

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

This Management's Discussion and Analysis has been prepared based on information available to MedX Health Corp. ("MedX" or the "Company") as at the date of this Report. Management's Discussion and Analysis is a narrative explanation to enable the reader to assess material changes in the financial condition and results of operations of the Company as at and during the three and nine months ended September 30, 2022 compared with the three and nine months ended September 30, 2021 as contained in the Company's Interim Condensed Consolidated Financial Statements, which have been prepared in accordance with IFRS. This management's discussion and analysis should be read in conjunction with the Company's audited consolidated financial statements and the related notes for the year ended December 31, 2021.

Overview and Review of Operations

MedX Health Corp. was incorporated on April 15, 1999, in Ontario. The Company has two main product lines; SIAscopy™, a medical device technology including the SIAscopy™ on DermSecure™ telemedicine platform that is used to scan skin for suspicious moles and lesions, and phototherapeutic medical devices, which use light energy in lower-level laser and LED to provide effective treatment offering rapid, drug-free and non-invasive healing in the rehabilitation market for treating pain, tissue damage, swelling and inflammation.

SIAscopy™ is a medical device technology the Company acquired in 2011, that is used to scan suspicious moles and lesions, using specific light wavelengths to penetrate 2mm below the surface of the skin, generating five images of the suspicious mole. The scan is read by a trained physician or dermatologist and a determination is made as to whether the suspicious mole or lesion needs a follow-on appointment, or the patient is deemed clear of follow up. This enables physicians to assess the condition of the moles more effectively and provide more immediate feedback to their patients, improving the quality of care of patients by reducing the need for biopsies, and the resulting pain and potential scarring as well as the anxiety associated with waiting for biopsy results. This technology provides a vastly improved level of certainty for physicians and care for patients.

The Company recently launched its SIAscopy™ on DermSecure™ telemedicine platform. This platform enables the web-based operation of its SIAscopy™ scanning technology and allows the Company to deploy its technology in networks of third-party locations from which patients' mole and lesion scans, along with other relevant patient information can be connected to specialist physicians for remote assessment. The platform enables the Company to move to a recurring revenue model, where it can earn revenue based on the number of patient reports generated from the system.

SIAscopy™ on DermSecure™ complies with international standards, including for privacy and security, with specific processes tailored to each jurisdiction. With its own proprietary system, the Company can more aggressively market the technology in a recurring revenue scenario. The SIAscopy™ technology is proprietary to MedX and has been cleared by

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

the FDA in the U.S. and by Health Canada, is CE marked for sale in Europe, with equivalent approval in Brazil, Australia, Turkey and a number of other jurisdictions, totalling 35 countries.

The initial releases of SIAscopy™ on DermSecure™ are a step in the Company's development roadmap, with the objective of updating its SIAscopy™ hardware and software, making it more scalable and marketable. In addition, the Company is updating the scanner hardware components and related software which will result in higher definition images. It is anticipated that with the roll-out of SIAscopy on DermSecure™ and future innovation releases, the Company will continue to evolve both the hardware and software over a number of years to meet the demands of the potential customer base and improve patient access and care. The addition of an additional HD camera to take images of surrounding areas and other skin conditions is also in progress.

SIAscopy on DermSecure™ and MedX's other SIAscopy™ products are sold world-wide. The Company is already working with groups internationally to market SIAscopy™ on DermSecure™ in a number of countries. MedX is also initiating programs in selected South American and European countries and in Canada while pursuing other opportunities in other markets including the United States.

The Company's phototherapeutic products have been available in the market for many years, with a strong reputation for quality and reliability. The Company has sold thousands of its products to practitioners in clinics, academic facilities, hospitals, long-term care facilities, athletes and sports teams. MedX's therapeutic light products are currently sold in Canada and the United States. The Company partners with medical device distributors to sell its products. The markets in which the Company sells these products are highly competitive, characterized by pricing pressure and multiple competitive products. These products are US FDA and Health Canada cleared. The Company updates its products to remain competitive in the market and continues to try to increase its market share.

The Company's SIAscopy™ and therapeutic light products are produced in an ISO 13485, CMDCAS and MDSAP certified manufacturing and testing facility in Mississauga, Ontario.

On March 21, 2022, Naman Demaghatrous was appointed CEO and President in place of Sylvain Desjeans.

The Company has a Scientific Medical Advisory Board that includes a number of internationally recognized individuals, who are specialists in various areas related to skin disorders and cancer, that advise the Company as it continues the development of its technology and platform and considers market entry strategies for its skin related product portfolio.

The Company has experienced significant issues with respect to a lack of funding and cash flow and has experienced losses and negative working capital since its inception. The very competitive nature of the market for therapeutic laser products, and the time it

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

has taken to develop the appropriate product offerings and marketing strategies for its SIAscopy™ technology hampered the ability of the Company to generate adequate sales and cash flow. In addition, during the last three years, the Company has invested in developing its DermSecure™ telemedicine software platform, and as a result, the Company has not reached a level of profitability that would allow it to market itself aggressively, as is required in the market. The Company has begun a process to build the awareness and benefits of its SIAscopy™ on DermSecure™ telemedicine platform locally and internationally, which should increase revenues going forward and which may improve the likelihood of raising additional capital.

The Company has undertaken a number of financing initiatives to finance the development of its products and to provide cash flow for operations while it builds its revenue base.

On September 30, 2022, the Company completed a private placement of Convertible Loan Notes ("Series III Notes"), with gross proceeds of \$600,000 (\$591,887, net of cash expenses). The Series III Notes are unsecured and bear interest at 8% per annum, payable in cash semi-annually, and are due on December 31, 2026 ("Maturity Date"). The Series III Notes may be converted at the option of the holder, into units at \$0.10 per unit, at any time until the Maturity Date. Each unit will be comprised of one fully paid common share and one purchase warrant. Each warrant will be exercisable to purchase one further common share at the price of \$0.07, exercisable for a period expiring on the Maturity Date. After January 1, 2025, under certain circumstances as described in the terms of the Notes, the Company may have the right to force redemption of any Note(s) then outstanding.

On March 22, 2022, the Company raised \$1,000,000 (\$916,293, net of cash expenses) of convertible debt from a private placement of 8% Convertible Loan Notes ("8% CLNs"). The 8% CLNs are unsecured and bear interest at 8% per annum, payable in cash on a semiannual basis, and are due on December 31, 2026 ("8% Maturity Date"). They may be converted at the option of the holder, into units at \$0.10 per unit ("unit") at any time until the 8% Maturity Date. Each unit is comprised of one Common share and one-half of a Share Purchase Warrant. Each whole warrant will be exercisable to purchase one further Common share at the price of \$0.15, exercisable for a period expiring on the 8% Maturity Date. After January 1, 2025, under certain circumstances as described in the terms of the 8% CLNs, the Company may have the right to force redemption of any Note(s) then outstanding.

In 2021, the Company raised net proceeds of \$926,716 from a private placement of equity. The gross proceeds from the placement were \$1,006,600 resulting from the issuance of 5,592,221 Units for \$0.18 per Unit, with each Unit consisting of one common share and one warrant, with each warrant exercisable to acquire one common share for a period of two years, at an exercise price of \$0.25.

In 2021, the Company raised \$4,000,000 (\$3,642,527, net of cash expenses) from a private placement of Convertible Debenture Loan Notes ("6% CDLNs"). The 6% CDLNs are unsecured and bear interest at 6% per annum, payable in cash on a quarterly basis, and are due on December 31, 2023 ("6% Maturity Date"). They may be converted at the

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

option of the holder, into units at \$0.14 per unit ("unit") at any time until the 6% Maturity Date. Each unit is comprised of one Common share and one-half of a Share Purchase Warrant. Each whole warrant will be exercisable to purchase one further Common share at the price of \$0.20, exercisable for a period expiring on the 6% Maturity Date.

The Company completed an additional closing of 6% CDLNs of \$500,000 in 2021, as settlement of a Convertible loan, with the terms of the 6% CDLNs the same as previously issued.

In September 26, 2021, 6% CDLNs with a face value of \$250,000 were converted by a debenture holder, and as a result, the Company issued 1,758,714 common shares and issued 892,857 warrants, with each warrant exercisable until December 31, 2023, with an exercise price of \$0.20.

On March 16, 2022, the Company obtained regulatory acceptance to extend the expiry date of a total of 14,995,472 subscriber warrants with original expiry dates of April 22, April 27 and May 13, 2022, to December 31, 2023. The exercise price of \$0.20 and other terms of those warrants remained unchanged.

The Company has also benefited in the past from cash provided through short-term loans from related parties during periods when low cash resources were impacting operations and while the Company was raising more substantial funding. During the nine months ending September 30, 2022, the Company was advanced \$390,000 by Directors as short-term loans, which are unsecured, with interest at 10% per annum and are due on demand.

The recent coronavirus (COVID-19) pandemic has impacted and could further impact the Company's operations. A majority of the Company's staff are working remotely. The Company experienced a significant revenue decrease from its laser and light products during the first half of 2020, as a large proportion of the users of these products were closed for extended periods. Activity increased subsequently; however, it is unknown as to how the short to medium-term demand will change as circumstances change in various regions. Marketing of MedX's DermSecure™ telemedicine platform has also been significantly impacted to date by COVID-19, in all the markets in which the Company has been actively marketing the product. In addition to the difficulty in meeting with potential customers during this period, reaching out to dermatologists has been hampered, and the regulatory processes in most countries has slowed considerably. Given the uncertainty with respect to the timing and level of recovery from the pandemic on a global basis, the Company's ability to market its products through direct contact with customers may be difficult, and there remains uncertainty around the duration and its broader impact. The Company has also been impacted to date with respect to the supply of inventory as shortages and the timing of delivery of certain components has and may impact availability. In 2021, the Company received \$115,565 under the Canada Emergency Wage Subsidy.

Review of Operating Results

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

	Three Months Ended		Nine Months Ended	
	September 30	September 30	September 30	September 30
	2022	2021	2022	2021
Revenue	\$ 90,186	\$ 94,146	\$ 297,797	\$ 350,335
Cost of sales	54,605	92,882	166,304	224,617
Gross profit	35,581	1,264	131,493	125,718
Expenses				
Selling, general and administrative	745,458	897,076	2,509,849	2,709,182
Product and software development	155,760	480,168	467,280	823,560
Interest	310,133	155,947	858,976	366,334
Loss on debt settlement	-	-	-	(8,307)
Foreign exchange (gain) loss	2,224	6,794	4,999	8,828
Depreciation of property, equipment and right of use asset	12,862	12,948	38,587	37,345
	1,226,437	1,552,933	3,879,691	3,936,942
Net loss for the period	\$ (1,190,856)	\$ (1,551,669)	\$ (3,748,198)	\$ (3,811,224)

Three Months Ended September 30, 2022 and 2021

Revenue -

Revenue of \$90,186 for the three months ended September 30, 2022 was \$3,960, or 4.2% lower than revenue of \$94,146 for the three months ended September 30, 2021, resulting from an increase in revenue from its SIAscopy™ products, offset by lower laser product revenues. Revenue continues to be impacted by COVID-19. It is impacting the marketing efforts for the Company's DermSecure™ telemedicine platform, and still having an impact on the sales of laser products, as customers are still operating at reduced capacity and delaying purchases, as well as limited product due to part shortages.

Revenues from the Company's SIAscopy™ product line for the third quarter of 2022 were \$67,597, an increase of \$33,464, or more than two times higher than revenues of \$34,133, for the prior year period. The increase was due primarily to a new contract resulting in sales of units and ongoing scan revenues in Italy. Revenues from MedX's therapeutic laser products of \$22,589 for the three months ended September 30, 2022, were \$37,424 or 37.6% lower than \$60,013 in the third quarter of 2021 as sourcing replacements parts and low working capital impacted the Company's ability to build new systems.

Cost of sales -

Cost of sales of \$54,605 for the three months ended September 30, 2022, was \$38,277 lower than cost of sales of \$92,882 for the three months ended September 30, 2021. Cost of sales as a percent of sales was 60.5% for the three-month period compared with 98.7% for the three-months ended September 30, 2021. Cost of sales were lower due lower component costs.

Gross profit -

Gross profit for the three months ended September 30, 2022, was \$35,581, an increase of \$34,317 from gross profit of \$1,264 for the three months ended September 30, 2021.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

The gross margin for the three months ended September 30, 2022, was 39.5% of sales versus 1.3% of sales in the prior year.

Selling, general and administrative expenses –

Administrative expenses of \$745,458 for the three months ended September 30, 2022 were \$151,618, or 16.9% lower than expenses of \$897,076 for the three months ended September 30, 2021. The decrease resulted primarily from lower public company related costs and lower sales and market development expenses.

Product and software development –

Product and software development expenses of \$155,760 for the three months ended September 30, 2022, were \$324,408 lower than expenses of \$480,168 in the prior year period. The expenditures relate to the on-going development of the Company's SIAscopy™ on DermSecure™ telemedicine platform. Expenditures were lower in 2022 as the Company was constrained by lower cash resources.

Interest expense –

Interest expense of \$310,133 for the three months ended September 30, 2022, was significantly higher than \$155,947 of interest expense for three months ended September 30, 2021, as the Company has issued a total of \$5,600,000 of convertible debt in the last two years. A large portion, or \$213,734 of interest expense for the quarter represents non-cash accretion (\$56,085 in the third quarter of 2021).

Foreign exchange loss (gain) –

The Company experienced a foreign exchange loss of \$2,224 for the three months ended September 30, 2022, compared with a small loss in 2021. The loss is related to the settlement of and translation of net foreign denominated working capital balances during the respective quarters.

Depreciation of property, equipment and right of use asset –

Depreciation of \$12,862 for the three months ended September 30, 2022 is similar to the depreciation for the prior year's three-month period.

Net loss for the period –

The net loss of \$1,190,856 for the three months ended September 30, 2022 was \$360,813 lower than the loss of \$1,551,669 for the three months ended September 30, 2021. The impact of higher interest expense was offset in part by lower administrative expenses and product development costs.

Nine Months Ended September 30, 2022 and 2021

Revenue -

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

Revenue of \$297,797 for the nine months ended September 30, 2022 was \$52,538, or 15% lower than revenue of \$350,335 for the nine months ended September 30, 2021, resulting from an decrease in revenue from its laser products offset in part by an increase from its SIAscopy™ products.

Revenues from the Company's SIAscopy™ product line for the nine months ended September 30, 2022 were \$189,384, an increase of \$33,464, or 198% higher than revenues of \$96,811, for the prior year nine-month period. Sales to a new customer in Italy and other sales related to pilot projects led to the increase. Revenues from MedX's therapeutic laser products of \$108,413 for the nine months ended September 30, 2022, were \$145,111 or 42.8% lower than \$253,524 in the first three quarters of 2021, as sourcing replacements parts and low working capital impacted the Company's ability to build new systems.

Cost of sales -

Cost of sales of \$166,304 for the nine months ended September 30, 2022, was \$58,313 lower than cost of sales of \$224,617 for the nine months ended September 30, 2021. Cost of sales as a percent of sales was 55.8% for the nine-month period compared with 64.1% for the nine-months ended September 30, 2021. Cost of sales were lower due the lower revenue.

Gross profit -

Gross profit for the nine months ended September 30, 2022, was \$131,493, an increase of \$5,775 from gross profit of \$125,718 for the nine months ended September 30, 2021. The gross margin for the nine months ended September 30, 2022, was 44.2% of sales versus 35.9% of sales in the prior year.

Selling, general and administrative expenses –

Administrative expenses of \$2,509,849 for the nine months ended September 30, 2022 were \$199,333, or 7.4% lower than expenses of \$2,709,182 for the nine months ended September 30, 2021. Costs decreased primarily as a result of the lower public company costs and a decrease in sales and market development expenses.

Product and software development –

Product and software development expenses of \$467,280 for the nine months ended September 30, 2022, were \$356,280 lower than expenses of \$823,560 in the prior year period. The expenditures relate to the on-going development of the Company's SIAscopy™ on DermSecure™ telemedicine platform. Expenditures are lower in 2022 as spending has been curtailed due to a lack of working capital.

Interest expense –

Interest expense of \$858,976 for the nine months ended September 30, 2022, was significantly higher than the \$366,334 of interest expense for nine months ended September 30, 2021, as the Company has issued a total of \$5,600,000 in CDLNs

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

(excluding conversions). Of the total interest expense, \$593,616 is the non-cash impact of accretion, compared with \$141,140 in the prior year period

(Gain) loss on debt settlements –

In 2021, the Company settled a \$72,000 amount outstanding with a vendor through the issuance of 360,000 shares and recorded a gain of \$8,307.

Foreign exchange (gain) loss –

The Company experienced a foreign exchange loss of \$4,999 for the nine months ended September 30, 2022, compared with a loss of \$8,828 for the 2021 nine-month period. The losses result from the settlement of and translation of net foreign denominated working capital balances during the respective quarters.

Depreciation of property, equipment and right of use asset –

Depreciation of \$38,587 for the nine months ended September 30, 2022 is a small increase from the depreciation for the prior year's nine-month period.

Net loss for the period –

The net loss of \$3,748,198 for the nine months ended September 30, 2022 was \$63,026 lower than the loss of \$3,811,224 for the nine months ended September 30, 2021. Lower product development and administrative costs more than offset the significant increase in interest expense for the period.

Liquidity and Capital Resources

The Company had a working capital deficit of \$2,788,187 as of September 30, 2022, compared with a working capital deficit of \$1,427,580 as of December 31, 2021. The Company had an accumulated deficit of \$44,883,678 and a shareholders' deficiency of \$6,088,684 as of September 30, 2022. The \$1,360,607 decline in the working capital position during the first nine months of 2022 is attributable to an increase in accounts payable resulting from a lack of cash to settle them and an increase in short-term loans to cover operating losses. Despite raising capital to date in 2022 and 2021, the current financial conditions for the Company are such that there is an existence of uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The Company continues to review alternatives for additional financing.

The Company's ability to continue as a going concern is dependent upon achieving a profitable level of operations and obtaining additional financing, neither of which is assured. The Company has been able to raise capital to continue to market its products, including raising net proceeds of \$1,408,180 in 2022 from the issuance of convertible debentures.

The Company raised \$4,148,536 of long-term debt in 2021 along with \$926,716 from a private placement of equity.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

The Company's consolidated financial statements do not give effect to any adjustments which might be necessary should the Company be unable to continue as a going concern and be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. These adjustments could be material.

With a lack of profitability to date, and a history of negative working capital and negative cash from operations, the Company manages its cash resources and expenditure levels carefully to ensure that risks are minimized, while focusing spending on developing and marketing its products to grow its revenues.

During periods of reduced cash flow, the Company has been able to access cash by entering into unsecured short-term loans with related parties in order to ensure operating cash flow, which amounts are then repaid on completion of raising more permanent equity or longer-term debt. During 2022, the related parties have advanced \$390,000 of such loans to the Company, and \$100,000 of the related party advances from 2021 were settled by subscriptions of the 8% CNLs. Refer to Short-term loans for additional information.

As of September 30, 2022, the Company's capital resources consist of the following:

Accounts payable and accrued liabilities –

The Company had \$2,934,670 of accounts payable and accrued liabilities as of September 30, 2022, an increase of \$1,169,326 from \$1,765,344 as of December 31, 2021. The increase results from a large increase in vendor payable balances of \$1,014,898, as the Company was not able to reduce expenditures quickly enough while it was taking longer to raise additional capital. The September 30, 2022 balance consists of trade payables (\$1,516,240), amounts owing to management and directors for accrued or unpaid compensation and fees (\$149,222), amounts owing related to unpaid payroll withholdings, sales and other taxes to governments (\$645,388) and other accrued liabilities (\$623,820).

Short-term loans –

As of September 30, 2022, there were \$400,000 of short-term loans owing by the Company to related parties. The loans are unsecured, with an interest rate of 10% per annum, and considered due on demand. During 2022, a related party advanced short-term loans of \$390,000, while \$100,000 of short-term loans were settled through participation in the private placement of Convertible Debentures Loan Notes.

Long-term debt –

MedX Health Corp.
Management’s Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

	September 30		December 31
	2022		2021
Convertible Debenture Loan Notes	\$ 3,289,755	\$	2,198,427
Lease liability	144,327		172,282
Canada Emergency Business Account	60,000		60,000
	3,494,082		2,430,709
Less: Current portion	(42,805)		(38,216)
	\$ 3,451,277	\$	2,392,493

Convertible Loan Notes -

On September 30, 2022, the Company completed a private placement of Convertible Loan Notes (“Series III Notes”), with gross proceeds of \$600,000 (\$591,887, net of cash expenses). The Series III Notes are unsecured and bear interest at 8% per annum, payable in cash semi-annually, and are due on December 31, 2026 (“Maturity Date”). The Series III Notes may be converted at the option of the holder, into units at \$0.10 per unit, at any time until the Maturity Date. Each unit will be comprised of one fully paid common share and one purchase warrant. Each warrant will be exercisable to purchase one further common share at the price of \$0.07, exercisable for a period expiring on the Maturity Date. After January 1, 2025, under certain circumstances as described in the terms of the Notes, the Company may have the right to force redemption of any Note(s) then outstanding. In connection with the placement, \$8,000 of cash commissions were paid to agents.

In accounting for the \$600,000 of Series III Notes, the Company determined the value of the debt to be \$209,220, based on the net present value of the loan interest and principal over the term of the loans, using a discount rate of 38%, with the remaining \$390,780 allocated to the equity portion of the convertible debentures. Cash related issue costs of \$8,113 were allocated in the same proportion as the allocation of the Series III Notes to debt and equity, reducing the amounts recorded as long-term debt by \$2,829 and the equity portion of the debenture by \$5,284.

On March 21, 2022, the Company completed a non-brokered private placement of 8% CLNs, for proceeds of \$1,000,000 (\$916,293 net of cash expenses). The 8% CLNs are unsecured and bear interest at 8% per annum, payable in cash semi-annually, and are due on December 31, 2026 (“8% Maturity Date”). The CLNs may be converted, at the option of the holder, into units at \$0.10 per unit at any time until the 8% Maturity Date. Each unit will be comprised of one fully paid common share and one-half of a share purchase warrant. Each whole share purchase warrant will be exercisable to purchase one further common share at the price of \$0.15, exercisable for a period expiring on the 8% Maturity Date. After January 1, 2025, under certain circumstances as described in the terms of the CLNs, the Company may have the right to force redemption of any CLNs then outstanding. In connection with the placement, \$64,000 of cash commissions were paid to agents, and 177,778 agent’s warrants were issued, which will be exercisable at the price of \$0.09 to acquire a unit comprised of one common share and one-half of a non-

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

transferable agent's share purchase warrant. Each whole agent's share purchase warrant will be exercisable to purchase one common share at the price of \$0.18, for two years from the issue date.

In accounting for the \$1,000,000 of 8% CLNs, the Company determined the value of the debt to be \$323,276, based on the net present value of the loan interest and principal over the term of the loans, using a discount rate of 38%, with the remaining \$676,724 allocated to the equity portion of the CLNs. Cash related issue costs of \$83,707 were allocated in the same proportion as the allocation of the CLNs to debt and equity, reducing the amounts recorded as long-term debt by \$ 27,060 and the equity portion of the debenture by \$56,647. With respect to the broker warrants, the value of the warrants issued was determined to be \$15,143, using the Black-Scholes option pricing model, with a risk-free interest rate of 2.44%, volatility of 185% (based on historical stock price volatility), expected life of 2 years, and no expected dividend yield was used. The value of the warrants is considered a non-cash cost of the placement and was treated the same as the cash issue costs, as a reduction of \$4,895 of the long-term debt and \$10,248 reduction of the equity portion of the debenture.

During 2021, the Company completed a private placement of 6% Convertible Debenture Loan Notes ("CDLNs"), with gross proceeds of \$4,000,000 (\$3,742,527, net of cash expenses). The 6% CDLNs are unsecured and bear interest at 6% per annum, payable in cash on a quarterly basis, and are due on December 31, 2023 ("6% Maturity Date"). The 6% CDLNs may be converted at the option of the holder, into units at \$0.14 per unit, at any time until the 6% Maturity Date. Each unit will be comprised of one fully paid common share and one-half of a share purchase warrant. Each whole share purchase warrant will be exercisable to purchase one further common share at the price of \$0.20, exercisable for a period expiring on the 6% Maturity Date. In connection with the placement, 985,719 broker warrants were issued, with each exercisable to acquire one unit at \$0.14 per unit, at any time up to the 6% Maturity Date.

In accounting for the \$4,000,000 of 6% CDLNs, the Company determined the value of the debt to be \$1,746,000, based on the net present value of the loan interest and principal over the term of the loans, using a discount rate of 38%, with the remaining \$2,254,000 allocated to the equity portion of the CDLNs. Cash related issue costs of \$257,473 were allocated in the same proportion as the allocation of the CDLNs to debt and equity, reducing the amounts recorded as long-term debt by \$113,288 and the equity portion of the CDLN's by \$144,185. With respect to the broker warrants, the value of the warrants issued was determined to be \$161,127, using the Black-Scholes option pricing model. For the 407,143 and 578,576 broker warrants issued for the initial and second closing, respectively, a risk-free interest rate of 0.5% and 0.5%, volatility of 83% and 84% (based on historical stock price volatility), expected life of 3 years, and no expected dividend yield was used. The value of the warrants is considered a non-cash cost of the placement and was treated the same as the cash issue costs, as a reduction of \$70,896 of the long-term debt and \$90,231 reduction of the equity portion of the debenture.

On June 10, 2021, the Company completed an additional closing of CDLNs of \$500,000,

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

as settlement of a Convertible loan, with the terms of the CDLNs the same as previously issued. In accounting for the \$500,000 of CDLNs, the Company determined the value of the debt to be \$244,000, based on the net present value of the loan interest and principal over the term of the loans, using a discount rate of 38%, with the remaining \$256,000 allocated to the equity portion of the CDLNs. There were no cash costs or broker warrants associated with this transaction.

On September 22, 2021, CDLNs with a face value of \$250,000 were converted by holders. As a result, the Company issued 1,785,714 common shares and 892,857 warrants, with each warrant exercisable until December 31, 2023, with an exercise price of \$0.20. The liability related to these CDLNs at the conversion date was \$118,369, and in accounting for the conversion, the CDLN balance was reduced by this amount and \$88,858 was allocated to common shares and \$35,511 to warrants. The proportion allocated to common shares and warrants was estimated based on a relative valuation of those components when the CDLNs were issued. The equity portion related to the converted CDLNs from the issue date was \$126,224, and this amount has been deducted from the equity component, of which \$88,358 was allocated to share capital and \$37,866 to warrants, allocated on the same basis.

The balance of the Company's convertible debt as of September 30, 2022 and December 31, 2021 is as follows:

	September30 2022	December 31 2021
Face value	\$ 5,850,000	\$ 4,250,000
Balance to be accreted	2,560,245	2,051,573
	\$ 3,289,755	\$ 2,198,427

The change in the balance of the CDLN's and CLN's during the nine months ended September 30, 2022, and year ended December 31, 2021, is as follows:

	2022	2021
Balance, beginning of period	\$ 2,198,427	\$ -
Issuances of CDLN's	1,600,000	4,500,000
Costs of issue	(40,068)	(184,184)
Amount allocated to equity	(1,062,220)	(2,510,000)
Conversion of debentures	-	(118,369)
Accretion	807,058	738,888
Interest paid	(213,442)	(227,908)
Balance, end of period	\$ 3,289,755	\$ 2,198,427

Lease liability -

The Company leases premises consisting of its office and manufacturing facilities. The Company had a lease in place that ended in August 2020, with a new lease signed, effective September 1, 2020. With respect to the new lease, the lease payments totaling \$276,060 over the 60-month term of the lease represented a liability of \$214,893 at the

MedX Health Corp.
Management’s Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

start of the lease, based on the lease payments discounted using an incremental borrowing rate of 10.0%. The liability as of September 30, 2022 is \$144,327 (December 31, 2021 - \$172,282).

Canada Emergency Business Account (CEBA) -

During 2020, the Company received \$60,000 under a line of credit from the Government of Canada CEBA program, administered through the Company’s bank. The loan is non-interest bearing until December 31, 2023, after which interest of 5% per annum is payable. If the loan is repaid before December 31, 2022, 33% of the amount repaid will be forgiven.

Share Capital -

The Company had 183,799,459 common shares outstanding as of September, 2022:

	Number of shares	Stated Capital
Outstanding at January 1, 2021	175,924,624	\$ 23,000,870
Issued for cash	5,592,221	710,471
Issued on debt settlements	360,000	48,600
Issued on conversion of debentures	1,785,714	171,216
Issued on exercise of warrants	36,900	4,428
Outstanding at December 31, 2021	183,699,459	23,935,585
Issued on exercise of warrants	100,000	22,828
Outstanding at September 30, 2022	183,799,459	\$ 23,958,413

During 2021, the Company raised net proceeds of \$926,716 from private placements, summarized as follows:

Tranche	Date	# of Units	Unit Price	Gross Proceeds	Issue Costs	Net Proceeds	Allocation to Shares	Allocation to Warrants
	May 14	5,592,221	\$ 0.18	\$ 1,006,600	\$ 79,884	\$ 926,716	\$ 710,471	\$ 216,245

The placement consisted of the sale of 5,592,221 Units for \$0.18 per Unit, and each Unit consisted of one Common share and one Common share purchase warrant (“Warrant”). Each Warrant will be exercisable to acquire one Common share at any time for a period of two years from the closing date, at an exercise price of \$0.25. In accounting for the placement, the Company allocated the gross proceeds between the shares and the warrants issued, based on the relative value of the components. The value of the shares was based on the closing trading value of the Company’s shares on the closing date. The value of the warrants was based on a calculation using the Black-Scholes model, as of the date of closing. Cash related issue costs were allocated in the same manner as the proceeds, reducing the amounts recorded as share capital and warrants. See note 9(f) of the consolidated financial statements with respect to the calculation of the value of the warrants.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

On June 15, 2021, the Company settled \$72,000 owing to a vendor by issuing 360,000 common shares to the vendor, resulting in a gain of \$8,307.

On September 22, 2021, \$250,000 of 6% CDLN's were converted by the debenture holders, at which time the Company issued 1,785,714 common shares and 892,857 warrants in accordance with the terms of the debenture. In accounting for the conversion, \$171,216 was allocated to common shares and \$73,377 to warrants. At the date of the conversion, the liability relating to the converted debentures was \$118,369, of which \$82,858 was allocated to share capital and \$35,511 was allocated to warrants. In addition, \$126,224 was deducted from the initial equity portion relating to the 6% CDLN's, of which \$88,358 was allocated to share capital and \$37,866 was allocated to warrants. The amounts attributed to share capital and warrants was based on the relative value of the components as determined at the issue date of the 6% CDLN's.

The Company issued 100,000 common shares on July 29, 2022 on the exercise of warrants. The warrants had an exercise price of \$0.20 resulting in proceeds of \$20,000. In addition, the warrant value originally allocated to the warrants of \$2,828 was reclassified from warrants to common shares.

Also during 2021, 36,900 broker warrants were exercised, resulting in proceeds of \$4,428.

Warrants –

The Company has issued subscriber warrants in connection with share and debt offerings and has issued Broker warrants in connection with certain offerings. The value of warrants has been estimated in each case using the Black-Scholes pricing model as of the date of the transaction.

<i>(WAEP - Weighted-Average Exercise Price)</i>	Number of Subscriber Warrants	WAEP \$
Outstanding at January 1, 2021	57,240,766	0.22
Warrants issued - private placement	5,592,221	0.25
Warrants issued - debenture conversions	892,857	0.20
Warrants expired	(22,634,777)	0.23
Outstanding at December 31, 2021	41,091,067	0.22
Warrants expired	(19,510,517)	0.22
Warrants exercised	(100,000)	0.20
Outstanding at September 30, 2022	21,480,550	0.21

With respect to the private placement of 8% CLN's in 2022, 177,778 broker warrants were issued, with each exercisable to acquire one unit for \$0.09. Each unit is comprised of one fully paid common share and one-half of a share purchase warrant. Each whole share purchase warrant will be exercisable to purchase one further common share at for \$0.18, exercisable for a period expiring on March 21, 2024. The value of the broker warrants issued was determined to be \$15,143 using the Black-Scholes option pricing model. A

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

risk-free interest rate of 2.44%, volatility of 185% (based on historical stock price volatility), expected life of 2 years, and no expected dividend yield was used.

On January 28, 2022, 2,962,500 warrants, with an exercise price of \$0.35, expired, on January 30, 2022, 1,569,000 warrants, with an exercise price of \$0.20, expired, on March 4 and March 5, 2022, a total of 13,069,017 warrants with an exercise price of \$0.20 expired, and on July 31, 2022, 2,500,000 warrants with an exercise price of \$0.20 expired. Also, 569,760 broker warrants with an exercise price of \$0.12 expired on April 22 and May 13, 2022. The \$636,401 value originally allocated to these warrants was reclassified to Contributed surplus.

Effective March 16, 2022, the Company obtained regulatory acceptance to extend the expiry date of a total of 14,995,472 subscriber warrants with original expiry dates of April 22, April 27, and May 13, 2022, to December 31, 2023. The exercise price of \$0.20 and other terms of those warrants remained unchanged.

With respect to the private placement of 6% CDLN's in 2021, 985,719 broker warrants were issued, with each exercisable to acquire one unit for \$0.14. Each unit is comprised of one fully paid common share and one-half of a share purchase warrant. Each whole share purchase warrant will be exercisable to purchase one further common share at for \$0.20, exercisable for a period expiring on the Maturity Date. The value of the broker warrants issued was determined to be \$161,127, using the Black-Scholes option pricing model. For the 407,143 and 578,576 broker warrants issued for the initial and second closing, respectively, a risk-free interest rate of 0.5% and 0.5%, volatility of 83% and 84% (based on historical stock price volatility), expected life of 3 years, and no expected dividend yield was used.

During 2021, the Company issued 892,857 warrants in connection with the conversion of \$250,000 of 6% CDLNs, in accordance with the provisions of the debentures. The warrants are exercisable at \$0.20 until December 31, 2023. An amount of \$73,377 was attributed to these warrants at the date of conversion.

During 2021, 22,634,777 subscriber warrants, with exercise prices ranging between \$0.20 and \$0.35, and 486,510 broker warrants expired. The \$1,088,849 value originally allocated to these warrants was reclassified to Contributed surplus.

During 2022, 100,000 subscriber warrants were exercised for proceeds of \$20,000. During 2021, 36,900 broker warrants were exercised for proceeds of \$4,428.

Warrants outstanding, (including 1,733,257 Broker warrants with a weighted average exercise price of \$0.13), and their expiry dates as of September 30, 2022:

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

Date Issued	Expiry Date	Exercise Price	# of Warrants	\$
April 22, 2020	December 31, 2023	\$0.20	9,091,673	261,923
April 27, 2020	December 31, 2023	\$0.20	1,158,333	33,125
April 29, 2020	December 31, 2023	\$0.20	200,000	5,584
May 13, 2020	December 31, 2023	\$0.20	5,115,226	151,347
January 27, 2021	December 31, 2023	\$0.14	407,143	40,558
February 3, 2021	December 31, 2023	\$0.14	578,576	120,569
May 14, 2021	May 14, 2023	\$0.25	5,592,221	216,245
September 22, 2021	December 31, 2023	\$0.20	892,857	73,377
March 21, 2022	March 21, 2024	\$0.09	177,778	15,142
			23,213,807	917,870

Stock options –

On August 16, 2021 at an Annual and Special Meeting of Shareholders, shareholders approved an amendment to the Company's 2014 Incentive Stock Option Plan to increase the number of shares available under the plan from 26,000,000 to 30,000,000.

Under the terms of the plan, directors, officers, employees and consultants, subject to certain conditions, may be granted options to purchase common shares of the Company. As at September 30, 2022, there were 23,535,000 options that have been granted and are outstanding, with 6,465,000 options available to be granted under the plan. The exercise period and vesting provisions with respect to options being granted are set by the Board when options are granted, within the terms of the Plan.

Activity in the Company's stock option plan for the year ended December 31, 2021 and nine months ended September 30, 2022 is summarized as follows:

<i>(WAEP - Weighted-Average Exercise Price)</i>	Number of Options	WAEP \$
Outstanding, January 1, 2021	23,465,000	0.20
Granted	2,150,000	0.17
Expired/forfeited	(6,430,000)	0.25
Outstanding, December 31, 2021	19,185,000	0.20
Granted	8,550,000	0.10
Expired/forfeited	(4,200,000)	0.21
Outstanding, September 30, 2022	23,535,000	0.16

The outstanding options have exercise prices in the range of \$0.10 and \$0.25, an average remaining life of 2.6 years, and as of September 30, 2022, 19,110,000 options are exercisable. The exercisable options have a weighted average remaining life of 2.6 years and a weighted average exercise price of \$0.16.

MedX Health Corp.
Management’s Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

On June 9, 2022, 8,550,000 share options were granted to consultants, employees and directors. The options have an exercise price of \$0.10 and expire on June 8, 2027, with 50% of the options vested when granted, and 50% vesting on June 8, 2023. The options were valued at \$324,725, of which \$212,766 has been expensed and the remainder will be expensed as the options vest. The value was determined using the Black-Scholes option pricing model based on a risk-free interest rate of 2.95%, volatility of 91% (based on historical stock price volatility), expected life of 5 years, and no expected dividend yield. On August 30, 2021, 300,000 share options were granted to a consultant, which vested on November 30, 2021. The options have an exercise price of \$0.18 and expire on August 30, 2024. The options were valued at \$15,123, which was expensed in 2021. The value was determined using the Black-Scholes option pricing model based on a risk-free interest rate of 0.60%, volatility of 81% (based on historical stock price volatility), expected life of 3.0 years, and no expected dividend yield.

On March 31, 2021, 1,850,000 share options were granted to consultants. The options have an exercise price of \$0.25 and expire on December 31, 2025, with 25% of the options vested when granted, and 25% vesting on each of December 31, 2021, June 30, 2022, and December 31, 2022. The options were valued at \$226,843, of which \$171,990 was expensed in 2021, \$46,701 expensed in 2022, and the remainder will be expensed as the options vest. The value was determined using the Black-Scholes option pricing model based on a risk-free interest rate of 1.05%, volatility of 95% (based on historical stock price volatility), expected life of 4.75 years, and no expected dividend yield.

Off-Balance Sheet Arrangements –

The Company has no off-balance sheet arrangements.

Issued and Outstanding Shares, Warrants and Stock Options

As at September 30, 2022 and the date of this Report the following total number of shares, warrants, broker warrants and stock options are outstanding:

	Sept 30 2022	Nov 29 2022
Common shares	183,799,459	183,799,459
Warrants	21,480,550	25,713,807
Stock Options	23,535,000	23,535,000
Total	228,815,009	233,048,266

Capital Resources –

The Company has spent approximately \$3.2 million during the last five years to develop its SIAscopy™ on DermSecure™ telemedicine platform. Spending in this regard was significant in 2018 and the first half of 2019, and then was reduced during certain periods depending on the cash resources available for the project. Expenditures in 2021 were

MedX Health Corp.
Management’s Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

substantially higher than in 2020 as raising additional capital (by way of long-term debt) enabled additional spending. In 2022, the Company will also continue to update the technology for its SIAscopy™ units and software, which could be undertaken as cash is available.

The Company defines its managed capital as the total of demand loans, lease liabilities, convertible debt, long-term debt and shareholders’ deficiency including share capital, warrants, the equity portion of convertible debt, contributed surplus and deficit. As at September 30, 2022, total managed capital was (\$2,149,602) (December 31, 2021 (\$1,049,713)).

The Company manages its capital structure within guidelines approved by the Board of Directors. The Company makes adjustments to its capital structure based on changes in economic conditions and the Company’s planned requirements. The Company has the ability to adjust its capital structure by issuing new equity or debt, selling assets to reduce debt, controlling the amount it distributes to shareholders, and making adjustments to its capital expenditure program.

There have been no changes in the Company’s approach to capital management during 2022 or 2021. The Company is not subject to externally imposed capital restrictions.

Summary of Quarterly Results

Quarter Ended	September 30 2022	June 30 2022	March 31 2022	December 31 2021	September 30 2021	June 30 2021	March 31 2021	December 31 2020
Revenues	\$90	\$143	\$65	\$94	\$94	\$146	\$110	\$192
Comprehensive Income/(Loss)	(\$1,191)	(\$1,332)	(\$1,219)	(\$1,277)	(\$1,551)	(\$1,235)	(\$1,025)	(\$667)
Income (loss) per share	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	\$0.00	(\$0.00)

As the foregoing schedule indicates, results over the past eight quarters have fluctuated. As the Company is building its revenue through several distribution channels, sales can fluctuate by quarter, depending on the timing of orders. Periods with higher losses have resulted in part from the product development costs being incurred, higher administrative costs and non-cash share-based compensation and interest expense.

Contractual Obligations

The Company leases space for its office and manufacturing facility. The Company signed a new lease for the facility during 2020, entering into a five-year lease, with minimum lease obligations of \$53,747 in 2022, \$55,872 in 2023, \$58,069 in 2024 and \$39,676 in 2025.

Significant Accounting Judgments and Estimates

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

The preparation of the Company's interim condensed consolidated financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and reported amount of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and are reviewed periodically and adjustments, if necessary, are made in the period in which they are identified. Actual results could differ from those estimates.

Judgements:

Going concern – The preparation of the consolidated financial statements requires management to make judgements regarding its ability to continue as a going concern as discussed in Note 1 of the Company's interim condensed consolidated financial statements.

Revenue recognition – Management makes judgements with respect to the point of time at which revenue is recognized, and whether the revenue will be recognized at point of time or over a period of time, as discussed in Note 2 – Revenue Recognition of the Company's 2021 consolidated financial statements.

Estimates:

Deferred revenue – Deferred revenue is estimated based on the period over which revenue is recognized and an estimate of the portion of the amount of revenue related to the performance obligation recognized over time.

Expected credit losses – Management estimates the collectability of specific accounts and records an appropriate allowance for credit losses, as discussed in Note 13 – Credit Risk of the Company's 2021 consolidated financial statements.

Inventory Valuation – Management assesses the net realizable value based on a review of estimated selling prices net of costs to make the sale, taking into account current market conditions and historic experience.

Convertible debentures – Management determines an appropriate discount rate used to determine the present value of the obligations in assessing the value attributable to the liability and equity components of convertible loans.

Other estimates – Estimates are also used in determining, but are not limited to, share-based compensation, warrants, the useful lives of assets, the amount of right of use assets, debenture conversions, the loss on debt settlements, shares for services and deferred income taxes, which are discussed in Note 2 and in their respective notes.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

Recent Accounting Pronouncements

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's consolidated financial statements are listed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective and is currently analyzing them to determine their impact on the consolidated financial statements:

The following amendments are effective for the period beginning January 1, 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

Financial Instruments

Fair Value Measurement

The accounting guidance for fair value measurements prioritizes the inputs used in measuring fair value into the following hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are directly or indirectly observable.

Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The carrying value of accounts receivable, accounts payable and accrued liabilities and demand loans approximates fair value due to the relatively short-term maturity of these financial instruments. Convertible debt, lease liabilities and other long-term debt were initially recognized at fair value and categorized as level 2. Subsequent to initial recognition they are carried at amortized cost.

The main risks the Company's financial instruments are exposed to are discussed below.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

Credit Risk -

Credit risk is the risk on financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to risk on its trade receivables balances. The risk for the Company is reduced, as for a majority of its revenue, individual transactions are relatively small, are normally to established customers, and often include a deposit for a large portion of the sale or payment in full prior to shipment.

The Company measures the loss allowance at an amount equal to the lifetime ECL that results from possible default events over the expected life of accounts receivables, using a simplified impairment model estimating losses with a provision matrix to measure the lifetime ECL. With respect to the Company's phototherapeutic laser business, the Company has experienced minimal losses, and based on the provision matrix developed where a provision is not considered necessary unless account balances exceed 180 days, there is a provision of \$5,321 (December 31, 2021 – \$5,321). With respect to sales of the Company's SIAscopy™ products, where new markets are being developed, the Company reviews individual balances, and as a result recorded a provision as of September 30, 2022 of \$86,049 (December 31, 2021 - \$86,049).

The Company maintains cash balances with Canadian commercial banks. As such, the Company believes its credit risk is minimal on cash balances.

Interest Rate Risk -

The Company currently has no exposure to risk with respect to interest rate fluctuations, as its interest-bearing debt is at a fixed rate of interest. The Company may increase debt levels depending on the nature of the financing in the future.

Foreign Currency Risk -

The Company has low exposure to foreign exchange fluctuations with respect to cash as the Company invests surplus funds in Canadian dollar accounts. The Company sells its products internationally. Revenues could be impacted positively or negatively if the exchange rates in the currencies in which the Company sells its products fluctuates. The risk is decreased as customers are invoiced only in currencies that are considered to be stable in international markets. A portion of the Company's costs are from international suppliers and could be impacted by currency fluctuations. However, these requirements are not material to the business, and alternate sources of supply could be utilized if required. There is an impact on the net loss from the translation of the accounts receivable and accounts payable balances at the end of the period that are denominated in currencies other than the Canadian dollar. A 5% change in the exchange rate of those currencies relative to the Canadian Dollar would impact the net loss by less than \$1,000.

The objective in managing foreign exchange risk is to monitor expenditure requirements in the short and medium term by currency and convert available cash to match the requirements. The risks are small enough that hedging would not be considered.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

Liquidity risk -

Liquidity risk results from an excess of financial liabilities over available financial assets at any point in time. The Company's objective in managing risk is to ensure that it raises the amount of cash required to fund operating losses and to maintain cash to meet its other obligations. In this regard, the Company has had difficulty raising the level of cash required to meet its financial obligations as they have come due, and in some instances has entered into transactions to settle debts through the issuance of shares. Capital and debt has been raised in 2021 and to date in 2022, and the Company must raise additional cash to fund its ongoing operating requirements. The Company is in a position where its liabilities are greater than its assets.

	1 year	2 to 3 years	4 to 5 years	Total
Accounts payable and accrued liabilities	\$ 2,934,670	\$ -	\$ -	\$ 2,934,670
Short-term loans	400,000	-	-	400,000
Lease liability	42,805	47,261	54,261	144,327
Convertible Debenture Loan Notes	-	4,250,000	1,600,000	5,850,000
Canada Emergency Business Account	-	-	60,000	60,000
At September 30, 2022	\$ 3,377,475	\$ 4,297,261	\$ 1,714,261	\$ 9,388,997
At December 31, 2021	\$ 1,953,560	\$ 4,339,069	\$ 104,997	\$ 6,397,626

Refer to Note 8 of the interim condensed consolidated financial statements for additional discussions regarding the contractual maturities of financial liabilities.

Related Party Transactions

For the nine months ended September 30, 2022, the Company incurred costs for management compensation of \$433,617 (2021 - \$602,902) and for Board compensation of \$25,200 (2021 - \$44,690). In addition, for the nine months ended September 30, 2022, \$136,025 (2021- \$Nil) of expense recorded for share-based compensation related to management and Directors.

During the nine months ended September 30, 2022, \$100,000 of short-term loans from related parties were settled by subscription in the private placement of 8% CDLN's. During 2021, \$100,000 of demand loans and related interest owing to a Company controlled by a Director were settled by subscription in the private placement of 6% CDLN's.

See notes 7 and 8 for other related party transaction disclosure relating to short-term loans, convertible debt and stock options issuances.

Included in accounts payable and accrued liabilities as of September 30, 2022 is \$149,222 (December 31, 2021 - \$76,665) relating to officers and directors of the Company.

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

Subsequent Events

On October 21, 2022, the Company completed an additional closing of Series III Notes, with gross proceeds of \$500,000.

On November 18, 2022, the Company announced a proposed private placement of up to \$1,500,000 of secured convertible debentures (subject to regulatory approval), which would be drawn down by the lender against expenditures approved by the lender. Interest of 8% on the debentures outstanding will be paid quarterly. The debentures, to be secured by a fixed and floating charge over all assets of the Company, will be convertible into Units, with each unit comprised of one common share and one common share purchase warrant. The conversion prices for the Units and purchase warrants will be determined at the time of each drawdown, in accordance with the Policies of the TSXV.

Risks and Uncertainties

Although not exhaustive, the following list summarizes some of the key risks the Company faces, as well as, strategies the Company employs to manage these risks:

Market, Operating and Competitive Risks -

The market opportunity for the Company's products is dependent upon external factors such as the level of regulation of the medical device and diagnostic market, acceptance of the Company's products by the medical and healthcare profession and patient/consumer interest. As well, the Company has larger competitors who have larger customer bases and more significant financial and operating resources which may make it more difficult for the Company to compete in the marketplace.

Technology Risks -

The Company has invested significant resources in its products to ensure that they provide its customers with a competitive product offering relative to other suppliers in its industry. As a result of its financial position, the Company has not been able to confirm the existence of all of its intellectual property, and if the Company has not protected its intellectual property adequately or if it infringes third party intellectual property rights, it may lose its competitive advantage and incur significant costs and loss of reputation that could materially negatively impact its business. To manage this risk, the Company has invested significant resources in product development and professional assistance to protect its intellectual property and avoid possible infringement of third-party rights.

Operating Losses -

The Company has experienced operating losses since incorporation in 1999. As at September 30, 2022, MedX has a deficit in excess of \$44 million. The Company may continue to incur additional losses and negative cash flows from operations and may never achieve profitability. Its success will depend mainly on its ability to generate enough operating income to achieve profitability and to develop its products and technology to capture meaningful market share. MedX may be unable to achieve profitability and this

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

inability could have a material adverse effect on the Company's business, results of operations and financial condition.

Capital Requirements/Financing -

The Company relies on funding from internally generated revenues and external sources to provide sufficient capital to continue ongoing operations. There is no certainty that internal profits will be generated or that the Company will be successful in attracting external sources of capital. If MedX does not have sufficient capital to fund its operations, it may be required to curtail certain business operations.

Foreign Exchange Rate Risks -

MedX reports its financial results in Canadian Dollars. A substantial amount of revenues are derived from customers outside of Canada which are transacted in US dollars and other currencies. The Company has balances of accounts receivable and accounts payable denominated in non-Canadian currencies. If the non-Canadian dollar currencies fluctuate against the Canadian dollar, reported revenues, margins and results of operations will be impacted.

Lack of Dividends -

MedX anticipates that for the foreseeable future, the Company's earnings, if any, will be retained for use in the business, and no dividends will be paid. Declaration of dividends on the Company's common shares will depend on, among other things, future earnings, cash requirements and general business conditions.

Key Personnel Risk -

The future success of the Company is dependent upon the Company's ability to retain, recruit and train senior management, technical, sales and managerial personnel. Competition for qualified employees is intense and it may be possible that the Company is unable to retain and recruit qualified personnel in the future.

Other Risks and Uncertainties -

MedX is in the initial stages of commercialization of some of its products, facing corresponding risks. Future results may differ materially because of fluctuations in the Company's operating results due to changes in the cost of components used to manufacture the Company's products, changes in the regulatory environment for medical devices in the United States, Canada, and internationally, changes in the Company's markets including competitors' new product introductions, and the acceptance in the market for the Company's product offerings.

COVID-19 -

The recent coronavirus (COVID-19) pandemic has impacted and could further impact the Company's operations and the operations of its third-party suppliers, customers, lenders and potential investors as a result of quarantines, facility closures, travel and logistics

MedX Health Corp.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022 and 2021

restrictions, a global economic slowdown and other limitations in connection with the outbreak.

Forward-Looking Statements

This Management's Discussion and Analysis contains certain "forward-looking statements." All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding financial and business prospects and financial outlook) are forward looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company, based on information currently available to the Company. Forward-looking statements are subject to a number of risks, uncertainties and assumptions that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in general economic and market conditions, changes to regulations affecting the Company's activities, and uncertainties relating to the availability and costs of financing needed in the future. Any forward-looking statement speaks only as at the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to the inherent uncertainty therein.

Additional information

Additional information relating to the Company is available at www.sedar.com, and may also be obtained by request to the Company.

Dated: November 29, 2022