FORM 10-K

CardioGenics Holdings Inc. - CGNH

Filed: February 13, 2014 (period: October 31, 2013)

Annual report with a comprehensive overview of the company

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

FORM 10-K

[X] **Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended October 31, 2013**

OR

[ ] **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from __________ to __________.**

Commission file number: 000-28761

CARDIOGENICS HOLDINGS INC.
(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	**88-0380546** (I.R.S. Employer Identification Number)

6295 Northam Drive, Unit 8, Mississauga, Ontario L4V 1W8
(Address of principal executive offices) (Zip code)

(905) 673-8501
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock—$0.00001 par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

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

Large accelerated filer [ ]	Accelerated filer [ ]	Non-accelerated filer [ ] (Do not check if smaller reporting company)	Smaller reporting company [X]

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

The aggregate market value of the registrant's voting and non-voting common stock held by non-affiliates on January 22, 2014 (based on the closing stock price on the OTC Bulletin Board) on such date was approximately $7,871,443.

As of January 22, 2014 the Registrant had the following number of shares of its capital stock outstanding: 36,023,206 shares of Common Stock and 1 share of Series 1 Preferred Voting Stock, par value $0.0001, representing 13 exchangable shares of the Registrant's subsidiary, CardioGenics ExchangeCo Inc., which are exchangeable into 24,176,927 shares of the Registrant's Common Stock.

CARDIOGENICS HOLDINGS INC.

ANNUAL REPORT ON FORM 10-K

FOR THE FISCAL YEAR ENDED OCTOBER 31, 2013

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PART I

ITEM 1. BUSINESS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "**Securities Act**"), and Section 21E of the Securities Exchange Act of 1934, as amended (the " **Exchange Act**"). Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "may," "will," "should," "estimates," "predicts," "potential," "continue," "strategy," "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify forward-looking statements. Our discussions relating to our liquidity and capital resources, our business strategy, our competition, and the future of our market segment, our acquisition of CardioGenics Inc., an Ontario Canada corporation **("CardioGenics"**), among others, contain such statements. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements.

Our forward-looking statements in this Annual Report on Form 10-K are based on management's current views and assumptions regarding future events and speak only as of their dates. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the federal securities laws. Unless the context requires otherwise, the terms "we," "us" and "our" refer to CardioGenics Holdings Inc., our predecessors and subsidiaries. Our acquisition of CardioGenics as discussed in this Annual Report on Form 10-K is sometimes referred to as the "CardioGenics Acquisition."

COMPANY OVERVIEW

Prior to the CardioGenics Acquisition, our primary business was providing financial and investment information to the investment community which we had been doing since 1989. In July 2009, we consummated the CardioGenics Acquisition and the main focus of our business was changed to the development of products targeting the immunoassay segment of the point-of-care in-vitro diagnostic ("IVD") testing market. In order to better reflect the new focus of our business, we changed our name to CardioGenics Holdings Inc. in October 2009.

CardioGenics was founded in Toronto, Canada in 1997 by Dr. Yahia Gawad to develop technology and products targeting the immunoassay segment of the IVD testing market. These include:

- The QL Care Analyzer (the **"QLCA"**), a state-of-the-art proprietary Point-of-Care (**"POC"**) immunoassay analyzer;
- A series of immunoassay test products to detect cardiac markers (the **"Cardiovascular Tests"**); and,
- Paramagnetic beads developed through its proprietary method, which improves their light collection (the **"Beads"**).

We are a Nevada corporation. Our address is 6295 Northam Drive, Unit 8, Mississauga, Ontario, Canada L4V 1W8, and our telephone number is 905-673-8501.

OUR INDUSTRY

<u>CardioGenics IVD POC Testing Markets</u>

IVD Market

In-vitro diagnostics (IVD) refers to testing that aims for the identification of disease states outside the body, using samples such as body fluids (blood, urine) and tissues (biopsies and tissue sections). The IVD is a well established market, offering essential products (tests, components and machinery) used by physicians and clinical chemistry personnel to assess disease conditions. According to the latest Enterprise Analysis Corporation report in 2013, the world market for IVD products is estimated at $52.8 Billion in 2012 with an average growth rate of 8.4% in the last preceding 12 years. Further, the market is expected to grow an average of 5.5% over the next 5 years. North America, Europe, Africa, Middle East and Japan make up 86% of the total IVD market.

Immunoassay Market

According to the report, the 2012 immunoassay testing market still represents the largest segment of the IVD market by revenue amounting to $13.9 billion. The fastest growing segments of the IVD market are Anatomic Pathology (8.3%), Clinical Molecular (7.2%), Point-of-Care (7.0%) and Immunoassay (6.7%). The immunoassays field is now mature. Companies continue to develop new immunoassays and immunoassay instrument platforms to further improve the sensitivity of the assays and expand the potential of immunoassays for the future.

Point-Of-Care (POC) Testing Market

Point-Of-Care (POC) testing refers to testing performed outside of a centralized facility, with results available within minutes. POC testing is divided into personal use tests, such as pregnancy tests, and professional use tests, that are administered in a physician’s office or hospital emergency ward. Our tests will compete in the professional use testing market sector.

According to the same Enterprise Analysis Corporation report in 2013, the market for the POC is estimated at $5,346 million with 7% growth over the prior year. It is anticipated that most of the growth will come from increased use of cardiac markers and new assays for cancer markers and diabetes markers.

There is a wide perception that POC tests are more expensive than lab-based tests and that patient test results are lost to the historical record. There is also the perception that once the patient leaves the acute care area, the baseline POC tests done in that unit are of little value because the POC testing results do not correlate with lab-based systems.

The impact of POC testing on improving patients’ care is clear and has been well documented. Further, the impact of POC testing on saving healthcare resources was also demonstrated by numerous agencies and institutions.

Two critical characteristics are necessary for POC test products to become more prevalent; POC testing results must correlate with lab results and the POC devices must be more consistent and robust in delivering those results.

Cardiovascular Disease Testing Market

Cardiac markers are proteins released from heart muscle when it is damaged as a result of a heart attack (myocardial infarction), when the blood supply to part of the heart is interrupted. Physicians use cardiac markers in two ways; to diagnose a cardiac event in a hospital emergency room or within the hospital or to evaluate a risk of a cardiovascular event occurring. The routine markers of myocardial infarction – CK-MB, troponin and myoglobin and recently BNP are used in the acute care and tests such as cholesterol are used to evaluate risk.

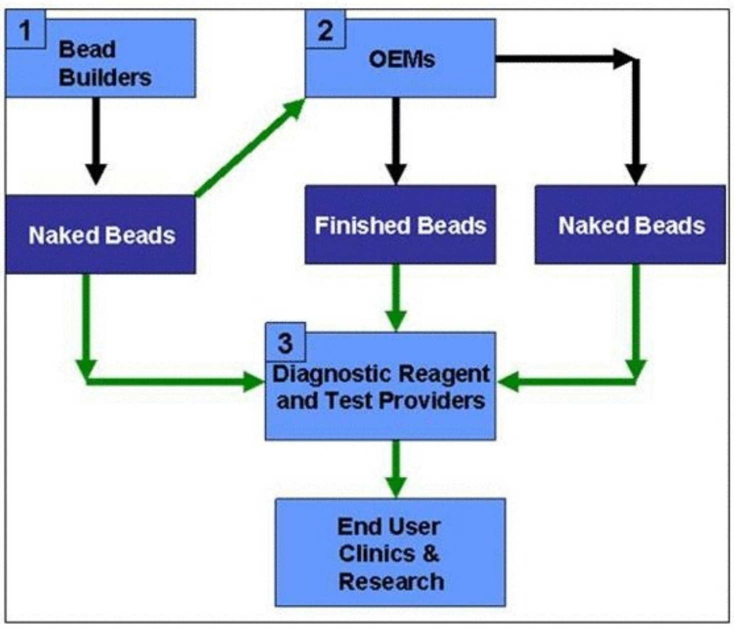
Until recently, Troponin and CK-MB were the lead cardiac markers. Brain Natriuetic Pepetide (BNP) was recently introduced to differentiate between a myocardial infarction and heart failure. A number of companies are focused on developing new cardiac markers.

According to a recently published market report, the market for Cardiac POC products is estimated at approximately US$ 2 billion in 2011 and rose by 9% over the prior year. This was driven by the introduction of new products and increase adoption of POC products by both healthcare providers and patients. Despite the many positive aspects of POC testing, the report stresses that there are many key challenges in the marketing of POC products as healthcare providers need evidence that POC diagnostics provide lab-quality results and benefits, in terms of clinical usefulness, convenience and cost in order to adopt them.

Magnetic Particles Market

Magnetic particles, or beads, are widely used as the solid phase for binding tests, both immunoassay and DNA binding. Magnetic beads are important for automating and simplifying the methods used for isolation and detection of biomolecules in both research and routine clinical laboratories. Eight of the top ten (10) IVD companies employ magnetic particles in their fully automated analyzers.

An independent 2006 market research report, prepared for CardioGenics by Adventus Research Inc. (the "Adventus Report") and sponsored by the National Research Council of Canada (NRC), estimated the market for magnetic beads for immunoassays and molecular diagnostics to be approximately $900 million (between $833 million and $1.3 billion). This report of market size estimates did not include magnetic beads produced in-house by some of the IVD test manufacturers or beads produced for research applications. The Adventus Report was conducted using several methods, including interviews with leading particle-manufacturers and the end-users, published industry reports and data from leading IVD manufacturers.



As stated in the Adventus Report, according to Dynal, a leading magnetic beads manufacturer, the largest part of its Molecular Systems' business is OEM sales of magnetic beads to IVD companies. Dynal stated that "the IVD market is very large and still growing. Further, the magnetic bead-based part of this market is growing at an even higher rate per year". According to Dynal, magnetic beads are now the gold standard for immunoassay testing, as opposed to older technologies such as microtitre plate based tests. Nucleic acid testing makes up a smaller portion of the IVD market, but is fast growing (currently USD 2 billion). Magnetic beads are the most common solid phase employed in this market.

Furthermore, according to Dynal, as stated in the Adventus Report, end-user business rather than OEM business (referred to as functionalized and naked beads markets respectively) goes to research and routine laboratories within Genomics, Expression Profiling and Proteomics. The market size for Genomics, including DNA and RNA extraction and purification products was USD 300 million in 2001. According to the same Enterprise Analysis Corporation report in 2013 the market size of molecular diagnostics was estimated to be USD 3.8 billion in 2012.

As stated in the Adventus Report, according to Gen-Probe, which is a leading DNA clinical testing company, other markets that are employing magnetic beads as a solid phase are growing also. Magnetic particles are used for Separation of Microorganisms in Food and Water Testing and also for HLA testing for organ transplantation.

OUR PRODUCTS

The CardioGenics Products

QL Care Analyzer

The QLCA represents a shift in the design of point-of-care (POC) analyzers. The QLCA is a small, portable, stand-alone and completely automated POC immunoassay analyzer. The QLCA has successfully miniaturized lab. test technology, and combined it with a simplified mechanical design and proprietary triggering mechanism.

The QLCA uses a proprietary self-metering cartridge to perform immunoassay tests at the POC. Each cartridge is pre-loaded with our beads, which have been coated with specific proteins which result in binding the target marker. A few drops of whole blood added to the Cartridge initiate the binding reaction and the chemiluminescent reaction needed to deliver sensitive and accurate test results. Operation of the QLCA does not require specialized training and testing can be completed in 15 minutes.

POC immunoassay analyzers are not new; however, none of the commercial analyzers can replicate the sensitivity and accuracy of a test done in a medical lab. The QLCA was designed specifically to deliver the required laboratory sensitivity and accuracy. The QLCA employs chemical light generation or "chemiluminescence" **("CL")**, the same technology used in the centralized medical labs. The QLCA uses a patented automated electronic process to trigger CL, which enhances light collection, speeds up marker binding and increases sensitivity. Further, the QLCA employs several other proprietary technologies to deliver lab-quality test results.

We have rigorously tested the QLCA protocols and have compared our test results against medical laboratory test data. Based on these internal test results, we have consistently met or exceeded the sensitivity standards of medical laboratory immunoassay equipment.

Cardiovascular Tests

To support the use of the QLCA, we have developed four immunoassay tests designed to identify cardiac markers in the blood at the time of a heart attack.

Test	Description
Troponin I (TnI)	● TnI testing is the current routine testing for a heart attack. ● TnI is a heart muscle protein, released in the bloodstream shortly after a heart attack (myocardial infarction or MI). ● Current laboratory analyzers cannot detect TnI before 4-6 hours after the onset of symptoms, when TnI concentration in the blood reaches its detection threshold. ● Our test will take only 15 minutes to deliver quantitative results, allowing physicians to obtain much more rapid results and therefore accelerate patient triage.
Plasminogen Activator Inhibitor Type-1 (PAI-1)	● This test will help to optimize the performance of a heart drug (**"tPA"** or tissue Plasminogen Activator), a clot buster used as the first line of therapy for MI patients. ● This proprietary whole blood test will quantify PAI-1 levels within 15 minutes. ● Forty percent of patients do not respond to tPA, a fact recognized only after the "golden hour" (the time period in which permanent heart damage can be prevented) has passed.
Heart Failure Risk Stratification (HFRS)	● We have discovered a family of related proteins that are released into the bloodstream during heart failure. ● We are developing a proprietary test, the Heart Failure Risk Stratification or HFRS test to stratify the risk of death in patients with heart failure, thus permitting the initiation of appropriate therapy at an early stage.
Heart Failure Genomics Risk (HFGR)	● We are developing a proprietary HFGR test that predicts the response of heart failure patients to routinely administered drugs. ● The need to measure the precise response to these drugs in a timely manner would minimize the trial and error methods now used by doctors to optimize drugs best suited to each patient.

These tests are designed to be administered during the diagnostic and management process of patients with heart disease. The full scope of our core technologies, our self metering cartridge as well as the know-how we have developed over the years are covered under our patent applications.

Currently, our TnI test product is in pilot testing. Once the pilot testing is concluded, testing for regulatory approval will be initiated. We expect this testing to be completed during the fiscal year ending October 31, 2014. The filing for U.S. and European regulatory approval is expected before the end of 2014. Upon receipt of FDA approval, we intend to market the QLCA and the Cardiovascular Tests through a major IVD distributor. We have initiated preliminary discussions with several of the Tier 1 IVD companies, and we anticipate that we will commence negotiations with one or more distribution partners before we receive FDA approval**.** In accordance with industry practice, we intend to enter into a license agreement with our distribution partner for the manufacture and distribution of our products.

Paramagnetic Beads

Clinical and research laboratories use paramagnetic particles as a solid surface in heterogeneous immunoassay tests. Paramagnetic (magnetic) beads are the most common solid phase employed during immunoassays tests in these laboratories. The process of phase separation (separation of the magnetic beads) is done by application of an electromagnetic field. The majority of centralized laboratory testing involve the measurement of light generated on the surface of paramagnetic beads coated with biological material as the outcome of the measurement.

Our Magnetic Beads represent a significant product advance. Most paramagnetic beads are made of iron oxide, and all are traditionally black or brown. We have developed proprietary process for plating the beads with a layer of silver, making them white, and more sensitive to light. Our production process is also significantly less expensive than those used by our competitors. We have internally tested our Beads against all commercially available beads, and have found our silver-coated Beads to be five times more sensitive than traditional black or brown magnetic particles. The results of this testing was presented and published in an international conference.

On January 19, 2009 CardioGenics Inc., one of our Canadian subsidiaries, entered into a Supply, Development & Distribution Agreement with Merck Chimie S.A.S. (“Merck Chimie”) (the “Merck Agreement”), pursuant to which CardioGenics is required to furnish Merck Chimie with certain quantities of CardioGenics’ proprietary silver-coated paramagnetic beads (the “CardioGenics Test Samples”), which Merck Chimie is then required to encapsulate, on a test-basis, using Merck Chimie’s proprietary encapsulation process. After Merck Chimie selects the best encapsulation process, Merck Chimie agreed to then establish the manufacturing parameters for the final encapsulated beads (the “Merck Encapsulated Beads”) and thereafter scale-up production for commercial distribution of the Merck Encapsulated Beads. Currently, Merck Chimie has concluded that magnetic beads encapsulated in CardioGenics meet the product specifications for commercial products. Marketing these magnetic beads has not commenced yet as both Merck Chemie and Cardiogenics have not agreed on the terms of final agreement.

Pursuant to the current executed Merck Agreement, Merck Chimie has the exclusive right, for ten (10) years, to distribute the Merck Encapsulated Beads on a worldwide basis, with CardioGenics receiving 30% of the net sales proceeds of the Merck Encapsulated Beads and Merck receiving 70% of such net sales proceeds. Merck is responsible for manufacturing and distributing the Merck Encapsulated Beads. The company is in process of renegotiating the agreement with Merck Chimie in order to ensure sale of product.

OUR STRATEGY

The success of our business depends on our ability to obtain the requisite financing and be able to:

- complete the development and testing of our QLCA and our cardiovascular tests;
- obtain FDA approval of our QLCA and the cardiovascular tests;
- develop further tests that can be run on our QLCA;
- commercialize our Beads.

We will require additional funds in order to implement our full business strategy. Accordingly, we will need to raise additional funds through public or private financing, strategic relationships or other arrangements. We do not anticipate generating any significant revenue until after the FDA has approved our OLCA and first cardiovascular test and Merck Chimie initiates commercializing our Beads pursuant to our agreement with them.

Since our strength is product development and innovation, our strategy is focused on exploiting this strength. In terms of product development and innovation, we employ our internal resources to develop our products through the various phases of development. We also rely on external service providers to supplement our internal talents in product development.

We will outsource product manufacturing. In terms of the QLCA, both the cartridge assembly as well as the analyzer assembly will be contracted out to different OEM providers with the facilities and expertise to deliver quality products. We will maintain a quality control process to ensure that the products meet the predetermined specifications.

Product marketing and distribution will be achieved through partnerships with global companies with wide reach. As we have done with our magnetic beads, the QLCA will be marketed by a third party through licensing and distribution agreements. Notwithstanding this strategy, we also intend to evaluate the feasibility of directly marketing our magnetic beads and QLCA to appropriate end-users and may use such direct marketing efforts to supplement the efforts of our future distribution partner(s).

We are also focusing on protecting our intellectual property and know how though maintaining a patent filing process on a global basis as well as maintaining confidentiality agreements with our staff, employees and service providers under contractual agreements.

Although we believe in these strategies, goals and targets, we cannot guarantee that we will be successful in implementing them or that, even if implemented; they will be effective in creating a profitable business. In addition, we are dependent on having sufficient cash to carry out our strategies.

Regulation

CardioGenics Products

Our QL Analyzer, Cartridge and Tests are classified as medical devices. Our beads are reagents of medical testing equipment. Accordingly, they are subject to a number of regulations in the jurisdictions where our products will be sold.

United States

The testing, production and sale of IVD products are subject to regulation by numerous state and federal government authorities, principally the FDA.

Pursuant to the *U.S. Federal Food, Drug and Cosmetic Act* ("FD&C Act"), the FDA regulates the preclinical and clinical testing, manufacture, labeling, distribution and promotion of medical devices.

Medical devices are classified into three categories, Class I, Class II or Class III. The classification of a device is based on the level of control necessary to assure the safety and effectiveness of the device. Generally, the complexity of the submission and the approval times are based on the regulatory class of the device. Device classification depends on the intended use and also the indications for use of the device. Classification is also based on the risk the device poses to the patient and/or the user. Class I devices include devices with the lowest risk, and Class III devices are those with the greatest risk. Class I devices are subject to general control, Class II devices are subject to general controls and special controls, and Class III devices are subject to general controls and must receive a Premarket Assessment or PMA by the FDA.

Before some Class I and most Class II devices can be introduced in the market, either the manufacturer or distributor of the device is required to follow the pre-market notification process described in section 510(k) of the FD&C Act. A 510(k) is a pre-marketing submission made to the FDA to demonstrate that the device to be marketed is as safe and effective, and is substantially equivalent to a legally marketed device. Applicants must compare their 510(k) device to one or more similar devices currently on the US market and support their claims for substantial equivalency. The FDA requires a rigorous demonstration of substantial equivalency. It generally takes three to six months from submission to obtain 510(k) clearance. If any device cleared through 510(k) is modified or enhanced, or if there is a change of use of the device, a new amended 510(k) application must be submitted.

According to FDA regulations and our management team's prior experiences with submissions of similar products, our QLCA and launch product (TnI) will be classified as a Class II device and will be subjected to the 510(K) process. Further, a second test product of ours (HFRS) will also be subjected to the same 510(K) process. As for both tests, predicate devices are commercially available. For other test products, depending on the claims and with a prior agreement with the FDA, the submissions would be either a PMA or 510(K). We have not yet approached the FDA for that purpose.

Canada

Health Canada sets out the requirements governing the sale, importation and advertisement of medical devices. These regulations are intended to ensure that medical devices distributed in Canada are both safe and effective. We are also required to comply with certain procedures for the disposal of waste products under the Canadian Code of Practice for the Management of Biological Waste (the "Code"). We believe we are currently in compliance with all required Code provisions.

Europe

Our products will be subject to registration under the EU Medical Device Directives for in-vitro diagnostic products.

Other countries

Our products will be subject to the regulations of any country where they are sold, and we will make the necessary applications for approval on a country-by-country basis.

Competition

CardioGenics Competitors

Numerous companies provide Point Of Care (POC) products, many with cardiovascular test offerings. However, in terms of quantitative POC products, few companies operate in this space with marketed devices. These include:

- Biosite Diagnostics Incorporated;
- Response Biomedicals Corp.;
- Roche POC division; and
- i-Stat division of Abbott Diagnostics

The first 2 companies employ fluorescence measurements in their platforms whereas Roche employs both Fluorescence and spectroscopic methods for detection, while i-Stat employs electrochemical testing. We believe that our technology and products in development will offer superior products to the POC market. None of the above companies offer chemiluminescence in its platform, a technology that is well-recognized for its superiority as evidenced by its dominance in the laboratory testing market. We believe that harnessing chemiluminescence in our QLCA will fulfill the clinical demands for fast and accurate quantitative results at patient bedsides.

Research and Development

Our efforts are focused on the development of our QLCA and our cardiovascular tests and the commercialization of our beads. Over the years 2013 and 2012 we incurred net expenses of $419,364 and $522,953 respectively on those efforts.

Website Technical Information

Our CardioGenics website (www.cardiogenics.com) and the website of our wholly owned subsidiary, LuxSpheres (www.luxspheres.com), are maintained by us internally and are hosted by DreamHost, which has hosting facilities located in Brea, California.

Employees

As of October 31, 2013, we had seven 7 employees, none of whom have an employment agreement with the Company.

Acquisition of CardioGenics

On July 31, 2009 we completed the acquisition of CardioGenics by CardioGenics ExchangeCo Inc. (**"ExchangeCo"**), our Ontario, Canada subsidiary, pursuant to the terms of a Share Purchase Agreement dated May 22, 2009 among ExchangeCo, JAG Media Holdings, Inc., CardioGenics and CardioGenics' principal stockholder, Yahia Gawad (the **"Share Purchase Agreement"**). CardioGenics is considered the acquirer in the transaction for accounting and financial reporting purposes.

In connection with the acquisition, ExchangeCo acquired all of the outstanding common shares of CardioGenics (the **"CardioGenics Common Shares"**), excluding 173,869 CardioGenics Common Shares in the aggregate owned by two (2) minority stockholders of CardioGenics (the **"Dissenting Stockholders"**), in consideration for the issuance of 422,183,610 shares of our common stock to the CardioGenics stockholders at the closing, as further described below (the **"Share Consideration"**). On January 3, 2014 the Dissenting Shareholders elected to exchange their shares in CardioGenics Inc. for 296,538 common shares of CardioGenics Holdings Inc. which is the same number of shares to which they would have been entitled had they exercised their option July 31, 2009. In consideration for the surrender of their CardioGenics Common Shares, the CardioGenics stockholders had the option to receive at the closing their pro-rata allocation of the Share Consideration in the form of (a) our common shares or (b) "Exchangeable Shares" of ExchangeCo, which are exchangeable into our common shares in accordance with the terms of a Voting and Exchange Trust Agreement dated July 6, 2009 among JAG Media, ExchangeCo, and WeirFoulds LLP, as trustee and the rights and preferences of the Exchangeable Shares. Those CardioGenics stockholders who elected to receive directly our common shares were issued, in the aggregate, 145,528,195 common shares at the closing and those CardioGenics stockholders who elected to receive Exchangeable Shares were issued 16 Exchangeable Shares at the closing, which are exchangeable at any time into 276,655,415 of our common shares, in the aggregate. The Share Consideration issued at the closing provided the CardioGenics stockholders with direct and indirect ownership of approximately 85% of our outstanding common stock, on a fully diluted basis.

Immediately prior to the closing, all CardioGenics debenture holders converted their debentures into CardioGenics Common Shares in accordance with the terms of their respective debentures, as required by the terms of the Share Purchase Agreement. Accordingly, such former debenture holders became CardioGenics stockholders for purposes of the acquisition and received their pro-rata allotment of the Share Consideration in the form of JAG Common Shares and/or Exchangeable Shares at the closing in consideration for the surrender of the CardioGenics Common Shares they received upon conversion of their debentures.

Also prior to the closing, CardioGenics closed on an equity investment round of financing totaling $2,715,000. These equity investors in CardioGenics became CardioGenics stockholders for purposes of the acquisition and received their pro-rata allotment of the Share Consideration in the form of our common shares.

All of our common shares received by CardioGenics stockholders in exchange for their CardioGenics Common Shares were not be registered for resale and, therefore, were subjected to the rights and restrictions of Rule 144. All Exchangeable Shares received by CardioGenics stockholders in exchange for their CardioGenics Common Shares (and any of our common shares into which such Exchangeable Shares may be exchanged) also may not be registered for resale prior to six (6) months following the closing and, therefore shall remain subject to the rights and restrictions of Rule 144 prior to any such registration.

Also at the closing, all holders of CardioGenics warrants entitling the holders to purchase CardioGenics Common Shares at various prices exchanged their CardioGenics warrants for warrants to purchase, in the aggregate, 36,148,896 of our common shares at exercise prices of $0.047 per share, in accordance with the terms of the Share Purchase Agreement and the respective warrants. The terms of these newly issued warrants did not include any registration rights for the warrant holders. CardioGenics had no options to acquire CardioGenics Common Shares outstanding as of the closing.

At the closing, our then current directors resigned as directors of JAG Media and its subsidiaries after appointing their successors and our then current officers also resigned as officers and executives of JAG Media and its subsidiaries. After their resignation and the closing, our former directors entered into consulting agreements with the Company pursuant to which they are rendered various services to assist us in connection with certain transition matters. Each consulting agreement was for a term of 18 months, with each party receiving 500,000 shares of the Company's common stock, issued pursuant to our 1999 Long-Term Incentive Plan, as compensation for their services under the consulting agreements.

Following the closing, a majority of our stockholders approved, by written consent, an amendment to our articles of incorporation, which provided for (a) a change in our corporate name from *"JAG Media Holdings, Inc."* to *"CardioGenics Holdings Inc."* and (b) an increase in the number of our authorized JAG Common Shares from 500,000,000 to 650,000,000.

Financing Arrangements

None.

Increase in Authorized Shares

In October 2009 a majority of our stockholders approved, by written consent, an amendment to our articles of incorporation, which provided for, among other matters, an increase in the number of our authorized shares of common stock from 500,000,000 to 650,000,000. The 650,000,000 authorized shares of our common stock were subsequently reduced to 65,000,000 authorized shares of common stock pursuant to a reverse stock split implemented by the Company on June 18, 2010, as further described below. On October 17, 2012 a majority of our stockholders approved an amendment to our articles of incorporation, which provided for, among other matters, an increase in the number of our authorized shares of common stock from 65,000,000 to 150,000,000. On January 17, 2013 the Company filed a Certificate of Amendment to the Company's Articles of Incorporation to increase the authorized common shares to 150,000,000 and de-authorize the Company's Class B common stock.

Reverse Stock Split

As authorized by our Board of Directors, on June 18, 2010, we filed a "Certificate of Change" with the Nevada Secretary of State's Office, which effected a 1:10 share consolidation of our outstanding and authorized shares of common stock. As a result of this share consolidation, our authorized shares of common stock was reduced from 650,000,000 to 65,000,000 and our outstanding shares of common stock as of such date were consolidated in accordance with the 1:10 share consolidation ratio.

Facilities

See "Item 2.—Properties."

Legal Proceedings

See "Item 3.—Legal Proceedings."

Where You Can Find More Information About Us

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read and copy any of this information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 on official business days during the hours of 10:00 a.m. to 3:00 p.m. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. This information is also available from the SEC's website at http://www.sec.gov. We will also gladly send any filing to you upon your written request to Dr. Yahia Gawad, our Chief Executive Officer, at 6295 Northam Drive, Unit 8, Mississauga, Ontario L4V 1W8.

ITEM 1A. RISK FACTORS

Risks Related to Our Business and Industry

The requirements of being a public company may strain our resources and distract our management

As a public company, we are subject to the reporting requirements of the Exchange Act and the Sarbanes-Oxley Act. These requirements place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls for financial reporting. Management has identified the following material weaknesses in our internal controls over financial reporting; 1) lack of resources to account for complex and unusual transactions and 2) there is no effective segregation of duties, which includes monitoring controls, between the members of management.

We are also required to document and test our internal control procedures in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act, which requires annual management assessments of the effectiveness of our internal controls over financial reporting. If we fail to achieve and maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with the Sarbanes-Oxley Act.

In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. This may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, we may need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge, and we cannot assure you that we will be able to do so in a timely fashion.

We have not earned any material revenues in our CardioGenics business unit since its incorporation and only have a limited operating history in its current business, which raise doubt about our ability to continue as a going concern.

Our CardioGenics business unit has a limited operating history in its current business and must be considered in the development stage. It has not generated any material revenues since its inception and we will, in all likelihood, continue to incur operating expenses without significant revenues until we complete development of our Cardiovascular Tests and commercialize our QLCA and the Cardiovascular Tests. The primary source of funds for our CardioGenics business unit has been the sale of common stock. We cannot assure that we will be able to generate any significant revenues or income. These circumstances make us dependent on additional financial support until profitability is achieved. There is no assurance that we will ever be profitable and we have not yet achieved profitable operations. These factors raise substantial doubt that we will be able to continue as a going concern.

We need to raise additional financing to support the research and development of our CardioGenics business but we cannot be sure that we will be able to obtain additional financing on terms favorable to us when needed. If we are unable to obtain additional financing to meet our needs, our operations may be adversely affected or terminated.

Our ability to develop new test products for our QLCA is dependent upon our ability to raise significant additional financing when needed. If we are unable to obtain such financing, we will not be able to fully develop and commercialize our platform and technology. Our future capital requirements will depend upon many factors, including:

- continued scientific progress in our research and development programs;
- cost and timing of conducting clinical trials and seeking regulatory approvals and patent prosecutions;
- competing technological and market developments;
- our ability to establish additional collaborative relationships; and
- the effect of commercialization activities and facility expansions if and as required.

We have limited financial resources and to date, no material cash flow from the operations of our CardioGenics business unit and we are dependent for funds on our ability to sell our common stock, primarily on a private placement basis. There can be no assurance that we will be able to obtain financing on that basis in light of factors such as the market demand for our securities, the state of financial markets generally and other relevant factors. Any sale of our common stock in the future will result in dilution to existing stockholders. Furthermore, there is no assurance that we will not incur debt in the future, that we will have sufficient funds to repay any future indebtedness or that we will not default on our future debts, jeopardizing our business viability. Finally, we may not be able to borrow or raise additional capital in the future to meet our needs or to otherwise provide the capital necessary to continue the development of our technology, which might result in the loss of some or all of your investment in our common stock.

We may acquire other businesses, license rights to technologies or products, form alliances, or dispose of or spin-off businesses, which could cause us to incur significant expenses and could negatively affect profitability.

We may pursue acquisitions, technology licensing arrangements, and strategic alliances, or dispose of or spin-off some of our businesses, as part of our business strategy. We may not complete these transactions in a timely manner, on a cost-effective basis, or at all, and may not realize the expected benefits. If we are successful in making an acquisition, the products and technologies that are acquired may not be successful or may require significantly greater resources and investments than originally anticipated. We may not be able to integrate acquisitions successfully into our existing business and could incur or assume significant debt and unknown or contingent liabilities. We could also experience negative effects on our reported results of operations from acquisition or disposition-related charges, amortization of expenses related to intangibles and charges for impairment of long-term assets.

The expiration or loss of patent protection and licenses may affect our future revenues and operating income.

Much of our business relies on patent and trademark and other intellectual property protection. Although most of the challenges to our intellectual property would likely come from other businesses, governments may also challenge intellectual property protections. To the extent our intellectual property is successfully challenged, invalidated, or circumvented or to the extent it does not allow us to compete effectively, our business will suffer. To the extent that countries do not enforce our intellectual property rights or to the extent that countries require compulsory licensing of our intellectual property, our future revenues and operating income will be reduced. Our principal patents and trademarks are described in greater detail in the sections captioned, "Patents, Trademarks, and Licenses."

Competitors' intellectual property may prevent us from selling our products or have a material adverse effect on our future profitability and financial condition.

Competitors may claim that one or more of our products infringe upon their intellectual property. Resolving an intellectual property infringement claim can be costly and time consuming and may require us to enter into license agreements. We cannot guarantee that we would be able to obtain license agreements on commercially reasonable terms. A successful claim of patent or other intellectual property infringement could subject us to significant damages or an injunction preventing the manufacture, sale or use of our affected products. Any of these events could have a material adverse effect on our profitability and financial condition.

We may not be able to adequately protect our intellectual property

We believe the patents, trade secrets and other intellectual property we use are important to our business, and any unauthorized use of such intellectual property by third parties may adversely affect our business and reputation. We rely on the intellectual property laws and contractual arrangements with our employees, business partners and others to protect such intellectual property rights. Filing, prosecuting, defending and enforcing patents on all of our technologies and products throughout the world would be prohibitively expensive. Competitors may, without our authorization, use our intellectual property to develop their own competing technologies and products in jurisdictions where we have not obtained patent protection. These technologies and products may not be covered by any of our patent claims or other intellectual property rights. Furthermore, the validity, enforceability and scope of protection of intellectual property in some countries where we may conduct business is uncertain and still evolving, and these laws may not protect intellectual property rights to the same extent as the laws of the United States.

Many companies have encountered significant problems in protecting and defending their intellectual property rights in foreign jurisdictions. Many countries, including certain countries in Europe, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties (for example, the patent owner has failed to “work” the invention in that country or the third party has patented improvements). In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of the patent. Moreover, litigation involving patent or other intellectual property matters in the United States or in foreign countries may be necessary in the future to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources, and have a material adverse effect on our business, financial condition and results of operations.

We are subject to numerous governmental regulations and it can be costly to comply with these regulations and to develop compliant products and processes.

Our products are subject to regulation by the U.S. Food and Drug Administration (“FDA”), and numerous international, federal, and state authorities. The process of obtaining regulatory approvals to market a medical device can be costly and time-consuming, and approvals might not be granted for future products, or additional uses of existing products, on a timely basis, if at all. Delays in the receipt of, or failure to obtain approvals for, future products, or additional uses of existing products, could result in delayed realization of product revenues, reduction in revenues, and in substantial additional costs. In particular, in the United States our products are regulated under the 1976 Medical Device Amendments to the Food, Drug and Cosmetic Act, which is administered by the FDA. We believe that the FDA will classify our products as “Class II” devices, thus requiring us to submit to the FDA a pre-market notification form or 510(k). The FDA uses the 510(k) to substantiate product claims that are made by medical device manufacturers prior to marketing. In our 510(k) notification, we must, among other things, establish that the product we plan to market is “substantially equivalent” to (1) a product that was on the market prior to the adoption of the 1976 Medical Device Amendment or (2) a product that the FDA has previously cleared.

The FDA review process of a 510(k) notification can last anywhere from three to six months or even longer, and the FDA must issue a written order finding “substantial equivalence” before a company can market a medical device. We are currently developing a group of cardiovascular tests that we will have to clear with the FDA through the 510(k) notification procedures. These test products are crucial for our success and if we do not receive 510(k) clearance for a particular product, we will not be able to market these products in the United States, which will have a material adverse effect on our revenues, profitability and financial condition.

In addition, no assurance can be given that we will remain in compliance with applicable FDA and other regulatory requirements once clearance or approval has been obtained for a product. We must incur expense and spend time and effort to ensure compliance with these complex regulations. Possible regulatory actions could include warning letters, fines, damages, injunctions, civil penalties, recalls, seizures of our products and criminal prosecution. These actions could result in, among other things: substantial modifications to our business practices and operations; refunds, recalls, or seizures of our products; a total or partial shutdown of production while we or our suppliers remedy the alleged violation; the inability to obtain future pre-market clearances or approvals; and, withdrawals or suspensions of current products from the market. Any of these events could disrupt our business and have a material adverse effect on our revenues, profitability and financial condition.

Changes in third-party payor reimbursement regulations can negatively affect our business.

By regulating the maximum amount of reimbursement they will provide for blood testing services, third-party payors, such as HMOs, pay-per-service insurance plans, Medicare and Medicaid, can indirectly affect the pricing or the relative attractiveness of our diagnostic products. For example, the Centers for Medicare and Medicaid Services set the level of reimbursement of fees for blood testing services for Medicare beneficiaries. If third-party payors decrease the reimbursement amounts for blood testing services, it may decrease the amount that physicians and hospitals are able to charge patients for such services. Consequently, we would either need to charge less for our products or incur a reduction in our profit margins. If the government and third-party payors do not provide for adequate coverage and reimbursement levels to allow health care providers to use our products, the demand for our products will decrease.

Laws and regulations affecting government benefit programs could impose new obligations on us, require us to change our business practices, and restrict our operations in the future.

Our industry is also subject to various federal, state, and international laws and regulations pertaining to government benefit program reimbursement, price reporting and regulation, and health care fraud and abuse, including anti-kickback and false claims laws, the Medicaid Rebate Statute, the Veterans Health Care Act, and individual state laws relating to pricing and sales and marketing practices. Violations of these laws may be punishable by criminal and/or civil sanctions, including, in some instances, substantial fines, imprisonment, and exclusion from participation in federal and state health care programs, including Medicare, Medicaid, and Veterans Administration health programs. These laws and regulations are broad in scope and they are subject to evolving interpretations, which could require us to incur substantial costs associated with compliance or to alter one or more of our sales or marketing practices. In addition, violations of these laws, or allegations of such violations, could disrupt our business and result in a material adverse effect on our revenues, profitability, and financial condition.

Our research and development efforts may not succeed in developing commercially successful products and technologies, which may cause our revenue and profitability to decline.

To remain competitive, we must continue to launch new products and technologies. To accomplish this, we must commit substantial efforts, funds, and other resources to research and development. A high rate of failure is inherent in the research and development of new products and technologies. We must make ongoing substantial expenditures without any assurance that its efforts will be commercially successful. Failure can occur at any point in the process, including after significant funds have been invested.

Promising new product candidates may fail to reach the market or may only have limited commercial success because of efficacy or safety concerns, failure to achieve positive clinical outcomes, inability to obtain necessary regulatory approvals, limited scope of approved uses, excessive costs to manufacture, the failure to establish or maintain intellectual property rights, or infringement of the intellectual property rights of others. Even if we successfully develop new products or enhancements or new generations of our existing products, they may be quickly rendered obsolete by changing customer preferences, changing industry standards, or competitors’ innovations. Innovations may not be accepted quickly in the marketplace because of, among other things, entrenched patterns of clinical practice or uncertainty over third-party reimbursement. We cannot state with certainty when or whether any of our products under development will be launched or whether any products will be commercially successful. Failure to launch successful new products or new uses for existing products may cause our products to become obsolete, causing our revenues and operating results to suffer.

New products and technological advances by our competitors may negatively affect our results of operations.

Our products face intense competition from our competitors' products. Competitors' products may be safer, more effective, more effectively marketed or sold, or have lower prices or superior performance features than our products. We cannot predict with certainty the timing or impact of the introduction of competitors' products.

We depend on key members of our management and scientific staff and, if we fail to retain and recruit qualified individuals, our ability to execute our business strategy and generate sales would be harmed.

We are highly dependent on the principal members of our management and scientific staff. The loss of any of these key personnel, including in particular Dr. Yahia Gawad, our Chief Executive Officer, might impede the achievement of our business objectives. We may not be able to continue to attract and retain skilled and experienced scientific, marketing and manufacturing personnel on acceptable terms in the future because numerous medical products and other high technology companies compete for the services of these qualified individuals. We currently do not maintain key man life insurance on any of our employees.

The manufacture of many of our products is a highly exacting and complex process, and if we or one of our suppliers encounter problems manufacturing products, our business could suffer.

The manufacture of many of our products is a highly exacting and complex process, due in part to strict regulatory requirements. Problems may arise during manufacturing for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, natural disasters, and environmental factors. In addition, we may use single suppliers for certain products and materials. If problems arise during the production of a batch of product, that batch of product may have to be discarded. This could, among other things, lead to increased costs, lost revenue, damage to customer relations, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before the product is released to the market, recall and product liability costs may also be incurred. To the extent we or one of our suppliers experience significant manufacturing problems, this could have a material adverse effect on our revenues and profitability.

Significant safety issues could arise for our products, which could have a material adverse effect on our revenues and financial condition.

All medical devices receive regulatory approval based on data obtained in controlled testing environments of limited duration. Following regulatory approval, these products will be used over longer periods of time with many patients. If new safety issues arise, we may be required to change the conditions of use for a product. For example, we may be required to provide additional warnings on a product's label or narrow its approved use, either of which could reduce the product's market acceptance. If serious safety issues with one of our products arise, sales of the product could be halted by us or by regulatory authorities. Safety issues affecting suppliers' or competitors' products also may reduce the market acceptance of our products.

In addition, in the ordinary course of business, we may be the subject of product liability claims and lawsuits alleging that our products or the products of other companies that we promote, or may be incorporated in our products, have resulted or could result in an unsafe condition for or injury to patients. Product liability claims and lawsuits and safety alerts or product recalls, regardless of their ultimate outcome, may have a material adverse effect on our business, reputation and financial condition, as well as on our ability to attract and retain customers. Product liability losses are self-insured.

The international nature of our business subjects us to additional business risks that may cause our revenue and profitability to decline.

Since we intend to market our products internationally, our business will be subject to risks associated with doing business internationally. The risks associated with any such operations outside the United States include:

- changes in foreign medical reimbursement policies and programs;
- multiple foreign regulatory requirements that are subject to change and that could restrict our ability to manufacture, market, and sell our products;
- differing local product preferences and product requirements;
- trade protection measures and import or export licensing requirements;
- difficulty in establishing, staffing, and managing foreign operations;
- differing labor regulations;
- potentially negative consequences from changes in or interpretations of tax laws;
- political and economic instability;
- inflation, recession and fluctuations in foreign currency exchange and interest rates; and,
- compulsory licensing or diminished protection of intellectual property.

These risks may, individually or in the aggregate, have a material adverse effect on our revenues and profitability.

Other factors can have a material adverse effect on our future profitability and financial condition.

Many other factors can affect our profitability and financial condition, including:

- Changes in or interpretations of laws and regulations including changes in accounting standards, taxation requirements and environmental laws in domestic or foreign jurisdictions.
- Changes in the rate of inflation (including the cost of raw materials, commodities, and supplies), interest rates and the performance of investments held by us.
- Changes in the creditworthiness of counterparties that transact business with or provide services to us or to our distributors.
- Changes in business, economic, and political conditions, including: war, political instability, terrorist attacks in the U.S. and other parts of the world, the threat of future terrorist activity in the U.S. and other parts of the world and related military action; natural disasters; the cost and availability of insurance due to any of the foregoing events; labor disputes, strikes, slow-downs, or other forms of labor or union activity; and, pressure from third-party interest groups.
- Changes in our business units and investments and changes in the relative and absolute contribution of each to earnings and cash flow resulting from evolving business strategies, changing product mix, changes in tax rates both in the U.S. and abroad and opportunities existing now or in the future.

- Changes in the buying patterns of a major distributor, retailer, or wholesale customer resulting from buyer purchasing decisions, pricing, seasonality, or other factors, or other problems with licensors, suppliers, distributors, and business partners.

- Difficulties related to our information technology systems, any of which could adversely affect business operations, including any significant breakdown, invasion, destruction, or interruption of these systems.

- Changes in credit markets impacting our ability to obtain financing for our business operations.

- Legal difficulties, any of which could preclude or delay commercialization of products or adversely affect profitability, including claims asserting statutory or regulatory violations, adverse litigation decisions, and issues regarding compliance with any governmental consent decree.

Risks Related to Our Capital Structure

Our stockholders may experience significant dilution from the exercise of warrants to purchase shares of our Common Stock .

The Company currently has outstanding warrants to purchase 8,332,500 shares of our Common Stock at exercise prices ranging from $0.10 to $1.00 per share. Accordingly, if such warrants are exercised, in whole or in part, prior to their expiration dates, you may experience substantial dilution upon exercise of these warrants. In addition, the likelihood of such dilution may be accelerated if the price of our Common Stock increases to a level greater than the exercise price of these warrants.

Future Issuance of Our Common Stock Could Dilute Current Stockholder or Adversely Affect the Market.

Future issuances of our common stock could be at values substantially below the price paid by the current holders of our common stock. In addition, common stock could be issued to fend off unwanted tender offers or hostile takeovers without further stockholder approval. Sales of substantial amounts of our common stock in the public market, or even just the prospect of such sales, could depress the prevailing market price of our common stock and our ability to raise equity capital in the future.

The market for our common stock is limited.

Our common stock is traded on the OTC Bulletin Board. Trading activity in our stock has fluctuated and at times been limited. We cannot guarantee that a consistently active trading market for our stock will continue, especially while we remain on the OTC Bulletin Board.

Shares eligible for future sale may adversely affect the market price of our common stock.

From time to time, certain of our stockholders may be eligible to sell some or all of their shares of our common stock by means of ordinary brokerage transactions in the open market pursuant to Rule 144, promulgated under the Securities Act, subject to certain limitations. In general, pursuant to Rule 144, non-affiliate stockholders may sell freely after six months subject only to the current public information requirement (which disappears after one year). Affiliates may sell after six months subject to the Rule 144 volume, manner of sale, current public information and notice requirements. The eventual availability for sale of substantial amounts of our common stock under Rule 144 could adversely affect prevailing market prices for our securities and cause you to lose most, if not all, of your investment in our business.

We expect volatility in the price of our common stock, which may subject us to securities litigation and thereby divert our resources which may materially affect our profitability and results of operations or force us to cease operations.

The market for our common stock may be characterized by significant price volatility when compared to seasoned issuers, and we expect that our share price will be more volatile than a seasoned issuer for the indefinite future. In the past, plaintiffs have often initiated securities class action litigation against a company following periods of volatility in the market price of its securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and liabilities, could divert management's attention and resources, and could ultimately force us to cease operations whereby you could lose your entire investment.

Because our common stock currently trades below $5.00 per share and is quoted on the OTCBB, our common stock is considered by the SEC to be a "penny stock," which adversely affects our liquidity .

Our common stock does not currently qualify for listing on any national securities exchange, and we do not anticipate that it will qualify for such a listing in the short-term future. If our common stock continues to be quoted on the OTC Bulletin Board or is traded on the Pink Sheets or other over-the-counter markets, and if the trading price of our common stock remains less than $5.00 per share, our common stock is considered a "penny stock," and trading in our common stock is subject to the requirements of Rule 15g-9 under the Exchange Act. Under this rule, brokers or dealers who recommend low-priced securities to persons other than established customers and accredited investors must satisfy special sales practice requirements. The broker or dealer must make an individualized written suitability determination for the purchaser and receive the purchaser's written consent prior to the transaction. SEC regulations also require additional disclosure in connection with any trades involving a penny stock, including the delivery, prior to any penny stock transaction, of a disclosure schedule explaining the penny stock market and its associated risks. These requirements could severely limit the liquidity of such securities in the secondary market because few brokers or dealers are likely to undertake these compliance activities. In addition to the applicability of the penny stock rules, another risk associated with trading in penny stocks may be large price fluctuations.

Our amended charter contains provisions that may discourage an unaffiliated party to take us over .

Without further stockholder action, our Board of Directors could authorize the issuance of additional shares of our common stock as well as preferred stock with special voting rights by class or with more than one vote per share, to a "white knight" in order to deter a potential buyer. This might have the effect of preventing or discouraging an attempt by a party unable to obtain the approval of our Board of Directors to take over or otherwise gain control of us.

Terms of subsequent financings may adversely impact your investment.

We may have to raise equity, debt or preferred stock financing in the future. Your rights and the value of your investment in our Common Shares could be reduced. For example, if we issue secured debt securities, the holders of the debt would have a claim against our assets that would be prior to the rights of stockholders until the debt is paid. Interest on these debt securities would increase costs and negatively impact operating results.

Preferred stock could be issued in series from time to time with such designations, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of our Common Shares. Our articles of incorporation do not provide stockholders the pre-emptive right to buy shares from the company. As a result, you will not have the automatic ability to avoid dilution in your percentage ownership of the company.

Control of our stock is now held by the former CardioGenics shareholders.

As of January 22, 2014, the prior shareholders of CardioGenics (which includes our current named directors and officers) own, directly or indirectly, approximately 81.3% of our outstanding common stock. While their percentage would decline over time if, and to the extent, new shares of our common stock are issued, you should expect these persons to exert continuing influence over all matters requiring shareholder approval, including the election of directors. You may have little to no practical control over such matters.

It is not likely that we will pay dividends on the common stock or any other class of stock

We intend to retain any future earnings for the operation and expansion of our business. We do not anticipate paying cash dividends on our common stock, or any other class of stock, in the foreseeable future. Stockholders should look solely to appreciation in the market price of our Common Shares to obtain a return on investment.

Our stockholders ownership of our common stock may be in doubt due to possible naked short selling of our common stock .

We believe, but cannot confirm, that speculators may have engaged in a practice commonly known as a “naked short” sale of our common stock, which means that certain brokers may be permitting their short selling customers to sell shares of our common stock that their customers do not own and may have failed to borrow and therefore deliver the shares sold to the purchaser of the shares. We have from time to time been included by NASDAQ on the Regulation SHO Threshold Security List, which is indicative of a significant amount of naked shorting in the stock. Because naked shorting may result in an artificial depression of our stock price, our stockholders could lose all or part of their investment in our common stock. As a result of this naked short selling, there may be a substantial number of purchasers who believe they are our stockholders, but who in fact would not be stockholders since their brokers may never have received any shares of our common stock for their account. In addition, investors who believe they are our stockholders may not have received a stock dividend to which they are entitled or may have been deprived of the right to vote some or all of their shares.

We are classified as an “emerging growth company” as well as a “smaller reporting company” and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies will make our common stock less attractive to investors.

We are an “emerging growth company,” as defined in the JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

Section 107 of the JOBS Act provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an “emerging growth company” can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies.

We could remain an "emerging growth company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed $1 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three-year period.

Notwithstanding the above, we are also currently a smaller reporting company. In the event that we are still considered a smaller reporting company, at such time we ceased being an emerging growth company, the disclosure we will be required to provide in our SEC filings will increase, but will still be less than it would be if we were not considered either an emerging growth company or a smaller reporting company. Specifically, similar to other emerging growth companies, a smaller reporting companies are able to provide simplified executive compensation disclosures in their filings; are exempt from the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that independent registered public accounting firms provide an attestation report on the effectiveness of internal control over financial reporting; and have certain other decreased disclosure obligations in their SEC filings. Decreased disclosures in our SEC filings due to our status as an emerging growth company or a smaller reporting company may make it harder for investors to analyze our results of operations and financial prospects.

Existing stockholders could experience substantial dilution upon the issuance of common stock pursuant to the equity line with Dutchess Opportunity Fund, II, LP.

Our equity line with Dutchess Opportunity Fund, II, LP (Dutchess) contemplates our issuance of up to $5,000,000 of shares of our common stock to Dutchess, subject to certain restrictions and obligations. If the terms and conditions of the equity line are satisfied, and we choose to exercise our put rights to the fullest extent permitted and sell $5,000,000 of shares of our common stock to Dutchess pursuant to this prospectus, our existing stockholders' ownership will be diluted by such sales.

Dutchess will pay less than the then-prevailing market price for our common stock under the equity line.

The common stock to be issued to Dutchess pursuant to the equity line will be purchased at 95% of the daily volume weighted average price of our common stock during a five (5) day pricing period beginning on the date of delivery of the put notice under the equity line. Therefore, Dutchess, has a financial incentive to sell our common stock upon receiving the shares to realize the profit equal to the difference between the discounted price paid by Dutchess and the market price. If Dutchess sells the shares, the price of our common stock could decrease.

We may not be able to access sufficient funds under the equity line when needed.

Our ability to put shares to Dutchess and obtain funds under the equity line is limited by the terms and conditions in the Investment Agreement, including restrictions on when we may exercise our put rights, restrictions on the amount we may put to Dutchess at any one time, which is determined in part by the trading volume of our common stock. In addition, we do not expect the equity line to satisfy all of our funding needs, even if we are able and choose to take full advantage of the equity line. In order for us to access the equity line with Dutchess, we are first required to register for resale the shares of common stock which may be issued to Dutchess under the equity line. We have not filed a registration statement in connection with the Dutchess Equity and currently we do not know when or if such registration will be filed.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not Applicable.

ITEM 2. PROPERTIES

Our executive and administrative headquarters are currently located at 6295 Northam Drive, Units 7 & 8, and 9 Mississauga, Ontario L4V 1W8 Canada. We rent this space at a cost of US$ 49,639 per year.

The servers for our websites are housed at separate locations as described above. See *"Item 1.—Business—Website Technical Information."* We believe that our facilities are adequate for our current needs and that, if our lease is not renewed on commercially reasonable terms, we will be able to locate suitable new office space and obtain a suitable replacement for our executive and administrative headquarters.

ITEM 3. LEGAL PROCEEDINGS

On April 22, 2009, CardioGenics was served with a statement of claim in the Province of Ontario, Canada, from a prior contractor claiming compensation for wrongful dismissal and ancillary causes of action including payment of monies in realization of his investment in CardioGenics, with an aggregate claim of $514,000 (the "Lawsuit"). On January 3, 2014 the Company settled the Lawsuit for an amount equal to $10,000 plus 700,000 common shares. At October 31, 2013 the Company accrued a "Settlement of Lawsuit" expense in the amount of $199,000.

ITEM 4. MINE SAFETY DISCLOSURES

None

PART II

ITEM. 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF SECURITIES

For the period covered below, our common stock was traded on the OTC Bulletin Board under the symbol CGNH. The following table reflects the reported quarterly high and low sales prices of our common stock from October 31, 2012 through October 31, 2013. Such prices are inter-dealer quotations without retail mark-ups, mark-downs or commissions, and may not represent actual transactions

Fiscal Year Ending October 31, 2013		
Quarter Ended	**High $**	**Low $**
October 31, 2013	0.26	0.16
July 31, 2013	0.40	0.19
April 30, 2013	0.30	0.16
January 31, 2013	0.24	0.13

Fiscal Year Ending October 31, 2012		
Quarter Ended	**High $**	**Low $**
October 31, 2012	0.27	0.17
July 31, 2012	0.34	0.25
April 30, 2012	0.23	0.16
January 31, 2012	0.45	0.26

On January 22, 2014, the closing bid price for our common stock was $0.28. Pursuant to an amendment to our Articles of Incorporation filed in Nevada on January 17, 2013 our Class B common stock was deauthorized and is no longer available for issuance.

As of January 22, 2014, there were 36,023,206 shares of our common stock outstanding. There was also outstanding 1 share of Series 1 Preferred Voting Stock, par value $0.0001, representing 13 Exchangeable Shares, which are exchangeable into 24,176,927 shares of our common stock.

As of January 22, 2014, there were 1,878 stockholders of record of our common stock. This number does not include stockholders for whom shares were held in "nominee" or "street" name. Our transfer agent is Transfer Online. The transfer agent's address is 512 SE Salmon Street, Portland, OR 97214-3444.

Dividend Policy

We have never paid any cash dividends on our common stock and anticipate that, for the foreseeable future, no cash dividends will be paid on our common stock.

Equity Compensation Plans Information

See the information provided under "Item 12.—Security Ownership of Certain Beneficial Owners and Related Stockholder Matters—Equity Compensation Plan Information."

Recent Sales of Unregistered Securities

During the year, the Company sold under private placements 400,000 shares of our common stock for the sum of $100,000 and convertible debentures in the aggregate principal amount of $937,237 (which are convertible into 3,820,000 shares of our common stock) for the sum of $937,237.

Purchases of Equity Securities

There were no repurchases made for any class or series of securities in a month within the fourth quarter of the fiscal year ended October 31, 2013.

ITEM 6. SELECTED FINANCIAL DATA

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide information under this item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

This annual report contains forward-looking statements relating to future events or our future financial performance. In some cases you can identify forward-looking statements by terminology such as "may," "will," "should," "estimates," "predicts," "potential," "continue," "strategy," "believes," "anticipates," "plans," "expects," "intends" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors which may cause our or our industry's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity or performance. You should not place reliance on these statements, which speak only as of the date that they were made. These cautionary statements should be considered with any written or oral forward-looking statements that we may issue in the future. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward –looking statements to conform these statements to actual results, later events or circumstances or to reflect the occurrence of unanticipated events.

In this annual report unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to "common shares" refer to the common shares of our capital stock.

The management's discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The financial statements contained herein include the results CardioGenics, Inc. and its subsidiaries and CardioGenics Holdings, Inc. and its subsidiaries ("CardioGenics Holdings, Inc.") (the latter from July 31, 2009, date of acquisition) which are collectively referred to as the "Company."

CardioGenics Holdings, Inc. was until February 11, 2010 a provider of Internet-based equities research and financial information that offered its subscribers a variety of stock market research, news and analysis, including "JAG Notes", CardioGenics Holdings, Inc.'s flagship early morning consolidated research product.

On July 31, 2009, JAG Media Holdings, Inc. completed a reverse acquisition of privately held CardioGenics Inc. ("CardioGenics"), an Ontario, Canada Corporation. The acquisition was effected pursuant to a Share Purchase Agreement dated May 22, 2009 by and among JAG Media Holdings, Inc., CardioGenics Inc. and CardioGenics ExchangeCo Inc., the Company's wholly owned subsidiary ("ExchangeCo"). In accordance with the terms of the Share Purchase Agreement, 99% of the holders of common shares of CardioGenics Inc. (two (2) minority shareholders of CardioGenics holding in aggregate 17,387 common shares of CardioGenics Inc. did not participate) surrendered their CardioGenics Common Shares to ExchangeCo. ExchangeCo caused JAG Media Holdings, Inc. to issue to the CardioGenics shareholders 42,218,361 shares of the Company's common stock, par value $0.00001 per share (the "Share Consideration"). The Share Consideration provides the former CardioGenics shareholders with direct and/or indirect ownership of approximately 85% of JAG Media Holdings, Inc.'s outstanding common stock (on a fully diluted basis) as of July 31, 2009.

On October 27, 2009 the name of the Company was changed from Jag Media Holdings, Inc. to CardioGenics Holdings, Inc.

CardioGenics develops technology and products targeting the immunoassay segment of the *In-Vitro Diagnostic* testing market. CardioGenics has developed the QL Care Analyzer, a proprietary Point Of Care immuno-analyzer, which will run a number of diagnostic tests under development by CardioGenics, the first of which will be a series of cardiovascular diagnostic tests. As part of its core proprietary technology, CardioGenics has also developed a proprietary method for silver coating paramagnetic microspheres (a fundamental platform component of immunoassay equipment), which improve instrument sensitivity to light. CardioGenics' principal offices are located in Mississauga, Ontario, Canada.

With the acquisition of CardioGenics, the Company's business is now refocused on developing technologies and products for the point-of-care In-Vitro Diagnostics market.

On April 23, 2010, the Company's Board of Directors approved a reverse stock split of its issued and outstanding common shares. The total authorized shares of common stock was at the same time reduced to 65,000,000. The Board of Directors selected a ratio of one-for-ten and the reverse stock split was effective on June 20, 2010. Trading of the Company's common stock on the Over-The-Counter Capital Market on a split-adjusted basis began at the open of trading on June 21, 2010. The reverse stock split affected all shares of the Company's common stock, as well as options to purchase the Company's common stock and other equity incentive awards and warrants that were outstanding immediately prior to the effective date of the reverse stock split. All references to common shares and per-share data for prior periods have been retroactively restated to reflect the reverse stock split as if it had occurred at the beginning of the earliest period presented.

On January 17, 2013, the Company's Board of Directors approved an increase in the authorized common shares to 150,000,000.

Results of Operations for the Years Ended October 31, 2013 and October 31, 2012

The following table sets forth the Company's results of operations for the years ended October 31, 2013 and 2012:

	Years Ended October 31,	
	2013	2012
Revenue	$ —	$ 1,297
Operating Expenses:		
Depreciation and amortization of property and equipment	14,484	18,305
Amortization of patent application costs	7,285	6,882
Write-off of patent application costs	—	24,905
General and administrative	1,886,669	741,961
Cost of settlement of lawsuit	199,000	—
Research and product development, net of investment tax credits	419,364	522,953
Total operating expenses	2,526,802	1,315,006
Operating loss	(2,526,802)	(1,313,709)
Other Expenses:		
Interest expense and bank charges (net)	300,119	21,672
Loss on change in value of derivative liability	116,663	—
Gain on foreign exchange transactions	(6,647)	(18,922)
Total other expenses	410,135	2,750
Loss from Continuing Operations	(2,936,937)	(1,316,459)
Net Loss	$ (2,936,937)	$ (1,316,459)

Revenues

Revenues reflect sales of paramagnetic beads.

Operating expenses

General and administrative expenses

General and administrative expenses consist primarily of compensation to officers, occupancy costs, professional fees, listing costs and other office expenses. The change in general and administrative expenses is attributable primarily to an increase in consulting fees.

Research and product development costs, net of investment tax credits

Research and development expenses consist primarily of salaries and wages paid to officers and employees engaged in those activities and supplies consumed therefor. The decrease in research and development expenses is attributable primarily to a decrease in the number of employees engaged in those activities as compared to the previous year.

Cost of settlement of lawsuit

On January 3, 2014, the Company and a former employee agreed to a settlement of all claims which said employee had against the Company. As a result, the consolidated statement of operations for the year ended October 31, 2013 reflects a charge of $199,000 for the cost of settlement of the lawsuit.

Other expenses

Gain on foreign exchange transactions

The Company conducts the majority of its transactions in Canadian dollars. The foreign exchange gain (2013-$6,647, 2012-$18,922) results from currency movements on transactions settled during the year.

Interest Expense

Interest expense was high in 2013 because of interest and discount on notes and debentures payable which did not exist in 2012.

Liquidity and Capital Resources

For the year ended October 31, 2013, the Company incurred a net loss of approximately $2,937,000 (2012-$1,316,000) and a cash flow deficiency from operating activities of approximately $719,000 (2012-$971,000). The Company has not yet established an ongoing source of revenues sufficient to cover our operating costs and allow us to continue as a going concern. The Company has funded its activities to date almost exclusively from debt and equity financings. These matters raise substantial doubt about the Company's ability to continue as a going concern and our independent auditors included an explanatory paragraph to emphasize such doubt in their report on the audit of our consolidated financial statements.

The Company will continue to require substantial funds to continue research and development, including preclinical studies and clinical trials of our products, and to commence sales and marketing efforts. The Company's plans include financing activities such as private placements of its common stock and issuances of convertible debt instruments. The Company is also actively pursuing industry collaboration activities including product licensing and specific project financing.

The Company believes that it will be successful in obtaining the necessary financing to fund its operations, meet revenue projections and manage costs; however, there are no assurances that such additional funding will be achieved and that the Company will succeed in its future operations.

Our current annual cash requirement is approximately $900,000. The cash balance at the year end was $263,103 meaning that we had sufficient cash reserves to cover less than 4 months operations, assuming no revenue over the period. We are in fact anticipating revenues during the next fiscal year.

On November 19, 2012, the Company entered into an agreement ("Line") with JMJ Financial ("Lender") whereby the Company may borrow up to $350,000 from the Lender in increments of $50,000. The Line is subject to an original issue discount of $50,000. Advances under the Line have a maturity date of one year from the date of the advance. If the advance is repaid within three months, the advance is interest free. If not repaid within three months, the advance may not be repaid before maturity and carries interest at 5%. The Lender has the right at any time to convert all or part of the outstanding principal and accrued interest (and any other fees) into shares of fully paid and non-assessable shares of common stock of the Company at a price equal to the lesser of $0.23 and 60% of the lowest trade price in the previous 25 trading days prior to the conversion. Unless agreed in writing by the parties, at no time will the Lender convert any amount owing under the Line into common stock that would result in the Lender owning more than 4.99% of the Company's common stock outstanding.

On September 27, 2013, CardioGenics Holdings Inc. (the "Company") entered into an investment agreement (the "Investment Agreement") with Dutchess Opportunity Fund, II, LP (the "Investor"), whereby the Company may sell, and the Investor is obligated to purchase, up to $5 million (the "Put Offering") of the Company's common, par value $0.00001 per share (the "Common Stock"). The purchase price of any shares of Common Stock sold pursuant to the Put Offering shall be determined by the lowest daily volume weighted average price during the applicable pricing period. Any shares of Common Stock sold in the Put Offering will be sold pursuant to a registration statement to be filed by the Company pursuant to the terms of a registration rights agreement (as defined below). Any shares of Common Stock sold pursuant to the Put Offering will be sold directly to the Investor without a placement agent, underwriter, broker or dealer. No common shares have been sold under this agreement.

During the year, the following cash investments were made in the Company:

1. shareholders who are also directors and officers advanced $218,969 to the company in the form of convertible debentures carrying interest at 10% with a term of three years;

2. a shareholder who is also a director advanced $94,292 to the company in the form of a convertible debenture carrying interest at 10% with a term of three years;

3. a shareholder who is also an officer advanced $23,976 to the company in the form of a convertible debenture carrying interest at 10% with a term of three years;

4. a shareholder advanced $100,000 to the company in the form of a convertible debenture carrying interest at 10% with a term of three years;

5. an independent third party advanced $500,000 to the company in the form of a convertible debenture carrying interest at 10% with a term of three years; and,

6. a shareholder purchased 400,000 common shares for $100,000.

Summary of Critical Accounting Policies and Estimates

The discussion and analysis of the Company's financial condition and results of its operations are based upon its consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America for financial statements filed with the SEC.

(a) Convertible Debentures

In accordance with guidance in accounting for convertible securities with beneficial conversion features or contingently adjustable conversion ratios, the Company recognized an embedded beneficial conversion feature present in the convertible debentures. The Company allocated a portion of the proceeds equal to the intrinsic value of that feature to debt discount. The debt discount attributed to the beneficial conversion feature is amortized over the convertible debenture's maturity period as interest expense using the effective yield method.

In addition, the Company recognized the value attributable to the warrants to additional paid-in capital and a discount against the convertible debentures. The Company valued the warrants using the Black-Scholes pricing model. The debt discount attributed to the value of the warrants issued is amortized over the convertible debenture's maturity period as interest expense using the effective yield method.

(b) Research and Development Costs

Expenditures for research and development are expensed as incurred and include, among other costs, those related to the production of prototype products, including payroll costs. Amounts expected to be received from governments under Scientific Research Tax Credit arrangements are offset against current expenses. The Company recognizes revenue from restricted grants in the period in which the Company has for refundable tax credits incurred the expenditures in compliance with the specific restrictions.

(c) Income Taxes

The Company utilizes the liability method of accounting for income taxes as set forth in the authoritative guidance. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets will not be realized. As there is no certainty that the Company will generate taxable income in the foreseeable future to utilize tax losses accumulated to date, no provision for ultimate tax reduction has been made in these consolidated financial statements.

On November 1, 2007, the Company adopted the guidance issued for accounting for uncertainty in income taxes which provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements. Income tax positions must meet a more-likely-than-non recognition threshold at the effective date to be recognized upon the adoption of the guidance and in subsequent periods. The Company recognizes potential accrued interest and penalties related to unrecognized tax benefits within operations as income tax expense. Upon adoption, there were no adjustments required.

(d) Stock-Based Compensation

The Company follows the authoritative guidance for stock-based compensation which requires that new, modified and unvested share-based payment transactions with employees, such as grants of stock options and restricted stock, be recognized in the financial statements based on their fair value at the grant date and recognized as compensation expense over their vesting periods. The Company has also considered the related guidance of the Securities and Exchange Commission (SEC). The Company estimates the fair value of stock options and shares issued as compensation to employees and directors as of the date of grant using the Black-Scholes pricing model and restricted stock based on the per share value. The Company also follows the guidance for equity instruments that are issued to other than employees for acquiring, or in conjunction with selling, goods or services for equity instruments issued to consultants which provides guidance on transactions in which (1) the fair value of the equity instruments is more reliably measurable than the fair value of the goods or services received and (2) the counterparty receives shares of stock, stock options, or other equity instruments in settlement of the entire transaction or, if the transaction is part cash and part equity instruments, in settlement of the portion of the transaction for which the equity instruments constitute the consideration. Options issued with a nominal exercise price in exchange for services rendered were measured at the fair value of the underlying services rendered on the date of grant. The expense was recorded to the statement of operations with a corresponding increase in share capital with no additional increase in the number of shares as they were legally not yet exercised.

Recent Accounting Pronouncements

In December 2011, the FASB issued ASU No. 2011-11, Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities. ASU 2011-11 requires an entity to disclose information about offsetting and related arrangements to enable users of financial statements to understand the effect of those arrangements on its financial position, and to allow investors to better compare financial statements prepared under U.S. GAAP with financial statements prepared under International Financial Reporting Standards (IFRS). The new standards are effective for annual periods beginning January 1, 2013, and interim periods within those annual periods. Retrospective application is required. The Company will implement the provisions of ASU 2011-11 beginning in fiscal 2014.

In February 2013, the FASB issued ASU 2013-02, Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income. ASU 2013-02 requires an entity to provide information about the amounts reclassified out of other accumulated income by component. In addition, ASU 2013-02 requires presentation, either on the face of the income statement or in the notes, of significant amounts reclassified out of accumulated other comprehensive income by respective line items of net income, but only if the amounts required to be reclassified in their entirety in the same reporting period. For amounts that are not required to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures that provide additional details about those amounts. The amendments in ASU 2013-02 will be effective prospectively for annual reporting periods beginning after December 15, 2012 and interim periods within those annual periods. The accounting update will be applicable to the Company beginning in the first quarter of fiscal year 2014. The Company does not expect the adoption of ASU 2013-02 to have a material effect on the consolidated financial statement presentation.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide information under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financial statements and supplementary data required in this item are set forth beginning on Page F-1 of this Annual Report on Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

2013
None

2012
None

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining adequate disclosure controls and procedures as defined in Rule 13a-15(e) and 15(d)-15(e) of the Exchange Act. Our management conducted an evaluation of the effectiveness of disclosure controls and procedures and concluded that our disclosure controls and procedures was not effective as of October 31, 2013 primarily due to material weaknesses in internal controls over financial reporting (see below).

Management's Report on Internal Controls Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) to provide reasonable assurance regarding the reliability of our financial reporting and preparation of financial statement for external purposes in accordance with U.S. generally accepted accounting principles. A control system, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Because of the inherent limitations in all control systems, internal controls over financial reporting may not prevent or detect misstatements. The design and operation of a control system must also reflect that there are resource constraints and management is necessarily required to apply its judgment in evaluating the cost-benefit relationship of possible controls.

Our management concluded that as at October 31, 2013 our internal controls over financial reporting were not effective based on the framework in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organization of the Treadway Commission in 1992. Management has identified the following material weaknesses in our internal controls over financial reporting:

- lack of documented policies and procedures;
- lack of resources to account for complex and unusual transactions: and
- there is no effective separation of duties, which includes monitoring controls, between the members of management.
- Inadequate coordination between executive and financial management that led to transactions not being properly recorded in the correct period.

Management is currently evaluating what steps can be taken in order to address these material weaknesses.

This Annual Report on Form 10-K does not include an attestation report of our registered public accounting firm regarding internal controls over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to the rules of the SEC that permit us to provide only a management's report.

Changes in Internal Controls Over Financial Reporting

There were no significant changes (including corrective actions with regard to significant deficiencies or material weaknesses) in our internal controls over financial reporting that occurred during the quarter ended October 31, 2013, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

There are no items that required disclosure in a Form 8-K during the fourth quarter of the year covered by this Form 10-K that were not reported by the Company.

Off-Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements.

Seasonality

The Company does not believe that its business is materially affected by seasonal trends or inflation. On an ongoing basis, the Company will attempt to minimize any effect of inflation on its operating results by controlling operating costs.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth the name, age and position of each of the members of our board of directors, executive officers, and certain significant employees as of the fiscal year ending October 31, 2013. All directors are elected to hold office until the next annual meeting of stockholders following election and until their successors are duly elected and qualified. Executive officers are appointed by the Board of Directors and serve at the discretion of the Board.

Board of Directors and Executive Officers

Name	Age	Position
Yahia Gawad	55	Director & Chief Executive Officer
J Neil Tabatznik	63	Director/Acting Chairman
Linda J. Sterling	52	Director & Secretary
James A. Essex	65	Chief Financial Officer

Yahia Gawad, MB, Ch.B., MD, MSc. (Director and Chief Executive Officer of CardioGenics since 1997). Dr. Gawad is a Physician/Scientist with primary training in Cardiology, Biochemistry and Immunology. He received his medical education and post-graduate training at the University of Alexandria and the University of Toronto. Dr. Gawad's academic and commercial experience and expertise include many years of designing and managing cardiovascular disease research and product development.

Dr. Gawad was a co-founder of a division of Nanogen (NGEN) (formerly Syn X and Skye Pharmatech) where he held the position of Vice-President, Medical Affairs. Prior to that, he was Director of Clinical Research and Development at Spectral Diagnostics Inc. (now Nanogen).

For the past 20 years, he has been working extensively on cardiac diagnostic test products. He has prepared, submitted and obtained FDA regulatory approvals for several cardiac test products currently being marketed (including Cardiac Status Troponin I®, Myoglobin® and Myoglobin/CK-MB®, registered trademarks of Spectral Diagnostics Inc.). Through his expertise and contributions to an international committee, a new cardiac test, Troponin I, is now in routine clinical use.

In addition, Dr. Gawad has researched, developed and published several other tests. Dr. Gawad has received several awards and scholarships and was a member of both the Clinical Committee of the American Heart Association and the POC division of the American Association for Clinical Chemistry. He has served as a reviewer for the editorial board of the American Journal of Cardiology (1999-2003). Dr. Gawad published extensively and presented his research and clinical findings at national and international symposia.

J. Neil Tabatznik (Director of CardioGenics since 2005, Acting Chairman of CardioGenics since 2009) . Mr. Tabatznik is the Chairman, CEO of Arrow Pharmaceuticals Inc. Arrow Pharmaceuticals is part of a global generic drug company established in 2000, and has seen rapid growth from $0 to $700 million in 8 years. The Arrow Group has sales operations in 5 continents and employs more than 1000 people worldwide. Prior to Arrow Pharmaceuticals, Mr. Tabatznik was the Chairman, CEO of Genpharm Inc. (1993-2000), which was acquired by MerckKGaA in 1994 and is now a part of Mylan Inc. the world's third largest generic and specialty pharmaceutical company. He was a Barrister-at-Law in London and was called to the Bar of England and Wales in 1978. He has extensive expertise in pharmaceutical manufacturing and negotiations of agreements with multinational companies.

Linda J. Sterling (Corporate Secretary of CardioGenics since 2003, Director of CardioGenics since 2009) . Ms. Sterling has been in the legal community in the capacity as a Law Clerk with both Stikeman Elliott LLP and Davies Ward Phillips & Vineberg LLP since 1999. She developed expertise with both public and private company legal compliance and has been responsible for CardioGenics' compliance and maintenance of corporate governance since 2001. She is currently in the process of being licensed as a Legal Executive (F.Inst.L.C.O.), with the Institute of Law Clerks of Ontario, of which she is a member. She has held the position of CEO and director of Sterling Studios since 1989.

James A. Essex, CA, MBA (Chief Financial Officer of CardioGenics since 2001) Mr. Essex has been with CardioGenics since 1999. He founded J. Hunter & Associates Inc. in 1990, a private financial consulting firm. Previously, he was a co-owner, President and COO of Calais Investigations, Inc., a private company (from 1993 to 1998), a Vice President of Confederation Trust (1989) and a Vice President of Chemical Bank of Canada (now JP Morgan Chase Bank of Canada) from 1977 through 1987.

Family Relationships

There are no family relationships among the directors and executive officers.

Involvement in Legal Proceedings

We know of no pending proceedings to which any director, member of senior management, or affiliate is either a party adverse to us, or our subsidiaries, or has a material interest adverse to us or our subsidiaries.

None of our executive officers or directors have (i) been involved in any bankruptcy proceedings within the last five years, (ii) been convicted in or has pending any criminal proceedings, (iii) been subject to any order, judgment or decree enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities or banking activity or (iv) been found to have violated any federal, state or provincial securities or commodities law and such finding has not been reversed, suspended or vacated.

Board Committees

Our Board of Directors does not have standing audit, nominating or compensation committees. Instead, the functions that might be delegated to such committees are carried out by our entire Board of Directors, to the extent required. Our Board of Directors anticipates that it will evaluate from time-to-time the appropriateness of forming one or more of such committees.

Nomination of Directors

There have been no material changes to the procedures by which our security holders may recommend nominees to our Board of Directors.

Section 16(a) Beneficial Ownership Reporting Compliance

Under the securities laws of the United States, our directors, executive officers and any person holding more than 10% of our common stock are required to file initial forms of ownership of our common stock and reports of changes in that ownership at the SEC. Specific due dates for these forms have been established, and we are required to disclose in this report any failure to file by these dates.

Based solely on our review of the copies of such forms received by it with respect to fiscal year 2012, or written representations from certain reporting persons, to the best of our knowledge, all reports were filed on a timely basis.

Code of Ethics

We have adopted a Code of Ethics (our "**Code of Ethics**") that applies to our Chief Executive Officer and Chief Financial Officer. We will provide to any person without charge, upon request, a copy of our Code of Ethics by sending such request to the attention: Yahia Gawad, Chief Executive Officer, CardioGenics Holdings Inc., 6295 Northam Drive, Unit 8, Mississauga, Ontario L4V 1W8. The Company will promptly disclose any amendments or waivers to our Code of Ethics on Form 8-K.

ITEM 11. EXECUTIVE COMPENSATION

As a "smaller reporting company," CardioGenics has elected to follow scaled disclosure requirements for smaller reporting companies with respect to *Part III, Item 11 – Executive Compensation.* Under the scaled disclosure obligations, CardioGenics is not required to provide *Compensation Discussion and Analysis* and certain other tabular and narrative disclosures relating to executive compensation. Nor is CardioGenics required to quantify payments due to the named executives upon termination of employment. Management believes that the scaled disclosure for the Company's executive compensation policy and practices is appropriate because CardioGenics is small for a publicly-traded company, has only three named executives and has a relatively simple compensation policy and structure that has not changed in the last fiscal year.

Summary Compensation Table

The following table provides information concerning compensation of CardioGenics' named executives for CardioGenics' last two completed fiscal years ending October 31, 2012 and 2013.

Name & Principal Position	Year	Salary $	Bonus $	Stock Awards $	Option Awards $	Non-Equity Incentive Plan Compensation $	Non-Qualified Deferred Compensation Earnings $	All Other Compensation $	Total $
Dr. Yahia Gawad,	2013	147,495(1)	—	—	—	—	—	—	147,495
Chief Executive Officer	2012	150,465(1)	—	—	—	—	—	—	150,465
James A. Essex,	2013	35,173(1)	—	—	—	—	—	—	35,173
Chief Financial Officer	2012	36,111(1)	—	—	—	—	—	—	36,111
Linda J. Sterling,	2013	25,078(1)	—	—	—	—	—	—	25,078
Secretary	2012	25,078(1)	—	—	—	—	—	—	25,078

(1) Compensation is the table in U.S. dollars. To the extent any cash compensation was paid in Canadian dollars, it has been converted into U.S.lars based on the average Canadian/U.S. dollar exchange rate for the years ended October 31, 2013 and October 31, 2012 **.**

Employment Agreements

We currently do not have written employment agreements with any of our current officers or executive personnel.

Outstanding Equity Awards at October 31, 2013 Fiscal Year End

Name	Number of Securities underlying unexercised options exercisable	Number of Securities underlying unexercised options unexercisable	Option exercise or base price per share ($/Share)	Option Expiration Date
None				

Director Compensation

Non-Employee Directors' Compensation

In fiscal 2013 our policy for compensation of non-employee directors was as follows:

1. Non-employee directors do not receive an annual cash base retainer.

2. At the discretion of the full Board of Directors, nonemployee directors may receive shares of the Company's common stock. The number and terms of such shares is within the discretion of the full Board of Directors.

3. Directors who are officers or employees of CardioGenics do not receive separate consideration for their service on the Board of Directors.

Fiscal Year 2013 Director Compensation Table

Name	Stock Award As Director $	Stock Award (Other) $	Total(1) $
J. Neil Tabatznik	0	0	0

(1) As of October 31, 2013, the aggregate number of shares underlying stock awards granted to each non-employee director was as follows: Mr. Tabatznik (561,648).

Indemnification of Officers and Directors

Our amended and restated Articles of Incorporation provide that we shall indemnify our officers, directors, employees and agents to the full extent permitted by Nevada law. Our Bylaws include provisions to indemnify our officers and directors [and other persons] against expenses (including judgments, fines and amounts paid for settlement) incurred in connection with actions or proceedings brought against them by reason of their serving or having served as officers, directors or in other capacities. We do not, however, indemnify them in actions in which it is determined that they have not acted in good faith or have acted unlawfully or not in our best interest. In the case of an action brought by or in the right of us, we shall indemnify them only to the extent of expenses actually and reasonably incurred by them in connection with the defense or settlement of these actions and we shall not indemnify them in connection with any matter as to which they have been found to be liable to us, unless the deciding court determines that, notwithstanding such liability, that person is fairly entitled to indemnity in light of all the relevant circumstances.

We do not currently maintain director's and officer's liability insurance but we may do so in the future.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors and officers pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information with respect to the beneficial ownership of our Common Stock and Series 1 Preferred Stock by: (i) each director, (ii) each of the executive officers of the Company, (iii) all current directors and executive officers as a group, and (iv) each stockholder known to the Company to be the beneficial owner of more than 5% of the outstanding shares of Common Stock or Series 1 Preferred Stock.

Unless otherwise indicated in the footnotes to the table, all information set forth in the table is as of January 22, 2013, and the address for each director and executive officer of the Company is: c/o CardioGenics Holdings Inc., 6295 Northam Drive, Unit 8, Mississauga, Ontario L4V 1W8. The addresses for the greater than 5% stockholders are set forth in the footnotes to this table.

	Common Stock		Series 1 Preferred	
	Number of Shares Beneficially Owned(1)	Percentage of Class Outstanding(2)	Number of Shares Beneficially Owned(1)	Percentage of Class Outstanding
Directors				
J. Neil Tabatznik	2,975,356(3)	5.1%	—	—
Named Executive Officers				
Yahia Gawad	19,294,652(4)	32.9%	—	—
Linda J. Sterling	1,493,532(5)	2.5%	—	—
James Essex	535,683(6)	*	—	—
All directors and named executive officers as a group (4 persons)	(7) 24,499,223	41.8%	—	—
5% Stockholders				
Weirfoulds LLP	—	—	1(8)	100%
Paul H. Saunders	5,998,000(9)	9.9%	—	—

** Less than 1%*

(1) The Company believes that each stockholder has sole voting and investment power with respect to the shares of Common Stock and Series 1 Preferred Stock listed, except as otherwise noted. The number of shares beneficially owned by each stockholder is determined under rules of the Securities and Exchange Commission, and the information is not necessarily indicative of ownership for any other purpose. Under these rules, beneficial ownership includes (i) any shares as to which the person has sole or shared voting power or investment power and (ii) any shares which the individual has the right to acquire within 60 days after January 22, 2014 through the exercise of any stock option, warrant, conversion of preferred stock or other right, but such shares are deemed to be outstanding only for the purposes of computing the percentage ownership of the person that beneficially owns such shares and not for any other person shown in the table. The inclusion herein of any shares of Common Stock or Series 1 Preferred Stock deemed beneficially owned does not constitute an admission by such stockholder of beneficial ownership of those shares of Common Stock or Series 1 Preferred Stock.

(2) Based on 58,609,520 shares of Common Stock outstanding as of January 22, 2014, which includes 24,176,927 shares of Common Stock into which all outstanding Exchangeable Shares are exchangeable at any time.

(3) J. Neil Tabatznik beneficially owns 2,975,356 shares of Common Stock, including (i) 1,725,356 shares of Common Stock issuable upon exchange of 1 Exchangeable Share.

(4) Yahia Gawad beneficially owns 19,294,652 shares of Common Stock, including (i) 17,478,553 shares of Common Stock issuable upon exchange of 1 Exchangeable Share and (ii) 666,099 shares of Common Stock. Pursuant to the terms of a lock-up agreement dated March 15, 2010 entered into among Dr. Gawad, the Company, CardioGenics ExchangeCo Inc. and Weirfoulds LLP, Dr. Gawad has agreed to lock-up fifteen million (15,000,000) shares of his Exchangeable Share exchange rights until March 15, 2014, in accordance with the terms of the lock-up agreement.

(5) Linda J. Sterling beneficially owns 1,493,532 shares of Common Stock, including (i) 1,301,032 shares of Common Stock issuable upon exchange of 1 Exchangeable Share and (ii) -0- shares of Common Stock.

(6) James Essex beneficially owns 535,683 shares of Common Stock, including (i) 345,791 shares of Common Stock issuable upon exchange of 1 Exchangeable Shares and (ii) 52,392 shares of Common Stock.

(7) See notes 2 through 6 above.

(8) Weirfoulds LLP, as trustee pursuant to the Voting Trust Agreement (the "Trustee"), beneficially owns the 1 outstanding share of Series 1 Preferred Stock, which provides the Trustee voting power with respect to all outstanding Exchangeable Shares in accordance with the terms of the Voting Trust Agreement. The voting rights with respect to any Exchangeable Share may be exercised by the Trustee or, alternatively, the holder of the Exchangeable Share may exercise their voting rights directly. Under the Voting Trust Agreement, the Trustee may exercise the voting rights of the Exchangeable Shares only with the instruction of the holder of the Exchangeable Share. As of January 22, 2014, the Exchangeable Shares are exchangeable at any time into 24,176,927 shares of Common Stock. Weirfoulds LLP's address is 1600-130 King Street, The Exchange Tower, Toronto, Ontario, M5X 1J5.

(9) Paul H. Saunders' address is 2700 North Ocean Drive, 9A, Singer Island, Florida 33404.

Equity Compensation Plan Information

The following table summarizes the shares of our common stock authorized for issuance under our equity compensation plans as of October 31, 2013.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	Not applicable	Not applicable	Not applicable
Equity Compensation Plans not approved by security holders	—	—	30,000(1)
TOTAL	—	—	30,000

(1) The maximum number of shares that may be subject to outstanding awards under our 1999 Long-Term Incentive Plan is 600,000 shares of Common Stock. Because this limitation applies only to outstanding awards under the plan, as the outstanding options included in column (a) are either exercised, forfeited or expire pursuant to their terms, the number of shares remaining available for future issuance in column (c) shall be increased by the number of shares subject to such option so exercised, forfeited or expired.

Our 1999 Long-Term Incentive Plan provides our directors, officers, employees and consultants with the opportunity to participate in our ownership. Our Board of Directors acts as the committee under the plan which administers the plan, addressing participation, the awards offered and any applicable conditions of exercise. In making these determinations, our Board of Directors will generally consider the participant's position and record of service to us. The Board of Directors may issue options, stock appreciation rights, restricted stock, deferred stock, bonus stock, awards in lieu of cash obligations, dividend equivalents and other stock based awards, all subject to terms and conditions to be set by the Board of Directors. The plan also contains standard provisions dealing with matters such as adjustment of the number of shares subject to options and covered by the plan in addition to amendment and termination of the plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

As a smaller reporting company, we are required to follow the scaled disclosure requirements with respect to this *Part III, Item 13 – Certain Relationships and Related Transactions, and Director Independence*. The disclosures related to review of related person transactions are not applicable to smaller reporting companies.

Certain Relationships and Related Transactions

During the year ended October 31, 2013, an existing stockholder purchased 400,000 common shares of the Company's stock for consideration of $100,000. Other directors or other shareholders purchased $437,237 in convertible debentures bearing interest at 10% per annum.

Director Independence

The Board of Directors currently consists of three members, one of whom is "independent" as defined under applicable rules of the SEC and The NASDAQ Stock Market LLC. The independent member of the Board of Directors is Neil Tabatznik. However, since our stock trades on the OTC Bulletin Board and the OTCQB, we are not required to have independent directors.

For a director to be considered independent, the Board must determine that the director has no relationship, which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

CohnReznick LLP has been appointed as our independent public accountants for the year ended October 31, 2012 by unanimous approval of our board of directors. CohnReznick LLP is the successor to our former independent auditors, KPMG LLP, who served as our independent auditor since February 2012.

The following table sets forth the aggregate fees paid by CardioGenics for the fiscal years ended October 31, 2013 and 2012 to our independent auditors:

	Fiscal Year Ended October 2013	Fiscal Year Ended October 2012
Audit Fees	$ 60,000(1)	$ 60,000
Audit Related Fees	51,026(2)	49,450(2)
Tax Fees	—	—
All Other Fees	—	—
Total	**$ 111,026**	**$ 109,450**

(1) Represents estimated audit fees for the fiscal year ended October 31, 2013.

(2) Represents charges of CohnReznick LLP, CardioGenics' auditors in fiscal years ended October 31, 2013 and October 31, 2012, for review of interim financial statements.

(3) CohnReznick LLP did not provide and did not bill for any tax services.

All Other Fees

There were no other fees billed by CohnReznick LLP in the years ended October 31, 2013 or 2012.

Pre-Approval Policies and Procedures

The Board of Directors is required to pre-approve the rendering by our independent auditor of audit or permitted non-audit services. The Board of Directors pre-approved all of the services rendered by CohnReznick LLP for the audits of the consolidated financial statements included in our Annual Reports on Form 10-K and reviews of consolidated financial statements included in our Quarterly Reports on Form 10-Q.

The services provided for 2013 were 54% audit services and 46% audit related fees. The services provided above for 2012 were 55% audit services and 45% audit related fees.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibits

The following Exhibits are filed as part of this Annual Report on Form 10-K or incorporated by reference.

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation of Registrant. Incorporated by reference to the Registrant's Form 10-QSB filed with the SEC on June 19, 2006.
3.2	Bylaws of Registrant. Incorporated by reference to the Registrant's Form SB-2 filed with the SEC on September 30, 1999.
3.3	Certificate of Designation of Series 1 Preferred Stock of Registrant. Incorporated by reference to the Registrant's Form 8-K filed with the SEC on July 24, 2009.
3.4	Articles of Amendment of CardioGenics ExchangeCo Inc. effective July 14 2009 and Articles of Incorporation of CardioGenics ExchangeCo Inc. Effective May 22, 2009.
3.5	Certificate of Amendment to Articles of Incorporation of Registrant. Incorporated by reference to the Registrant's Form DEF 14C filed with the SEC on September 9, 2009.
3.6	Certificate of Amendment to Articles of Incorporation of Registrant. Incorporated by reference to the Registrant's Form 8-K filed with the SEC on January 18, 2013.
4.1	Form of Common Stock Certificate. Incorporated by reference to the Registrant's Form 10-KSB filed with the SEC on November 8, 2005.
4.2	Form of Series 2 Class B Stock Certificate. Incorporated by reference to the Registrant's Form 10-KSB filed with the SEC on November 8, 2005.
10.1	1999 Long-Term Incentive Plan, as amended. Incorporated by reference to Exhibit 10.1 to the Registrant's Form S-8 filed with the SEC on May 1, 2002.
10.2	Share Purchase Agreement dated May 22, 2009 between Registrant, CardioGenics ExchnageCo Inc., CardioGenics Inc. And Yahia Gawad, Principal Shareholder of CardioGenics Inc. Incorporated by reference to the Registrant's Form 8-K filed with the SEC on May 22, 2009.
10.3	Voting and Exchange Trust Agreement dated July 6, 2009 among Registrant, CardioGenics ExchangeCo Inc. and Weirfoulds LLP. Incorporated by reference to the Registrant's Form 8-K filed with the SEC on July 6, 2009.
10.4	Support Agreement dated July 6, 2009 between Registrant and CardioGenics ExchangeCo Inc. Incorporated by reference to the Registrant's Form 8-K filed with the SEC on July 6, 2009.
10.5	Employment agreement dated July 31, 2009 between Registrant and Dr. Yahia Gawad. Incorporated by reference to the Registrant's Form 10-K filed with the SEC on February 16, 2010.
10.6	Form of Convertible Debenture Unit Purchase Agreement (Including Forms of Convertible Debenture and Warrant) by and between the Registrant and the purchasers named therein. Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on March 4, 2013.
10.7	Form of Convertible Debenture Unit Purchase Agreement (Including Forms of Convertible Debenture and Warrant) by and between the Registrant and the purchasers named therein. Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on June 3, 2013.
10.8	Form of Interest Escrow Account Agreement. Incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K, filed with the SEC on June 3, 2013.
10.9	Investment Agreement, dated as of September 27, 2013, by and between Registrant and Dutchess Opportunity Fund, II, LP. Incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K, filed with the SEC on October 3, 2013.
10.10	Registration Rights Agreement, dated as of September 27, 2013, by and between Registrant and Dutchess Opportunity Fund, II, LP. Incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K, filed with the SEC on October 3, 2013.
14.1	Code of Ethics. Incorporated by reference into the Registrant's Form 10-KSB filed with the SEC on November 13, 2003.
21.1	Subsidiaries of Registrant. Incorporated by reference to the Registrant's Form 10-K filed with the SEC on January 31, 2011.

23.1	Consent of CohnReznick LLP*
31.1	Section 302 Certification of Chief Executive Officer*
31.2	Section 302 Certification of Chief Financial Officer*
32.1	Section 906 Certification of Chief Executive Officer and Chief Financial Officer*
101.INS*	XBRL Instance Document
101.SCH*	XBRL Schema Document
101.CAL*	XBRL Calculation Linkbase Document
101.LAB*	XBRL Label Linkbase Document
101.PRE*	XBRL Presentation Linkbase Document
101.DEF*	XBRL Definition Linkbase Document

** Filed herewith*

CardioGenics Holdings Inc.
(A Development Stage Company)
Table of Contents
October 31, 2013 and 2012

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
CardioGenics Holdings, Inc.

We have audited the accompanying consolidated balance sheets of CardioGenics Holdings Inc. (a development stage company) and Subsidiaries as of October 31, 2013 and 2012, and the related consolidated statements of operations, comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended and for the period from November 1, 2008 to October 31, 2010. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of CardioGenics Holdings, Inc. (a development stage company) and Subsidiaries as of October 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended and for the period from November 1, 2008 to October 31, 2010 in conformity with accounting principles generally accepted in the United States of America.

The consolidated financial statements referred to above have been prepared assuming that the Company will continue as a going concern. As further discussed in Note 2 to the consolidated financial statements, the Company's operations have generated recurring losses and negative cash flows from operating activities. Such matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans concerning these matters are also described in Note 2. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

/s/ CohnReznick LLP

Roseland, New Jersey
February 13, 2014

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Balance Sheets

	October 31, 2013	October 31, 2012
Assets		
Current Assets		
Cash and Cash Equivalents	$ 263,103	$ 27,009
Accounts Receivable	246	437
Deposits and Prepaid Expenses	49,267	51,422
Refundable Taxes Receivable	3,302	45,207
Government Grants and Investment Tax Credits Receivable	60,104	80,080
	376,022	204,155
Long-Term Assets		
Property and Equipment, net	53,496	67,827
Patents, net	118,432	110,031
	171,928	177,858
Total Assets	$ 547,950	$ 382,013
Liabilities and Deficiency		
Current Liabilities		
Accounts Payable and Accrued Expenses	$ 1,050,115	$ 786,135
Funds Held in Trust for Redemption of Class B Common Shares	4	4
Due to Shareholders	—	100,000
Current Portion of Capital Lease Obligation	—	2,627
Notes Payable, net of debt discount	11,983	—
Derivative Liability on Notes Payable	99,702	—
	1,161,804	888,766
Long-Term Liabilities		
Debentures Payable	303,190	—
	303,190	—
Total Liabilities	1,464,994	888,766
Commitments and Contingencies		
Deficiency		
Preferred stock; par value $.0001 per share, 5,000,000 shares authorized, none issued	—	—
Common stock; par value $.00001 per share; 150,000,000 shares authorized, 34,726,668 and 32,499,239 common shares and 24,176,927 and 24,176,927 exchangeable shares issued and outstanding as of October 31, 2013 and 2012, respectively	565	543
Additional paid-in capital	44,514,000	42,036,498
Deficit accumulated during development stage	(44,957,870)	(42,039,223)
Accumulated other comprehensive loss	(117,515)	(166,637)
Total deficiency attributable to CardioGenics Holdings Inc.	(560,820)	(168,819)
Non-controlling interest	(356,224)	(337,934)
Total deficiency	(917,044)	(506,753)
Total liabilities and deficiency	$ 547,950	$ 382,013

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Operations
For the Years Ended October 31, 2013 and 2012 and
Cumulative from November 20, 1997 (Date of Inception) to October 31, 2013

	For the Years Ended October 31, 2013	For the Years Ended October 31, 2012	Cumulative From November 20, 1997 (Date of Inception) to October 31, 2013
Revenue	$ —	$ 1,297	$ 10,173
Operating Expenses			
Depreciation and Amortization of Property and Equipment	14,484	18,305	234,228
Amortization of Patent Application Costs	7,285	6,882	26,578
Write-off of Patent Application Costs	—	24,905	239,530
General and Administrative	1,886,669	741,961	10,303,700
Write-off of Goodwill	—	—	12,780,214
Research and Product Development, Net of Investment Tax Credits	419,364	522,953	4,569,697
Cost of Settlement of Lawsuit	199,000	—	1,952,800
Total operating expenses	2,526,802	1,315,006	30,106,747
Operating Loss	(2,526,802)	(1,313,709)	(30,096,574)
Other Expenses			
Interest Expense and Bank Charges (Net)	300,119	21,672	2,458,427
Loss on Change in Value of Derivative Liability	116,663	—	12,537,686
Loss (Gain) on Foreign Exchange Transactions	(6,647)	(18,922)	183,696
Total other expenses	410,135	2,750	15,179,809
Loss from Continuing Operations	(2,936,937)	(1,316,459)	(45,276,383)
Discontinued Operations			
Gain on Sale of Subsidiary	—	—	90,051
Loss from Discontinued Operations	—	—	(127,762)
Net Loss	(2,936,937)	(1,316,459)	(45,314,094)
Net Loss Attributed to Non-Controlling Interest	18,290	8,410	356,224
Net Loss Attributed to CardioGenics Holdings Inc.	$ (2,918,647)	$ (1,308,049)	$ (44,957,870)
Basic and Fully Diluted Net Loss per Common Share	$ (0.05)	$ (0.02)	
Basic and Fully Diluted Net Loss per Common Share From Discontinued Operations	$ 0.00	$ 0.00	
Weighted-average number of Common Shares	57,171,924	55,629,034	

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Comprehensive Loss
For the Years Ended October 31, 2013 and 2012 and
Cumulative from November 20, 1997 (Date of Inception) to October 31, 2013

	For the Years Ended October 31, 2013	For the Years Ended October 31, 2012	Cumulative from November 20, 1997 (Date of Inception) To October 31, 2013
Net Loss	$ (2,936,937)	$ (1,316,459)	$ (45,314,094)
Net Loss attributable to non-controlling interest	18,290	8,410	356,224
Net Loss attributed to CardioGenics Holdings Inc.	(2,918,647)	(1,308,049)	(44,957,870)
Other comprehensive income (loss), currency translation adjustments	49,122	6,770	(117,515)
Comprehensive loss attributed to CardioGenics Holdings Inc.	$ (2,869,525)	$ (1,301,279)	$ (44,840,355)

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock		Additional Paid-in	Deficit Accumulated During the Development	Accumulated Other Comprehensive	Noncontrolling	Total
	Shares	Amount	Capital	Stage	(Loss)	Interest	Equity
Issuance of common shares for cash November 1998	1,592,732	$ 16	$ (15)	$ —	$ —	$ —	$ 1
Issuance of common shares for cash December 1998, $.00	796,366	8	35,028				35,036
Issuance of common shares for cash March 1998, $.00	551,611	6	24,442				24,448
Issuance of common shares for cash April 1998, $.00	12,986,611	130	5,573				5,703
Issuance of common shares for cash May 1998, $.01	210,249	2	17,297				17,299
Issuance of common shares for cash August 1998, $.00	2,787,281	28	200				228
Issuance of common shares for cash September 1998, $.01	84,100	1	6,570				6,571
Issuance of common shares for cash October 1998, $.01	31,949	—	2,500				2,500
Comprehensive Income (Loss)							
Net Loss				(81,208)			(81,208)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(2,096)		(2,096)
Total Comprehensive Income (Loss)				(81,208)	(2,096)		(83,304)
Balance at October 31, 1998	19,040,899	$ 191	$ 91,595	$ (81,208)	$ (2,096)	$ —	$ 8,482

	Common Stock		Additional Paid-in	Deficit Accumulated During the Development	Accumulated Other Comprehensive	Noncontrolling	Total Equity
	Shares	Amount	Capital	Stage	(Loss)	Interest	(Deficiency)
Balance November 1, 1998	19,040,899	$ 191	$ 91,595	$ (81,208)	$ (2,096)	$ —	$ 8,482
Issuance of common shares for cash November 1998, $.01	32,066	—	2,500				2,500
Issuance of common shares for cash February 1999, $.01	159,273	2	14,287				14,289
Commission paid on issuance of common stock for cash February 1999			(935)				(935)
Issuance of common shares for cash March 1999, $.01	278,728	3	24,707				24,710
Commission paid on issuance of common stock for cash March 1999			(1,647)				(1,647)
Issuance of common shares for cash to minority shareholders April 1999, $.01	—	—	10,707				10,707
Commission paid on issuance of common stock for cash April 1999			(627)				(627)
Issuance of common shares for cash April 1999, $.01	39,818	—	3,814				3,814
Commission paid on issuance of common stock for cash April 1999			(314)				(314)
Issuance of common shares for cash July 1999, $.01	119,455	1	10,073				10,074
Issuance of common shares for cash August 1999, $.01	119,455	1	10,045				10,046
Net loss attributable to noncontrolling interest						(604)	(604)
Comprehensive Income (Loss)							
Net Loss				(100,141)			(100,141)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(3,489)		(3,489)
Total Comprehensive Income (Loss)				(100,141)	(3,489)		(103,630)
Balance at October 31, 1999	19,789,694	$ 198	$ 164,205	$ (181,349)	$ (5,585)	$ (604)	$ (23,135)

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock		Additional Paid-in	Deficit Accumulated During the Development	Accumulated Other Comprehensive	Noncontrolling	Total Equity
	Shares	Amount	Capital	Stage	Income (Loss)	Interest	(Deficiency)
Balance November 1, 1999	19,789,694	$ 198	$ 164,205	$ (181,349)	$ (5,585)	$ (604)	$ (23,135)
Issuance of common shares for cash November 1999, $.03	318,546	3	99,997				100,000
Issuance of common shares for minority shareholders as employee compensation December 1999, $.03	—	—	3,396				3,396
Issuance of common shares for cash March 2000, $.03	167,237	2	43,124				43,126
Issuance of common shares for minority shareholders for cash March, 2000, $.03	—	—	25,330				25,330
Issuance of common shares for cash April 2000, $.03	23,891	—	6,128				6,128
Loan Payable plus interest exchanged for shares July 2000, $.03	356,772	4	111,996				112,000
Issuance of common shares for minority shareholders as employee compensation October 2000, $.03	—	—	6,611				6,611
Issuance of stock options in exchange for services rendered October 2000	—		11,570				11,570
Net loss attributable to noncontrolling interest						(1,840)	(1,840)
Comprehensive Income (Loss)							
Net Loss				(152,525)			(152,525)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					921		921
Total Comprehensive Income (Loss)				(152,525)	921		(151,604)
Balance at October 31, 2000	20,656,140	$ 207	$ 472,357	$ (333,874)	$ (4,664)	$ (2,444)	$ 131,582

	Common Stock		Additional Paid-in	Deficit Accumulated During the Development	Accumulated Other Comprehensive	Noncontrolling	Total
	Shares	Amount	Capital	Stage	(Loss)	Interest	Equity
Balance November 1, 2000	20,656,140	$ 207	$ 472,357	$ (333,874)	$ (4,664)	$ (2,444)	$ 131,582
Issuance of common shares as employee compensation October 2001, $.03	2,410	—	925				925
Issuance of common share for minority shareholders as employee compensation October 2001, $.03	—	—	6,169				6,169
Issuance of stock options in exchange for services rendered October 2001	—	—	22,269				22,269
Net loss attributable to noncontrolling interest						(1,500)	(1,500)
Comprehensive Income (Loss)							
Net Loss				(114,761)			(114,761)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(10,528)		(10,528)
Total Comprehensive Income (Loss)				(114,761)	(10,528)		(125,289)
Balance at October 31, 2001	20,658,550	$ 207	$ 501,720	$ (448,635)	$ (15,192)	$ (3,944)	$ 34,156

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive (Loss)	Noncontrolling Interest	Total Equity
Balance November 1, 2001	20,658,550	$ 207	$ 501,720	$ (448,635)	$ (15,192)	$ (3,944)	$ 34,156
Issuance of common shares for cash June 2002, $.03	1,051,211	11	319,011				319,022
Issuance of common shares to minority shareholders for cash July 2002, $.03	—	—	3,235				3,235
Issuance of common shares for cash September 2002, $.03	20,957	—	6,345				6,345
Issuance of common shares for minority shareholders as employee compensation October 2002, $.03	—	—	9,505				9,505
Issuance of stock options in exchange for services rendered October 2002	—	—	70,518				70,518
Net loss attributable to noncontrolling interest						(2,243)	(2,243)
Comprehensive Income (Loss)							
Net Loss				(156,214)			(156,214)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(11,506)		(11,506)
Total Comprehensive Income (Loss)				(156,214)	(11,506)		(167,720)
Balance at October 31, 2002	21,730,718	$ 218	$ 910,334	$ (604,849)	$ (26,698)	$ (6,187)	$ 272,818

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity
Balance November 1, 2002	21,730,718	$ 218	$ 910,334	$ (604,849)	$ (26,698)	$ (6,187)	$ 272,818
Issuance of common shares for cash May 2003, $.03	28,292	—	9,871				9,871
Issuance of common shares for minority shareholders for cash May 2003 $.03	—	—	10,967				10,967
Issuance of warrants in conjunction with convertible debentures September 2003			358,406				358,406
Issuance of common shares as employee compensation October 2003, $.04	56,584	1	20,421				20,422
Issuance of common shares for minority shareholders as employee compensation October 2003, $.04	—	—	7,564				7,564
Issuance of stock options in exchange for services rendered October 2003	—	—	23,580				23,580
Net loss attributable to noncontrolling interest						(3,825)	(3,825)
Comprehensive Income (Loss)							
Net Loss				(228,993)			(228,993)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					42,957		42,957
Total Comprehensive Income (Loss)				(228,993)	42,957		(186,036)
Balance at October 31, 2003	$ 21,815,594	$ 219	$ 1,341,143	$ (833,842)	$ 16,259	$ (10,012)	$ 513,767

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive Income	Noncontrolling Interest	Total Equity
Balance November 1, 2003	21,815,594	$ 219	$ 1,341,143	$ (833,842)	$ 16,259	$ (10,012)	$ 513,767
Issuance of warrants in conjunction with convertible debentures September 2004			152,628				152,628
Issuance of common shares as employee compensation October 2004, $.04	123,646	1	47,316				47,317
Issuance of common shares as directors' compensation October 2004, $.04	157,177	2	60,147				60,149
Issuance of stock options in exchange for services rendered October 2004	—	—	27,669				27,669
Issuance of options to directors and committee chairmen for services rendered in October 2004			54,582				54,582
Net loss attributable to noncontrolling interest						(9,774)	(9,774)
Comprehensive Income (Loss)							
Net Loss				(592,706)			(592,706)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(6,136)		(6,136)
Total Comprehensive Income (Loss)				(592,706)	(6,136)		(598,842)
Balance at October 31, 2004	22,096,417	$ 222	$ 1,683,485	$ (1,426,548)	$ 10,123	$ (19,786)	$ 247,496

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity (Deficiency)
Balance November 1, 2004	22,096,417	$ 222	$ 1,683,485	$ (1,426,548)	$ 10,123	$ (19,786)	$ 247,496
Issuance of common shares as employee compensation November 2004, $.04	9,431	—	3,760				3,760
Issuance of common shares as employee compensation December 2004, $.04	9,431	—	3,692				3,692
Issuance of common shares as employee compensation January 2005, $.04	9,431	—	3,674				3,674
Issuance of common shares as employee compensation February 2005, $.04	9,431	—	3,629				3,629
Issuance of common shares as employee compensation March 2005, $.04	9,431	—	3,701				3,701
Issuance of common shares as employee compensation April 2005, $.04	9,431	—	3,641				3,641
Issuance of common shares as employee compensation May 2005, $.04	9,431	—	3,584				3,584
Issuance of common shares as employee compensation June 2005, $.04	9,431	—	3,628				3,628
Issuance of common shares as employee compensation July 2005, $.04	9,431	—	3,680				3,680
Issuance of common shares as employee compensation August 2005, $.04	9,431	—	3,737				3,737
Issuance of common shares as employee compensation September 2005, $.04	9,431	—	3,821				3,821
Issuance of common shares as employee compensation October 2005, $.04	9,431	—	3,822				3,822
Issuance of stock options in exchange for services rendered October 2005	—	—	33,973				33,973
Net loss attributtable to noncontolling interest						(11,195)	(11,195)
Comprehensive Income (Loss)							
Net Loss				(682,408)			(682,408)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(13,288)		(13,288)
Total Comprehensive Income (Loss)				(682,408)	(13,288)		(695,696)
Balance at October 31, 2005	22,209,589	$ 222	$ 1,761,827	$ (2,108,956)	$ (3,165)	$ (30,981)	$ (381,053)

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive (Loss)	Noncontrolling Interest	Total (Deficiency)
Balance November 1, 2005	22,209,589	$ 222	$ 1,761,827	$ (2,108,956)	$ (3,165)	$ (30,981)	$ (381,053)
Issuance of common shares as employee compensation November 2005, $.04	10,478	—	4,232				4,232
Issuance of common shares in exchange for services rendered December 2005, $.04	10,478	—	4,305				4,305
Issuance of common shares in exchange for services rendered January 2006, $.04	10,478	—	4,321				4,321
Issuance of stock options in exchange for services rendered October 2006	—	—	2,658				2,658
Net loss attributable to noncontrolling interest						(8,561)	(8,561)
Comprehensive Income (Loss)							
Net Loss				(522,532)			(522,532)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(25,688)		(25,688)
Total Comprehensive Income (Loss)				(522,532)	(25,688)		(548,220)
Balance at October 31, 2006	22,241,023	$ 222	$ 1,777,343	$ (2,631,488)	$ (28,853)	$ (39,542)	$ (922,318)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive (Loss)	Noncontrolling Interest	Total (Deficiency)
Balance November 1, 2006	22,241,023	$ 222	$ 1,777,343	$ (2,631,488)	$ (28,853)	$ (39,542)	$ (922,318)
Incremental increase in fair value of warrants in conjunction with re-structuring of debentures, April 2007			44,096				44,096
Net loss attributable to noncontrolling interest						(4,972)	(4,972)
Comprehensive Income (Loss)							
Net Loss				(303,477)			(303,477)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(184,432)		(184,432)
Total Comprehensive Income (Loss)				(303,477)	(184,432)		(487,909)
Balance at October 31, 2007	22,241,023	$ 222	$ 1,821,439	$ (2,934,965)	$ (213,285)	$ (44,514)	$ (1,371,103)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total (Deficiency)
Balance November 1, 2007	22,241,023	$ 222	$ 1,821,439	$ (2,934,965)	$ (213,285)	$ (44,514)	$ (1,371,103)
Issuance of warrants in conjunction with re-structuring of debentures October 2008			231,580				231,580
Net loss attributable to noncontrolling interest						(21,813)	(21,813)
Comprehensive Income (Loss)							
Net Loss				(1,331,408)			(1,331,408)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					422,766		422,766
Total Comprehensive Income (Loss)				(1,331,408)	422,766		(908,642)
Balance at October 31, 2008	22,241,023	$ 222	$ 2,053,019	$ (4,266,373)	$ 209,481	$ (66,327)	$ (2,069,978)

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock		Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity (Deficiency)
	Shares	Amount					
Balance November 1, 2008	22,241,023	$ 222	$ 2,053,019	$ (4,266,373)	$ 209,481	$ (66,327)	$ (2,069,978)
Issuance of common shares as payment of debenture interest, January 2009, $0.05 per share	495,094	5	236,238				236,243
Issuance of common shares on exercise of options, April 2009	570,980	6	22				28
Issuance of common shares as employee compensation for the years 2001 to 2008, May 2009, $0.04 per share	3,153,878	32	1,298,753				1,298,785
Issuance of common shares to directors, pursuant to debenture financing of January 2009, May 2009, $0.04 per share	928,394	9	382,521				382,530
Issuance of common shares in exchange for services rendered, June 2009, $0.04 per share	5,023	—	2,062				2,062
Issuance of common shares for cash June 2009, $0.04 per share	24,090	—	8,602				8,602
Issuance of common shares in exchange for services rendered, July 2009, $0.04 per share	47,153	—	20,250				20,250
Issuance of common shares as payment of director compensation, for the years 2004 through 2009, July 2009, $0.04 per share	241,005	2	103,498				103,500
Issuance of common shares as employee compensation pursuant to reverse merger transaction, July 2009, $0.04 per share	1,173,592	12	503,988				504,000
Issuance of common shares to retire debentures, July 2009, $0.03 per share	3,346,028	34	997,538				997,572
Issuance of common shares as payment of debenture interest, January 2009, July 2009, $0.05 per share	855,712	9	418,659				418,668
Issuance of common shares to retire director’s loan, July 2009 $0.04 per share	2,377,813	24	884,976				885,000
Issuance of common shares as payment of interest on director’s loan, July 2009, $0.04 per share	218,556	2	108,633				108,635
Issuance of common shares for cash, July 2009, $0.04 per share	6,540,017	66	2,714,934				2,715,000
Issuance of common shares as compensation for consulting contract, July 2009, $0.38 per share	100,000	1	379,999				380,000
Issuance of common shares on exercise of warrants by YA Global for cash August 2009	25,000	—	45,000				45,000
Beneficial conversion charge on 3rd debenture	—		335,000				335,000
Beneficial conversion charge on director’s loan	—		117,109				117,109
Reclassification of warrants to derivative liability			(786,710)				(786,710)
Assumption of options in reverse merger			644,806				644,806
Reclassification of derivative liability on increase of authorized shares			13,501,360				13,501,360
Effect of Reverse Merger	7,089,282	71	11,573,465	—	—		11,573,536
Net loss attributable to noncontrolling interest						(211,670)	(211,670)
Comprehensive Income (Loss)							
Net Loss				(28,715,913)			(28,715,913)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					(529,296)		(529,296)
Total Comprehensive Loss				(28,715,913)	(529,296)		(29,245,209)
Balance October 31, 2009	49,432,640	$ 495	$ 35,543,722	$ (32,982,286)	$ (319,815)	$ (277,997)	$ 1,964,119

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock		Additional Paid-in	During the Development	Accumulated Other Comprehensive	Noncontrolling	Total
	Shares	Amount	Capital	Stage	(Loss)	Interest	Equity
Balance November 1, 2009	49,432,640	$ 495	$ 35,543,722	$ (32,982,286)	$ (319,815)	$ (277,997)	$ 1,964,119
Issuance of common shares in exchange for services rendered January 2010, $.14	35,000	—	49,000				49,000
Common shares issued on exercise of Warrants, February 2010	75,000	1	35,249				35,250
Common shares issued for cash, February 2010	77,000	1	76,999				77,000
Common shares issued in exchange for services rendered, May 2010	78,371	1	88,199				88,200
Common shares issued in exchange for services rendered, June 2010	50,000	—	18,000				18,000
Common shares issued for cash, October 2010	3,031,150	15	1,515,558				1,515,573
Common shares issued for subscription receivable, October 2010	230,000	1	114,999				115,000
Net loss attributable to noncontrolling interest						(14,225)	(14,225)
Comprehensive Income (Loss)							
Net Loss				(2,024,272)			(2,024,272)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					82,307		82,307
Total Comprehensive Income (Loss)				(2,024,272)	82,307		(1,941,965)
Balance at October 31, 2010	53,009,161	$ 514	$ 37,441,728	$ (35,006,558)	$ (237,508)	$ (292,222)	$ 1,905,954

	Common Stock		Additional Paid-in	Deficit Accumulated During the Development	Accumulated Other Comprehensive	Noncontrolling	Total
	Shares	Amount	Capital	Stage	(Loss)	Interest	Equity
Balance November 1, 2010	53,009,161	$ 514	$ 37,441,728	$ (35,006,558)	$ (237,508)	$ (292,222)	$ 1,905,954
Issuance of common shares in exchange for services rendered December 2010, $1.00	100,000	1	99,999				100,000
Issuance of common shares for cash December 2010, $.50	600,000	6	297,741				297,747
Issuance of common shares for cash February 2011, $.50	100,000	1	49,999				50,000
Issuance of common shares on exercise of warrants, February 2011, $.47	22,005		10,402				10,402
Refund of common shares subscribed for October 2010 in cash February 2011, $.50	(30,000)		(15,000)				(15,000)
Re-pricing of options in exchange for services rendered, February 2011			163,750				163,750
Issuance of common shares on exercise of options, February 2011, $.01	275,000	3	2,747				2,750
Issuance of common shares on settlement of lawsuit, August 2011	1,000,000	10	599,990				600,000
Issuance of warrants on settlement of lawsuit, August 2011			1,053,800				1,053,800
Issuance of common shares in exchange for services rendered September 2011	550,000	5	291,495				291,500
Issuance of warrants in exchange for services rendered, September 2011			1,777,350				1,777,350
Net loss attributable to noncontrolling interest						(37,302)	(37,302)
Comprehensive Income (Loss):							
Net Loss				(5,724,616)			(5,724,616)
Other Comprehensive Income							
Currency Translation Adjustment					64,101		64,101
Total Comprehensive (Loss)				(5,724,616)	64,101		(5,660,515)
Balance at October 31, 2011	55,626,166	$ 540	$ 41,774,001	$ (40,731,174)	$ (173,407)	$ (329,524)	$ 540,436

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
(A Development Stage Company)
Consolidated Statements of Changes in Equity (Deficiency)
For the year ended October 31, 2013

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive (Loss)	Noncontrolling Interest	Total Equity (Deficiency)
Balance November 1, 2011	55,626,166	$ 540	$ 41,774,001	$ (40,731,174)	$ (173,407)	$ (329,524)	$ 540,436
Common shares issued for cash, October 2012	1,050,000	3	262,497				262,500
Net loss attributable to noncontrolling interest						(8,410)	(8,410)
Comprehensive Income (Loss)							
Net Loss				(1,308,049)			(1,308,049)
Other Comprehensive Income (Loss)							
Currency Translation Adjustment					6,770		6,770
Total Comprehensive Income (Loss)				(1,308,049)	6,770		(1,301,279)
Balance at October 31, 2012	56,676,166	$ 543	$ 42,036,498	$ (42,039,223)	$ (166,637)	$ (337,934)	$ (506,753)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Accumulated Other Comprehensive (Loss)	Noncontrolling Interest	Total Equity (Deficiency)
Balance November 1, 2012	56,676,166	$ 543	$ 42,036,498	$ (42,039,223)	$ (166,637)	$ (337,934)	$ (506,753)
Issuance of common shares on conversion of notes payable May 2013	300,000	3	27,216				27,219
Issuance of common shares for services rendered June 2013	357,582	4	114,021				114,025
Issuance of common shares on conversion of notes payable July 2013	290,649	3	34,034				34,037
Issuance of common shares for services rendered August 2013	550,000	5	142,995				143,000
Issuance of warrants for services rendered August 2013			1,040,000				1,040,000
Issuance of common shares on conversion of notes payable September 2013	120,000	1	13,680				13,681
Issuance of warrants for services rendered September 2013			90,000				90,000
Issuance of common shares for cash October 2013 at $0.25	400,000	4	99,996				100,000
Issuance of common shares on conversion of notes payable October 2013	209,198	2	16,943				16,945
Value of warrants and beneficial conversion feature associated with debentures issued in the year			746,656				746,656
Settlement of derivative value of notes payable on conversion to common shares			151,961				151,961
Net loss attributable to non-controlling interest						(18,290)	(18,290)
Comprehensive Income (Loss):							
Net Loss				(2,918,647)			(2,918,647)
Other Comprehensive Income							—
Currency Translation Adjustment					49,122		49,122
Total Comprehensive Income (Loss)				(2,918,647)	49,122		(2,869,525)
Balance October 31, 2013	58,903,595	$ 565	$ 44,514,000	$ (44,957,870)	$ (117,515)	$ (356,224)	$ (917,044)

See notes to consolidated financial statements.

CardioGenics Holdings Inc.
Consolidated Statements of Cash Flows
Years Ended October 31, 2013 and 2012 and
Cumulative from November 20, 1997 (Date of Inception) to October 31, 2013

	Years Ended October 31		Cumulative from November 20, 1997 (Date of Inception) To
	2013	2012	October 31, 2013
Cash flows from operations activities			
Net Loss	$ (2,936,937)	$ (1,316,459)	$ (45,314,094)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation and amortization of Property and Equipment	14,484	18,305	234,228
Amortization of Patent Application Costs	7,285	6,882	26,578
Write-off of Patent Application Costs	—	24,905	239,530
Re-pricing of Options for Services Rendered	—	—	163,750
Write-off of Goodwill	—	—	12,780,214
Amortization of Deferred Debt Issuance Costs	—	—	511,035
Loss on Extinguishment of Debt	—	—	275,676
Loss on Change in Value of Derivative Liability	116,663	—	12,537,686
Interest and Discount on Notes Payable	103,862	—	13,862
Amortization of Discount on Debentures Payable	112,609	—	112,609
Interest Accrued and Foreign Exchange Loss on Debt	—	—	922,539
Unrealized Foreign Currency Exchange Gains	—	—	25,094
Beneficial Conversion Charge included in Interest Expense	—	—	452,109
Common Stock and Warrants Issued on Settlement of Lawsuit	—	—	1,653,800
Common Stock Issued as Employee or Officer/Director Compensation	—	—	2,508,282
Common Stock and Warrants Issued for Services Rendered	1,387,025	—	4,203,287
Stock Options Issued for Services Rendered	—	—	192,238
Stock Options Issued to Directors and Committee Chairmen	—	—	54,582
Changes in Operating Assets and Liabilities, Net of Acquisition			
Accounts Receivable	191	8,565	(246)
Deposits and Prepaid Expenses	—	119	(50,633)
Refundable Taxes Receivable	40,759	(10,016)	(3,584)
Government Grants and Investment Tax Credits Receivable	16,931	107,417	(43,087)
Accounts Payable and Accrued Expenses	418,575	189,443	436,798
Advances	—	—	131
Net cash used in operating activities	(718,553)	(970,839)	(8,067,616)
Cash flows from investing activities			
Cash Acquired from Acquisition	—	—	195,885
Purchase of Property and Equipment	(153)	(3,824)	(223,643)
Patent Application Costs	(15,686)	(4,204)	(334,460)
Net cash used in investing activities	(15,839)	(8,028)	(362,218)
Cash flows from financing activities			
Due to Shareholders	—	100,000	100,000
Repayment of Capital Lease Obligation	(2,627)	(25,714)	(43,917)
Due to Director	—	—	725,330
Issue of Notes Payable	135,000	—	135,000
Issue of Debentures	700,000	—	2,078,305
Issue of Common Shares on Exercise of Stock Options	—	—	2,781
Issue of Common Shares on Exercise of Warrants	—	—	45,652
Issue of Common Shares for Cash	100,000	262,500	5,986,669
Refund of Share Subscription	—	—	(15,000)
Redemption of 10% Senior Convertible Debentures	—	—	(394,972)
Net cash provided by financing activities	932,373	336,786	8,619,848
Effect of foreign exchange on cash and cash equivalents	38,113	(112)	73,089
Cash and Cash Equivalents			
Increase (Decrease) in cash and cash equivalents during the period	236,094	(642,193)	263,103
Beginning of Period	27,009	669,202	—
End of Period	$ 263,103	$ 27,009	$ 263,103

See notes to consolidated financial statements.

1. Nature of Business

The accompanying audited consolidated financial statements have been prepared in accordance with the requirements of Form 10-K and Article 8 of Regulation S-X of the Securities and Exchange Commission (the “SEC”) and include the results of CardioGenics, Inc. and its subsidiaries and JAG Media Holdings, Inc and its subsidiaries (“JAG Media”) (from July 31, 2009, date of acquisition) which are collectively referred to as the “Company.”

CardioGenics Inc. (“CardioGenics”) was incorporated on November 20, 1997 in the Province of Ontario, Canada, and carries on the business of development and commercialization of diagnostic test products for the In-Vitro Diagnostics testing market. CardioGenics has several test products that are in various stages of development. In the last quarter of 2011 CardioGenics commenced selling one of these products, but has generated no significant revenue therefrom.

On July 31, 2009, CardioGenics acquired the business of JAG Media Holdings, Inc. (“JAG Media”). The business acquired is that of gathering and compiling financial and investment information from various financial institutions and other Wall Street professionals. Revenues of the acquired business of JAG media are generated by releasing such financial information to subscribers in a consolidated format on a timely basis through facsimile transmissions and a web site. Further, software focused on streaming video solutions was acquired through the acquisition of JAG Media by CardioGenics. Historically, further development of this software had been limited as a result of JAG Media’s lack of financial resources.

On February 11, 2010, the Company entered into an LLC Membership Interest Purchase Agreement with Rothcove Partners LLS (“Rothcove”) pursuant to which the Company sold its interest in JAG Media to Rothcove.

References herein to CardioGenics common shares has been retrospectively adjusted to reflect the exchange ratio of 20.957 established in the Share Purchase Agreement related to the acquisition of JAG Media.

On October 27, 2009, the name of the Company was changed from Jag Media Holdings, Inc. to CardioGenics Holdings, Inc.

On April 23, 2010, the Company’s Board of Directors approved a reverse stock split of its issued and outstanding common shares. The total authorized shares of common stock was at the same time reduced to 65,000,000. The Board of Directors selected a ratio of one-for-ten and the reverse stock split was effective on June 20, 2010. Trading of the Company’s common stock on the Over-The-Counter Capital Market on a split adjusted basis began at the open of trading on June 21, 2010. The reverse stock split affected all shares of the Company’s common stock, as well as options to purchase the Company’s common stock and other equity incentive awards and warrants that were outstanding immediately prior to the effective date of the reverse stock split. All references to common shares and per-share data for prior periods have been retroactively restated to reflect the reverse stock split as if it had occurred at the beginning of the earliest period presented.

On January 17, 2013, the Company filed a Certificate of Amendment to the Company’s Articles of Incorporation to increase the authorized common shares to 150,000,000 and de-authorize the Company’s Class B common stock.

2. Basis of Presentation

The accompanying consolidated financial statements have been prepared using the accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business.

The Company has incurred operating losses and has experienced negative cash flows from operations since inception. The Company has a deficit accumulated at October 31, 2013 of approximately $45 million. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and to allow it to continue as a going concern. The Company has funded its activities to date almost exclusively from debt and equity financings. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company will continue to require substantial funds to continue research and development, including preclinical studies and clinical trials of its products, and to commence sales and marketing efforts, if the FDA and other regulatory approvals are obtained. In order to meet its operating cash flow requirements Management's plans include financing activities such as private placements of its common stock and issuances of convertible debt instruments. Management is also actively pursuing industry collaboration activities including product licensing and specific project financing.

While the Company believes it will be successful in obtaining the necessary financing to fund its operations, meet revenue projections and manage costs, there are no assurances that such additional funding will be achieved and that it will succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might be necessary should the Company be unable to continue in existence.

3. Summary of Significant Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its 100% owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

(b) Development Stage Company

The accompanying financial statements have been prepared in accordance with the provisions of the guidance for development stage enterprises.

(c) Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

(d) Government Grants and Investment Tax Credits Receivable

The Company's accounts include claims for investment tax credits relating to scientific research activities of the Company prior to the acquisition described in Note 1. The qualification and recording of this activity for investment tax credit purposes is established by Canadian Income Tax authorities when the income tax returns for the period are assessed. The credit has been recognized in the consolidated statement of operations in the year in which the expenses were incurred.

Subsequent to the acquisition described in Note 1, the Company no longer qualifies to receive substantial refunds of Investment Tax Credits ("ITCs") resulting from scientific research. Currently the majority of ITCs resulting from scientific research are carried forward to a time when the company becomes tax paying at which time said ITCs are applicable against taxes payable.

(e) Property and Equipment

Property under capital leases and the related obligation for future lease payments are initially recorded at an amount equal to the lesser of fair value of the property or equipment and the present value of those lease payments. Property and equipment is depreciated using methods and rates as follows:

Furniture and Fixtures	20% declining balance
Lab Equipment	20% declining balance
Computer Equipment – Hardware	30% declining balance
Computer Equipment – Software	50% declining balance
Leasehold Improvements	Straight-line over the lesser of the life of the asset or the life of the lease

(f) Patents

Capitalized patent costs represent legal and application costs incurred to establish patents. Capitalized patent costs are amortized on a straight line method over the related patent term. As patents are abandoned, the net book value of the patent is written off.

(g) Impairment or Disposal of Long-Lived Assets

The Company assesses the impairment of long-lived assets under the guidance of standards for the impairment or disposal of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. For long-lived assets to be held and used, the Company recognizes an impairment loss only if its carrying amount is not recoverable and exceeds its fair value. The carrying amount of the long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposal of the asset.

(h) Research and Development Costs

Expenditures for research and development are expensed as incurred and include, among other costs, those related to the production of prototype products, including payroll costs. Amounts expected to be received from governments under Scientific Research Tax Credit arrangements are offset against current expenses. The Company recognizes revenue from restricted grants in the period in which the Company has incurred the expenditures in compliance with the specific restrictions.

(i) Income Taxes

The Company utilizes the liability method of accounting for income taxes as set forth in the authoritative guidance. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets will not be realized. As there is no certainty that the Company will generate taxable income in the foreseeable future to utilize tax losses accumulated to date, no provision for ultimate tax reduction has been made in these financial statements.

On November 1, 2007, the Company adopted the guidance issued for accounting for uncertainty in income taxes which provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements. Income tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized upon the adoption of the guidance and in subsequent periods. The Company recognizes potential accrued interest and penalties related to unrecognized tax benefits within operations as income tax expense. Upon adoption, there were no adjustments required.

(j) Stock-Based Compensation

The Company follows the authoritative guidance for stock-based compensation which requires that new, modified and unvested share-based payment transactions with employees, such as grants of stock options and restricted stock, be recognized in the financial statements based on their fair value at the grant date and recognized as compensation expense over their vesting periods. The Company has also considered the related guidance of the SEC. The Company estimates the fair value of stock options and shares issued as compensation to employees and directors as of the date of grant using the Black-Scholes pricing model and restricted stock based on the per share value. The Company also follows the guidance for equity instruments that are issued to other than employees for acquiring, or in conjunction with selling, goods or services for equity instruments issued to consultants which provides guidance on transactions in which (1) the fair value of the equity instruments is more reliably measurable than the fair value of the goods or services received and (2) the counterparty receives shares of stock, stock options, or other equity instruments in settlement of the entire transaction or, if the transaction is part cash and part equity instruments, in settlement of the portion of the transaction for which the equity instruments constitute the consideration. Options issued with a nominal exercise price in exchange for services rendered were measured at the fair value of the underlying services rendered on the date of grant. The expense was recorded to the consolidated statements of operations with a corresponding increase in share capital with no additional increase in the number of shares as they were legally not yet exercised.

(k) Net Loss Per Common Share

Basic loss per share is computed by dividing loss available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share gives effect to all dilutive potential common shares outstanding during the period. The computation of diluted earnings (loss) per share does not assume conversion, exercise or contingent exercise of securities that would have an anti-dilutive effect on earnings (loss) per share.

(l) Comprehensive Income (Loss)

Other comprehensive income (loss), which includes only foreign currency translation adjustments, is shown in the consolidated statements of changes in equity (deficiency).

(m) Concentration of Credit Risk

The Company maintains cash balances, at times, with financial institutions in excess of amounts insured by the Canada Deposit Insurance Corporation and the Federal Deposit Insurance Corporation. Management monitors the soundness of these institutions and has not experienced any collection losses with these financial institutions.

(n) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. By their nature, these estimates are subject to uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be material.

(o) Foreign Currency Translation

The Company maintains its accounting records for its Canadian operations in Canadian dollars. Transactions in United States dollars (“USD”) are translated into Canadian dollars at rates in effect at the date of the transaction and gains or losses on such transactions are recorded at the time of settlement in the consolidated statements of operations.

The Company’s reporting currency is the United States Dollar. Foreign denominated assets and liabilities of the Company are translated into USD at the prevailing exchange rates in effect at the end of the reporting period, the historical rate for stockholders’ equity (deficiency) and a weighted average of exchange rate in effect during the period for expenses, gains and losses. Adjustments that arise from translation into the reporting currency are recorded in the accumulated other comprehensive income (loss) component of stockholders’ equity (deficiency).

(p) Financial Instruments

The carrying values of cash and cash equivalents, other current assets, accounts payable and accrued expenses approximate their fair values due to their short-term nature. Long-term debt and convertible debentures approximate their fair value based upon recent issuances of the underlying debt.

(q) Revenue Recognition

Revenue included in these consolidated financial statements is derived from sales of paramagnetic beads and is recognized on shipment to customers.

(r) Effects of Recent Accounting Pronouncements

In December 2011, the FASB issued ASU No. 2011-11, Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities. ASU 2011-11 requires an entity to disclose information about offsetting and related arrangements to enable users of financial statements to understand the effect of those arrangements on its financial position, and to allow investors to better compare financial statements prepared under U.S. GAAP with financial statements prepared under International Financial Reporting Standards (IFRS). The new standards are effective for annual periods beginning January 1, 2013, and interim periods within those annual periods. Retrospective application is required. The Company will implement the provisions of ASU 2011-11 beginning in fiscal 2014.

In February 2013, the FASB issued ASU 2013-02, Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income. ASU 2013-02 requires an entity to provide information about the amounts reclassified out of other accumulated income by component. In addition, ASU 2013-02 requires presentation, either on the face of the income statement or in the notes, of significant amounts reclassified out of accumulated other comprehensive income by respective line items of net income, but only if the amounts required to be reclassified in their entirety in the same reporting period. For amounts that are not required to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures that provide additional details about those amounts. The amendments in ASU 2013-02 will be effective prospectively for annual reporting periods beginning after December 15, 2012 and interim periods within those annual periods. The accounting update will be applicable to the Company beginning in the first quarter of fiscal year 2014. The Company does not expect the adoption of ASU 2013-02 to have a material effect on the consolidated financial statement presentation.

(s) Derivative Instruments

The Company's derivative liabilities are related to embedded conversion features of the Notes Payable. For derivative instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in fair value recognized in earnings each reporting period. The Company uses the Black-Scholes model to value the derivative instruments at inception and subsequent valuation dates and the value is re-assessed at the end of each reporting period, in accordance with Accounting Standards Codification ("ASC") 815. Derivative instrument liabilities are classified in the consolidated balance sheets as current or non-current based on whether or not the net-cash settlement of the derivative instrument could be required within twelve months of the consolidated balance sheet date.

(t) Beneficial Conversion Charge

The intrinsic value of beneficial conversion features arising from the issuance of convertible debentures with conversion rights that are in-the-money at the commitment date is recorded as debt discount and amortized to interest expense over the term of the debentures. The intrinsic value of a beneficial conversion feature is determined after initially allocating an appropriate portion of the proceeds received from the sale of the debentures to any detachable instruments, such as warrants, included in the sale or exchange based on relative fair values.

4. Property and Equipment

The costs and accumulated depreciation and amortization of property and equipment are summarized as follows:

	October 31	
	2013	2012
Furniture and Fixtures	$ 12,120	$ 12,120
Lab Equipment	168,481	168,328
Computer Hardware	19,490	19,490
Computer Software	8,433	8,433
Leasehold Improvements	91,269	91,269
Total Property and Equipment	299,793	299,640
Less Accumulated Depreciation and Amortization	246,297	231,813
Property and Equipment, Net	$ 53,496	$ 67,827

Depreciation and amortization expense amounted to $14,484 and $18,305 for the years ended October 31, 2013 and 2012, respectively.

5. Patents

The costs and accumulated amortization of patents are summarized as follows:

	October 31	
	2013	2012
Patents	$ 144,022	$ 128,336
Less: Accumulated Amortization	(25,590)	(18,305)
Patents, Net	$ 118,432	$ 110,031
Weighted-Average Life	17 Years	17 Years

Amortization expense amounted to $7,285 and $6,882 for the years ended October 31, 2013 and 2012, respectively. Amortization expense is expected to be approximately $7,300 per year for the years ended October 31, 2014 through 2017. During the years ended October 31, 2013 and 2012, the Company wrote off approximately $0 and $24,905 of net book value of patents, respectively, for abandoned patents.

6. Due to Shareholders

The amount due to shareholders is due on demand and carries interest at 10% per annum. On February 27, 2013, the amount due to a shareholder was converted into Series A Convertible Debenture Units. (See Note 14.)

7. Income Taxes

The Company adopted the provisions of the guidance for uncertainty in income taxes on November 1, 2007. The guidance clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statement, and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on de-recognition classification, interest and penalties accounting in interim periods disclosure and transition.

Based on the Company's evaluation, management has concluded that there are no significant tax positions requiring recognition in the consolidated financial statements.

The Company has incurred losses in Canada since inception which have generated net operating loss carryforwards for income tax purposes. The net operating loss carryforwards arising from Canadian sources as of October 31, 2013 were $9,126,000 (2012 - $6,319,184) which will expire from 2014 through 2033.

All fiscal years except 2013 have been assessed; however, claims relating to research and development credits are open for review for the fiscal years ended October 2013, 2012, 2011, 2010, 2009, 2008, 2007, and July 2009.

As of October 31, 2013 and 2012, the Company had net operating loss carryforwards from US sources of approximately $41,040,000 and $40,713,000, respectively, available to reduce future Federal taxable income which will expire from 2020 through 2033. With certain exceptions, the Company is no longer subject to U.S. Federal income tax examinations by tax authorities for years prior to 2008.

Internal Revenue Code Section 382 (section "382") imposes a limitation on a corporation's ability to utilize NOLs if it experiences an ownership change. In general, an ownership change may occur from certain transactions that increase the ownership of 5% stockholders in the stock of a corporation by more than 50 percentage points over a three year period. If an ownership change occurs, utilization of the NOLs would be subject to an annual limitation. The annual limitation under section 382 is calculated by multiplying the value of the stock at the time of the ownership change by the applicable long-term exempt rate. Any unused annual limitation may be carried over to later years. The Company has historically been in a loss position and, therefore, the Section 382 limitation may not be relevant for the current period.

For the years ended October 31, 2013 and 2012, the Company's effective tax rate differs from the statutory rate principally due to the net operating losses for which no benefit was recorded.

As of October 31, 2013 and 2012, the Company's deferred tax assets consisted of the effects of temporary differences attributable to the following:

	October 31	
	2013	2012
Temporary:		
Property and equipment	$ (18,951)	$ (14,600)
Net operating loss carryforwards	16,600,883	15,589,530
Unrealized foreign exchange	17,861	16,601
Investment tax credits	402,189	381,836
Transitional tax debits	(25,076)	(25,076)
Total Deferred Tax Assets	16,976,906	15,948,291
Valuation Allowance	(16,976,906)	(15,948,291)
Net Deferred Income Taxes	$ —	$ —

A reconciliation of the Canadian combined statutory rate to the Company's effective tax rate for the years ended October 31, 2013 and 2012 is as follows:

	October 31	
	2013	2012
Statutory rate	28%	28%
Decrease in income tax rate resulting from:		
Rate differences	—	—
Changes in tax rate	—	(1.1)%
Other	—	—
Permanent differences	(5.2)%	(18.4)%
Change in valuation allowance	(22.8)%	(8.5)%
Effective tax rate	0.0%	0.0%

8. Accounts Payable and Accrued Expenses

	October 31	
	2013	2012
Accounts Payable	$ 253,618	$ 149,258
Income Tax Reserve	220,000	200,000
Research and Development	34,901	70,560
Investor Relations	20,602	21,164
Patent Application Costs	10,430	10,736
Legal Fees	273,731	263,702
Settlement of Lawsuit	199,000	—
Accounting Fees	37,833	70,715
Total	$ 1,050,115	$ 786,135

9. Stock-Based Compensation

The Company follows the guidance for stock-based compensation. Stock-based employee compensation related to stock options for each of the years ended October 31, 2013 and 2012 amounted to $-0-.

The following is a summary of the common stock options granted, forfeited or expired and exercised under the Plan:

	Options	Weighted Average Exercise Price
Outstanding – October 31, 2011	30,000	$ 0.90
Granted	—	—
Forfeited/expired	—	—
Exercised	—	—
Outstanding – October 31, 2012	30,000	$ 0.90
Granted	—	—
Forfeited/expired	—	—
Exercised	—	—
Outstanding – October 31, 2013	30,000	$ 0.90

Options typically vest immediately at the date of grant. As such, the Company does not have any unvested options or unrecognized compensation expense at October 31, 2013 and 2012.

The fair value of each option granted is estimated on grant date using the Black-Scholes option pricing model which takes into account as of the grant date the exercise price and expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock and the risk-free interest rate for the term of the option. The Company granted no stock options during the years ended October 31, 2013 and 2012.

The following table summarizes information on stock options outstanding at October 31, 2013:

Options Outstanding and Exercisable			
Number Outstanding at October 31, 2013	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)	Aggregate Intrinsic Value
30,000	$ 0.90	5.75	
30,000		5.75	$ 0

	For the Year Ended October 31, 2013	2012
Weighted Average Fair Value of Options Granted	$ —	$ —
Cash Received for Exercise of Stock Options	$ —	$ —

The intrinsic value is calculated as the difference between the market value as of October 31, 2013 and the exercise price of the shares. The market value as of October 31, 2013 was $0.19 as reported by the OTC Bulletin Board.

10. Capital Lease Obligations

The Company finances certain equipment acquisitions through a capital lease agreement that expired in 2013. Future minimum rental payments under capital leases and related information in years subsequent to October 31, 2013 are presented in the table below:

	October 31	
	2013	2012
Total amount payable in equal monthly installments of $500	$ —	$ 3,000
Less: Amount representing interest	—	373
Present value of minimum lease payments	—	2,627
Less: Current portion	—	2,627
	$ —	$ —

11. Notes Payable

On November 19, 2012, the Company entered into an agreement ("Line") with JMJ Financial ("Lender") whereby the Company may borrow up to $350,000 from the Lender in increments of $50,000. The Line is subject to an original issue discount of $50,000. Advances under the Line ("Notes") have a maturity date of one year from the date of the advance. If the advance is repaid within three months the advance is interest free. If not repaid within three months, the advance may not be repaid before maturity and carries interest at 5%. The Lender has the right at any time to convert all or part of the outstanding principal and accrued interest (and any other fees) into shares of fully paid and non-assessable shares of common stock of the Company at a price equal to the lesser of $0.23 and 60% of the lowest trade price in the 25 trading days previous to the conversion. Unless agreed in writing by the parties, at no time will the Lender convert any amount owing under the Line into common stock that would result in the Lender owing more than 4.99% of the common stock outstanding.

A summary of the Notes at October 31, 2013 and 2012 is as follows:

	October 31, 2013	October 31, 2012
Convertible Note Payable, due June 27, 2014	$ 25,000	$ —
Convertible Note Payable, due September 26, 2014	35,000	—
Debt Discount – value attributable to conversion feature attached to notes, net of accumulated amortization of $11,983	(48,017)	—
Total	11,983	—
Less: Current portion	11,983	—
Total Long-term portion	$ —	$ —

As described in further detail in Note 12, "Derivative Liabilities", the Company determines the fair value of the embedded derivatives and records them as a discount to the Notes and as a derivative liability. The discount to the Notes is amortized to Loss in Change in Value of Derivative Liability over the life of the Note or until conversion. The amount charged to Loss in Change in Value of Derivative Liability for the year was $116,663. Upon conversion of the Notes and related interest and original issue discount to Common Stock, any remaining unamortized discount is charged to financing expense. During the year ended October 31, 2013, Notes in the principal amount of $75,000 plus interest and original issue discount totaling $16,882 were exchanged for 919,847 common shares.

12. Derivative Liabilities

Convertible notes - embedded conversion features:

The Notes meet the definition of a hybrid instrument, as defined in ASC 815. The hybrid instrument is comprised of a i) a debt instrument, as the host contract and ii) an option to convert the debentures into common stock of the Company, as an embedded derivative. The embedded derivatives derive their value based on the underlying fair value of the Company's common stock. The embedded derivatives are not clearly and closely related to the underlying host debt instrument since the economic characteristics and risk associated with these derivatives are based on the common stock fair value.

The Company determines the fair value of the embedded derivatives and records them as a discount to the Notes and a derivative liability. The Company recognized a derivative liability of $135,000 during the year ended October 31, 2013. Accordingly, changes in the fair value of the embedded derivative are immediately recognized in earnings and classified as a gain or loss on the embedded derivative financial instrument in the accompanying consolidated statements of operations.

The Company estimated the fair value of the embedded derivatives using a Black Scholes model with the following assumptions: conversion price $0.084 per share according to the agreements; risk free interest rate of .11%; expected life of 1 year; expected dividend of zero; a volatility factor of 170 to 195%, as of October 31, 2013. The expected lives of the instruments are equal to the contractual term of the conversion option. The expected volatility is based on the historical price volatility of the Company's common stock. The risk-free interest rate represents the U.S. Treasury constant maturities rate for the expected life of the related conversion option. The dividend yield represents anticipated cash dividends to be paid over the expected life of the conversion option.

13. Fair Value Measurements

As defined by the Accounting Standard Codification (ASC), fair value measurements and disclosures establish a hierarchy that prioritizes fair value measurements based on the type of inputs used for the various valuation techniques (market approach, income approach and cost approach). The levels of hierarchy are described below:

- Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly; these include quoted prices for similar assets or liabilities in active markets, such as interest rates and yield curves that are observable at commonly-quoted intervals.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions, as there is little, if any, related market activity.

The following table summarizes the financial liabilities measured at fair value on a recurring basis as of October 31, 2013, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

Balance Sheet Location	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	October 31, 2013 Total	Total Increase (Reduction) in Fair Value Recorded at October 31, 2013
Liabilities:					
Derivative liability on Notes Payable	$ -	$ -	$ 99,702	$ 99,702	$ -

The Company utilizes the Black-Scholes Option Pricing model to estimate the fair value of the derivative liability associated with the convertible note obligation. The Company considers them to be Level 3 instruments. The following table shows the weighted average assumptions the Company used to develop the fair value estimates for the determination of the derivative liability at October 31, 2013:

Fair value	$0.139-.140
Expected volatility	170-197%
Dividend yield	—
Expected term (in years)	.66-.90
Risk-free interest rate	.11%

The table below sets forth a summary of changes in the fair value of the Company's Level 3 financial liability, or derivative liabilities related to the senior secured convertible notes and warrants, for the year ended October 31, 2013.

Balance at beginning of period	$	—
Additions to derivative instruments		135,000
Change in fair value of derivative liabilities		116,663
Settlements		(151,961)
Balance at end of period	$	99,702

14. Debentures Payable

In February 2013, a shareholder loan in the amount of $100,000 was converted on a dollar-for-dollar basis for Series A Convertible Debenture Units (the "A Units"). Each A Unit includes a debenture having a term of three years, bearing interest at 10%, and a warrant having a term of three years. The debentures are convertible at any time into common shares of the Company's stock at a price of $0.25 per share. The warrants entitle the holder to purchase 2 times the number of common shares of the Company's stock allowed in conjunction with the debentures at a price of $0.25 per share at any time up to three years.

In February 2013, loans from shareholder/directors in the amount of $188,584 were converted on a dollar-for-dollar basis for Series A Convertible Debenture Units (the "A Units"). Each A Unit includes a debenture having a term of three years, bearing interest at 10%, and a warrant having a term of three years. The debentures are convertible at any time into common shares of the Company's stock at a price of $0.25 per share. The warrants entitle the holder to purchase 2 times the number of common shares of the Company's stock allowed in conjunction with the debentures at a price of $0.25 per share at any time up to three years.

In May 2013 the Company sold Series B Convertible Debenture Units (the "B Units") in the amount of $500,000. Each B Unit includes a debenture having a term of three years, bearing interest at 10%, and a warrant having a term of three years. The debentures are convertible at any time into common shares of the Company's stock at a price of $0.25 per share. The warrants entitle the holder to purchase 1.5 times the number of common shares of the Company's stock allowed in conjunction with the debentures at a price of $0.15 at any time up to three years.

In June 2013 the Company sold Series B Convertible Debenture Units (the "B Units") in the amount of $148,653 to officers and/or directors. Each B Unit includes a debenture having a term of three years, bearing interest at 10%, and a warrant having a term of three years. The debentures are convertible at any time into common shares of the Company's stock at a price of $0.25 per share. The warrants entitle the holder to purchase 1.5 times the number of common shares of the Company's stock allowed in conjunction with the debentures at a price of $0.15 at any time up to three years.

The Company allocated proceeds of $306,900 to the fair value of the warrants using a Black Scholes model with the following assumptions: conversion price $0.25 or $0.15 per share according to the agreements; risk free interest rate of .18%; expected life of 3 years; expected dividend of zero; a volatility factor of 176 to 195%, as of October 31, 2013 and the remaining $343,996 to the fair value of the Series B Convertible Debentures. Based on the excess of the aggregate fair value of the common shares that would have been issued if the Series B Convertible Debentures had been converted immediately over the proceeds allocated to the Series B Convertible Debentures, the investors received a beneficial conversion feature that had an aggregate intrinsic value of $343,996 as of the commitment date. Accordingly, the Company recorded an increase in additional paid-in capital and debt discount of $650,896 in connection with the issuance of the Series B Convertible Debentures and warrants.

A summary of the Debentures at October 31, 2013 and 2012 is as follows:

	October 31, 2013	October 31, 2012
Series A Convertible Debentures Payable, interest at 10% per annum to maturity at February 27, 2016	$ 288,584	$ —
Series B Convertible Debentures Payable, interest at 10% per annum to maturity at May 31, 2016	500,000	—
Series B Convertible Debentures Payable, interest at 10% per annum to maturity at June 3, 2016	148,653	—
Debt Discount	(634,047)	—
Total	303,190	—
Less: Current portion	—	—
Total Long-term portion	$ 303,190	$ —

Debt discount is amortized to Interest Expense over the life of the Debentures. The amount amortized to Interest Expense for the year ended October 31, 2013 was $112,609.

15. Deficiency

Equity Instruments Issued for Services Rendered

During the years ended October 31, 2000 through 2006, CardioGenics Inc. issued stock options with a nominal exercise price in exchange for services rendered to CardioGenics Inc. The fair value of each stock option was measured at the fair value of the underlying services on the date of grant. The fair value of each grant was charged to the related expense in the consolidated statements of operations.

The Company assumed options outstanding at JAG Media entitling the employees to purchase 75,000 common shares of the Company’s stock at a price of $0.20 per share to August 31, 2011. The Company issued options to employees entitling the employees to purchase 200,000 common shares of the Company’s stock at a price of $3.40 per share to July 31, 2019, based upon change of control provisions in their employment agreements. All these options were immediately vested. The fair value of the 275,000 options was included in the purchase price. During 2011, these options were re-priced at $0.01 per share and subsequently exercised.

On August 1, 2009, the Company issued options to a consultant entitling the consultant to purchase 30,000 common shares of the Company's stock at a price of $0.90 per share to July 31, 2019. These options were immediately vested.

	October 31, 2013	October 31, 2012
Warrants		
Outstanding warrants are as follows:		
Issued to consultant August 1, 2009, entitling the holder to purchase 1 common share in the company at an exercise price of $0.90 per common share up to and including July 31, 2017	—	287,085
Issued to Flow Capital Advisors Inc. on settlement of lawsuit in August 2011, entitling the holder to purchase 1 common share in the Company at an exercise price of $0.30 per common share up to and including August 23, 2016	250,000	250,000
Issued to Flow Capital Advisors Inc. on settlement of lawsuit August 2011, entitling the holder to purchase 1 common share in the Company at an exercise price of $0.50 per common share up to and including August 23, 2016	250,000	250,000
Issued to Flow Capital Advisors Inc. on settlement of lawsuit August 2011, entitling the holder to purchase 1 common share in the Company at an exercise price of $0.75 per common share up to and including August 23, 2016	500,000	500,000
Issued to Flow Capital Advisors Inc. on settlement of lawsuit August 2011, entitling the holder to purchase 1 common share in the Company at an exercise price of $1.00 per common share up to and including August 23, 2016	500,000	500,000
Issued to Flow Capital Advisors Inc. on settlement of lawsuit August 2011, entitling the holder to purchase 1 common share in the Company at an exercise price of $0.75 per common share up to and including August 23, 2016	500,000	500,000
Issued to consultants in September 2011 entitling the holders to purchase 1 common share in the Company at an exercise price of $0.10 per common share up to and including March 20, 2013	—	1,500,000
Issued to consultants in September 2011 entitling the holders to purchase 1 common share in the Company at an exercise price of $0.34 per common share up to and including March 20, 2013	—	1,500,000
Issued to consultants in September 2011 entitling the holders to purchase 1 common share in the Company at an exercise price of $0.50 per common share up to and including March 20, 2013	—	1,000,000
Issued to debenture holders February 2013 entitling the holders to purchase 1 common share in the Company at an exercise price of $0.25 per common share up to and including February 27, 2016	600,000	—
Issued to debenture holders May 2013 entitling the holders to purchase 1 common share in the Company at an exercise price of $0.15 per common share up to and including June 3, 2016	750,000	—
Issued to debenture holders June 2013 entitling the holders to purchase 1 common share in the Company at an exercise price of $0.15 per common share up to and including June 3, 2016	232,500	—
Issued to consultants August 5, 2013, entitling the holders to purchase 2,500,000 common shares in the company at an exercise price of $0.15 per common share up to and including August 4, 2023	2,500,000	—
Issued to consultants August 5, 2013, entitling the holders to purchase 1,500,000 common shares in the company at an exercise price of $0.10 per common share up to and including August 4, 2023	1,500,000	—
Issued to consultant September 3, 2013, entitling the holder to purchase 500,000 common shares in the company at an exercise price of $0.50 per common share up to and including July 31, 2018	500,000	—
Issued to shareholder October 29, 2013, entitling the holder to purchase 250,000 common shares in the company at an exercise price of $0.15 per common share up to and including October 29, 2016	250,000	—
Total Warrants outstanding	8,332,500	6,287,085

16. Authorized Share Capital

On September 30, 2009, the Company's articles of incorporation were amended to increase the total number of common shares authorized for issuance from 500,000,000 shares to 650,000,000 shares of common stock, par value $0.00001 per share. On April 23, 2010, the Company's Board of Directors approved a reverse stock split of its issued and outstanding common shares. The total authorized shares was at the same time reduced to 65,000,000. The Board of Directors selected a ratio of one-for-ten and the reverse split was effective June 20, 2010. As a result, the total number of shares of all classes of capital stock authorized for issuance by the Company decreased from 700,440,000 shares to 70,044,000 shares with a par value of $.00001 per share, of which 5,000,000 shares are authorized for issuance as preferred stock, 65,000,000 shares are authorized for issuance as common stock, 40,000 shares are authorized for issuance as Series 2 Class B common stock and 4,000 shares are authorized for issuance as Series 3 Class B common stock. On January 17, 2013 the Company filed a Certificate of Amendment to the Company's Articles of Incorporation to increase the authorized common shares to 150,000,000 and de-authorize the Company's Class B common stock.

17. Issuance of Common Stock

During the year ended October 31, 2013 and 2012 the Company issued the following common shares:

	Year Ended October 31, 2013			Year Ended October 31, 2012		
	# of shares		Amount	# of shares		Amount
Issuance to third parties for services rendered	907,582	$	257,025	—	$	—
Issuance to third parties for cash	400,000	$	100,000	1,050,000	$	262,500
Issuance to third parties on exercise of conversion of notes payable	919,847	$	91,882	—	$	—

The fair value of shares issued for services rendered were measured at the fair value of the services rendered on the date rendered.

18. Redemption of Class B Common Stock

On or about February 28, 2011 CardioGenics Holdings Inc. ("Holdings") mailed notices to the holders of its outstanding Series 2 Class B Common Stock (the "Series 2 Shares") and Series 3 Class B Common Stock (the "Series 3 Shares"), which notify such stockholders that Holdings has elected to redeem all outstanding Series 2 Shares and Series 3 Shares in accordance with their terms. The Redemption Date is April 4, 2011 and the Redemption Price is par value, $0.00001 per share.

Holdings has established a trust account with TD Bank Canada, which account will hold proceeds sufficient to redeem the issued and outstanding Series 2 Shares and Series 3 Shares. Accordingly, notwithstanding that any certificate for Series 2 Shares or Series 3 Shares called for redemption shall not have been surrendered for cancellation, all Series 2 Shares and Series 3 Shares called for redemption shall no longer be deemed outstanding, and all rights with respect to such Series 2 Shares and Series 3 Shares shall forthwith on the Redemption Date cease and terminate, except only the right of the holders thereof to receive the pro-rata amount payable of the Series 2 Shares and Series 3 Shares, without interest.

19. Equity Line

On September 27, 2013, CardioGenics Holdings Inc. (the "Company") entered into an investment agreement (the "Investment Agreement") with Dutchess Opportunity Fund, II, LP (the "Investor"), whereby the Company may sell, and the Investor is obligated to purchase, up to $5 million (the "Put Offering") of the Company's common, par value $0.00001 per share (the "Common Stock"). The purchase price of any shares of Common Stock sold pursuant to the Put Offering shall be determined by the lowest daily volume weighted average price during the applicable pricing period. Any shares of Common Stock sold in the Put Offering will be sold pursuant to a registration statement to be filed by the Company pursuant to the terms of a registration rights agreement (as defined below). Any shares of Common Stock sold pursuant to the Put Offering will be sold directly to the Investor without a placement agent, underwriter, broker or dealer.

20. Net Loss per Share

The following table sets forth the computation of weighted-average shares outstanding for calculating basic and diluted earnings per share:

	Years Ended October 31,	
	2013	2012
Weighted-average shares - basic	57,171,924	55,629,034
Effect of dilutive securities	—	—
Weighted-average shares - diluted	57,171,924	55,629,034

Basic earnings per share ("EPS") and diluted EPS for the years ended October 31, 2013 and 2012 have been computed by dividing the net loss available to common stockholders for each respective period by the weighted average shares outstanding during that period. All outstanding options, warrants and shares to be issued upon the exercise of the outstanding options and warrants and conversion of debt representing 12,896,786 and 6,317,085 incremental shares, respectively, have been excluded from the years ended October 31, 2013 and 2012, respectively, computation of diluted EPS as they are antidilutive given the net losses generated.

21. Commitments and Contingent Liabilities

Lease

The Company has entered into an operating lease agreement for the use of operating space.

Aggregate minimum annual lease commitments of the Company under the non-cancelable operating lease as of October 31, 2013 are as follows. (The Company is required in addition to pay a proportionate share of building operational expenses.) :

Year	Amount
2014	$ 49,639
2015	49,891
2016	51,152
Thereafter	42,627
Total Minimum Lease Payments	$ 193,309

Lease expense amounted to $60,513 and $76,602 for the years ended October 31, 2013 and 2012, respectively.

The preceding data reflects existing leases and does not include replacements upon their expiration. In the normal course of business, operating leases are generally renewed or replaced by other leases.

Lawsuit

On April 22, 2009, the Company was served with a statement of claim from a former employee claiming compensation for wrongful dismissal and ancillary causes of action including payment of monies in realization of his investment in the Company, with an aggregate claim of $514,000. The suit was settled subsequent to October 31, 2013 (see Note 23).

22. Supplemental Disclosure of Cash Flow Information

	For the Year Ended October 31, 2013	For the Year Ended October 31, 2012
Cash paid during the period for:		
Interest	$ 28,116	$ 18,221
Income Taxes	—	—
Non-cash financing activities:		
Conversion of shareholder loan and accrued expenses to debentures	255,000	—
Conversion of notes payable including principle, interest and original issue discount	91,882	—
Value of beneficial conversion feature and warrants issued with debentures issued during the year	746,656	—

23. Subsequent Events

a) Issuance of Common Shares

On November 15, 2013, the Company issued 200,000 common shares at a price of $0.25 per share for cash consideration of $50,000. The investor also received warrants entitling the shareholder to purchase 125,000 common shares at a price of $0.15 per share for a term of three (3) years.

b) Settlement of Lawsuit

On January 3, 2014, the Company settled a suit from a former employee who claimed compensation for wrongful dismissal and ancillary causes of action including payment of monies in realization of his investment in the Company for an amount equal to $10,000 plus 700,000 common shares. At October 31, 2013 the Company accrued a Settlement of Lawsuit expense in the amount of $199,000.

c) Non-controlling Interest

On January 3, 2014, shareholders of Cardiogenics Inc. that had at July 31, 2009 opted not to exchange their shares in Cardiogenics Inc. for shares in Cardiogenics Holdings Inc. elected to exchange their shares in Cardiogenics Inc. for 296,538 common shares of Cardiogenics Holdings Inc. which is the same number of shares to which they would have been entitled had they exercised their option July 31, 2009.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

CARDIOGENICS HOLDINGS INC.

By: */s/ Yahia Gawad*
Yahia Gawad
Chief Executive Officer

Dated: February 13, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

SIGNATURE	TITLE	DATE
/s/ Yahia Gawad Yahia Gawad	Chief Executive Officer	February 13, 2014
/s/ James Essex James Essex	Chief Financial Officer	February 13, 2014

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our report on our audits of the consolidated financial statements of CardioGenics Holdings, Inc. as of October 31, 2013 and 2012 and for the years then ended and on the statements of operations, changes in deficiency, comprehensive loss and cash flows for the period from November 1, 2008 to October 31, 2010, which expressed an unqualified opinion on those financial statements and contains an explanatory paragraph relating to the Company's ability to continue as a going concern, included in this Annual Report on Form 10-K for the year ended October 31, 2013, is dated February 13, 2014. We consent to the incorporation by reference of our report in the following registration statements previously filed by the Company with the Securities and Exchange Commission pursuant to the Securities Act of 1933: the registration statement on Forms S-8 with SEC file No. 333-137162.

/s/ CohnReznick LLP
Roseland, New Jersey
February 13, 2014

SECTION 302 CERTIFICATION

I, Yahia Gawad, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended October 31, 2013 of CardioGenics Holdings Inc.;

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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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 the 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 control over financial reporting.

Date: February 13, 2014

/s/ Yahia Gawad
Yahia Gawad
Chief Executive Officer

SECTION 302 CERTIFICATION

I, James Essex, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended October 31, 2013 of CardioGenics Holdings Inc.;

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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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 the 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 control over financial reporting.

Date: February 13, 2014

/s/ James Essex
James Essex
Chief Financial Officer

EXHIBIT 32.1

Section 906 Certification by the Chief Executive Officer and Chief Financial Officer

Each of Yahia Gawad, Chief Executive Officer, and James Essex, Chief Financial Officer, of CardioGenics Holdings Inc., a Nevada corporation (the "Company") hereby certifies pursuant to 18 U.S.C. ss. 1350, as added by ss. 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge:

(1) The Company's annual report on Form 10-K for the year ended October 31, 2013 ("Form 10-K") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operation of the Company.

/s/ Yahia Gawad	*/s/ James Essex*
Name: Yahia Gawad	Name: James Essex
Title: Chief Executive Officer	Title: Chief Financial Officer

Date: February 13, 2014