 2008 were lower as compared to 2007. This decrease can be attributed to the following factors:

- A decrease in research staff related costs, which is primarily due to staff reductions resulting from attrition and management's decision to outsource certain processes in order to increase flexibility and obtain cost efficiencies.
- The reduction in purchases of consumables is directly related to staff reductions and focus on the new strategic direction. Specifically, fewer consumables were required as research efforts have been targeted on analyzing existing data.
- In the first quarter of 2007, the Company incurred certain scientific consulting costs related to a study underway at the time. There was no comparable expense in 2008, which results in lower scientific consulting expense.
- The decrease in scientific equipment costs is primarily related to only having recorded seven months of lease payments on an expired agreement, as compared to twelve months in the prior year.
- The decrease in other research costs is primarily due to a general reduction in ancillary spending.
- Research grants received in 2007 have expired resulting in a decrease in government assistance

General and Administrative

General and administrative expenses include those costs not directly related to research activities. This includes expenses associated with management services, and professional fees such as legal, audit and investor and public relations activities.

The changes in general and administrative expenditures for the years ended November 30, 2008 and 2007 are reflected in the following table:

Year ended November 30,	2008	2007	Increase (decrease)
Compensation related costs			
Wages, consulting fees, and benefits	\$ 167,746	\$ 193,216	\$ (25,470)
Compensation related costs	37,154	82,432	(45,278)
Business development costs	277,484	279,190	(1,706)
Other administration costs	138,365	140,197	(1,832)
General and administrative	\$ 620,749	\$ 695,035	\$ (74,286)

The decrease in costs for the year ended November 30, 2008 as compared to 2007 can be attributed to the following factors:

- In the first quarter of 2007, the Board of Directors approved a bonus and stock options to an officer of the Company. The variance occurred as there was no comparable transactions in the first quarter of 2008.
- A decrease in compensation related costs occurred as fewer stock options were granted to employees and consultants of the Company in 2008, as compared to 2007. In addition, valuation of options granted during 2008 generated a lower compensation cost under the Black-Scholes valuation model due to a relatively lower share price and risk-free rates.

The Company expects similar levels of general and administrative expenditures for the coming fiscal year.

Interest Income

The changes in interest income for the year ended November 30, 2008 and 2007 are reflected in the following table:

Year ended November 30,	2008	2007	Increase (decrease)
Interest income	\$ 5,871	\$ 22,539	\$ (16,668)

The decrease in interest income for the current year is the result of a lower average cash balance as compared to the prior fiscal year. The Company anticipates that investment income will remain low in the coming years resulting from lower average cash on hand.

Loss and comprehensive loss for the year

The loss and comprehensive loss for the years ended November 30, 2008 and 2007 is reflected in the following table:

Year ended November 30,	2008	2007	Increase (decrease)
Loss and comprehensive loss for the year	\$ (1,092,918)	\$ (1,439,770)	\$ (346,852)
Loss per share	\$ (0.06)	\$ (0.09)	\$ (0.03)

As discussed above, the decrease in annual loss resulted mainly from the management's focus on priority research programs through temporary suspension of earlier stage programs to effectively manage available resources. The Company expects to incur a loss next year as it continues its research programs.

LIQUIDITY AND CAPITAL RESOURCES

Since inception, the Company has financed its operations from public and private sales of equity, the exercise of warrants and stock options, interest income on funds available for investment and government grants and tax credits. As at November 30, 2008, the Company had cash and cash equivalents totaling \$5,717 compared with \$248,415 at the previous year-end.

Cash used in operating activities

Cash used in operating activities totaled \$782,264 for the year ended November 30, 2008, compared to \$1,256,980 for the same period in fiscal 2007 as a result of a decrease in actual cash outflows from ongoing research programs as well as general and administrative activities.

Cash used in investing activities

Cash used in investing activities totaled \$29,422 for the year ended November 30, 2008. Of this amount, \$25,393 was from patent costs and \$4,029 was from the acquisition of property and equipment. In the previous fiscal year, cash used in investing activities, from patent costs and the acquisition of property and equipment, totaled \$44,992.

Cash from financing activities

For the year ended November 30, 2008, cash provided from financing activities totaled \$568,988 (2007 - 374,049). On May 8, 2008, Miraculins closed a private placement with aggregate gross proceeds to the Company of \$625,065 from the sale of 4,167,098 units (the "Units") at a price of \$0.15 per Unit.

Shares, options and warrants

	November 30, 2008	November 30, 2007
Common shares issued and outstanding	20,873,456	16,396,358
Options outstanding	1,415,000	942,500
Warrants outstanding	2,196,215	690,682

On September 23, 2008, the Company granted 500,000 stock options to an officer of the Company with an exercise price of \$0.15 per share.

On October 15, 2008, the Company entered into a licence agreement with Mount Sinai Hospital ("MSH") in which the Company issued to MSH 310,000 common shares from treasury, subject to a standard four-month and one day resale restriction, as an up-front payment in consideration of the rights granted and MSH's investment in the technology to date. Miraculins will make additional commercial and developmental milestone payments as the technology is advanced to the marketplace, and commencing on the third anniversary of the signing of the agreement, an annual maintenance fee is payable. Beginning with first commercial sale, Miraculins will pay MSH an annual minimum and running royalty on sales.

Subsequent to year-end, the Company closed a private placement with aggregate gross proceeds of \$232,500 from the sale of 4,650,000 units ("Units") at a price of \$0.05 per Unit. Each Unit is comprised of one common share of the Company (a "Share") and one Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one Share at a price of \$0.10 per Share for a period of 24 months from the date the Warrant is issued.

The Company believes it has sufficient resources available to satisfy operating requirements into the second quarter of 2009. The Company's management is considering all financing alternatives and is currently seeking to raise additional funds for operations from current stockholders and other potential investors. This disclosure is not an offer to sell, nor a solicitation of an offer to buy the Company's securities. While the Company pursues such financing, there is no assurance that funding will be available or obtained on favourable terms.

The audited financial statements do not reflect adjustments in the carrying values of the Company's assets and liabilities, expenses, and the balance sheet classifications used, that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

CONTRACTUAL OBLIGATIONS

The Company periodically enters into long-term contractual agreements for the lease of laboratory facilities and equipment, management services, and certain purchased services. The following table presents commitments arising from agreements currently in force over the next five years.

	Payments due by Period				Total
	Within 1 year	2 - 3 years	4 - 5 years		
Management services agreement	\$ 200,000	\$ -	\$ -	\$	200,000
Contractual commitments	53,750	25,417	35,000		114,167
Capital lease	10,320	20,640	18,060		49,020
	\$ 264,070	\$ 46,057	\$ 53,060	\$	363,187

A summary of the company's contractual obligations may be found in the Note 12 of the audited financial statements.

RELATED PARTY TRANSACTIONS

During the year ended November 30, 2008, the Company paid a company controlled by a director, a total of \$302,808 (2007 - \$348,202) for laboratory lease, equipment rental and consulting fees. The Chief Financial Officer's services are provided through the consulting agreement with Genesys Venture Inc. In addition, public relations, business development, accounting, payroll, human resources, and information technology services are provided to the Company through the agreement. As of November 30, 2008, included in accounts payable and accrued liabilities is \$84,487 (2007 - \$3,788) owed to Genesys Venture Inc. The Company has provided a non-interest bearing advance of \$13,400 to Genesys Venture Inc. used for payroll processing.

These transactions are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

OFF-BALANCE SHEET ARRANGEMENTS

Other than as described above, the Company does not have any off-balance sheet arrangements.

CONTROLS

Effectiveness of disclosure controls and procedures

Management has established and maintained disclosure controls and procedures for the Company in order to provide reasonable

assurance that material information relating to the Company is made known to management in a timely manner and that information required to be disclosed by the Company is reported within the time periods prescribed by applicable securities legislation.

A control system can only provide reasonable, not absolute, assurance that the objectives of the control system are met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

As a result of the Company's limited administrative staffing levels, internal controls which rely on segregation of duties in many cases are not appropriate or possible. Due to resources constraints and the present stage of the Company's development, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct this potential weakness at this time. To help mitigate the impact of this potential weakness and to ensure quality financial reporting, the Company is highly reliant on the performance of compensating procedures and senior management's review and approval to ensure that the controls are as effective as possible.

During the year ended November 30, 2008, the Company made no material changes to its systems of internal controls over financial reporting.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles (Canadian GAAP) requires the Company to select from possible alternative accounting principles and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date, and reported costs and expenditures during the reporting period. Management believes that the estimates and assumptions upon which the Company relies are reasonable based upon information available at the time these estimates and assumptions are made. Estimates and assumptions may be revised as new information is acquired, and are subject to change.

Management believes that its most critical accounting policies and estimates relate to the following areas, with reference to notes contained in the audited financial statements:

- Research and development Note 2(g)
- Patents and trademarks Note 2(c) and 2(d)
- Stock-based compensation Note 2(h), 10(c) and 10(d)

A summary of all of the Company's significant accounting policies and estimates may be found in the Note 2 to the audited financial statements.

CHANGES IN ACCOUNTING POLICIES

1. New Accounting Standards adopted during the year:

The Company adopted the following CICA Handbook standards:

(a) Capital disclosures:

Section 1535 requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any regulatory capital requirements and, if it has not complied, the consequences of such non-compliance. This standard was effective for the Company for interim and annual financial statements beginning on December 1, 2007. These new disclosures are included in note 14 of the audited financial statements for the year ended November 30, 2008.

(b) Financial instruments:

Section 3862, Financial Instruments - Disclosure replaces the disclosure standards of Section 3861. The section requires disclosure, by class of financial instrument, that enables users to evaluate the significance of financial instruments to an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The quantitative disclosures must also include a sensitivity analysis for each type of market risk to which an entity is exposed, showing how net income and other comprehensive income would have been affected by reasonably possible changes in the relevant risk variable.

Section 3863, Financial Instruments - Presentation replaces the presentation standards of Section 3861. The existing requirements on presentation of financial instruments have been carried forward unchanged to Section 3863.

This standard was effective for the Company for interim and annual financial statements beginning on December 1, 2007. These new disclosures are included in notes 5 and 15 of the audited financial statements for the year ended November 30, 2008.

2. Recent accounting pronouncements issued and not yet applied:

Goodwill and intangible assets:

In February 2008, the CICA issued Handbook Section 3064, Goodwill and Intangible Assets, effective for interim and annual periods on or after October 1, 2008. Section 3064, which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research & Development Costs, establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The provisions relating to the definition and initial recognition of intangible assets, including internally generated intangible assets, are equivalent to the corresponding provisions of IAS 38, Intangible Assets. This new standard is effective for the Company's interim and annual financial statements commencing on December 1, 2008. The Company is assessing the impact of the new standard on its financial statements.

3. International Financial Reporting Standards (IFRS) Changeover Plan:

In 2006, the Canadian Accounting Standards Board (AcSB) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over a five-year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP.

IFRS 1, *First-time Adoption of International Financial Reporting Standards*, provides guidance for the initial adoption of

IFRS. IFRS 1 generally requires that an entity apply all IFRS standards effective at the end of its first IFRS reporting period retrospectively. However, IFRS 1 does require certain mandatory exceptions and limited optional exemptions in specified areas of certain standards from this general requirement. The Company is currently evaluating the exceptions and exemptions under IFRS 1 and will provide updated disclosure when available.

Key dates:

- Disclosure of IFRS implementation plan:.....November 30, 2009
- Disclosure of IFRS quantitative impact analysis:.....November 30, 2010
- Opening IFRS balance sheet and transition adjustment:.....December 1, 2010
- First external quarterly IFRS financial statements, including comparatives:.....February 28, 2012
- First external annual IFRS financial statements, including comparatives:.....November 30, 2012

Management began to develop its IFRS changeover plan in 2008, as the Company’s key finance employees attended training sessions and accumulated current literature on IFRS and their interpretations. An initial implementation timetable is in development that identifies key activities that will occur over the next two years leading up to the changeover. In 2009, the Company plans to develop a better understanding of the current differences between Canadian GAAP and IFRS, and as required by the AcSB, the Company will need to finalize its accounting policy choices within IFRS and assess its elective options under first-time adoption of IFRS (IFRS 1).

Management believes that sufficient and appropriate resources have been allocated to this IFRS conversion to ensure a timely and effective transition. Due to the uncertainty surrounding what IFRS will exist at the changeover date, management cannot reasonably assess the financial impact that IFRS will have on our financial statements at this time. As of March 26, 2009, the IFRS conversion plans are progressing according to plan.

FORWARD-LOOKING STATEMENTS

This Management’s Discussion and Analysis contains forward-looking statements which may not be based on historical fact, including without limitation statements containing the words “believes,” “may,” “plan,” “will,” “estimate,” “continue,” “anticipates,” “intends,” “expects,” and similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, among others, the Company’s stage of development, lack of product revenues, additional capital requirements, risks associated with the completion of clinical trials and obtaining regulatory approval to market the Company’s products, the ability to protect its intellectual property and dependence upon collaborative partners. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements are made as of the date hereof, and the Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates and foreign exchange rates;
- the timing of the receipt of regulatory and governmental approvals for the Company's research and development projects;
- the availability of financing for the Company's research and development projects, or the availability of financing on reasonable terms;
- the Company's costs of pre-clinical and clinical trials;

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- the Company's ability to attract and retain skilled staff;
- the impact of changes in Canadian-UK Pound, Canadian-Euro, Canadian-US dollar and other foreign exchange rates on the Company's costs and results;
- market competition;
- tax benefits and tax rates;
- the Company's ongoing relations with its employees and with its business partners.

Miraculins cautions you that the foregoing list of important factors and assumptions is not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. You should also carefully consider the matters discussed under "Risk Factors" in this MD&A. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, other than is required by regulation.