



Management's Discussion & Analysis

For the quarter ended September 30, 2016

Containing information up to and including November 23, 2016

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MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This management's discussion and analysis ("MD&A") details RIWI Corp.'s ("RIWI" or the "Company") operating results and financial condition for the quarter ended September 30, 2016, and is prepared as at November 23, 2016. This MD&A should be read in conjunction with the Company's unaudited quarterly financial statements for the quarter ended September 30, 2016 and the Company's annual audited financial statements for the year ended December 31, 2015, and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS") (collectively referred to as the "Financial Statements"), which are available on www.sedar.com. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS. The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these Financial Statements together with the other financial information included in these filings fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented in these filings.

The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information, future oriented financial information, or financial outlooks (collectively, "forward-looking information"), which includes disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates", "projects", "budgets", "forecasts" or "does not anticipate", or "believes", or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. The examples of such forward-looking information have not changed from the previous quarterly filing.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this MD&A. These risk factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this MD&A. All subsequent forward-looking information attributable to the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this MD&A or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

ADDITIONAL INFORMATION

Additional information relating to the Company is available from the SEDAR website at www.sedar.com, under the Company's profile.

OVERVIEW

History

RIWI is a public company and its shares are listed on the Canadian Securities Exchange (CSE: RIW). The Company was originally incorporated under the laws of Canada pursuant to the Canada Business Corporations Act on August 17, 2009. The head office is located at 459 Bloor Street West, Suite 200, Toronto, Ontario, M5S 1X9 and registered and records office is located at 200 Burrard Street, Unit 200, Vancouver, BC, Canada, V7X 1T2.

RIWI provides digital intelligence information services to customers using a proprietary digital data capture ("survey") technology platform. Core to our product offering is the superlative quality of our data to enable customers to make better decisions and test hypotheses about the current and future needs of consumers and citizens in all markets in the world. The global digital survey, monitoring, citizen engagement and audience message testing platform is able to generate intelligence that is of importance to customers through the conduct of digital surveys that are targeted at random Web users located anywhere in the world through the patented RDIT™ technology owned by RIWI. RIWI works with its customers to develop focused surveys, and curate geographically-specific audiences for surveys, that are designed to obtain specific attitudinal data in a manner that targets the geographic locations that are of relevance to the customers, at a multi-country and/or city level. The information generated from these digital surveys enables the customers to make better-informed business decisions, measure the impact of campaigns, and implement more effective business strategies. In distinction to social media monitoring or online panels or other methods of collecting survey data, RIWI offers accurate information and factual circumstances of average everyday people from every region of the globe. RIWI's survey technology operates efficiently, effectively and reliably over any time period that its customers desire.

The RIWI digital survey platform is comprised of proprietary databases, a global survey routing technology, internal and external dashboard interfaces, and a computational infrastructure that measures, analyzes and reports on Web users' changing attitudes using RIWI digital surveys. The customers use the results of the surveys for a broad range of purposes that are relevant to their businesses and organizations, including:

- obtaining intelligence on competitors,
- initiating or stopping a program or activity,
- audience and message testing in fragile or conflict states (FCAS),
- concept testing and context evaluation for bid proposals for organizations servicing governments,
- concept testing and context evaluation for program design,
- short and continuous monitoring and evaluation for adaptive management insights
- digital issue engagement and information campaigns
- assessing perceptions of global or local political and real or emergent security threats,
- tracking macro-economic indicators, such as joblessness, housing bubbles, confidence in local banks, underemployment and personal indebtedness,
- evaluating and testing advertising awareness, recall and media reach,
- tracking brand recognition,
- predicting referenda, elections and pivotal geopolitical events,
- assessing consumer usage and attitudes,
- collecting opinion data on highly sensitive topics in all geographies of the world,
- evaluation of new business and product concepts,
- evaluating global real-time Web penetration, and
- assessing existing or emergent purchase trends in virtually all UN-recognized geographies.

Revenues are generated through short and long-term contractual arrangements with customers through which digital surveys are developed and deployed to a targeted audience of relevance demographically or geographically or both. Revenues are also generated through integration with other survey technology or service providers (such as global market research companies with access to large panels, or panel companies, or prime contractors to governments), which pay RIWI to expose their surveys to new geographies and new potential respondents unique to the RIWI platform. Global organizations value RIWI's unique ability to access global populations, especially in hard-to-reach countries otherwise deemed impossible, too expensive or too dangerous, often referred to as 'fragile or conflict-affected states' (FCAS). Clients increasingly recognize the inherent bias in the populations that online panels reach, and our clients value the representativeness and diversity of RIWI's respondents.

The size and significance of the contracts we are currently negotiating or have secured is rising. RIWI anticipates an upward inflection point in revenues over the coming 3-6 months. Details are below. Customers recognize us as unique, and some are already moving to long-term agreements with us. Many new potential key accounts, especially with clients serving the UK government, are in evolving discussions of high interest and high likelihood.

Thus, RIWI is ramping up to support more sales – especially in 11 key accounts, where we expect to have expanding revenues for 2017. To anticipate larger customer demand, we have broken up our web servers to spread a significant load over a larger group of smaller servers. RIWI also introduced a multi-master database, which allows for more redundancy at both front and back ends. This affords more capacity and demand responsiveness. RIWI can scale up or down and add more servers in an agile manner. We have also introduced a number of key technical advancements to service growing our key accounts, most of whose projects focus on data collection or audience and message testing in fragile or conflict states (FCAS).

Operational Highlights (Sales and Products)

Some key achievements made by the Company during the current quarter and nine months ended September 30, 2016 include the following:

- RIWI is part of a winning consortium of contractors for a five-year award issued by the U.S. Agency for International Development (USAID). RIWI is an Associate Partner under this USAID-funded global human rights award issued to the prime contractor, Freedom House. RIWI expects a minimum of \$65,000 per year in revenue under the agreement. The total revenue coming to RIWI under the consortium could exceed this amount, depending on USAID priorities, which are set by USAID on an ongoing basis.
- In order to help predict the winner of the 2016 US Presidential election, RIWI Corp. provided access to its patented global survey system and dashboard analytics tools to private economists and stock market participants. RIWI plans to expand its customer base to clients in the risk and finance sectors interested in understanding trends in crowd forecasting of regional risk and instability anywhere in the world.
- RIWI launched a new service — the RIWI Global Omnibus — giving clients immediate access into the perceptions of diverse citizens and consumers in 60 or more countries worldwide. The system and analytical dashboard can collect opinions from at least 60,000 random, highly diverse respondents on custom questions within four weeks. This is the fastest global omnibus in the world, and RIWI signed up several current paying customers to its first launch in 2016. The Company is planning to develop multiple Omnibus products, many of which will be focused on customer segments, such as education.
- RIWI was invited, after review and selection by the UK government, to the UK Department for International Development (DFID) annual suppliers' conference in September 2016. DFID has placed an emphasis on the importance of cost-effective digital-based data collection in fragile and conflict states. Since the conference, RIWI has presented to more than 20 contractors to DFID. RIWI is already engaged in planning for 2017 UK government bids in conjunction with several prime contractors to DFID. This represents a significant revenue-generation opportunity for RIWI in 2017. The UK government has committed 0.7% of its annual budget to DFID work in the aid and development sector and RIWI possesses what has been identified by prime contractors to DFID as unique, cost-effective capabilities for monitoring and evaluation

(M&E) of DFID-funded projects in fragile states. These M&E accountability metrics are now embedded and required by suppliers, as stipulated in all DFID Requests for Proposals.

- RIWI is now a current direct supplier to the US government (USG) through an existing 2016-2017 contract with the US Department of State. Working directly for the US government enables past performance reviews (PPRs) that can be used to support winning ongoing contracts for all branches of the USG.
- RIWI offers a distinct service to the international security sector. No paid contracts have been secured in this sector as of September 30, 2016, however, the Company's products have been positively reviewed in unpaid pilots in fragile and conflict states. The results have been shared with and presented to potential buyers in the intelligence sector. RIWI enjoys prominent expert testimonials from security experts for capturing valuable 'signals intelligence', target audience analysis and atmospheric data in: Iraq, Syria, Ukraine, Russia, Egypt, Bahrain, Ethiopia, Turkey, UAE, Algeria, Iran, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestinian Territories, Saudi Arabia, Syria, Tunisia, and Yemen.
- RIWI plans more capabilities briefings to the intelligence and security sector over the next 3-12 months.
- Our US National Security consultant, Dr. Laurie Mylroie, was invited to be a contributor to the J-39's SMA CENTCOM Reachback Cell. RIWI expects to build more public affiliations with experts in this sector.
- RIWI continues to receive high-profile thought leadership invitations to some of the most prominent data conferences in the world. This exposure helps our marketing at low cost and enables new sales to new prospects. For example, Eric Meerkamper, our Head – Citizen Engagement Division and Senior Vice President, has accepted invitations to speak at the ESOMAR Congress in New Orleans in September 2016, and at the ESOMAR Congress in Berlin in November 2016. RIWI enjoys the regular opportunity to present its offerings at the offices of key account clients, such as the World Bank, Freedom House or USAID, in order to explore new opportunities in new divisions of these key accounts.
- RIWI created a marketing partnership with ESOMAR, formerly known as The European Society for Opinion and Market Research. ESOMAR is a membership organization representing the interests of the global data collection profession at an international level. ESOMAR currently has approximately 4,900 member organizations. ESOMAR co-marketed early findings from RIWI's unique "Ask the World" Global Omnibus product, which was presented at the annual ESOMAR Congress in September 2016. All ESOMAR member organizations around the world are potential RIWI customers or resellers.
- In May RIWI released the ILGA-RIWI 2016 Global Attitudes Survey on LGBTI People in partnership with Logo (the entertainment brand owned by Viacom Media). Released to mark the International Day Against Homophobia and Transphobia, RIWI captured over 95,000 respondents across 65 countries on attitudes towards LGBTI human rights, criminalization, employment, and related policy issues. The study received media attention around the world, with profiles on RIWI's methodology and/or the findings in high profile media such as *The Washington Post*, *El Pais*, *The Guardian*, *La Repubblica*, and *The Independent*.
- Due to the success of the ILGA-RIWI 2016 Global Attitudes Survey noted above, RIWI and ILGA (The International Lesbian, Gay, Bisexual, Trans and Intersex Association) signed a Memorandum of Understanding, with both parties (RIWI and ILGA) committing to a multi-year project to collect annual data on global attitudes and analytics relating to LGBTI human rights issues. The ongoing data collection project we expect will provide RIWI significant recurring revenues for the next 3-5 years from an evolving consortium of high-profile funders and partners. ILGA is an umbrella organization of more than 1,100 member organizations around the world, and ILGA enjoys consultative status to the United Nations' Economic and Social Council.

Operational Highlights (Technical)

RIWI's automation of global surveys has improved dramatically in the following ways:

1. Scaling Out

RIWI has been scaling out to meet growing demands for speed, volume and capacity. Built upon a distributed architecture (with unidirectional message queues), we have added load balancers, Web server farms and a multi-master database cluster for more capacity on demand. Consequently, we have eliminated single point of failures and can perform maintenance without downtime.

2. Global Omnibus

RIWI has extended its technology to address multi-country (60+), multi-lingual (30+) and multi-client surveys. We have resolved challenges including long survey fatigue, client data isolation, scheduling and programming time.

2a. Survey Router to Master Planner

The survey router typically distributes surveys based on geo-location, client quota and client priority (i.e., time urgency). This has been extended to include a 'master planner' where surveys are aggregated and randomized. Survey order can be uniform or priority based. Scheduling is flexible to accommodate late arrivals. Demographic questions are only asked once to eliminate redundancy across global or multi-client surveys.

2b. Excel Survey Builder

RIWI has developed an Excel™ survey builder which simplifies multi-language programming. Excel is ubiquitous among clients so it is ideal for multi-platform collaboration. Now surveys can be batch loaded in field for rapid deployment – significantly faster than 'do-it-yourself' (DIY) technical platforms.

3. Custom Dashboards

RIWI's enterprise clients want results in agile dashboard formats. Data delivery is very client-specific so custom dashboards is our solution to meet customer demand. RIWI dashboards allow clients without statistical software to gain insights into their data. Dashboards include cross-tabulations, chi-square tests, standardized residuals, ad hoc statistical queries and other response statistics.

OUTLOOK

Our objective is to be the leading provider of macro all-country and all-city Web user intelligence with the capability to provide the full data picture to our customers. Our customers no longer need to rely on highly limited user groups online to provide highly limited attitudinal or public opinion sentiment data. The principal elements of our strategy are outlined below.

Grow our Customer Base through Key Account Growth Expansion

RIWI has identified several key accounts of current customers that it expects to grow in revenues in 2017. These include the United States Department of State, The Bill & Melinda Gates Foundation, InterAmerican Development Bank, the Omidyar Network, Freedom House (whose end client is often the US government), the Munk School of Global Affairs (whose end client is often a government), the United Nations World Programme, the World Bank, The International Lesbian, Gay, Bisexual, Trans and Intersex Association (ILGA), Japan Cross Marketing Inc., and Omron Inc. With all of these organizations, the Company has completed business and/or signed contracts between \$50,000 to \$250,000. With each of these key accounts, RIWI expects to win additional business in 2017. This expectation is based on the mutual understanding of the Parties that current projects, pending success, will yield longer-term

duration contracts. Discussions are currently underway with several key accounts to create multi-year agreements pending the success of current contractual initiatives.

We intend to continually invest in sales, strategic marketing and account management initiatives, focused on our core five verticals (e.g. healthcare, international security, citizen engagement, consumer research and finance) in an effort to expand our customer base. Our digital media, commerce and marketing information is frequently cited online, in academic journals, and by major media outlets and NGO reports. We believe that more and more niche and global media coverage, as well as further third-party reviews, endorsements and co-authored reports, increases awareness and credibility of the RIWI brand and thereby supplements our marketing efforts. We continue to work with targeted media outlets, including news distributors such as television, newspapers, magazines, and online publishers, to increase their use of RIWI data.

We have adopted and are marketing a divisional structure to showcase our demonstrable sales and leadership experience in all our core verticals. We have made significant time investments to build brand awareness in Washington, DC – which we see as a rapidly growing geographic focus for sales. RIWI therefore holds regular marketing leadership events in Washington to advance recurring sales and partnerships. RIWI conducts these events either virtually (e.g. by Webinar) or in person at high-profile venues (e.g. at the World Bank or Freedom House offices in Washington).

We have adopted a sales agency and introducer structure under which our sales agents receive a contractually agreed percentage of new revenues received from contracts resulting from introductions made by the sales agents. Our sales agents currently operate out of Washington, DC, Miami, Sao Paolo, Philadelphia and Jerusalem. We have expanded the amount of consulting and introduction efforts out of Washington, DC this year. This commissioned reseller strategy currently offers us on-the-ground sales reach into the United Kingdom, the United States, Latin America, the Middle East and across the European Union. We are increasingly working with resellers and sales agents with expertise in particular verticals in particular regions (e.g. market research insights in Latin America or China) seeking to connect us for sales with direct clients and with agencies. We also work with agencies in different markets that recommend their clients to us or build us into the agencies' offerings. Various technology companies (e.g., panel companies) with well-established marketplaces regularly approach us to provide RIWI sample to improve their global access and respondent diversity (e.g. male Millennials).

Our up-front expense associated with this marketing and reseller structure is minimal as we only pay for up-front marketing kits for our sales agents and resellers. We also increasingly offer our sales agents pilot data at no or minimal cost to us as a way to showcase the potential data offerings we can introduce to clients. We plan to leverage our existing relationships to distribute reports and publications that we generate using our RDIT™ data without additional external expense to us in order to broaden our exposure to potential customers.

In addition to resellers and introducers, RIWI continually evaluates potential strategic alignment agreements, whereby expert analytics organizations enter into long-term non-exclusive process agreements with RIWI. The purpose of these strategic alignment agreements is to formalize contracting processes and technical and security protocols between the parties. This enables the parties to move rapidly to immediately service the long-term needs and requirements of the end clients that require both parties' services.

Develop New Products

We generally plan to increase our product offerings as we advance our business. We believe that companies will require new information and insights to measure, understand and evaluate attitudes and our objective will be to develop new applications to be able to provide the most timely and relevant information to our customers. Our overall objective will be to offer both general and industry-specific products that deliver value to a wide range of potential customers in current and new industry verticals. We believe that the scalability and functionality of our database and computational infrastructure provide us with a competitive advantage. Accordingly, we intend to continually invest in research and development to extend our technology and our product offerings.

These product offerings include our Global Omnibus products, our risk forecasting models for the finance community, niche Omnibus products, and lead generation for the higher education sector. Other proven product

offerings include global pulse, or all-country data collection initiatives, modularized surveys – where long surveys of 100 or more questions are broken down into short constructs of 3-4 questions – and ‘diaries,’ where RIWI’s non-panel random respondent pool offers clients the otherwise unavailable benefit of collecting survey data in all regions throughout the day as a function of how frequently people use the Internet.

Our longitudinal data sets, historic predictive work and proven global trackers have driven us to focus on predictive work in the finance, healthcare and consumer packaged goods sectors. As opposed to our competitors, which focus on reaction-outcome modeling, our predictive modeling is ongoing and enables us to examine testable hypotheses, such as whether retail spending in one market will affect purchase habits elsewhere over time.

We are increasingly recognized in the aid sector for our expertise in opinion data collection and message testing in fragile and conflict-affected states (FCAS). RIWI provides clients with access to otherwise unobtainable opinion data from new audiences, fragile contexts, and in multiple regions and countries congruently. Clients are able to create better, more accountable initiatives and programs using RIWI data and RIWI’s user-friendly, secure interactive dashboards. In FCAS, a sampling of RIWI’s offerings in all countries of the world include:

- Concept testing and context evaluation for bids for prime contractors to governments;
- Concept testing and context evaluation for program design;
- Short and continuous monitoring and evaluation for adaptive management insights; and
- Digital issue engagement and information campaigns.

FINANCIAL RESULTS

The following is a discussion of the results of operations of the Company for the three and nine months ended September 30, 2016 and 2015. They should be read in conjunction with the Financial Statements for the quarter ended September 30, 2016 and the related notes.

Three and nine months ended September 30, 2016 and 2015

In Canadian Dollars (\$)	Three months ended September 30, 2016	Three months ended September 30, 2015	Nine months ended September 30, 2016	Nine months ended September 30, 2015
Revenues	275,208	207,787	617,469	562,255
Technology costs	156,836	106,760	650,481	299,889
Sales and marketing	45,816	2,502	369,170	25,576
General and administrative	265,385	230,462	1,094,519	821,639
Public listing application	-	83,141	-	83,141
Interest income	-	147	-	1,535
Comprehensive loss for the period	192,829	214,931	1,496,701	666,455
Loss per share (basic and diluted)	0.01	0.01	0.10	0.04

Revenues

Revenues are comprised of fees that are charged to customers for providing digital surveys. Revenue increased by \$67,421 to \$275,208 during the quarter ended September 30, 2016 compared with \$207,787 for the same quarter

in 2015. Revenue increased by \$55,214 to \$617,469 during the nine-month period ended September 30, 2016 compared with \$562,255 for the same period last year. The primary reason for the increase in revenue in this quarter is the increased spending on sales and marketing during the first 6 months of the year in addition to the sales relationships with large data companies.

Total Expenses

Total expenses increased by \$128,313 to \$468,037 during the quarter ended September 30, 2016 compared with \$339,724 for the same period in 2015. Total expenses increased by \$967,066 to \$2,114,170 during the nine months ended September 30, 2016 compared with \$1,147,104 for the same period in 2015. This increase in total expenses is primarily due to the expenses associated with our increased sales and marketing, stock based compensation and expanded operations. Monthly sales and marketing expenses declined after September 1, 2016 when RIWI reduced consulting fees of approximately \$40,000 per month that had earlier been spent on sales and marketing strategy from February 15, 2016 until August 30, 2016.

Key expenses are summarized as follows:

- **Technology Costs** increased by \$50,076 to \$156,836 during the quarter ended September 30, 2016 compared with \$106,760 for the same period in 2015. Technology costs increased by \$350,592 to \$650,481 during the nine months ended September 30, 2016 compared with \$299,889 for the same period in 2015. This increase is primarily attributable to our shift from more research based activities to an increased focus on executing contracts with customers, as well as more proof-of-viability marketing pilots and initiatives. This increase also resulted from the finalization of an updated version of our all-device friendly survey interface, which enjoys very low latency, and thus quicker respondent response.
- **Sales and marketing** increased by \$43,314 to \$45,816 during the quarter ended September 30, 2016 compared with \$2,502 for the same period in 2015. Sales and marketing increased by \$343,594 to \$369,170 during the nine months ended September 30, 2016 compared with \$25,576 for the same period in 2015. The Company hired additional sales staff to manage its existing customer base as well as identified new customers. Sales and marketing includes a one-time signing bonus paid to sales staff of \$100,000.
- **General and administrative** increased by \$34,923 to \$265,385 during the quarter ended September 30, 2016 compared with \$230,462 for the same period in 2015. General and administrative increased by \$272,880 to \$1,094,519 during the quarter ended September 30, 2016 compared with \$821,639 for the same period in 2015. This increase is primarily due to the increase in non-cash related stock based compensation and hiring internal personnel to manage the growth of the Company.

Public Listing Application

Public listing application relates to the fees paid in 2015 for the Company to go public on the Canadian Securities Exchange. No costs related to the listing were incurred in 2016.

Interest Income

Interest income decreased by \$147 to \$nil during the quarter ended September 30, 2016 compared with \$147 for the same period in 2015. Interest income decreased by \$1,535 to \$nil during the nine months ended September 30, 2016 compared with \$1,535 for the same period in 2015. The decrease is a result of utilizing cash generated from proceeds on issuance of common shares in operations.

Net Loss

Net loss decreased by \$22,102 to \$192,829 during the quarter ended September 30, 2016 compared with \$214,931 for the same period in 2015. Net loss increased by \$830,246 to \$1,496,701 during the nine months ended September 30, 2016 compared with \$666,455 for the same period in 2015. The major reason for the increased net loss was the timing of recognizing revenue for the current nine months, stock based compensation expense and our strategic investment in sales and marketing consulting that ended August 30, 2016.

Working Capital

Our cash balance increased to \$521,019 and our working capital increased to \$778,757 as at September 30, 2016, compared to our cash balance of \$210,063 and working capital of \$239,189 as at December 31, 2015. This increase in working capital is primarily due to the net proceeds received during the nine months ended September 30, 2016 from two non-brokered private placements whereby the company issued 403,356 common shares at \$2.78 per share for gross proceeds of \$1,121,333 and 248,822 common shares at \$2.10 per share for gross proceeds of \$522,531.

SELECTED FINANCIAL INFORMATION

Selected Quarterly Results

The following is a selected summary of quarterly results for the seven most recently completed quarters to September 30, 2016. The following information was prepared in accordance with international Financial Reporting Standards. All amounts are shown in Canadian Dollars.

The Company's operations are not significantly impacted by seasonality.

In Canadian Dollars (\$)	2016			2015			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	275,208	190,735	151,526	193,510	207,787	74,604	279,864
Technology costs	156,836	302,422	191,223	204,551	106,760	90,348	102,781
Sales and marketing	45,816	157,813	165,541	21,683	2,502	15,896	7,178
General and administrative	265,385	590,029	239,105	151,703	230,462	222,066	369,111
Interest income	-	-	-	394	147	569	819
Public listing application	-	-	-	-	83,141	-	-
Comprehensive loss for the period	192,829	859,529	444,343	184,033	214,931	253,137	198,387
Loss per share (basic and diluted)	0.01	0.06	0.03	0.01	0.01	0.02	0.01
Total assets	858,393	516,573	1,069,958	364,095	799,779	612,366	844,087
Long term financial liabilities	-	-	-	-	-	-	-
Cash dividends per share	-	-	-	-	-	-	-

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2016, the Company had working capital of \$778,757, compared to working capital of \$239,189 as at December 31, 2015. This increase in working capital is primarily due to the net proceeds received during the nine months ended September 30, 2016 from two non-brokered private placements whereby the company issued 403,356 common shares at \$2.78 per share for gross proceeds of \$1,121,333 and 248,822 common shares at \$2.10 per share for gross proceeds of \$522,531.

We will continue to assess the necessity for debt or equity financing as we proceed with the development of our business. We may, from time to time, develop additional new products or services to expand our operations beyond the scope that is presently contemplated. This could result in a requirement to seek new financing in order to finance such undertakings. There is no assurance that we will be able to achieve such financings if and when required.

	As at	
	September 30, 2016	December 31, 2015
Current Assets	835,502	340,205
Current Liabilities	56,745	101,016
Working Capital	778,757	239,189

CAPITAL STRUCTURE

Common Shares

As of November 23, 2016, the Company has 15,543,826 issued and outstanding common shares and no outstanding preferred shares. On February 11, 2015, the Company completed a stock dividend issuing 13 common shares for each common share outstanding. The Company's share price at November 23, 2016 was \$2.90 per share.

Stock Options

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants enabling them to acquire in aggregate up to 20% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the board of directors of the Company.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	September 30, 2016	
	Number	Weighted average price
Outstanding, December 31, 2015	2,353,400	\$0.296
Cancelled	296,000	\$1.420
Granted	382,500	\$2.290
Outstanding, end of period	2,439,900	\$0.660
Exercisable, end of period	2,074,465	\$0.691
Options reserved for issuance under stock option plan	3,108,765	

The weighted average remaining contractual life of options outstanding at September 30, 2016 is 2.1 years. For the nine months ended September 30, 2016, the Company recorded stock based compensation expense, with a corresponding credit to reserves of \$361,616 (September 30, 2015 - \$232,449). The total fair value of stock options granted during the nine months ended September 30, 2016 was \$390,089 (September 30, 2015 - \$235,037).

The following assumptions were used for the Black-Scholes valuation of the share options granted during the three and nine months ended September 30, 2016:

	September 30, 2016
Risk free interest rate	0.58%
Expected life	2.0 – 3.5 years
Annualized volatility	83%
Dividend rate	-
Forfeiture rate	10%

Share Purchase Warrants

On March 18, 2015, the Company issued 70,000 share purchase warrants (“warrants”) for financial advisory services. Each warrant is exercisable to purchase one common share of the Company until March 18, 2020 at \$0.8571 per share. The warrants have a fair value, calculated using the Black-Scholes option pricing model, of \$19,941 assuming an expected life of 2.5 years, a risk-free interest rate of 0.58%, an expected dividend rate of 0.0%, and an expected annual volatility of 60%. 2,500 of these warrants were exercised in October 2015, 60,000 of these warrants were exercised in January 2016 and 2,000 of these warrants were exercised in February 2016.

On September 30, 2016 the Company completed a non-brokered private placement and issued 248,822 units consisting of one common share of the Company at \$2.10 per share and one share purchase warrant at \$2.40 per share. The share purchase warrants expire 12 months from the date of issue and have a fair value of \$74,626. The warrants fair value was calculated using the Black-Scholes option pricing model assuming an expected life of 6 months, a risk-free interest rate of 0.58%, an expected dividend rate of 0.0%, and an expected annual volatility coefficient of 83%.

Off-Balance Sheet Arrangements

As of September 30, 2016, the Company had no off-balance sheet arrangements.

Financial Instruments and Other Instruments

We do not engage in any hedging activities or use any financial instruments for our business.

RELATED PARTY TRANSACTIONS

a) Related Party Transactions

Included in technology costs are consulting fees to the Company's CTO in the amount of \$108,000 (September 30, 2015- \$108,000).

Included in accounts payable and accrued liabilities at September 30, 2016 is \$14,354 (September 30, 2015 - \$13,500) due to related parties for consulting fees and expense reimbursements.

b) Management Compensation

The Company's management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company and consist of the Company's Board of Directors and the Company's Executive Leadership Team. The Executive Leadership Team consists of the CEO, the Global Head of Citizen Engagement and Senior Vice President, CTO and CFO.

Total compensation expense for management personnel and directors and the composition thereof is:

For the Nine Months Ended	September 30, 2016	September 30, 2015
Short term wages and benefits	\$ 392,250	\$ 369,000
Stock based payment reserve	361,616	232,449
Included in general and administrative expenses	\$ 753,866	\$ 601,449

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates and judgments are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Significant estimates and judgments made by the Company that have the most significant risk of causing material misstatement to the carrying amounts of assets and liabilities are discussed below.

- **Going Concern**

The Company has incurred losses to date and the Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors such as expectations of future events that are believed to be reasonable under the circumstances.

- **Assets' carrying values and impairment charges**

In the determination of carrying values and impairment charges, Management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- **Income taxes and recoverability of potential deferred tax assets**

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

- **Measurement of share-based compensation**

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance.

RECENT ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for accounting periods after the date of this MD&A.

(a) IFRS 9, Financial Instruments (“IFRS 9”)

IFRS 9 replaces the guidance in IAS 39 Financial Instruments: Recognition and Measurement, on the classification and measurement of financial assets. The Standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivable. Financial assets will be classified into one of two categories on initial recognition, financial assets measured at amortized cost or financial assets measured at fair value. Gains and losses on re-measurement of financial assets measured at fair value will be recognized in the Statement of Loss and Comprehensive Loss, except that for an investment in an equity instrument which is not held-for-trading, IFRS 9 provides, on initial recognition, an irrevocable election to present all fair value changes from the investment in other comprehensive income (OCI). IFRS 9 is effective for periods beginning on or after January 1, 2019. The Company is evaluating the potential impacts of IFRS 9 on the Company’s financial statements.

(b) IFRS 15, Revenue from Contracts with Customers (“IFRS 15”)

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 is effective for periods beginning on or after January 1, 2018 and is to be applied retrospectively. IFRS 15 clarifies the principles for recognizing revenue from contracts with customers. IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (i.e. service revenue and contract modifications) and improve guidance for multiple-element arrangements. The Company intends to adopt IFRS 15 in its financial statements for the annual period beginning January 1, 2018, and may consider earlier adoption. The extent of the impact of adoption of IFRS 15 has not yet been determined.

(c) IFRS 16, Leases (“IFRS 16”)

In January 2016, the IASB issued IFRS 16, Leases. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of a low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The mandatory effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of IFRS 16 on its consolidated financial statements.

d) IAS 7, Statement of cash flows (“IAS 7”)

In January 2016, the IASB issued amendments to IAS 7, Statement of Cash Flows as part of its major initiative to improve presentation and disclosure in financial reports. These amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. The mandatory effective date for these amendments is for annual periods beginning on or after January 1, 2017. The Company is currently evaluating the impact of these amendments on its consolidated financial statements.

e) IAS 12, Income taxes (“IAS 12”)

In January 2016, the IASB issued amendments to IAS 12, Income Taxes. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset, and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments also clarify the methodology to determine the future taxable profits used for assessing the utilization of deductible temporary differences. The mandatory effective date for these amendments is for annual periods beginning on or after January 1, 2017. The Company is currently evaluating the impact of these amendments on its consolidated financial statements.