ChroMedX

Management's Discussion and Analysis of Operations
For the three months and nine months ended June 30, 2016

This Management's Discussion and Analysis ("MD&A) is prepared as August 18, 2016 and has been prepared in accordance with International Financial Reporting Standards ("IFRS). All amounts are in Canadian dollars.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's director's follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Caution Regarding Forward Looking Statements

This document contains forward looking statements, such as statements regarding future sales opportunities in various global regions and financing initiatives that are based on current expectations of management. These statements involve uncertainties and risks, including Monarch Energy Limited's (Monarch or the Company) ability to obtain and/or access additional financing with acceptable terms, and delays in anticipated product sales. Such forward-looking statements should be given careful consideration and undue reliance should not be placed on these statements.

The preparation of Management's Discussion and Analysis (MD&A) may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Management bases estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Management believes the accounting policies, outlined in the Significant Accounting Policies section of its consolidated financial statements, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Introduction

The following MD&A for the three and nine months ended June 30, 2016 has been prepared to help investors understand the financial performance of ChroMedX Corp. ("the Company" or "ChromedX Corp"), in the broader context of the Company's strategic direction, the risk and opportunities as understood by management, and the key metrics that are relevant to the Company's performance. The Audit Committee of the Board of Directors has reviewed this

document and all other publicly reported financial information for integrity, usefulness, reliability and consistency.

All amounts are expressed in Canadian dollars (CAD) unless otherwise noted.

Additional information about ChroMedX Corp., this document, and the related quarterly financial statements can be viewed on the Company's website at www.chromedX.com and are available on SEDAR at www.sedar.com.

On June 30, 2014, the Company completed a transaction which resulted in the acquisition of ChroMedX, a company incorporated under the laws of Ontario on December 3, 2013. As the former ChroMedX shareholders ended up owing the majority of the Company upon completion of the transaction, the transaction was deemed to be a reverse takeover.

Chromedx Ltd. ("ChroMedX" or the "Company") is a 100% owned subsidiary of ChroMedX Corp.

The Company's Common Shares are listed and traded on the CSE ("CSE") under the symbol CHX.

Results of operation

ChroMedX, following the acquisition of the Patents (as defined and described below from Invidx Corp. ("Invidx") (formerly ChroMedX Inc.), is developing novel medical devices for Point of Care Testing (POCT), blood sample collection, and serum/plasma treatment and analysis. Based on previous devices and numerous patents, both issued and applied for, developed by Dr. James Samsoondar, a clinical biochemist, the devices represent disruptive technologies for the POCT and In Vitro Diagnostic (IVD) market.

The Company has two platform technologies. The initial platform will focus on devices and methodologies for blood sample collection and analysis. The initial product in this platform, known as the HemoPalm system, consists of a hand held analyzer and a suite of disposable cartridges for obtaining and testing blood samples. The analysis of the oxygen carrying state of hemoglobin in the blood is known as CO-oximetry. It is a critical measurement of a patient's condition. As well as determining if there is oxygen deficiency at the tissue level CO-oximetry determines the degree of any carbon monoxide poisoning (carboxy-hemoglobin) that may be affecting the patient. In addition, measurement of methemoglobin will indicate if a patient has been exposed to certain environmental toxins containing nitrates and is also used to monitor certain neonatal treatments. Thus rapid analysis of hemoglobin status and blood oxygenation as well as acid/base balance and electrolyte levels is an essential tool for patient evaluation. This information is of particular importance for first responder patient evaluation and in emergency and operating rooms in healthcare facilities. A hand-held analyzer which uses a disposable cartridge for obtaining blood samples for measuring CO-oximetry, blood gases (including pH) and electrolytes represents the initial project based upon the first technology platform.

Additional devices based on the same platform will provide innovative measurement techniques for neonatal bilirubin analysis and other blood chemistry markers.

The second technology platform is based on ultrafiltration and will be applied to several applications. The first will provide plasma separation from whole blood during blood collection which avoids the step of centrifugation in the laboratory. The second application will process plasma to remove proteins in preparation for analysis. The Company's plasma/serum ultrafiltration technology will provide the next innovation in measurement of free hormones and therapeutic drugs using existing laboratory immunoanalysers, but with reduced sample preparation time and cost. Proof of concept for this technology has been demonstrated.

The Company will develop its technologies in collaboration with major hospitals and universities and will seek strategic relationships with existing medical diagnostic companies, as well as companies that desire to enter into the field of medical diagnostics.

ChroMedX Corp. is led by an experienced management team, all of whom have advanced technical training and past start-up experience. A full suite of patents has been developed and these have either been granted by the USPTO or have been filed. Appropriate PCT filings for the patents are being executed, which enable worldwide protection of the ChroMedX's intellectual property.

During the three month period ended June 30, 2016, ChroMedX focused on refining the HemoPalm cartridge design through machining and developing essential components of the HemoPalm analyzer.

The HemoPalm project has made progress on several key fronts. The HemoPalm system consists of a disposable single-use cartridge and a hand-held analyzer. The system utilizes both spectroscopic measurements for CO-oximetry and bilirubin, and biosensor measurements for blood gases and electrolytes.

Proof of concept for CO-oximetry and bilirubin was completed. CO-oximetry is the gold standard for hemoglobin and oxygen saturation measurements, and the inclusion of this technology makes the HemoPalm the only hand-held analyzer in the world to combine CO-oximetry, blood gases and electrolytes. In addition, the successful demonstration of the measurement of bilirubin, an indicator of liver function and essential for the detection of neonatal jaundice, will expand the market for the HemoPalm.

The other critical development area is that of the electrochemical sensors used in the cartridge. ChroMedX recently announced the addition of Conductive Technologies Inc. (CTI) of York, Pa., to this effort that is led by Polygenesis. CTI, which produced the current gold sensor array on a polymer substrate, brings over 60 years of sensor and electronics expertise to the project and is leading the development of automated deposition of the critical ion selective membranes to the sensor array. Polygenesis has a long history in the field, and the principal was part of the development team that created the Abbott i-Stat analyzer.

The company previously reported on the cartridge development work being undertaken with Shenzhen Hochuen Technologies Co. Ltd. of Shenzhen, China. Led by Dr. James Samsoondar, ChroMedX chief scientific officer, the cartridge has undergone several iterations of design refinement and recently demonstrated blood flow into the optical chamber by capillary action, for subsequent spectroscopic analysis. Design of the microfluidics is a critical aspect of the cartridge design and is patent protected. Another patent-protected aspect of the cartridge design will allow for sample collection from a simple finger prick, or heel prick in the case of neonates, directly into the cartridge without the need for collection with a capillary tube and subsequent transfer. This aspect of the HemoPalm cartridge is not available in any hand-held or lab blood gas analyzer.

After testing cartridges on the breadboard analyzer as mentioned before, the next step would be to package the analyzer components into a hand-held analyzer, and proceed toward clinical testing of the HemoPalm system for Food and Drug Administration submission.

Selected Three and Nine-Month Information

The following table sets forth selected financial information for Chromedx Corp. for the three and nine months ended June 30, 2016 and the three and nine months ended June 30, 2015. This information has been derived from Company's financial statements for the years and should be read in conjunction with financial statement and the notes thereto for those years.

	For the three months ended June 30, 2016	For the three months ended June 30, 2015	For the nine months ended June 30, 2016	For the nine months ended June 30, 2015
Income	nil	nil	nil	nil
Expenses	$260,013	$439,077	$923,853	$1,550,690
(Loss) for the year	$(260,013)	$(439,077)	$(923,853)	$(1,550,690)
Loss per share	$(0.01)	$(0.01)	$(0.02)	$(0.04)
Total assets	$3,039,806	$3,486,397	$3,039,806	$3,486,397
Total Liabilities	$141,672	$191,289	$141,672	$191,289
Working capital	$198,772	$(396,715)	$198,772	$(396,715)

Per share amounts are calculated using the weighted have not been calculated, as they would be anti-dilutive.
average number of shares outstanding. Fully diluted loss per share amounts

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Revenue and Expenses

For the three months ending June 30, 2016

The net loss for the three months ending June 30, 2016 was ($260,013)($0.01/share).

For the three months ending June 30, 2016 consulting fees of $103,347 (three months ending June 30, 2015 - $180,656) decreased compared to the comparative quarter due to lower outside consultants and fees relating to the research and development of the technology. Office, general and administration expense for the three months ending June 30, 2016 was $50,215 (three months ending June 30, 2015 - $35,248) and increased compared with the comparative quarter as the Company continued increasing activity. Patent amortization expense, for the three months ending June 30, 2016 was $66,384 (three months ending June 30, 2015 - $85,497) was consistent with the comparative quarter. Professional fees expense for the three months ended June 30, 2016 was $6,364 (three months ended June 30, 2015 - $47,006) and decreased due to less legal activity. Management fees expense for the three months ended June 30, 2016 was $18,000 (three months ended June 30, 2015 - $34,000) and decreased due to reduction of fees charged by the CEO and others.

For the nine months ending June 30, 2016

The net loss for the nine months ending June 30, 2016 was ($923,853)($0.02/share).

For the nine months ending June 30, 2016 consulting fees of $410,119 (nine months ending June 30, 2015 - $692,278) decreased compared to the comparative period due to lower outside consultants and fees relating to the research and development of the technology. Office, general and administration expense for the nine months ending June 30, 2016 was $133,515 (nine months ending June 30, 2015 - $99,397) increased compared with the comparative period due to increased activity. Patent amortization expense, for the nine months ending June 30, 2016 was $199,152 (nine months ending June 30, 2015 - $248,520) was consistent with the comparative period.

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Summary of Quarterly Results

The following table is a summary of selected unaudited financial information for the eight most recent fiscal quarters.

Quarter ended	Income	Net income (loss)	Net income (loss) per share
June 30, 2016	Nil	$ (260,013)	$ (0.01)
March 31, 2016	Nil	$ (343,037)	$ (0.00)
December 31, 2015	Nil	$ (320,803)	$ (0.01)
September 30, 2015	Nil	$ (540,906)	$ (0.01)
June 30, 2015	Nil	$ (439,077)	$ (0.01)
March 31, 2015	Nil	$ (457,475)	$ (0.01)
December 31, 2014	Nil	$ (654,138)	$ (0.02)
September 30, 2014	Nil	$ (756,588)	$ (0.14)
June 30, 2014	Nil	$ (880,100)	$ (5.32)
*IFRS reporting			Fully diluted loss per share amounts are not shown as they would be anti-dilutive.

There can be significant variances in Company's reported loss from quarter to quarter arising from factors that are difficult to anticipate in advance or to predict from past results.

Liquidity

The majority of financing of current operations is achieved by issuing share capital. As June 30, 2016, Company had cash of $27,228, HST receivable of $31,962, prepaid of $2,400 and amounts receivable of $250,000. The Company had accounts payable of $107,318 and due to related parties of $5,500. Company had a positive working capital of $198,772 at June 30, 2016.

Investing Activities

There was no material investing activity during the three months ending June 30, 2016.

Off-Balance Sheet Arrangements

The Company has not entered into any off balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our company.

Transactions with Related Parties

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

As at June 30, 2016, amounts due to related parties consist of $5,500 (September 30, 2015 - $9,605) to companies controlled by officers and directors of the Company. In addition, the Company paid $15,000 for management fees and $nil consulting fees to officers and directors for the nine months ended (June 30, 2015 - $34,000 and $1,500).

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

		June 30, 2016		June 30, 2015
Share-based compensation (note 5(b))	$	3,847	$	32,826
Short-term benefits*	$	15,000	$	34,500

*includes base salaries pursuant to contractual employment, or consultancy arrangements. These have been recorded in consulting fees and management fees.

Events After Quarter End

After the quarter, the Company has appointed Ash Kaushal as the company's new president and chief executive officer. Mr. Kaushal takes over from Wayne Maddever at a critical stage in the company's development of a fully operational prototype of its patent-protected HemoPalm technology. Mr. Maddever has stepped down as an officer and director of ChroMedX and the company expresses its gratitude for his work with ChroMedX since its inception in 2013.

Critical Accounting Policies and Estimates

Going concern

These audited financial statements have been prepared in accordance with IFRS 1 on a going concern basis which assumes that Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Company has incurred losses from inception and the inability to raise additional financing may impact the future assessment of Company as a going concern. Company's ability to continue as a going concern is dependent upon its ability to attain future profitable operations and to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. While Company has been successful in obtaining its required financing in

the past, there is no assurance that such financing will be available in the future. These financial statements do not include any adjustments to the amounts and classification of asset's and liabilities that might be necessary should Company not be able to continue as a going concern.

Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of carrying value of resource properties, warrants, stock-based compensation, and deferred tax assets and liabilities. Financial results as determined by actual events could differ from those estimates.

Risks and Uncertainties

History of Losses – The Company has been in a cumulative net loss position throughout its operating history. The Company's limited operating history makes it difficult to evaluate the future financial prospects of its business. There is no assurance that the Company will grow or be profitable or that the Company will have earnings or significant improvement in its cash flow from operations in the future. The future earnings on and cash flow from operations are dependent on the Company's ability to further develop and sell its products and the Company's operational expenses. Management expects that the Company will continue to have high levels of operating expenses, since the Company needs to make significant up-front expenditures for product development, and corporate development activities. Management anticipates that the operating losses for the Company may continue until such time as the Company consistently generates sufficient revenues to support operations.

Need for Additional Financing - The implementation of the Company's business plan requires significant capital outlays and operating expenditures over the next several years. There can be no assurance that additional financing will be available to the Company when needed, on commercially reasonable terms, or at all. Any inability to obtain additional financing when needed would have a material adverse effect on the Company. Further, any additional equity financing may involve substantial dilution to the Company's then existing shareholders. Debt financing, if available, may involve onerous obligations, monetary or otherwise. If adequate funds are not available, the Company may obtain funds through arrangements with strategic partners or others who may require the Company to relinquish rights to certain technologies, any of which could adversely affect its business, financial condition and results of operations.

Product Risks

Uncertain Demand for Products - Demand for medical technologies is dependent on a number of social, political and economic factors that are beyond the control of the Company. The healthcare industry is likely to continue to change as the public, government, medical practitioners, and the medical industries focus on ways to expand medical coverage while controlling the growth in healthcare costs. While the Company believes that demand for medical technologies will continue to grow, there is no assurance that such demand will exist or that the Companies products will be purchased to satisfy that demand.

Dependence on Development of New Products - New technological or product developments in the medical industry may render the Company's products obsolete or reduce their value. The Company's future prospects are highly dependent on its ability to develop new products - from new technologies and achieve market acceptance. There can be no assurance that the Company will be successful in these efforts.

Disclosure Controls and Procedures & Internal Controls over Financial Reporting

In accordance with the Canadian Securities Administrators National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer that, among other things, report on the design and effectiveness of disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

The Company continues to review and document its disclosure controls and procedures and internal controls over financial reporting and may, from time to time, make changes aimed at enhancing their effectiveness and to ensure that its systems evolve with the business. There were no changes in the Company's internal controls over financial reporting during the year ended December 31, 2015 that have materially affected, or are reasonably likely to materially affect, its disclosure controls and procedures and internal controls over financial reporting.

Share Data

Shares and Warrants - As of June 30, 2016, there are 55,570,097 shares issued and outstanding and 19,745,952 warrants.
Options – As at June 30, 2016 there are 4,020,000 options outstanding at an average exercise price of $0.16.
As of August 16, 2016 the Company has 55,570,097 common shares, 19,745,952 warrants and 4,020,000 options outstanding.

Signed

"Ash Kaushal"
CEO
August 18, 2016