CALYX BIO-VENTURES INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations

August 28, 2013

Management's discussion and analysis provides a review of the performance of Calyx Bio-Ventures Inc. (the "Company" or "Calyx") and the following information should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2012 and related notes included therein, which are prepared in accordance with International Financial Reporting Standards. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. This discussion and analysis compares performance for the three and six months ending June 30, 2013 with the three and six months ending June 30, 2012 and discusses issues and risks that may impact future operations. For information identifying important factors that could cause actual results to differ materially from those anticipated, see "RISKS AND UNCERTAINTIES".

Additional information on the Company is available on the Canadian Securities Administrators System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com

Forward Looking Statements

Certain statements contained in this document constitute "forward looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by law.

The interim condensed consolidated financial statements for the three and six months ending June 30, 2013 have been prepared on a going concern basis which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. The ability of the Company to continue as a going concern is dependent upon obtaining ongoing financing and there can be no assurance that the Company will be able to raise any capital through any type of offering or similar financial arrangement.

Overview

Calyx was incorporated by Chromos Molecular Systems Inc. ("Chromos") as part of a corporate reorganization process in 2008 acquiring 29% of the outstanding common shares of Agrisoma Biosciences Inc ("Agrisoma"), the loans and licenses to Agrisoma, Chromos' intellectual property, the outstanding shares of Chromos' two inactive US subsidiaries, and assuming all of Chromos' liabilities and obligations. Under the reorganization the former shareholders of Chromos received one common share of Calyx for every 10 common shares of Chromos and Chromos was wound up into CHR Investment Corporation.

The Company is incorporated under the laws of British Columbia, Canada and the principal business office is located at 450-400 Burrard Street, Vancouver, BC V6C 3A6.

Interest in Agrisoma

In December 2008 and August 2011 the Company entered into two convertible promissory note agreements (the "Second Note" and the "Third Notes") to loan Agrisoma $910,178 and $1,250,000 respectively. The notes were not repaid on the due dates and at September 30, 2012 unpaid interest on the Second Note totaled $252,748 and on the Third Notes totaled $199,813.

In October 2012 the Company, Agrisoma and other Agrisoma shareholder entered into a Note Conversion Agreement, discussed below, whereby all Agrisoma notes and unpaid interest would be converted into common shares.

In November 2012 the Company purchased $1,248,600 of convertible promissory notes and unpaid interest (the "Purchased Notes") and 673,638 Agrisoma common shares from a major shareholder for $2,200,000 in cash.

The Note Conversion Agreement provided for conversion of the notes and unpaid interest at the following amounts: Second Note at $4.30233 per common share and the Third Notes at $2.31511 per common share. Following the purchase of the financial interest of the existing shareholder as discussed above the Company had $2,411,527 of Second Notes and unpaid interest which was converted into 560,517 common shares. The Company had $1,449,813 of Third Notes and unpaid interest which was converted into 629,240 common shares. Upon conversion, the previously unpaid and unrecorded interest of $452,561 was recognized as interest income.

In December 2012 the Company purchased 301,300 common shares for $1,160,005 in cash from Agrisoma as a private placement and purchased 8,670 common shares for $19,789 in cash from a minority Agrisoma shareholder.

At December 31, 2011 the Company owned 29% of Agrisoma's common shares; the conversion of the notes and unpaid interest, the purchase of the financial interests of an existing major shareholder, the subscription to an Agrisoma private placement of common shares and purchase of the shares of a minority shareholder increased its ownership position to 50%.

The 21% increase in ownership of Agrisoma resulted in the acquisition of $3,150,125 of implicit intangibles. This amount will be amortized on a straight line basis over twenty years, which is the term of a significant Agrisoma distribution contract.

Selected Annual Financial Information

Quarterly Financial Data

The following is the selected unaudited consolidated financial data for each of the last eight quarters (in thousands of dollars, except per share amounts):

For the three month periods ended:

	2013		2012				2011	
	Jun	Mar	Dec	Sep	Jun	Mar	Dec	Sep
Revenue	$ Nil	$ Nil	$113	$ Nil	$ Nil	$ Nil	$ Nil	$187
Income (loss)	$(866)	$(664)	$(1,379)	$(87)	$(134)	$(144)	$(1,327)	$172
Basic and diluted earnings (loss) per common share	$(0.03)	$(0.02)	$(0.08)	$0.00	$(0.01)	$(0.01)	$(0.11)	$0.02

Review of Operations

Revenue

The Company earned but did not recognize licensing fees from Agrisoma of $18,750 for January to March 2013 and $18,750 for April to June 2013; the amounts will be recognized when the four revenue criteria are met. Currently the $75,000 annual minimum license fee from Agrisoma is the Company's only revenue.

General and administrative expenses

General and administrative expenses increased $169,573 to $278,580 for the three months ended June 30, 2013 and increased $341,138 to $512,623 for the six months ending June 30, 2013.

The changes in expense categories are as follows:

	Apr to Jun			Jan to Jun		
	2013	2012	change	2013	2012	change
	$	$	$	$	$	$
Personnel costs	177,938	66,883	111,055	326,586	82,213	244,373
Professional & regulatory	37,741	22,757	14,984	49,834	34,289	15,545
Marketing	48,032	9,567	38,465	108,540	24,609	83,931
Other	14,869	9,800	5,069	27,663	30,374	(2,711)
Total	278,580	109,007	169,573	512,623	171,485	341,138

The increase in personnel costs arises from the Company's ongoing involvement with Agrisoma's product commercialization and governance process. Professional and regulatory fees have increased due to higher 2012 audit costs associated with the reporting compliance relating to the Company's increased ownership of Agrisoma. Marketing expenses have increased due to promotional activities and marketing campaigns relating to Agrisoma. Other expenses have decreased due to cancellation of the NIH royalty $(5,000) offset by increases in insurance and travel expenses.

Equity loss from interest in associate

During the three and six months ending June 30, 2013 the Company recognized its share of Agrisoma's loss and recorded the amortization expense relating to the implicit intangibles acquired in 2012; these amounts reduced the Company's investment in associate as follows:

	Jan-Mar	Apr-Jun	Total
Investment in associate-December 31, 2012			2,072,051
Equity loss from interest in associate:			
Portion of Agrisoma's loss	(388,666)	(546,653)	(935,319)
Amortization of implicit intangibles	(39,377)	(39,377)	(78,754)
	(428,043)	(586,030)	(1,014,073)
Investment in associate-June 30, 2013			1,057,978

Results

For the three months ended June 30, 2013, the Company recorded loss and comprehensive loss of $865,678 ($0.03 per common share) compared to a loss and comprehensive loss of $134,231 ($0.01 per common share) for the prior year; for the six months ended June 30, 2013, the Company recorded loss and comprehensive loss of $1,529,654 ($0.05 per common share) compared to a loss and comprehensive loss of $278,279 ($0.02 per common share) for the prior year. The increase in the losses results from increased general and administrative expenses and equity losses from interest in associate as discussed, offset by reductions in share based compensation.

Subsequent Events

On July 5, 2013 the Company closed a non-brokered private placement issuing 5,230,000 Units of the Company at $0.15 per Unit for gross proceeds of $784,500. Each Unit comprises one common share of the Company and one common share purchase warrant, each warrant exercisable into one common share of the Company at an exercise price of $0.35 for 18 months from the closing date.

In connection with the private placement, the Company paid finder's fees of $62,320 and issued 288,800 Brokers' Warrants. Each Brokers' Warrant is exercisable into one common share of the Company at an exercise price of $0.35 for a period of 18 months from closing. Additionally the Company incurred $12,356 in legal fees relating to the private placement.

Liquidity and Capital Resources

The Company had working capital deficit of $(140,179) at June 30, 2013 [2012-$(230,863)] and cash and cash equivalents of $40,467 [2012-$59,645].

During July 2013 the Company closed a non-brokered private placement, as discussed above, for net proceeds of $709,700

The ability of the Company to continue as a going concern is dependent upon obtaining ongoing financing and there can be no assurance that the Company will be able to raise any capital through any type of offering or similar financial arrangement. See discussion of Risks and Uncertainties below.

Related Party Transactions

Revenue:
For the three months ended June 30, 2013, the Company earned but did not recognize $18,750 [2012-$18,750] in licensing fees from Agrisoma. As at June 30, 2013 the unrecorded license revenue is $37,500 representing $18,750 from January to March 2013 and $18,750 from April to June 2013. This amount will be recognized when the four revenue criteria are met.

Management services:
For the three months ending June 30, 2013 the Company incurred $45,000 [2012-$30,000] management service fees for January to June 2013 to a corporation where a Company officer and director is a partner.

Contractual Obligations

Currently there are no contractual obligations.

Outstanding Share Capital

As at June 30, 2013 there were 29,898,559 common shares issued and outstanding, 1,101,753 common shares issuable upon the exercise of outstanding stock options at a weighted average exercise price of $0.28 per share and 1,888,103 common shares available for future grant or issuance under the stock option plan. At June 30, 2013 there were 8,252,334 shares issuable pursuant to share purchase warrants exercisable at a weighted average price of $0.58 per share.

A new Employee Incentive Stock Option Plan ["New Plan"] was approved at the meeting of the shareholders on March 27, 2011. Under this New Plan the number of common shares reserved for issuance is not to exceed 10% of the number of issued and outstanding common shares at the date of option granting to executive officers, directors, employees and consultants of the Company.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Risks and Uncertainties

The Company's operations involve certain risks and a degree of uncertainty. Accordingly, management and the Board of Directors continue to review the Company's strategic options. Calyx's future viability depends on its ability to access sufficient business assets to pursue continued operations for the longer term and to obtain sufficient amounts of additional funds. The Company has incurred losses since inception and as at June 30, 2013, has an accumulated deficit of approximately $6 million. The Company currently has cash, the REM technology, the rights to use the ACE System for gene therapy and transgenics (an exclusive technology license) and its shareholding in and licence to Agrisoma and is executing its strategic plan to focus on the development of Agrisoma.

Calyx reviews its funding options on a continual basis and intends to seek additional funding as required through equity offerings and from other sources. There can be no assurance that such funds will be available on favourable terms or at all. If sufficient funding is unavailable, the Company may not be able to execute its strategic plan and we may be forced to delay, reduce or eliminate one or more opportunities or obtain funds through arrangements on less favourable terms than we would otherwise seek. Insufficient financing may also require us to amend our strategic plan

The Company is also exposed to market risk from changes in foreign currency exchange rates. Calyx may purchase goods and services in both Canadian and United States Dollars. Foreign exchange risk is primarily managed by satisfying non-Canadian denominated expenditures with cash flows or assets denominated in the same currency. We do not believe that the result of our operations or cash flows would be affected significantly by a sudden change in foreign exchange rates.

With the exception of historical data, this report may contain statements that are forward-looking and, by their very nature, are subject to delays, risks, and other known and unknown factors, which are wholly or partly beyond management's control. Each of these factors may give rise to results that differ materially from our forecasts. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Company. Based on an evaluation of the Company's disclosure controls and procedures as of June 30, 2013, covered by this MD&A, management believes such controls and procedures are effective in providing reasonable assurances that material items requiring disclosure are identified and reported in a timely manner.

Management has designed, established and is maintaining a system of internal controls over financial reporting to provide reasonable assurance that the financial information prepared by the Company for external purposes is reliable and has been recorded, processed and reported in a timely and accurate fashion in accordance with generally accepted accounting principles. We have identified certain weaknesses in our internal control over financial reporting. These weaknesses essentially arise because of the small size of the Company and its accounting resources. This gives rise to an inability to achieve a standard of segregation of accounting and related duties which would be ideal. We have mitigated the risks arising from these weaknesses, through detailed review by the directors of the financial reports. Given that the Company currently has limited operations, we believe this risk mitigating approach provides for an effective control environment.

RECENT ACCOUNTING PRONOUNCEMENTS

New accounting pronouncements not yet adopted

The following pronouncements are effective for accounting periods on or after January 1, 2014; these changes are not expected to have a material impact on the Company's results:

IAS 32 – Financial Instruments: Presentation

IAS 32-Financial Instruments: Presentation has been amended to clarify certain requirements for offsetting financial assets and liabilities and addresses the meaning and application of the concepts of legally enforceable right of set off and simultaneous realization and settlement. The amendments are effective for the annual periods beginning on or after January 1, 2014.

Amendment to IFRS 7 – Financial Instruments: Disclosure

IFRS 7-*Financial Instruments* has been amended to require disclosures that are either permitted or required on the basis of the entity's adoption of IFRS 9 and whether the entity elects to restate prior periods under IFRS 9. The amendments are effective for the annual periods beginning on or after January 1, 2015.

IFRS 9 – Financial Instruments: Classification and Measurement

IFRS 9-*Financial Instruments* contains requirements for financial assets, updating IFRS 7. Requirements for financial liabilities were added to IFRS 9 in October 2010. Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of its own credit risk. IFRS 9 is effective for annual periods beginning on or after January 1, 2015.