VOGOGO INC.

FORM 2A

LISTING STATEMENT

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Forward-Looking Information

Certain statements contained in this Listing Statement constitute forward-looking statements. These statements relate to future events or Vogogo Inc.'s ("Vogogo" or the "Company") future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "projection", "should", "believe", "budget", "plan", "potential", "intend" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although management of the Company believes that the expectations reflected in such forward-looking statements are reasonable and represent the Company's expectations and belief at this time, such statements involve known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, including interest rates, business competition, changes in government regulations or in tax laws, in addition to those factors discussed or referenced in Item 16 – Risk Factors. These factors should not be considered exhaustive. Many of these risk factors are beyond the Company's control and each contributes to the possibility that the forward-looking statements will not occur or that actual results, performance or achievements may differ materially from those expressed or implied by such statements. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these risks, uncertainties and factors are interdependent, and management's future course of action depends upon the assessment of all information available at that time.

The forward-looking statements made herein relate only to events or information as of the date of this Listing Statement and are expressly qualified by this cautionary statement. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

The Company may, from time to time, provide oral forward-looking information or statements. The Company advises that the above paragraphs and the risk factors described in this Listing Statement and in the Company's other documents filed with the Canadian securities commissions should be read for a description of certain risks, uncertainties and factors that could cause the actual results, performance, events or achievements of the Company to materially differ from those in the oral forward-looking information and statements. The Company disclaims any intention or obligation to update or revise any oral or written forward-looking information and statements whether as a result of new information, future events or otherwise, except as required by applicable law.

1. Corporate Structure

1.1 Corporate Name and Head and Registered Office

The full corporate name of the issuer is Vogogo Inc. ("Vogogo" or the "Company").

Vogogo's head office address is PO Box 34023, Westbrook PO, Calgary, Alberta T3C 3W2 and the registered office address is 4600, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1.

1.2 Jurisdiction of Incorporation

Alberta, Canada

1.3 Intercorporate Relationships

As at the date hereof, the Company's only subsidiary is as follows:

Name:	Vogogo Canada Inc.
Place of Incorporation:	Alberta, Canada
Ownership Interest:	100%

1.4 Fundamental Changes

The company is not requalifying or undergoing a fundamental change in connection with the Listing Statement

1.5 Non-corporate Issuers and Issuers incorporated outside of Canada

This section is not applicable to the Company as it is an Alberta Corporation.

2. General Development of the Business

2.1 General Development

Vogogo – General Development

In 2014, Vogogo became listed on the TSX-V concurrent with amalgamation with Southtech Capital Corporation, a Capital Pool Company as defined pursuant to Policy 2.4 of the TSXV Corporate Finance Manual. During 2014 and 2015, the Company developed and deployed secure web-based transaction services with a primary focus on the emerging cryptocurrency sector, and entered into agreements to integrate its proprietary compliance, risk management and payment processing platform with several firms in the sector, including:

CoinTrader, a North American Bitcoin exchange
Cryptsy, a leading alternative cryptocurrency exchange in the US
ANXPro, based in China
Rock Trading, based in Europe
QuadrigaCX, a Canadian cryptocurrency exchange
BitMEX, a Hong Kong-based Bitcoin derivatives exchange
Bitcoin Brains, a Canadian Bitcoin exchange
Taurus, a Canadian Bitcoin exchange
CAVirtex, a Canadian Bitcoin exchange
Bitstamp, a Luxemberg Bitcoin exchange
Kraken, a large Bitcoin exchange based in the US

Coinbase, a US-based digital asset broker
Celery, a Canadian cryptocurrency exchange
Digatrade, a Canadian digital asset exchange

On January 1, 2015, Vogogo acquired all of the issued and outstanding shares of Vanado, Inc., a Denver-based payments consulting company, for approximately $610,000, comprised of the issuance of 227,273 Common Shares. The Sale and Purchase Agreement ("SPA") provided for certain post-closing payments of up to $1,000,000, payable in Common Shares upon Vogogo achieving certain performance thresholds set out in the SPA. In December 2015, certain of the performance conditions set out in the agreement were satisfied, and an aggregate of 591,366 common shares in the capital of Vogogo were issued pursuant to the agreement at a deemed value of $500,000. This acquisition by Vogogo was an "aqui-hire" and did not involve business assets. Vanado, Inc. was discontinued and wound up during September 2016.

In February 2015, the Company finalized a strategic partnership with the acquiring division of UK-based ECP, enabling Vogogo to offer ECP's European-based cryptocurrency merchants the ability to accept credit and debit card payments from customers worldwide. This partnership provided an interim channel for acquiring payment transactions (i.e. settling transactions with an acquiring bank) prior to establishing direct bank acquiring relationships. It was discontinued during June 2016.

On April 30, 2015, the Company completed the acquisition of transaction-risk-management-and-compliance-software assets (the "Risk Engine") from an arm's length private risk management company for an aggregate deemed purchase price of approximately $1,650,000, comprised of the issuance of 600,000 Common Shares pursuant to the Asset Purchase Agreement ("APA"). The APA also provided for certain post-closing payments of up to $3,000,000, payable in cash or Common Shares, in the sole discretion of the Company, upon the Company achieving certain performance thresholds set out in the APA. As described below, the Risk Engine was sold back to the vendor in exchange for termination of all post-closing payments provided for in the APA. Vogogo retained a perpetual, fully paid right to use and further develop (but not to distribute to third parties) its version of the Risk Engine software.

During 2015, the Company raised additional capital by issuing 5,566,000 Common Shares through a short form prospectus offering for gross proceeds of $12,523,500.

In December 2015, the Company entered into a formalized partnership with US-based CBW Bank. Vogogo's role was to be the marketer of the bank's online banking services program in addition to providing transaction risk management support to all participants. It was planned to offer the service to qualified US businesses and consumers, including certain businesses offering cryptocurrency-based services. For its part, CBW Bank was to provide all the banking, stored value and payment processing services to the bank-approved program participants. This partnership was never operationalized and was discontinued during the latter part of 2016.

Arranging supportive acquiring relationships for cryptocurrency transactions proved problematic, especially in the primary US market. The nascent cryptocurrency technologies coupled with traditional bank conservatism and an uncertain, developing regulatory environment specific to each jurisdiction resulted in significant caution by banking partners and regulators in assessing and preparing to fully engage with Vogogo. This resulted in longer-than-expected timing for

Vogogo to be able to deliver payment services to the cryptocurrency industry in the key markets of the US and Europe. As well, the pace of growth in cryptocurrency adoption had temporarily slowed, beginning in 2014 and extending into 2016.

In November 2015, the Company obtained its Electronic Money Issuer ("EMI") license in Europe and, to mitigate the uncertainty of bank support in Europe and to increase margins, the Company qualified as a Payment Facilitator ("PayFac") with European banking partners in Q1 2016. The EMI license enabled conventional payment processing as an authorized PayFac in the UK. This was deemed not to be core to Vogogo's operations and was cancelled during September 2016, thereby allowing the recovery of a $750k cash deposit.

Due to the delays in Vogogo's core market opportunity involving services for the cryptocurrency industry and the longer-than-expected timing for generating material revenues, the Board initiated a process in Q2 2016 to identify strategic alternatives for the Company. Following the strategic review process, the Board decided to suspend payment-processing operations in order to preserve the Company's cash position. In connection with suspending payment processing services, the Company had certain changes in management, which included the resignations of its former President and Chief Executive Officer, Chief Revenue Officer and Chief Technology Officer at the end of Q2 2016; and its Chief Operating Officer and Chief Financial Officer at the end of Q3 2016. Also, in connection with these changes, Geoff Gordon resigned from the Board on July 10, 2016 and Tom Wenz did not stand for re-election as a Board member at the Company's 2016 annual and special meeting of Shareholders.

On July 5, 2016, the Company completed the disposition, for nominal consideration, of its Risk Engine to Mevia, Inc., an arm's length private risk management company from which the Company had earlier acquitted the Risk Engine pursuant to the APA. As part of the disposition, the purchaser agreed to terminate its rights to post-closing payments of up to $3 million, which were payable in cash or Common Shares, in the sole discretion of the Company, upon the Company achieving certain performance thresholds set out in the APA. Importantly, the Company retains a lifetime, fully paid license to use the Risk Engine.

In August 2016, the Company announced the appointment of Mr. Gino DeMichele as Interim President and Chief Executive Officer of the Company.

On October 3, 2016, the Company closed a previously announced non-brokered private placement of an aggregate of 27,272,727 Common Shares for aggregate gross proceeds of approximately $3 million, at a price of $0.11 per Common Share.

In November 2016, the Company announced that it had entered into a settlement agreement with Axiom Foreign Exchange International, in respect of its previously announced claim against the Company. In May 2017, the Company announced that it had entered into a settlement agreement with Ghost Pine Creek Ltd. in respect of its previously announced claim against the Company. This cleared all outstanding litigation involving the Company.

On October 31, 2017, the Corporation closed on a previously announced non-brokered private placement (the "Offering") of units of the Corporation ("Units"). Each Unit was offered at a price of $0.10 and consisted of one common share in the capital of the Corporation ("Common Share") and one full common share purchase warrant ("Warrant"), with each Warrant being

exercisable to acquire one additional Common Share (a "Warrant Share") at a price of $0.13 per Warrant Share for a period of 24 months following the closing of the Offering. Pursuant to the Offering, the Corporation distributed a total of 60,000,000 Units for aggregate gross proceeds of $6,000,000. The net proceeds from the Offering is expected to be used for general corporate purposes and to augment the Corporation's cash reserves. Units acquired by places under the Offering are subject to a four-month hold period, which will last until March 1, 2018 in accordance with applicable securities legislation.

The Board has been energetically assessing opportunities that leverage the Company's cash and software assets, and intends to proceed with ongoing participation in the cryptocurrency sector, noting that this sector is again continuing its broad, multi-year, rapid growth trajectory.

2.2 Significant Acquisitions or Dispositions

There have been no significant acquisitions or dispositions for which *pro forma* financial statements would be required under National Instrument 41-101 - *General Prospectus Requirements* if this Listing Statement were a prospectus.

2.3 Trends, Commitments, Events or Uncertainties

We note the resumed rapid growth in the cryptocurrency market and the proliferation of blockchain applications. While the future trajectories of these trends are uncertain, it is the Company's belief that it can reinforce the Company's position that cryptocurrencies and blockchain technologies can significantly augment conventional financial services on a global scale. This creates enhanced opportunities for the Company to leverage its resources in the cryptocurrency sector.

3. Narrative Description of the Business

3.1.(1) General

1. General Business Description and Focus

Vogogo is a technology services provider focused on transaction risk management capabilities. Founded in 2008, the Company developed and deployed software-based services to administer secure electronic transaction processing between businesses and their customers.

In recent years, Vogogo has been primarily focused on the emerging cryptocurrency market, based on the belief that cryptocurrencies and blockchain technologies can significantly augment conventional financial services on a global scale. The Company provided convenient and flexible payment options allowing users to conveniently get fiat currencies in and out of the cryptocurrency ecosystems.

After a meteoric early rise, a pause in the value and adoption of cryptocurrency commenced in 2014 and extended into 2016. This, coupled with delays in securing acquiring banking relationships, resulted in a decision in 2016 by the Company to suspend its payment processing services in order to preserve cash. Cryptocurrency has since continued its broader growth trend and it is the Company's plan to energetically leverage its expertise, software assets and

substantial working capital to actively re-engage in the cryptocurrency market. A key focus area for this re-engagement is as a payout vehicle for mining pools, including cloud mining.

Mining pools are groups of cooperating crypto-asset miners who agree to share their processing power (owned or contracted) over a network and to split each block reward according to the amount of work they contributed to solving the block (i.e. in proportion to their contributed mining hash power). Pooled mining is analogous to diversification in portfolio management and is becoming increasingly important as the mathematical difficulty (and corresponding computing power) increases to create a hash that confirms a block.

Currently, most mining pools are in China. Mining centralization in China is a significant issue within the Bitcoin ecosystem, motivating the formation of mining pools outside of China. Furthermore, the majority of existing pools feature minimum payouts, meaning that smaller miners, and especially cloud miners, are often unable to collect their earnings.

Vogogo's board believes that a significant opportunity exists for Vogogo to leverage its assets and capabilities by providing a means for miners to "cash out" their uncollected earnings with corresponding fees. Additionally, creating a vehicle for payouts in fiat currencies chosen by the miners enables multi-pool operations (i.e. switching between cryptocurrency pools according to which coin is the most profitable to mine at any point in time) without the need for numerous cryptocurrency wallets. As a payout payment platform, it is not planned that the Company will invest in cryptocurrency ownership or make passive investments in crypto-asset businesses.

2. Business Assets

The Company's business assets are primarily comprised of payment-transaction-processing software ("Payment Gateway") and the Risk Engine. These two software frameworks, described below, are integrated into a common operating platform designed for full-service, web-based payment processing with a particular focus on crypto-currency payments.

(i) Payment Gateway

The Payment Gateway was developed using an enterprise-level, open-source, object-oriented, Model-View-Controller ("MVC") application. It was created using a Yii framework and PHP server-side scripting language. This framework is widely used for web applications.

The Payment Gateway is divided into three primary components: the Application Program Interface ("API"), the transactions, and the processor routing rules, all of which share a common structure. These components are further described as follows:

(a) Approved transactions are routed to the API, which completes a form with information for each transaction and completes refunds of specific payment transactions.

(b) The transaction component posts the transaction type, category, status, account and applicable fees. Transaction types include credit and debit cards, foreign exchange, automated clearing house ("ACH") and online banking.

(c) The routing rules underpin the primary processing structure, based on payment type, transaction identification and routing (e.g. country, account).

Vogogo qualified as a Payment Service Provider ("PSP") with Visa and MasterCard, and implemented PSP functionality into its Payment Gateway.

(ii) Risk Engine

The Risk Engine is a repository of data and related rules relating to merchants and their customers who are transacting via the Vogogo system.

The Risk Engine was developed on the same technology framework as the Payment Gateway described above. The Risk Engine source files use an encryption system to prevent illegal use of the payment-transaction-processing system.

The Risk Engine sources are divided into three components: the API, the back office, and the notification system, all of which share a common structure. These components are further described as follows:

(a) New transactions are routed to the API for comprehensive evaluation and customer registration as follows:

- "Know-your-client" verification that the new customer is allowed to be registered in the system, checking white and negative lists as well as multiple external authentication sources
- Registration of the customer in the system, including determination of a customer-specific risk score
- Update of the transaction status following completion by the corresponding merchant
- Transmission of a code to the customer to verify his/her telephone number
- Receipt and analysis of identification document(s)

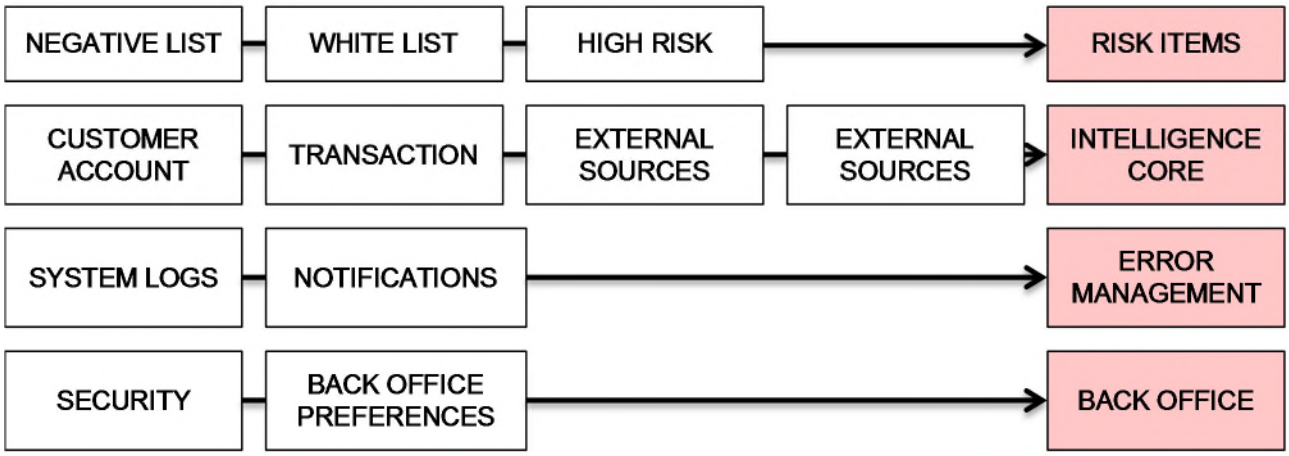
The white list identifies users who are pre-approved for future transactions. The negative list identifies users who feature some kind of fraudulent evidence in the past.

(b) The back office is oriented to the user interface and features functionalities that:

- Stores the transaction information
- Allows users to request transaction pages and reports
- Establishes relationships between users

(c) The notification system monitors the risk engine for errors and unusual situations.

The Risk Engine database is conceptually structured as set out below:



The most important section of the database is the Intelligence Core and, in particular, the transactions and customer accounts sub-sections. The transactions sub-section is the most complex part of the Risk Engine. In it, the database stores information about each transaction and relates this with the corresponding customer account. Information about customers and the relationships with transactions is stored in the customer accounts sub-section.

3. Business Objectives

Vogogo's web-based payment platform was operated until mid-2016, when operations were suspended due to unsatisfactory profitability resulting from slower-than-expected uptake in the crypto-currency sector. The crypto-currency sector has since become very active and the Company is resuming its participation in the sector. Re-deployment of the payment-processing platform requires some investment to align with the specific go-forward business needs.

Key business objectives for the next 12 months include:

1. Payment platform software development to align with needs for mining pool pay-outs.

    - To ensure confidence in the payment process, pay-outs to multiple miners based on their contributed mining hashpowers requires real-time, auditable transparency. To achieve this, the Company's payment platform will be adapted to a public, distributed ledger format (similar to that used for blockchains). This requires approximately four months of development work. Additionally, there are more routine updates, maintenance and refinements, including integration with KYC data suppliers that are needed.
    - Estimated completion May 2017; estimated cost $1,500,000
    - Progress to date: A detailed scoping analysis has been completed with project plans, systems diagrams, needed adaptations, verification procedures and estimation of effort.

2. Appoint replacement President & CEO.

- The current President & CEO was appointed in August 2016 on an interim basis to assist in transitioning the Company.
- A replacement candidate for President & CEO has been identified and discussions have been initiated. This candidate has significant experience in finance and technology businesses. His appointment would bolster the Company's marketing presence in the cryptocurrency sector.
- Estimated appointment by January 2018; estimated incremental cost, including first year compensation, of $400,000.

3. Expand finance function role to full time engagement.

- During the past year while payment-processing activity has been suspended, the CFO has been engaged on a part-time basis to preserve cash. It will be necessary to expand this engagement as operations are resumed.
- Estimated expansion of CFO engagement by January 2018; estimated incremental cost $200,000.
- The current CFO, Mr. Swapan Kakamanu, has agreed to expand his engagement with the Company as needed, noting that a full-time CFO is not currently required and would incur significant additional expense. Additionally, as a more effective approach to expanding the finance function, Mr. Jeremy Ng is joining the Company as Controller on a part-time basis, expanding his engagement as needed. Mr. Ng is an experienced CPA and has an Applied Degree in Business Administration – Accounting. He has held increasingly senior accounting roles in public and private firms over the past 12 years.

4. Complete an acquisition to accelerate the Company's growth in the cryptocurrency sector.

- The Company's strategy can be accelerated and enhanced through an accretive acquisition of an existing mining pool business that can serve as the hub for the planned payment services. It is the Company's intention to minimize the cash outlay for the acquisition (i.e. to make payment primarily in shares of the Company).
- Timing and cash cost to be determined.

5. Marketing program to attract mining pool partners.

- The key marketing program elements are introduction, education, conversion by inside sales efforts, and retention.
- Conversion of customers to web-based solutions is often delayed by integration complexity and the corresponding requirements for development time. An important feature of the Company's software is a streamlined, do-it-yourself integration toolset.
- Estimated signing of partners representing $30 million per month in pay-outs by August 2018; estimated cost $300,000.

6. Acquire current computer and office equipment

- The Company requires current computer and related equipment to support its planned operations.
- Estimated completion by March 2018; estimated cost $150,000.

7. Expand board experience in payments and crypto-assets.

- The existing board comprises three people, including the interim President & CEO. These individuals have been involved with and have invested in the Company during recent years. While they have online payments experience and familiarity with cryptocurrencies, it has been determined that a broader base of board experience in the crypto-asset sector would be beneficial. Discussions with two well-qualified director candidates have confirmed their interest.
- Estimated appointment by February 2018; estimated cost, including first year compensation, of $100,000.

4. Source and Use of Funds

It is planned that available funds will be deployed as follows:

Source of Funds (Note 1)	
Working capital as at December 2017	$12,800,000
Use of Funds	
Payment platform development	$ 1,500,000
President & CEO – additional costs	$ 400,000
Expand finance function – additional costs	$ 200,000
Acquire targeted mining pool company	$ 3,000,000 to $ 5,000,000
Marketing program	$ 300,000
Computer and office equipment	$ 150,000
Appoint directors	$ 100,000
Subtotal	$ 5,850,000 to $ 7,850,000
Residual working capital for operations	$ 5,150,000 to $ 7,150,000

Note 1: Outstanding warrants, if converted, will add $8.1 million of funding.

While it is not a required element of the Company's plan as presented herein, there is considerable interest within the Company in a subsequent acquisition that would considerably augment the strategy. A funding pre-requisite for this would be an equity financing.

3.1.(2) Principal Products and Services

1. Distribution and Markets

The Company's offering has been based on a bundled set of payment services designed to make online payment easy and convenient without compromising robust transaction risk management to avoid fraud and comply with regulatory standards (e.g. Know-Your-Customer ("KYC"), Anti-Money Laundering ("AML") requirements). The Company's current primary market

focus is on payment solutions to overcome existing obstacles for cryptocurrency mining pool businesses.

The Company's offering is web-based and designed to be readily accessible. Outbound marketing is focused on developing strategic partnerships through direct business development.

2. Revenue in Two Prior Years

The Company has a single revenue-generating service that processes several types of online payments and generates corresponding fees by charging a fee for each transaction that is processed. The online transactions can be card payments, bank transfers, currency trades, and peer-to-peer transfers, Consolidated revenues from these payment processing services in the two prior years are as follows:

2015	$142,195
2016	$675,147

Note that, in 2016, the Company suspended its payment processing activity to preserve cash. After a meteoric early rise, a pause in the value and adoption of cryptocurrency commenced in 2014 and extended into 2016. Cryptocurrency has since accelerated its broader growth trend and the Company is energetically leveraging its expertise, software assets and working capital to actively re-engage in the cryptocurrency market, with a key focus on pay-outs for mining pools, including cloud mining.

The sales in the prior two years are not representative of sales expectations going forward for the following reasons:

(a) The cryptocurrency sector has "exploded" within the past year in terms of the corresponding value, volumes and number of coin types.

(b) As described under Section 3 above, the Company's current focus is on a relatively new and rapidly expanding online payment opportunity associated with the emergence of mining pools and cloud mining.

3. Stage of Development

Development of the Company's web-based payment platform involved a large expenditure on development, weighted towards the Risk Engine component. Some further development work is needed to optimize the payment platform as a payout vehicle for mining pools.

To ensure user confidence in the payment process, payouts to multiple miners based on their contributed mining hashpowers requires real-time, auditable transparency. To achieve this, it is planned to adapt the Company's payment platform to a public, distributed ledger format (similar to that used for blockchains). This requires approximately four months of development work. Completion of this work is estimated by May 2018 at an approximate cost of $1,500,000. This work will be contracted to experienced developers.

Additionally, there are more routine updates (noting that no updates have occurred in the past year), maintenance and refinements, including integration with KYC data suppliers that are needed.

3.1.(3) Production and Sales

The Company's bundled set of online payment and transaction risk-management services is web-based. The payment platform features a streamlined, do-it-yourself integration toolset to enable easy and rapid integration by client developers.

The Company has no material leases or mortgages.

There are several areas of specialized skill and knowledge attaching to the Company's business, including:

(i) e-payments

(ii) cryptocurrency transactions

(iii) software development and deployment

(iv) applicable regulatory requirements

The Company has been engaged in commercial e-payment processing since 2008 and with cryptocurrency transactions since early 2014. However, in 2016, the Company suspended its payment processing activity and, as a consequence, lost some of its cumulative experience due to downsizing. However, the Company retains access to several very knowledgeable people in senior roles.

Specific sources of specialized skill and knowledge available to the Company Include the following:

(i) Dale Johnson – Non-Executive Chairman since 2014

Mr. Johnson has been involved in online payment services since 2004 and served as President of Neovia Financial Plc's (now Paysafe (PAYS: London Stock Exchange) Asia Pacific business, establishing the firm's online payment services in the region. He also served as non-executive chairman of that global payment service provider for seven years until 2014.

(ii) Gino DeMichele – Interim President & CEO and Director since 2016

Mr. DeMichele is a seasoned financier focused on emerging technology and software businesses. He has significant investment in the cryptocurrency space and has been involved with Vogogo as an investor since 2014.

(iii) Kris Read – Former Chief Technology Officer

Mr. Read is an experienced technology executive and led the development team in the design, development and deployment of the Company's payment platform. He has over a decade of experience in technology strategy, agile process leadership, software architecture design and product management. He is engaged with the Company on a consulting basis.

(iv) Swapan Kakamanu – Chief Financial Officer

Mr. Kakamanu has extensive experience in financial roles with technology businesses, including the Company, where he has been involved since 2013. He has over 20 years of experience in public company reporting, investor relations, ERP implementations, mergers and acquisitions, internal controls and general overall financial, strategic and operational management in multiple jurisdictions.

(v) Jeremy Ng – Controller

Mr. Ng is an experienced CPA and has an Applied Degree in Business Administration – Accounting. He has held increasingly senior accounting roles in public and private firms over the past 12 years.

(vi) Thomas English – Director

Mr. English is a seasoned financier focused primarily on emerging technology businesses. He has significant investment in the cryptocurrency space and is a founding investor in Vogogo.

The Company is involved in a web-based service and does not use raw materials, component parts or finished products.

Brand (reputation) and software are important intangible assets for the Company, further described as follows:

(i) The Company conducted online payment processing services, beginning in 2008, and there are no known associated incidences that compromised Vogogo's brand or reputation as a payment processor. It is critical to sustain the reputation for reliability, accuracy and transparency.

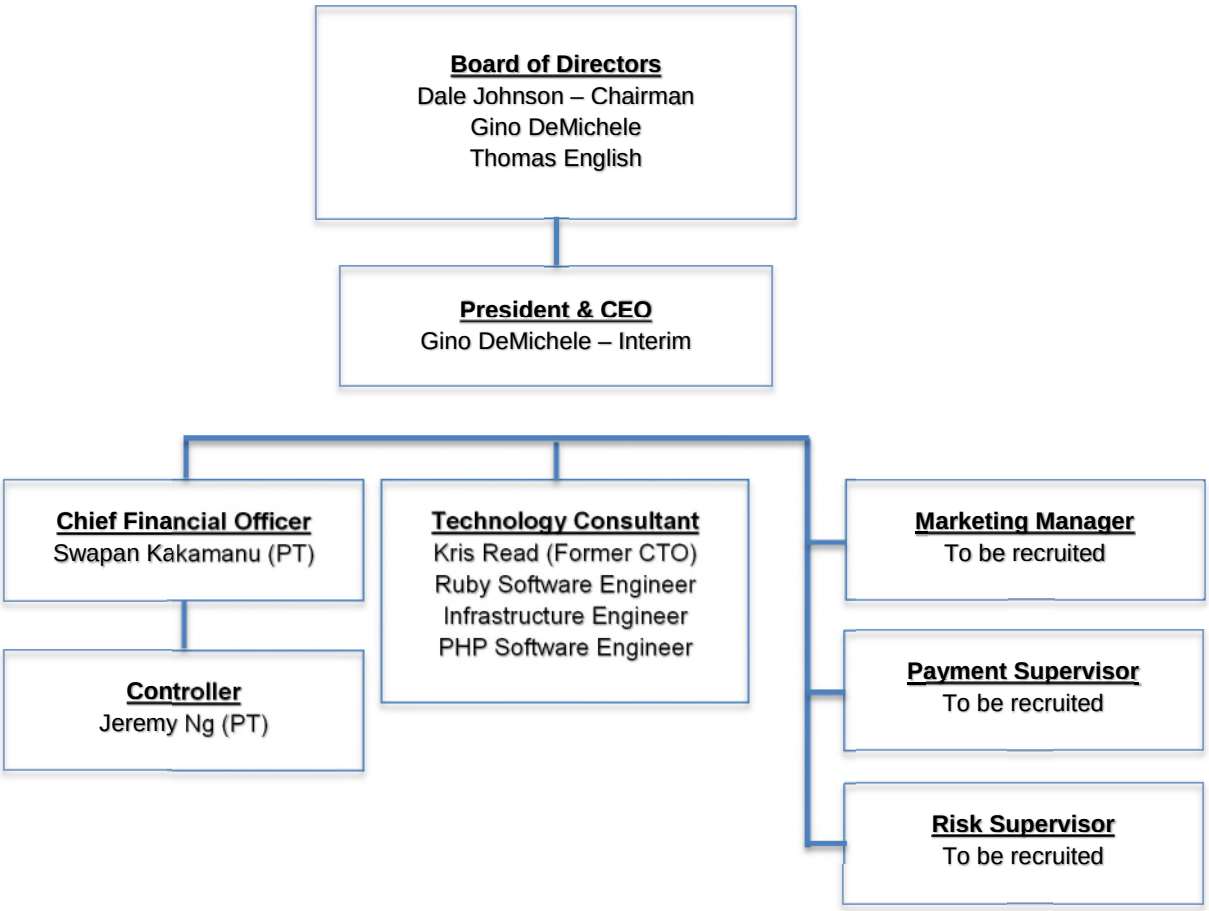
(ii) The Company's proprietary software assets are designed to provide a bundled set of payment services that make online payment easy and convenient without compromising robust transaction risk management to avoid fraud and comply with regulatory standards.

The Company is not engaged in a cyclical or seasonal business. However, the crypto-asset industry is nascent and rapidly evolving with an uncertain future trajectory.

To management's knowledge, contract renegotiation or termination will not have a material impact on the Company's business.

The Company offers a web-based service and is not directly impacted by environmental protection requirements.

The average number of employees during 2016 was 30. As discussed earlier in this Listing Statement, the Company suspended its payment processing activity and downsized its employee count during 2016. The current organization chart indicating key positions, including those that are intended to be filled in the current quarter, is as follows:



The cryptocurrency sector is rather "borderless" in as much as it is not connected with any specific country. However, a few countries are introducing initial regulatory regimes for cryptocurrency, which introduces compliance risk. The Company can mitigate this risk through pro-active monitoring of developing regulations for cryptocurrencies.

In instances where fiat currency payments are made in lieu of cryptocurrency payments, exchange risk may be present, especially during intervals of high volatility in either the applicable fiat currency or the applicable cryptocurrency. Rapid settlement and hedging provide exchange risk management opportunities. It is intended that cryptocurrency miners will assume most of the exchange risk.

The Company does not have any material contract dependence. Although there is likely to be dependence on cryptocurrency exchanges, there is ample choice of exchanges to deal with.

As noted above, contract renegotiation or termination is not expected to have a material impact on the Company's business.

3.1.(4) Competitive Conditions

The crypto-asset industry is nascent and rapidly evolving. It is global and competition is developing. The Company is positioned with a strong cash balance, software assets and historical experience in this industry.

There are few payment processors providing payouts for mining pools – we are not aware of any significant competitor in this space, although individual mining pools are currently arranging payouts. It is expected that more payment processing firms will respond to this market opportunity.

The Company's geographic focus has historically included Canada, the US and the UK. This focus is expected to continue.

3.1.(5) Lending Operations and Investment Policies and Restrictions

This section is not applicable to the Company.

3.1.(6) Bankruptcy or Receivership

This section is not applicable to the Company.

3.1.(7) Material Restructuring Transactions

This section is not applicable to the Company.

3.1.(8) Social and Environmental Policies

This section is not applicable to the Company.

3.2 Companies with Asset-backed Securities Outstanding

The Company as no asset-backed securities outstanding.

4. Selected Consolidated Financial Information

4.1 Annual Information

The summary presented below sets out selected financial information of the Company for each of the last three completed financial years and should be read in conjunction with the Company's annual audited financial statements and corresponding management's discussion and analysis for the three (3) most recently completed financial years ended December 31,

2016, 2015 and 2014, attached hereto as Attachment B. All of the financial information presented below is prepared in accordance with IFRS.

	December 31 2016 $	December 31 2015 $	December 31, 2014 $
EXPENSES			
General and administrative	**601,515**	630,724	655,205
Stock-based compensation	**281,673**	241,708	257,993
Total Expenses	**883,188**	872,432	913,198
OTHER INCOME			
Interest income	**64,803**	74,660	9,178
Loss from continuing operations	**(818,385)**	(797,772)	(904,020)
Loss from discontinued operations	**(5,207,339)**	(11,364,183)	(8,076,641)
Loss	**(6,025,724)**	(12,161,955)	(8,980,661)
OTHER COMPREHENSIVE INCOME (LOSS)			
Exchange gain (loss) on translation of foreign operations related to discontinued operations	**(17,561)**	17,561	
Loss and comprehensive loss	**(6,043,285)**	(12,144,394)	(8,980,661)
Loss per share from continuing operations - basic and diluted	**(0.02)**	(0.02)	(0.33)
Loss per share from discontinued operations - basic and diluted	**(0.10)**	(0.26)	(0.33)
Total assets	**8,148,556**	15,788,160	7,459,303

4.2 Quarterly Information

The summary presented below sets out selected financial information of the Company for each of the last eight completed financial quarters of the Company ending with the quarter for the three and nine months ended September 30, 2017. All of the financial information presented below is prepared in accordance with IFRS and is unaudited.

The following table presents unaudited selected financial data for each of the last eight quarters up to September 30, 2017.

($)	**Sept 30, 2017**	**June 30, 2017**	**Mar 31, 2017**	**Dec 31, 2016**	**Sept 30, 2016**	**June 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**
Total assets	6,935,495	7,010,366	7,773,903	8,148,556	6,618,097	10,668,049	16,623,173	15,788,160
Net working capital	6,840,417	6,916,384	6,991,870	7,612,153	5,213,825	6,528,077	5,645,886	7,428,490
Total liabilities	95,078	93,982	782,033	536,403	1,404,272	4,131,947	8,136,116	5,195,288
Revenue	-	-	-	224,862	31,338	254,495	164,452	80,657
Net loss and comprehensive loss	(204,208)	(203,073)	(748,713)	(602,639)	(1,041,344)	(1,932,999)	(2,466,303)	(2,875,176)
Basic and diluted loss per Share	(0.00)	(0.00)	(0.00)	(0.01)	(0.02)	(0.04)	(0.05)	(0.05)

4.3 Dividends

While there is no restriction preventing the Issuer from paying dividends, the Company has not paid any dividends to date and there are no plans to pay dividends for the foreseeable future.

4.4 Foreign GAAP

The Company's financial statements are prepared only in Canada, in accordance with IFRS.

5. Management's Discussion and Analysis

5.1 Annual MD&A

Included as Attachment A to this Listing Statement are the Company's most recent annual MD&As for the years ended December 31, 2016 and 2015. The MD&As should be read in conjunction with the Company's audited financial statements for the years ended December 31, 2016 and 2015, together with the notes thereto, which are also included in attachment A to this Listing Statement.

5.2 Interim MD&A

Included as Attachment B to this Listing Statement are the Company's most recent interim MD&As for the interim periods ended March 31, 2017, June 30, 2017 and September 30, 2017. The interim MD&As should be read in conjunction with the Company's interim financial statements for the interims periods ended March 31, 2017, June 30, 2017, and September 30, 2017, together with the notes thereto, which are also attached as Attachment B to this Listing Statement.

5.3 Variations

Refer to Attachment A and B to this Listing Statement, where variations are discussed in the Company's most recent annual MD&A for the year ended December 31, 2016 and in the interim MD&A for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

5.4 Results of Operations

Refer to Attachment A and B to this listing statement, where results of operations are discussed in the Company's most recent annual MD&A for the year ended December 31, 2016 and in the interim MD&A for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

5.5 Summary of Quarterly Results

Refer to Attachment A and B to this listing statement, where the summary of quarterly results are presented in the Company's most recent audited annual financial statements for the year ended December 31, 2016 and in the financial statements for each subsequent interim period

ended March 31, 2017, June 30, 2017 and September 30, 2017. Factors that have caused variations are discussed in the corresponding MD&As included in Attachment A and B hereto.

5.6 Liquidity

As discussed in the response to item 3.1.(1) above, the Company currently has working capital of $12.8 million, no payment obligations, and planned major expenditures of up to $7.85 million. This results in minimum residual working capital of $5.15 million to fund day-to-day operations.

The Company expects to be cash flow positive by 2018 Q2. Vogogo has adequate residual working capital to fund its operations for more than the next 12 months if cash-flow break-even is unexpectedly delayed.

The Company does not have any debt, lease or other arrangements that could trigger an unexpected additional requirement. There are no contractual obligations involving payments due in the future.

5.7 Capital Resources

Vogogo has no current commitments for capital expenditures. The Company's current source of funding is its working capital of $12.8 million. Additional funding of $8.1 million would arise if outstanding warrants are converted.

5.8 Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

5.9 Transactions with Related Parties

The Corporation currently considers its key management personnel to be its Chief Executive Officer, Chief Financial Officer and Board of Directors. Key management compensation is composed of salary, consulting fees, stock-based compensation and directors' fees paid to key management personnel. During the nine months ended September 30, 2017, key management compensation amounted to $481,723 of which $353,282 was stock- based compensation.

Total personnel expenses for employees, consultants, directors and management included in general and administrative expenses for the nine months ended September 30, 2017 were $180,429.

As at September 30, 2017, the Corporation had $69,751 in trade and other payables owing to former key management personnel.

Discussion of transactions with related parties in prior years is included in the MD&A and financial statement documents in Attachments A and B hereto, as well as at item 15.2 herein.

5.10 Fourth Quarter

Refer to Attachments A and B to this Listing Statement, where fourth quarter events are discussed in the Company's most recent annual MD&A for the year ended December 31, 2016

and the MD&A for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

5.11 Proposed Transactions

As discussed in the business objectives outlined in item 3 above, the Company's strategy can be accelerated and enhanced through an accretive acquisition of an existing mining pool business that can serve as the hub for the planned payment services. It is expected that CSE approval would be needed to proceed with the acquisition.

5.12 Changes in Accounting Policies including Initial Adoption

There are no changes in accounting policies that have occurred or are expected to occur. The Company prepares and reports its financial results in accordance with IFRS, which covers the accounting principles for all of the events and transactions that the Company as engaged in.

5.13 Financial Instruments and Other Instruments

The Company has no financial or other instruments other than cash and accounts payable.

5.14 Additional Disclosure for Issuers without Significant Revenue

Refer to Attachments A and B to this listing statement, where additional disclosure is discussed in the Company's most recent annual MD&A and audited financial statements for the year ended December 31, 2016 and in the MD&As and financial statements for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

5.15 Description of Securities

As of the date of this Listing Statement, the Company's outstanding securitiesare as follows:

132,495,137 common shares
5,890,000 stock options

60,910,000 warrants convertible into common shares

5.16 Breakdown of Expenses and Costs

Refer to Attachments A and B to this listing statement, where revenue is discussed in the Company's most recent annual MD&A and audited financial statements for the year ended December 31, 2016 (which includes prior year results) and in the MD&A and financial statements for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

The Company does not own any exploration and development properties.

5.17 Negative Cash-flow

Refer to Attachments A and B to this listing statement, where cash flow is discussed in the Company's most recent annual MD&A and audited financial statements for the year ended December 31, 2016 and in the MD&As and financial statements for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

The Company currently has working capital of $12.8 million, which is adequate to fund planned capital expenditures and operations for more than 12 months.

5.18 Disclosure for Issuers with significant equity investees

The Company does not have significant equity investees.

6. Market for Securities

6.1 Exchange Listing

The Company is currently listed on the CSE and was previously listed on the TSX Venture Exchange.

7. Consolidated Capitalization

7.1 Capitalization

Since December 31, 2016, Vogogo has issued an aggregate of 60,000,000 Common Shares and does not have any outstanding loan capital. As of the date hereof, the Company has 132,495,132 Common Shares outstanding, 5,890,000 stock options outstanding and 60,910,000 warrants outstanding. Each of the warrants and options are convertible into Common Shares of Vogogo according to their respective terms.

8. Options to Purchase Securities

8.1 Share Options

As of the date hereof, the following options to purchase Common Shares under Vogogo's Stock Option Plan are outstanding:

		Awards Outstanding		
Grant Date	**Expiry Date**	**Quantity**	**Exercise Price**	**Quantity**
Executive Officers & Directors				
07-Sep-15	07-Sep-20	150,000	$1.20	150,000
04-Nov-16	04-Nov-21	2,000,000	$0.16	2,000,000
04-Nov-16	04-Nov-21	1,500,000	$0.16	1,500,000
11-Sep-14	11-Sep-19	130,000	$0.75	130,000

Grant Date	Expiry Date	Awards Outstanding		
		Quantity	Exercise Price	Quantity
07-Sep-15	07-Sep-20	50,000	$1.20	50,000
04-Nov-16	04-Nov-21	1,500,000	$0.16	1,500,000
Executive Officers of Subsidiaries				
No grants		Nil		Nil
Employees				
No grants		Nil		Nil
Employees of Subsidiaries				
No grants		Nil		Nil
Consultants				
17-Feb-16	17-Feb-21	30,000	$0.60	30,000
11-Sep-14	11-Sep-19	50,000	$0.75	50,000
07-Sep-15	07-Sep-20	50,000	$1.20	50,000
04-Nov-16	04-Nov-21	150,000	$0.16	150,000
28-Apr-14	28-Apr-19	60,000	$0.33	60,000
28-Aug-15	28-Aug-20	10,000	$1.09	10,000
04-Nov-16	04-Nov-21	150,000	$0.16	150,000
07-Nov-17	07-Nov-22	60,000	$0.38	60,000
Others				
No grants		Nil		Nil
Totals		**5,890,000**		**5,890,000**

The Company has granted a total of 5,890,000 options to purchase common shares to its directors, officers and consultants, exercisable at prices of between $0.33 and $1.20 per common share (weighted average – $0.24) with various expiry dates ending November 7, 2022. (weighted average expiry term – 4 years).

The estimated value of the options using the Black Scholles valuation methodology is indicated in the financial statements in Attachments A and B hereto for the year ended December 31, 2016 and for the subsequent quarters ended March 31, 2017 June 30, 2017 and September 30, 2017.

9. Description of the Securities

Common Shares

The Company is authorized to issue an unlimited number of Common Shares. The holders of the Common Shares are entitled to dividends if, as and when declared by the Board; to one

vote per share at meetings of the Shareholders; and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the Common Shares.

Preferred Shares

The Company is authorized to issue an unlimited number of Preferred Shares, issuable in series. Each series of Preferred Shares will have such designations, rights, privileges, restrictions and conditions as the Board may from time to time determine before issuance. The holders of each series of Preferred Shares will be entitled, in priority to holders of Common Shares, to be paid rateably with holders of each other series of Preferred Shares the amount of dividends, if any, specified as being payable preferentially to the holders of such series and, upon liquidation, dissolution or winding-up of the Company, in priority to holders of Common Shares, to be paid rateably with holders of each other series of Preferred Shares the amount, if any, specified as being payable preferentially to holders of such series.

Options

As of the date hereof, the Company has granted a total of 5,890,000 Options to purchase Common Shares to its directors, officers, employees and consultants, exercisable at prices of between $0.33 and $1.20 per Common Share (weighted average – $0.24) with various expiry dates ending November 7, 2022. (weighted average expiry term – 4 years).

Warrants

As of the date hereof, the Company has 60,910,000 Warrants outstanding. 910,000 Warrants were issued by Redfall prior to the Amalgamation. Each Warrant entitles the holder thereof to purchase one Common Share at a price of $0.33 per Common Share, exercisable on or before February 11, 2019, if the Warrant was a Redfall Finder's Warrant. 60,000,000 Warrants were issued pursuant to a private placement that was closed on October 31, 2017. Each Warrant entitles the holder thereof to purchase one Common Share at a price of $0.13 per Common Share, execrable on or before October 31, 2019.

9.1 Debt Securities

The Company has no debt securities.

9.2 Other Securities

The Company does not have any other Securities outstanding other than as described above.

9.3 Modification of Terms

The Company does not have any other securities outstanding other than as described above.

9.4 Other Attributes

This section is not applicable to the Company.

9.5 Prior Sales

As described in Section 3.1, in the 12 months preceding the date of this Listing Statement, Vogogo issued the following securities;

Security Type	Date Issued	Dale Expired	Price	Number
Common Shares	October 31, 2017	Not Applicable	$0.10	60,000,000
Warrants	October 31, 2017	October 31, 2019	$0.13	60,000,000

9.6 Stock Exchange Price

Trading details by month from June 2014 to November 2017 are indicated in the following table:

Period	High ($/Common Share)	Low ($/Common Share)	Volume
2014			
June	0.17	0.17	0
July	0.17	0.17	0
August	0.17	0.17	0
September	3.52	0.75	11,871,625
October	4.08	2.38	7,753,759
November	4.60	2.94	4,987,144
December	3.60	1.90	3,954,706
2015			
January	2.55	1.85	2,399,488
February	3.00	1.92	2,428,875
March	2.95	2.20	2,897,920
April	3.75	2.65	3,722,135
May	3.08	2.13	4,232,153
June	2.40	1.74	3,706,130
July	1.95	1.20	2,918,902
August	1.30	0.83	1,831,533
September	1.33	0.89	2,326,389
October	1.14	0.75	3,097,372
November	0.98	0.76	1,105,787
December	1.14	0.75	3,835,787
2016			
January	1.05	0.60	1,545,254
February	0.73	0.53	853,659
March	0.66	0.33	2,263,773
April	0.37	0.235	2,029,980
May	0.29	0.15	4,182,254

Period	High ($/Common Share)	Low ($/Common Share)	Volume
June	0.20	0.125	895,674
July	0.18	0.10	1,952,580
August	0.16	0.11	802,139
September	0.20	0.14	899,400
October	0.195	0.145	488,150
November	0.18	0.13	892,325
December	0.15	0.11	970,722
2017			
January	0.15	0.12	782,000
February	0.155	0.12	1,326,173
March	0.16	0.12	1,478,693
April	0.13	0.12	1,158,377
May	0.16	0.125	1,018,964
June	0.135	0.115	1,514,725
July	0.13	0.105	459,350
August	0.13	0.11	404,828
September	0.195	0.10	1,343,434
October	0.43	0.13	9,390,060
November	0.65	0.35	11,073,369

10. Escrowed Securities

The company does not currently have any escrowed securities.

11. Principal Shareholders

The Company does not currently have any shareholders that own or control or exercise discretion over 10% or more of the outstanding common shares of Vogogo.

12. Directors and Officers

12.1 and 12.2 Name and Municipality of Residence of Each Director and Executive Officer of the Issuer.

Name and Residence	Position(s) with Vogogo	Principal Occupation(s), Work Experience and Education
Gino DeMichele (1)(2)(3)(6) Calgary, Alberta, Canada	Director since April 26, 2016 and Interim President and Chief Executive Officer since August **16**, 2016	In addition to his roles with the Company, Mr. DeMichele currently serves as the president and chief executive officer of A2 Capital Management Inc., a private merchant banking and trading operation, and has been since 2006. Prior to this Mr. DeMichele was Vice President and Senior Investment Advisor at Macquarie Private Wealth Inc. from 2009 to 2013**.** He has been engaged in global and domestic financial markets since 1990 and brings 25 years of corporate finance and merger-and-acquisition expertise.
Dale Johnson(1)(2)(3)(4)(5) Invermere, British Columbia, Canada	Director since September 11, 2014	Mr. Johnson is currently the non-executive Chairman of Vogogo. Mr. Johnson has over 40 years of experience in corporate leadership, operations management, business development, project management and turnarounds for private and public companies. He was a founding member and a Principal of Tri Ocean Engineering Ltd., an oilfield-engineering firm, from 1976 to 1987. He was a founder and Chief Executive Officer of Alpeco Limited, a specialized oilfield equipment packager, from 1988 to 1993, which was acquired by Taro Industries Ltd. where he continued as Senior Vice-President - Operations until 1997. He was President of Neovia Financial Plc's (now part of PaySafe plc (PAYS on the London Stock Exchange) Asia Pacific operations, establishing the company's services in online payments in the region, during 2005 and 2006. He has held multiple directorships of public companies, including Chairman of Optimal Payments plc (now PaySafe) for 7 years. Mr. Johnson has Bachelor and Master's degrees in Applied Science from the University of British Columbia, and a Management Diploma from the University of Calgary.
Thomas English(1)(2)(3) Toronto, Ontario, Canada	Director since April 26, 2016	Mr. English has 20 years of experience in the public capital markets and is currently president and chief executive officer at AC Group. He was a founding investor in Vogogo and he served as lead banker in the Company's equity raise in 2015. He served as Director of EastCoal, Inc. from 2014 to 2016 and head of trading and co-head of institutional equity sales at Salman Partners from 2001 to 2016. Previous to this, Mr. English spent five years with CIBC World Markets Inc. Mr. English holds a BA in economics and political science from the University of Western Ontario.
Swapan Kakumanu Calgary, Alberta, Canada	Chief Financial Officer since August 21, 2017	Mr. Kakumanu has been the Controller for Vogogo since November 2013. He has over 20 years of senior finance and operations experience. He has served at the executive levels in both public and private companies including senior roles as President, Chief Executive Officer, Chief Financial Officer and Company Secretary, as well as director roles on boards. Mr. Kakumanu has extensive experience in public company reporting, investor relations, ERP implementations, mergers and acquisitions, internal controls and general overall financial, strategic and operations management. His diverse industry experience spans commercializing technologies and launching software solutions, manufacturing, distribution, oilfield services, healthcare technologies and multi-jurisdictional operations. He holds CPA.CGA, ACA (Chartered Accountant, India) and ACMA (Certified Management Accountant, India) designations

(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Member of the Corporate Governance Committee.
(4) Chair of the Audit Committee.
(5) Chair of the Corporate Governance Committee.
(6) Chair of the Compensation Committee.

12.3 Number and Percentage of Common Shares of Directors and Officers as a Group

The Company has one class of common voting shares. As of date hereof, directors and executive officers control or direct a total of 18,339,765 (13.85%) of the common shares.

12.4 Committees of the Issuer and Members

See above table at item 12.1.

12.5 Principal Occupation of Directors and Officers

See above table at item 12.1.

12.6 Cease Trade Orders and Bankruptcy

No director or officer of the Company has, within the last ten (10) years, been a director or officer of any reporting issuer that, while such person was acting in that capacity, or within a period of one year thereafter, was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than 30 consecutive days or was declared a bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

12.7 and 12.8 Penalties or Sanctions

No director or officer of the Company, or, to the Company's knowledge, any shareholder anticipated to hold a sufficient amount of securities of the Company to materially affect control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

12.9 Personal Bankruptcy

No director or officer of the Company, or, to the Company's knowledge, no shareholder holding sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons has, within the ten (10) years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

12.10 Conflicts of Interest

To the knowledge of the Company, and other than as disclosed herein, there are no known existing or potential material conflicts of interest between the Company or a subsidiary of the Company and a director or officer of the Company except that certain of the directors and

officers of the Company serve as directors and officers of other companies and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director, officer and promoter of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflict of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable law and they will govern themselves in respect thereof to the best of their ability in accordance with the obligation imposed upon them by law.

12.11 Management

See above table at item 12.1 and the discussion of specific sources of specialized skill and knowledge at item 3.1.(3). Members of the current management team have not entered into non-competition agreements but are bound by non-disclosure requirements for a Canadian listed business. It is intended that management team members will be subject to non-competition agreements going forward.

13. Capitalization

13.1 Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	132,495,137	199,235,137	-	-
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	18,667,038	76,558,705	14.09	38.41
Total Public Float (A-B)	113,828,099	122,736,432	-	-
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or	60,000,000	-	45.28	-

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
in a shareholder agreement and securities held by control block holders (C)				
Total Tradeable Float (A-C)	72,495,137	199,235,137	-	-

Public Securityholders (Registered)

For purposes of this table, registered holders are persons other than persons enumerated in Section (B) of the Issued Capital table above.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	50	107,395,137

Public Securityholders (Beneficial)

Class of Security:
Common Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	27	1,144
100 – 499 securities	132	34,132
500 – 999 securities	107	68,264
1,000 – 1,999 securities	227	271,405
2,000 – 2,999 securities	140	309,506

Class of Security:
Common Shares

3,000 – 3,999 securities	89	288,191
4,000 – 4,999 securities	58	245,581
5,000 or more securities	679	64,389,056
Unable to confirm	-	66,887,095

Non-Public Securityholders (Registered)

For purposes of this table, non-public Securityholders are persons enumerated in Section (B) of the Issued Capital table above.

Class of Security:
Common Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	7	25,100,000

13.2 Securities Convertible or Exchangeable into Common Shares

		Awards Outstanding		
Grant Date	**Expiry Date**	**Quantity**	**Exercise Price**	**Exercisable Quantity**
07-Sep-15	07-Sep-20	150,000	$1.20	150,000
04-Nov-16	04-Nov-21	2,000,000	$0.16	2,000,000
04-Nov-16	04-Nov-21	1,500,000	$0.16	1,500,000
11-Sep-14	11-Sep-19	130,000	$0.75	130,000
07-Sep-15	07-Sep-20	50,000	$1.20	50,000

Grant Date	Expiry Date	Awards Outstanding		Exercisable Quantity
		Quantity	Exercise Price	
04-Nov-16	04-Nov-21	1,500,000	$0.16	1,500,000
17-Feb-16	17-Feb-21	30,000	$0.60	30,000
11-Sep-14	11-Sep-19	50,000	$0.75	50,000
07-Sep-15	07-Sep-20	50,000	$1.20	50,000
04-Nov-16	04-Nov-21	150,000	$0.16	150,000
28-Apr-14	28-Apr-19	60,000	$0.33	60,000
28-Aug-15	28-Aug-20	10,000	$1.09	10,000
04-Nov-16	04-Nov-21	150,000	$0.16	150,000
07-Nov-17	07-Nov-22	60,000	$0.38	60,000
	Totals	**5,890,000**		**5,890,000**

Warrants Outstanding as at December 1, 2017

Issue Date	Expiry Date	Quantity	Excised Price	Exercisable Quantity
11-Feb-14	11-Feb-19	910,000	0.33	910,000
31-Oct-17	31-Oct-19	60,000,000	0.13	60,000,000
	Total	**60,910,000**		

13.3 Securities Reserved for Issuance

No securities are reserved for issuance (that are not included in section 13.2).

14. Executive Compensation

The company's Statement of executive compensation is attached as Attachment C hereto.

15. Indebtedness of Directors and Executive Officers

15.1 Aggregate Indebtedness

There is no indebtedness outstanding in relation to the directors and executive officers of the company as at the date hereof.

15.2 Indebtedness of Directors and Executive Officers

Other than as set out below, there are no programs of the Company pursuant to which the Company's directors or officers incurred any debt owed to the Company.

Name and Principal Position	Involvement of Issuer or Subsidiary	Largest Amount Outstanding During the year ended December 31, 2016 ($)	Amount Outstanding as at the date hereof ($)	Financially Assisted Securities Purchases During the year ended December 31, 2016 (#)	Security for Indebtedness	Amount Forgiven During the year ended December 31, 2016 ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Securities Purchase Programs						
Other Programs						
Geoff Gordon, Former Director, President and Chief Executive Officer	Received Promissory Note	$79,875	$Nil	N/A	None	None
Rodney Thompson, Former Chief Revenue Officer	Received Promissory Note	$79,875	$Nil	N/A	None	None

16. Risk Factors

The following are certain risk factors relating to the business carried on and anticipated to be carried on by the Company that prospective investors should carefully consider before deciding whether to purchase securities of the Company. The Company will face a number of challenges in the development of its business. Due to the nature of the Company and/or the Company's business and present stage of the business, the Company may be subject to significant risks. Readers should carefully consider all such risks, including those set out in the discussion below as well as the risks identified in the MD&As attached hereto. The following is a description of the principal risk factors affecting the Company.

16.1 General Risk Factors

In the context of the business plan outlined herein, the key identified risk factors (in descending order in terms of assessed exposure for the Company) are as follows:

Volatility of Cryptocurrency Values

The crypto-asset industry is nascent and rapidly evolving with an uncertain future trajectory. Cryptocurrency values are currently volatile and may lose momentum, which could result in a decline in corresponding mining activity and associated payout transactions.

Regulatory Risk

Payment transactions in multiple countries require compliance with laws in several jurisdictions on matters such as anti-corruption, taxation, securities regulation, banking regulations, licensing and data privacy, amongst others. Moreover, there is a relative lack of regulation of cryptocurrencies and some jurisdictions are in the process of introducing new regulatory requirements. Complying with these diverse requirements in multiple jurisdictions may be a challenge and could require significant resources. Some of these laws may impose conflicting requirements. There may be restrictions on the movement of cash and other assets. The Company could be exposed to costs for non-compliance and harm to its reputation.

Dependence on Key Personnel and Consultants

The success of the Company will be largely dependent upon the performance of its management and other key employees. Failure to attract and retain key employees with necessary skills could have a materially adverse impact upon the Company's operations and profitability. There is competition for skilled technical, management, sales and other employees in the payment industry. The Company considerably downsized its operations in 2016 and, while it retains access to some very capable people, there is some vulnerability associated with recruiting new employees and consultants, noting that the President & CEO role is to be filled on a permanent basis.

Technical Capabilities

The Company's success will depend in part on its ability to develop software that keeps pace with continuing changes in technology, evolving industry standards and changing client preferences and requirements. The Company's web-based services embody complex technology. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Company's revenue, and could result in cost overruns and unexpected expenses.

Competition

The Company is engaged in a competitive industry that is constantly evolving and changing. While the Company's specialized positioning (i.e. pay-outs related to cryptocurrency mining) currently features relatively little competition, the Company expects new competitors to enter the evolving market. The Company's competitors may have greater financial, technical, sales, production and marketing resources.

Fraud and Security Failures

Fraud detection is a primary function within the Risk Engine. However, fraudulent transactions are a regular occurrence and all payment service providers experience a few of these transactions that are detected after the corresponding transactions are completed. Sophisticated fraud detection algorithms typically maintain fraud at very low levels. However, the risk exists of a serious fraud event that could have a material adverse impact on profitability. Money laundering or terrorist financing involving the Company's payment processing could result in an enforcement action and/or damage the Corporation's reputation.

The Company is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business. A security breach (e.g. cyber attack) or inadvertent failure to comply with the privacy and data protection regulations could result in fines, sanctions or other penalties, which could materially and adversely affect the Company's business, as well as have an impact on its reputation.

Customer Base and Market Acceptance

While Management believes it can expand its client base, the inability to adequately expand such a client base would have a material adverse effect on revenue. There is no assurance that the Company's services will attain sustained market acceptance or that they will generate revenues sufficient for sustained profitable operations.

Stage of Development

The Company may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, especially as it is in a relatively early stage of development. The Company's ability to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base.

Disasters

The Company's payment processing systems may experience interruptions as a result of a disasters resulting from fire, weather events, long power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. Although the Company continually assesses risks develops mitigating strategies, and develops effective response strategies, its business in not immune to these risks.

Legal Risks

The Company is subject to legal risks related to operations, contracts and relationships, which could result in being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of management and employees.

Additional Capital Requirements

The Company intends to continue to make investments in future years to support its business growth and will require additional funds to implement its business strategy, including expansion of sales and marketing activities; development of new software, products and features; enhancement of its current operating infrastructure; and acquisition of complementary businesses and technologies. The Company's cash reserves may not be sufficient to fund its ongoing activities in future years. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. If additional funds are raised through further issuances of equity or convertible debt securities, shareholders could suffer significant dilution, and any new equity securities the Company issues could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Company in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult to obtain additional capital and to pursue business opportunities.

16.2 Additional Securityholder Risk

There is no risk that securityholders of the Company may become liable to make additional contribution beyond the price of a security of the Company.

16.3 Other Risks

Subject to the risk factors set out in item 16.1 above and the risk factors contained in the MD&A attached hereto, there are no other material risk factors that a reasonable investor would consider relevant to an investment in the Common Shares of Vogogo.

17. Promoters

This section 17 is not applicable to the Company.

18. Legal Proceedings

18.1 Legal Proceedings

The Company is not currently subject to any legal proceedings.

18.2 Regulatory Actions

As of the date of this Listing Statement, none of the Company or its subsidiary has been subject to any penalties or sanctions imposed by any court or regulatory authority relating to securities legislation or by a securities regulatory authority, nor has any party entered into a settlement agreement with a securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that are necessary to provide full, true and plain disclosure of all material facts relating to the Company's securities or would be likely to be considered important to a reasonable investor making an investment decision.

19. Interest of Management and Others in Material Transactions

No director or executive officer of the Company, and to the knowledge of the Company, no person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than ten percent (10%) of the common shares of the Company, or an associate or affiliate thereof had any material interest, direct or indirect, in any transaction within the three (3) years before the date of this Listing Statement, that has materially affected or will materially affect the Company or a subsidiary of the Company.

20. Auditors, Transfer Agents and Registrars

20.1 Auditors

The Company's independent external auditors are Collins Barrow Calgary LLP, located in Calgary, Alberta. Collins Barrow provides a full range of audit, tax and advisory services to private and public companies through their regional offices from coast to coast and is also recognized internationally.

20.2 Registrar and Transfer Agent

The registrar and transfer agent of the Common Shares of the Company is AST Trust Company (Canada) located in Calgary, Alberta.

21. Material Contracts

The Company has not entered into any material contracts in the two (2) years preceding the date of this Listing Statement.

22. Interest of Experts

The auditors of Vogogo, Collins Barrow Calgary LLP, have audited the annual financial statements of the Company for the years ending December 31, 2014, 2015 and 2016. Collins Barrow LLP is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants. As of the date of this Listing Statement, Collins Barrow Calgary LLP did not own or have any registered or beneficial interests, direct or indirect, in any securities or the property of the Company.

23. Other Material Facts

To the knowledge of the Company, there are no other material facts that are not otherwise disclosed in this Listing Statement or are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company and its Common Shares.

24. Financial Statements

Refer to Attachments A and B to this listing statement which are incorporated into and form a part of this Listing Statement, for the Company's most recent audited annual financial statements for the years ended December 31, 2016, 2015 and 2014 and the unaudited interim financial statements for each subsequent interim period ended March 31, 2017, June 30, 2017 and September 30, 2017.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Vogogo Inc. hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Vogogo Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at _____

this ___ day of _____.

Gino DeMichele Chief Executive Officer	Swapan Kakumanu Chief Financial Officer
Dale Johnson Director	Gino DeMichele Director

ATTACHMENT A

Vogogo Inc.

Consolidated Financial Statements

(in Canadian dollars)

For the years ended December 31, 2016 and 2015

Management's Responsibility

To the Shareholders of Vogogo Inc.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board, through the Audit Committee, is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board also has the responsibility of recommending the appointment of the Corporation's external auditors and to meet with the external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues.

Collins Barrow Calgary LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 13, 2017

(signed) "*Gino DeMichele*"	(signed) "*Gino DeMichele*"
Interim Chief Executive Officer	Acting Chief Financial Officer

Collins Barrow Calgary LLP
1400 First Alberta Place
777 – 8th Avenue SW
Calgary, Alberta T2P 3R5
Canada
T: (403.298.1500)
F: (403.298.5814)
Email: calgary@collinsbarrow.com
www.collinsbarrow.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Vogogo Inc.

We have audited the accompanying consolidated financial statements of Vogogo Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2016 and December 31, 2015, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years ended December 31, 2016 and December 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Vogogo Inc. and its subsidiaries as at December 31, 2016 and December 31, 2015, and their financial performance and their cash flows for the years ended December 31, 2016 and December 31, 2015 in accordance with International Financial Reporting Standards.

Collins Barrow Calgary LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Calgary, Canada
April 13, 2017

Vogogo Inc.
Consolidated Statements of Financial Position
(in CAD)
As at

	December 31 2016 $	December 31 2015 $
ASSETS		
Current assets:		
Cash and cash equivalents	**7,908,963**	10,489,615
Cash held in trust (note 8)	**190,141**	1,888,008
Trade and other receivables	**22,262**	60,442
Notes receivable (note 15(b))	**-**	157,500
Prepaid expenses and deposits	**27,190**	28,213
	8,148,556	12,623,778
Non-current assets:		
Property and equipment (note 7)	**-**	9,465
Intangible assets (note 6)	**-**	3,009,917
Long-term investment	**-**	145,000
	-	3,164,382
Total assets	**8,148,556**	15,788,160
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (notes 9 and 15(c))	**346,262**	710,120
Trust liabilities (note 8)	**190,141**	1,888,008
Contingent consideration payable (note 6)	**-**	2,597,160
Total liabilities	**536,403**	5,195,288
Shareholders' Equity		
Share capital (note 11)	**31,222,125**	30,944,778
Warrants (note 12)	**403,826**	550,364
Contributed surplus (note 12)	**5,279,312**	2,347,555
Accumulated other comprehensive income	**-**	17,561
Deficit	**(29,293,110)**	(23,267,386)
Total shareholders' equity	**7,612,153**	10,592,872
Total liabilities and shareholders' equity	**8,148,556**	15,788,160

Commitments and contingences (note 16)
Subsequent events (note 16(b))

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Chairman and Director

(signed) "*Gino DeMichele*"
Interim Chief Executive Officer and Director

The accompanying notes are an integral part of the consolidated financial statements.

	December 31 2016 $	December 31 2015 $
EXPENSES		
General and administrative	**601,515**	630,724
Stock-based compensation (note 12)	**281,673**	241,708
Total Expenses	**883,188**	872,432
OTHER INCOME		
Interest income (note 14)	**64,803**	74,660
Loss from continuing operations	**(818,385)**	(797,772)
Loss from discontinued operations (note 20)	**(5,207,339)**	(11,364,183)
Loss	**(6,025,724)**	(12,161,955)
OTHER COMPREHENSIVE INCOME (LOSS)		
Exchange gain (loss) on translation of foreign operations related to discontinued operations	**(17,561)**	17,561
Loss and comprehensive loss	**(6,043,285)**	(12,144,394)
Loss per share from continuing operations - basic and diluted (note 11)	**(0.02)**	(0.02)
Loss per share from discontinued operations - basic and diluted (note 11)	**(0.10)**	(0.26)

The accompanying notes are an integral part of the consolidated financial statements.

	Share Capital $	Warrants $	Contributed Surplus $	Accumulated Other Comprehensive Income $	Deficit $	Total $
Balance, December 31, 2014	14,934,913	1,196,919	1,117,616	-	(11,105,431)	6,144,017
Issuance of shares related to acquisition of Vanado Inc. (notes 6(a) and 11)	1,006,720	-	-	-	-	1,006,720
Issuance of shares on acquisition of Mevia Inc. (notes 6(b) and 11)	1,650,000	-	-	-	-	1,650,000
Share-based compensation (note 12)	-	-	1,604,043	-	-	1,604,043
Exercise of stock options (note 12)	831,152	-	(374,104)	-	-	457,048
Exercise of stock warrants (note12)	1,259,269	(646,555)	-	-	-	612,714
Issuance of shares through short form prospectus, net of issue costs (note 11)	11,262,724	-	-	-	-	11,262,724
Net loss and comprehensive loss	-	-	-	17,561	(12,161,955)	(12,144,394)
Balance, December 31, 2015	30,944,778	550,364	2,347,555	17,561	(23,267,386)	10,592,872
Share-based compensation (note 12)	-	-	350,398	-	-	350,398
Repurchase of shares (note 11)	(2,714,321)	-	2,434,821	-	-	(279,500)
Issuance of shares related to acquisition of Vanado Inc. (notes 6(a) and 11)	77,500	-	-	-	-	77,500
Expiry of stock warrants (note 12)	-	(146,538)	146,538	-	-	-
Issuance of shares through private placement, net of issue costs (note 11)	2,914,168	-	-	-	-	2,914,168
Net loss and comprehensive loss	-	-	-	(17,561)	(6,025,724)	(6,043,285)
Balance, December 31, 2016	31,222,125	403,826	5,279,312	-	(29,293,110)	7,612,153

The accompanying notes are an integral part of the consolidated financial statements.

	December 31 2016 $	December 31 2015 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from continuing operations	**(818,385)**	(797,772)
Add back (deduct) items not involving cash:		
Stock-based compensation from continuing operations (note 12)	**281,673**	241,708
Net cash flows from continuing operations	**(536,712)**	(556,064)
Net cash flows from discontinued operations	**(4,826,547)**	(7,957,880)
Net cash used in operating activities	**(5,363,259)**	(8,513,944)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash flows from discontinued operations	**8,000**	-
Net cash generated by investing activities	**8,000**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash flows from discontinued operations	**2,792,168**	12,332,486
Net cash generated by financing activities	**2,792,168**	12,332,486
Effect of changes in foreign exchange rates on cash held in foreign currencies relating to discontinued operations	**(17,561)**	151,689
Net increase (decrease) in cash and cash equivalents for the year	**(2,580,652)**	3,970,231
Cash and cash equivalents, beginning of the year	**10,489,615**	6,519,384
Cash and cash equivalents, end of the year	**7,908,963**	10,489,615
Supplemental cash flow information:		
Interest paid relating to discontinued operations	**33,691**	34,441

	2016	2015
Cash and cash equivalents consists of the following:		
Cash held in banks	**$ 358,638**	$1,939,616
Guaranteed investment certificates (note 3(b))	**7,550,325**	8,549,999
	$7,908,963	$10,489,615

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo") provided payment processing and related transaction risk services. During 2016, Vogogo discontinued its payment processing and related transaction risk services and the Corporation is now assessing alternate business opportunities (note 20). Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly-owned subsidiary and Delaware company and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd, a wholly-owned subsidiary registered under the laws of United Kingdom. On January 1, 2015 the Corporation acquired all the issued and outstanding shares of Vanado Inc. a Colorado company. During the year ended December 31, 2016, the Corporation dissolved Vogogo USA Inc., Vogogo EU Ltd. and Vanado Inc.

The head office is located at PO Box 34023 Westbrook PO, Calgary, Alberta, Canada, T3C 3W2.

The shares of Vogogo are traded on the TSX Venture Exchange under the symbol VGO.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 13, 2017.

(b) Basis of measurement and preparation

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

The consolidated financial statements have been prepared under the historical cost basis, except as noted in note 3(i).

General and administrative expenses are presented on a functional basis. Stock-based compensation is presented on a separate line by their nature. Significant expenses such as personnel expenses are presented by their nature in the notes to the consolidated financial statements.

(c) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Canada Inc. The functional currency of Vogogo USA Inc. and Vanado Inc. was U.S. dollars ("USD") and the functional currency of Vogogo EU Ltd. was British Pounds (“GBP”).

(d) Basis of consolidation

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions and balances have been eliminated in these consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Business combinations

Business combinations are accounted for using the acquisition method where the acquisitions of companies and assets meet the definition of a business under IFRS. The acquired identifiable net assets are measured at their fair value at the date of acquisition. Contingent consideration is included in the purchase price at fair value at the date of acquisition based on the likelihood of the consideration being ultimately paid and the expected timing of the payment. Any excess of the purchase price over the fair value of the net assets acquired is recognized as goodwill. Following initial recognition, goodwill is recognized at cost less any accumulated impairment losses. Any deficiency of the purchase price below the fair value of the net assets acquired is recorded as a bargain purchase gain in profit or loss. Associated transaction costs are expensed when incurred.

(b) Cash and cash equivalents

Cash and cash equivalents consist of amounts held in current bank accounts and highly liquid short-term investments, including those with maturities of less than three months. As at December 31, 2016, the Corporation held guaranteed investment certificates of $7,550,325 (2015 - $8,549,999) bearing interest at an average rate of 0.70% (2015 - 0.88%) and maturing between April and October 2017 (2015 - June 2016).

(c) Revenue recognition

The Corporation generated revenue through transaction fees on payment processing and fees from transaction risk services. In all cases, revenues generated in the normal course of business were measured at the fair value of the consideration received or receivable. Transaction fee revenues were recognized upon completion of the payment transaction. Risk platform revenues were recognized on a straight-line basis over the term of the services provided. Rebates and similar deductions are deducted from revenues.

Interest income is recognized as it accrues in the consolidated statement of loss and comprehensive loss using the effective interest rate method.

(d) Research and development

Research costs are expensed when incurred. Internally-generated software costs, including personnel costs of the Corporation's development group, are capitalized as intangible assets when the Corporation can demonstrate that the technical feasibility of the project has been established; the Corporation intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Corporation can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally-generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These costs are amortized on a straight-line basis over the estimated useful life of three years. The Corporation did not have any development costs that met the capitalization criteria for the years ended December 31, 2016 or 2015.

(e) Property and equipment

Property and equipment are stated at cost less accumulated amortization and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

Amortization is recognized in profit or loss over the estimated useful lives of property and equipment and is calculated using the depreciable amount, which is the cost of an asset less its residual value.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and equipment are amortized over their estimated useful lives at the following rates and methods:

	Rates	Methods
Computer equipment	45% to 55%	Declining balance
Furniture and fixtures	20%	Declining balance
Leasehold improvements	20%	Declining balance

The assets' residual values, useful lives and methods of amortization are reviewed at each financial year-end and adjusted prospectively, if there is a change in any underlying estimates.

Gains or losses arising from the de-recognition of an item of property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is de-recognized.

(f) Intangible assets

Intangible assets consist of risk management software. Intangible assets purchased or acquired as part of a business combination are recorded at fair value at the acquisition date provided that they meet the criteria for recognition as explained in research and development note 3(d) and subsequently at their initial fair values less accumulated amortization and impairment. The fair value of a group of intangible assets acquired in a business combination that meet the specified criteria for recognition is allocated to the individual assets acquired based on their fair values at the time of acquisition. Amortization methods and useful lives are reviewed at each fiscal year end and adjusted if appropriate. Intangible assets are amortized on a straight-line basis over 3 years.

(g) Leases

Leases are classified as either finance or operating leases. Leases that effectively transfer substantially all of the risks and rewards of ownership to the Corporation are finance leases and are accounted for as an acquisition of an asset and an assumption of an obligation at the inception of the lease, measured at the lower of the fair value or the present value of the minimum lease payments. Obligations recorded under finance leases are reduced by the lease payments, net of imputed interest. All other leases are accounted for as operating leases and rental payments are recorded as expenses on a straight-line basis over the term of the related lease.

(h) Foreign currency translation

Foreign currency transactions are initially recorded in the individual company's functional currency at the transaction date exchange rate. At period-end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the period-end exchange rate. All foreign currency gains or losses are recognized in profit or loss.

Financial statements of subsidiaries for which the functional currency is not the presentation currency are translated into Canadian dollars at each reporting period. All asset and liability accounts are translated at the period-end exchange rate and all revenue and expense accounts items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in Other Comprehensive Income (OCI), a component of equity. The accumulation of OCI is recognized in profit or loss on wind up of foreign subsidiaries.

(i) Financial instruments

The Corporation aggregates its financial instruments into classes based on their nature and characteristics. Management determines the classification when the instruments are initially recognized.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

All financial assets except those measured at “fair value through profit or loss” are subject to review for impairment annually and written down when there is evidence of impairment based on certain specific criteria as detailed further on.

Financial assets and financial liabilities classified as "fair value through profit or loss" are either classified as "held for trading" or "designated at fair value through profit or loss" and are measured at fair value, with changes in fair value recognized in the statement of loss and comprehensive loss. Transaction costs are expensed when incurred. The Corporation has designated cash and cash equivalents and cash held in trust as "held for trading".

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets when they will be realized within 12 months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other receivables, deposits and notes receivable in this category.

The financial instruments included in this category are initially recognized at fair value plus transaction costs and subsequent measurement is at amortized cost.

Financial assets are de-recognized only when the contractual rights to the cash flows from the asset expire.

(ii) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. The Corporation includes long-term investment in this category. The long-term investment was comprised of shares in a private company and was measured at cost.

(iii) Other financial liabilities

The financial instruments included in this category are initially recognized at fair value less transaction costs and subsequent measurement is at amortized cost. They are classified as current liabilities when they are payable within twelve months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other payables, trust liabilities and contingent consideration payable in this category.

The Corporation derecognizes these liabilities when its obligation is discharged or replaced by a new liability with substantially modified terms.

(iv) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Common shares, options and warrants are classified as equity. Incremental costs directly attributable to the issue of common shares, options and warrants are recognized as a deduction from equity.

(j) Share-based compensation

The Corporation uses the fair value method for valuing share-based compensation. Under this method, the compensation cost attributed to stock options and warrants granted is measured at the fair value at the grant date using the Black-Scholes model. Compensation cost for options is expensed over the vesting period with a corresponding increase to contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the settlement of the stock options the previously recognized value in contributed surplus is recorded as an increase to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Corporation measures share-based payments to non-employees at the date of receipt of the goods or services. If the fair value of the goods or services cannot be measured reliably, the value of the options or warrants granted based on the Black-Scholes model will be used.

(k) Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognized in profit or loss as a finance cost as it is occurs.

(l) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliability.

In assessing impairment, the Corporation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the carrying value and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance against receivables.

(ii) Non-financial assets

Management assesses the carrying value of property and equipment and intangible assets at each reporting date for indications of impairment. Indications of impairment include an ongoing lack of profitability, significant change in technology, loss of a significant customer as well as economic circumstances. When an indication of impairment is present, a test for impairment is carried out by comparing whether the carrying value of the asset exceeds the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal are based on an estimate of the price the Corporation would receive upon the sale of the asset in an orderly transaction under current market conditions. For the purpose of impairment testing, cash-generating units ("CGUs") are assets that cannot be tested individually but are grouped together into the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(m) Taxation and tax credits

The income tax provision includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income or equity. In these specific cases, the income tax expense is recognized in other comprehensive income or equity, respectively.

Deferred taxes are accounted for using the liability method. Under this approach, deferred tax assets and liabilities are determined based on the differences between the carrying amounts and the tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable there will be sufficient taxable profits against which to utilize the benefits in the future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax receivables and payables are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed on the basis of tax profit which differs from net profit. This calculation was made using tax rates and laws which are enacted or substantively enacted at the end of the reporting period.

Tax credits, including research and development tax credits, are not recognized until there is reasonable assurance that the Corporation will meet the eligibility criteria of the credits and that they will be received. Tax credits are recognized as a deduction to the related expenses.

(n) Fair value measurement

A number of the Corporation's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining the fair values is disclosed in the notes specific to that asset or liability.

The Corporation classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair values of cash and cash equivalents and cash held in trust are based on Level 1 inputs and the fair value of the contingent consideration payable was based on Level 3 inputs.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(o) Per share amounts

Basic per share amounts are calculated by dividing the profit or loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments. The Corporation computes the dilutive impact of common shares assuming the proceeds received from the pro forma exercise of in-the-money share options and warrants are used to purchase common shares at average market prices.

(p) Discontinued operations

Profit or loss attributable to operations which have been discontinued are presented separately in the consolidated financial statements of loss and comprehensive loss with specifics of the discontinuation of operations and details of the profit or loss attributable to those operations disclosed in the notes to the consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

(a) Areas of judgment

(i) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(ii) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case by case basis, depending on management’s assessment as to whether the acquisition meets the definition of a business.

(iii) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation’s business which was discontinued during the year or operations which continue going forward.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(b) Assumptions and critical estimates

(i) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(ii) Impairment of property and equipment and intangible assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iii) Estimate of useful life for intangibles

Management's judgment involves the use of estimates for determining the useful life for intangibles to determine amortization methods and rates.

(iv) Contingent consideration

The valuation of the contingent consideration issued on the acquisition of shares of Vanado Inc. ("Vanado") and the acquisition of assets from Mevia Inc. (Mevia") (note 6) was recorded at fair value and was based on management's assessment of the likelihood of the performance targets being met. The associated liability was measured at fair value at each reporting date based on the likelihood of the performance targets being met.

(v) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(i) Accounting standards adopted in the current year

On January 1, 2016, the Corporation adopted the following new standards which became effective for years beginning on or after January 1, 2016:

IAS 1 Presentation of Financial Statements was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures. Adopting this standard did not have a material impact on the consolidated financial statements.

(ii) Future accounting pronouncements

The accounting pronouncements detailed in this note have been issued but are not yet effective. The Corporation has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

a) IFRS 9 Financial Instruments was issued in final form in July 2014 by the IASB and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the consolidated financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

b) IFRS 15 Revenue from Contracts with Customers was issued in May 2014. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the corporation expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. The new standard is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. IFRS 15 supersedes the following standards: IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC-31 Revenue—Barter Transactions Involving Advertising Services.

5. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS *(continued)*

c) IFRS 16 Leases was issued in January 2016 and will replace IAS 17 Leases. IFRS 16 sets out principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). Lessee accounting will change substantially under this new standard while there is little change for the lessor. IFRS 16 eliminates the classification of leases as either operating leases or financing leases and, instead, introduces a single lessee accounting model. A lessee will be required to recognize assets and liabilities for all leases with a term of more than 12 months (unless the underlying asset is of low value) and will be required to present depreciation of leased assets separately from interest on lease liabilities in the income statement. A lessor will continue to classify its leases as operating leases or financing leases, and to account for those two types of leases separately. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted for companies that also apply IFRS 15 Revenue from Contracts with Customers.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the consolidated financial statements.

6. ACQUISITIONS

a. Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized consulting and payment services company based in Denver, Colorado, USA, from an arm's length third party pursuant to a share purchase agreement ("SPA").

The purchase was completed through the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016 ("Performance Period"). These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds related as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016 a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss.

6. ACQUISITIONS *(continued)*

The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment to increase contingent consideration by $99,948 during the year ended December 31, 2015. A final adjustment to decrease contingent consideration by $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

b. Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length third party private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was completed through the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017 ("Performance Period"). These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software and no other assets or liabilities were acquired as per the APA. Management concluded that this acquisition meets the definition of business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The intangible assets acquired were measured at fair value based on Level 3 inputs at the acquisition date based on estimated discounted future cash flows.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

6. ACQUISITIONS *(continued)*

Book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016	**-**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability has been reviewed each reporting period and any adjustments to this liability value have been adjusted through the statement of loss and comprehensive loss.

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") back to Mevia. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". The Sale Transaction involves Mevia acquiring the above described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

Estimated contingent consideration payable on milestones as at December 31, 2015:

	Vanado $	Mevia $	Total $
Current portion	**377,267**	**2,219,893**	**2,597,160**
Long-term portion	**-**	**-**	**-**
	377,267	**2,219,893**	**2,597,160**

The revenues and profit or loss since the closing date of the acquisitions, and proforma revenues and profit or loss giving effect to the acquisitions as if they had occurred on January 1, 2015, are not practical to determine. The operations of the acquired assets are not managed as separate business units, and the Corporation's general business overhead and other costs are not allocated or identified on a specific asset basis. Such allocations would, accordingly, be arbitrary and would require significant assumptions and estimates concerning management's intentions and decision-making.

7. PROPERTY AND EQUIPMENT

Cost	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2014 and 2015	294,720	18,652	2,151	315,523
Disposals	(294,720)	(18,652)	(2,151)	(315,523)
Balance, December 31, 2016	**-**	**-**	**-**	**-**

Accumulated amortization	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2014	288,435	11,616	910	300,961
Amortization	3,442	1,407	248	5,097
Balance, December 31, 2015	291,877	13,023	1,158	306,058
Amortization	563	779	123	1,465
Disposals	(292,440)	(13,802)	(1,281)	(307,523)
Balance, December 31, 2016	**-**	**-**	**-**	**-**

Net book value	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2015	2,843	5,629	993	9,465
Balance, December 31, 2016	**-**	**-**	**-**	**-**

8. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represent amounts collected from customers of Vogogo clients which are held in trust until being paid out to clients.

9. TRADE AND OTHER PAYABLES

	December 31, 2016 $	December 31, 2015 $
Trade accounts payable	**140,486**	600,089
Accrued payables	**205,331**	93,364
Other	**445**	16,667
	346,262	710,120

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at December 31, 2016, the Corporation has $248,378 (2015 - $177,458) in accounts payable beyond 60 days.

10. INCOME TAXES

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates to profit or loss before income taxes.

10. INCOME TAXES *(continued)*

The reconciliation of the differences is as follows:

	December 31, 2016 $	December 31, 2015 $
Loss before income taxes	**(6,025,724)**	(12,161,955)
Statutory income tax rate	**27%**	26%
Expected income tax recovery	**(1,626,945)**	(3,162,108)
Changes in tax assets not recognized	**2,191,829**	1,989,492
Non-deductible intangible asset acquisition	**-**	1,044,871
Change in value of contingent consideration	**(680,308)**	-
Stock-based compensation	**94,605**	776,888
Adjustment to prior year losses	**-**	(2,504)
Share issue costs	**-**	(340,410)
Change in rate and other	**20,819**	(306,229)
Income tax recovery	**-**	-

The net deferred tax asset is comprised of the following temporary differences:

	December 31, 2016 $	December 31, 2015 $
Non-capital losses	**(6,145,283)**	(4,635,257)
Property and equipment and intangible assets	**-**	799,152
Share issuance costs	**(416,026)**	(533,375)
Tax assets not recognized	**6,561,309**	4,369,480
Deferred tax asset	**-**	-

As at December 31, 2016, the Corporation has non-capital loss carry forwards of approximately $22,760,000 (2015 - $17,168,000). The non-capital loss carry forwards expire at various dates from 2031 to 2036. The Corporation also has tax deductible balances of $1,540,000 (2015 - $1,975,000) at December 31, 2016, relating to share issuance costs, which have not been recognized on the consolidated statement of financial position.

11. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital $
Balance, December 31, 2014	39,574,791	14,934,913
Shares issued on acquisition of Vanado (i) (note 6(a))	818,639	1,006,720
Shares issued on exercise of stock options (ii)	837,416	457,048
Fair value on exercise of stock options (ii)	-	374,104
Shares issued on exercise of warrants (iii)	1,625,564	612,714
Fair value on exercise of warrants (iii)	-	646,555
Shares issued on acquisition of assets from Mevia (iv) (note 6(b))	600,000	1,650,000
Shares issued through short form prospectus (v)	5,566,000	12,523,500
Share issue costs – Underwriters fees (v)	-	(876,645)
Share issue costs – Legal and other (v)	-	(384,131)
Balance, December 31, 2015	49,022,410	30,944,778
Repurchase of shares (vi)	(2,000,000)	(130,000)
Fair value adjustment of repurchase of shares (vi)	-	(1,132,475)
Repurchase of shares (vii)	(2,300,000)	(149,500)
Fair value adjustment of repurchase of shares (vii)	-	(1,302,346)
Issue of shares related to acquisition of Vanado (viii) (note 6(a))	500,000	77,500
Issue of shares on private placement (ix)	27,272,727	3,000,000
Share issue costs – Legal and other (ix)	-	(85,832)
Balance, December 31, 2016	**72,495,137**	**31,222,125**

(i) On January 1, 2015, the Corporation acquired all the issued and outstanding shares of Vanado by issuing 227,273 common shares of the Corporation at a fair value of $2.40 per share. On December 3, 2015, 591,366 additional shares were issued at a fair value of $0.78 on achieving one of the performance thresholds (note 6(a)).

(ii) On February 23, 2015, 100,000 stock options were exercised at a price of $0.75 per stock option for total proceeds of $75,000. On March 2, 2015, 20,000 stock options were exercised at a price of $0.33 per stock option for total proceeds of $6,600. On March 12, 2015, 25,000 stock options were exercised at a price of $0.75 per stock option for total proceeds of $18,750. On March 12, 2015, 37,500 stock options were exercised at a price of $0.33 per stock option for total proceeds of $12,375. On March 30, 2015, 10,000 stock options were exercised at a price of $0.52 per stock option for total proceeds of $5,200. On April 9, 2015, 152,100 stock options were exercised at a price of $0.52 per stock option for total proceeds of $79,092. On April 16, 2015, 200,000 stock options were exercised at a price of $0.52 per stock option for total proceeds of $104,000. On April 20, 2015, 37,900 stock options were exercised at a price of $0.52 per stock option for total proceeds of $19,708. On May 5, 2015, 73,250 stock options were exercised at a price of $0.33 per stock option for total proceeds of $24,173. On May 8, 2015, 100,000 stock options were exercised at a price of $0.75 per stock option for total proceeds of $75,000. On July 13, 2015, 15,000 stock options were exercised at a price of $0.33 per stock option for total proceeds of $4,950. On September 11, 2015, 60,000 stock options were exercised at a price of $0.50 per stock option for total proceeds of $30,000. On December 1, 2015, 6,666 stock options were exercised at a price of $0.33 per stock option for total proceeds of $2,200. The initial fair value of these stock options of $374,104 was transferred from contributed surplus to share capital on exercise of these options.

11. SHARE CAPITAL *(continued)*

(iii) On March 20, 2015, 16,333 Finders Warrants were exercised at a price of $0.75 per warrant for total proceeds of $12,250. On March 30, 2015, 100,000 Finders Warrants were exercised at a price of $0.75 per warrant for total proceeds of $75,000. On May 6, 2015, 144,231 share purchase warrants were exercised at a price of $0.52 per warrant for a total proceeds of $75,000. On July 3, 2015, 606,666 share purchase warrants were exercised at a price of $0.33 per warrant for a total proceeds of $200,214. On December 8, 2015, 758,334 share purchase warrants were exercised at a price of $0.33 per warrant for total proceeds of $250,250. The initial fair value of these warrants of $646,555 was transferred from warrants to share capital on exercise of the warrants.

(iv) On April 30, 2015, the Corporation acquired certain assets of Mevia (note 6(b)) by issuing 600,000 common shares of the Corporation at a price of $2.75 per share.

(v) On June 16, 2015, the Corporation completed a short form prospectus offering and issued a total of 5,566,000 common shares of the Corporation at an offering price of $2.25 per common share for total gross proceeds of $12,523,500. Underwriters' fees of 7% totaling $876,645 were paid in connection with the prospectus. In addition, legal and other share issue costs of $384,131 were incurred.

(vi) On July 6, 2016, the Corporation repurchased 2 million common shares of the Corporation for cancellation from a corporation controlled by the former President and CEO of the Corporation for $0.065 per share. Consideration for this share re-purchase was used to settle the note receivable from this corporation (note 15(b)), with the balance settled in cash. These 2 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,132,475 was credited to contributed surplus.

(vii) On August 18, 2016, the Corporation repurchased 2.3 million common shares of the Corporation for cancellation from a company controlled by the former Chief Revenue Officer ("CRO") of the Corporation for $0.065 per share. Consideration for this share repurchase was used to settle the note receivable from this corporation (note 15(b)), with the balance to be settled in cash. These 2.3 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,302,346 was credited to contributed surplus.

(viii) On September 30, 2016, 500,000 additional common shares were issued at a fair market value of $0.155 as part of the final post-closing payment to settle the contingent consideration related to the acquisition of Vanado.

(ix) On October 3, 2016, the Corporation closed a non-brokered private placement ("Offering"). Pursuant to the Offering, the Corporation issued a total of 27,272,727 common shares at $0.11 per share for aggregate gross proceeds of $3,000,000. Legal and other share issue costs of $85,832 were incurred.

The weighted average number of common shares outstanding and used to calculate basic and diluted loss per share is 53,740,865 for the year ended December 31, 2016 (2015 – 44,377,073). The Corporation excluded all stock options and warrants from the calculation of diluted loss per share for the years ended December 31, 2016 and 2015 as they would be anti-dilutive.

As at December 31, 2016, a total of Nil common shares (2015 – 3,272,116) were held in escrow pursuant to TSXV requirements. The final shares were released from escrow on March 11, 2016.

12. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 13 for further details on these plans.

12. CONTRIBUTED SURPLUS AND WARRANTS *(continued)*

Contributed Surplus

	$
Balance, December 31, 2014	1,117,616
Stock-based compensation expense, continuing operations	241,708
Stock-based compensation expense, discontinued operations (note 20)	1,362,335
Exercise of stock options	(374,104)
Balance, December 31, 2015	2,347,555
Stock-based compensation expense, continuing operations	281,673
Stock-based compensation expense, discontinued operations (note 20)	68,725
Expiry of warrants	146,538
Fair value adjustment of repurchase of shares (Note 11(vi))	1,132,475
Fair value adjustment of repurchase of shares (Note 11(vii))	1,302,346
Balance, December 31, 2016	**5,279,312**

Warrants

	$
Balance, December 31, 2014	1,196,919
Exercise of warrants	(646,555)
Balance, December 31, 2015	550,364
Expiry of warrants	(146,538)
Balance, December 31, 2016	**403,826**

13. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant. During the year ended December 31, 2016, the Corporation issued 5,465,000 options (2015 - 1,915,000) at exercise prices ranging from $0.16 to $0.60 (2015 - $0.85 to $2.83). All of the options vest over three years, except for Nil options (2015 - 95,000) that have accelerated vesting provisions.

A summary of the Plan transactions for the years ended December 31, 2016 and 2015 are as follows:

	For the year ended December 31, 2016		**For the year ended December 31, 2015**	
	Number of options	**Weighted average exercise price $**	**Number of options**	**Weighted average exercise price $**
Outstanding at beginning of year	4,435,083	1.05	3,732,500	0.72
Options granted	5,465,000	0.17	1,915,000	1.54
Options cancelled / forfeited	(3,840,083)	1.08	(375,001)	1.44
Options exercised during the year	-	-	(837,416)	0.55
Outstanding at end of year	6,060,000	0.24	4,435,083	1.05

13. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

The weighted average market price on the date of exercise for options exercised during the year ended December 31, 2015 was $2.87.

The following provides a summary of options outstanding and exercisable as at December 31, 2016:

Options outstanding			Options exercisable		
Outstanding at December 31, 2016	**Weighted average remaining contractual life**	**Weighted average exercise price $**	**Number exercisable at December 31, 2016**	**Weighted average remaining contractual life**	**Weighted average exercise price $**
6,060,000	4.61 years	0.24	586,667	2.87 years	0.72

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the year ended December 31, 2016	**For the year ended December 31, 2015**
Fair value of options	**$0.16 to $0.60**	$0.65 to $2.42
Exercise price	**$0.17**	$1.54
Share price	**$0.17**	$1.54
Dividend yield	**0%**	0%
Forfeiture %	**0.72%**	3.9%
Risk-free interest rate	**1.22%**	0.80%
Expected life of options	**5 years**	5 years
Expected volatility	**149%**	125%

The forfeiture rate has been estimated based on past experience.

The Corporation recorded stock-based compensation expense for options of $350,398 (2015 - $1,604,043) with an offsetting increase to contributed surplus in respect of the stock options granted during the year ended December 31, 2015. No (2015 - 837,416) stock options were exercised during the year and as a result $Nil (2015 - $374,104) was transferred to share capital from contributed surplus.

The Corporation issued 2,275,000 agent warrants as compensation to agents in connection with convertible debenture issuances during the year ended December 31, 2014. Each agent warrant is exercisable for one common share of the Corporation at $0.33 per common share for a period of 5 years from the issuance date. The fair value of the agent warrants was calculated to be $964,709 using the Black-Scholes option pricing model. 758,334 of these warrants were issued to an entity related by common officers and directors. 910,000 of these agent warrants were outstanding at December 31, 2015 and 2016.

The Corporation issued 768,002 share purchase warrants during the year ended December 31, 2014 as part of a unit offering. Each share purchase warrant is exercisable for one common share of the Corporation at $0.52 per common share for a period of 3 years from the issuance date. The fair value of the share purchase warrants was calculated to be $95,662 using the Black-Scholes option pricing model. 144,231 of these share purchase warrants were outstanding at December 31, 2015 and 2016.

The Corporation issued 793,332 finders warrants during the year ended December 31, 2014 in connection with the brokered and non-brokered private placement. Each finders warrant was exercisable for one common share of the Corporation at $0.75 per common share for a period of 24 months from the date of closing of the Qualifying Transaction. The fair value of the finders warrants was calculated to be $339,208 using the Black-Scholes option pricing model. 342,720 of these share purchase warrants were outstanding at December 31, 2015 and expired during the year ended December 31, 2016.

13. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

A summary of warrant transactions for the year ended December 31, 2016 and 2015 are as follows:

	For the year ended December 31, 2016		For the year ended December 31, 2015	
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	1,396,951	0.45	3,022,515	0.41
Warrants expired	(342,720)	0.75	-	-
Warrants exercised	-	-	(1,625,564)	0.38
Outstanding at end of period	1,054,231	0.36	1,396,951	0.45

The following provides a summary of warrants outstanding as at December 31, 2016:

Warrants outstanding		
Outstanding at December 31, 2016	**Weighted average remaining contractual life**	**Weighted average exercise price $**
1,054,231	1.87 years	$0.36

14. INTEREST INCOME

Interest income (expense) consists of the following:

	2016 $	2015 $
Interest income	**64,803**	74,660
Interest and bank charges	**(33,691)**	(34,441)
	31,112	40,219

15. RELATED PARTY TRANSACTIONS

(a) The Corporation considers its key management personnel to be its Chief Executive Officer, Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary and benefits severance, stock based compensation and consulting fees paid to key management and companies controlled by key management. During the year ended December 31, 2016, key management compensation amounted to $1,660,846 (2015 - $2,142,049), split between general and administrative, sales and marketing, development and operations, and stock-based compensation expenses, based on work performed. Key management salaries of $1,415,056 (2015 - $1,927,549) have been included in discontinued operations (note 20) and $245,790 (2015 - $214,500) has been included in general and administrative expenses.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $4,094,280 (2015 - $7,591,175) for the year ended December 31, 2016, split between general and administrative, sales and marketing, development and operations expenses, based on work performed. Total personnel expenses of $3,848,490 (2015 - $7,376,675) have been included in discontinued operations (note 20) and $245,790 (2015 - $214,500) has been included in general and administrative expenses.

15. RELATED PARTY TRANSACTIONS

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during the year (notes 11(vi) and (vii)).

(c) As at December 31, 2016, the Corporation had $245,082 (2015 - $Nil) in trade and other payables owing to former key management personnel.

16. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Corporation is committed under leases on its Calgary office space, expiring July 31, 2017, for gross future minimum rental payments exclusive of occupancy costs as follows:

	Calgary $	Total $
2017	46,046	46,046
	46,046	**46,046**

During the year ended December 31, 2016, the Corporation entered into an agreement to sublease out its office space for the remaining lease term, expiring July 31, 2017. Sublease receipts of $32,046 are expected, resulting in expected net lease outflows of $14,000 during 2017.

(b) Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim seeks damages in an amount in excess of $15,000,000.

Subsequent to December 31, 2016, an application by the above noted company, seeking summary judgment was dismissed by the Court of Queen's Bench. The company has not filed an appeal. The Corporation has been advised that the company now seeks to amend its pleadings to include a claim for oppression.

The Corporation believes that these claims are without merit and litigation counsel has been authorized and instructed to vigorously defend against the claims and, accordingly, the Corporation has not accrued a provision relating to the claim.

17. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensuring a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus, accumulated other comprehensive income and deficit as equity components. The Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	December 31, 2016 **$**	December 31, 2015 $
Share capital	**31,222,125**	30,944,778
Warrants	**403,826**	550,364
Contributed surplus	**5,279,312**	2,347,555
Accumulated other comprehensive income	**-**	17,561
Deficit	**(29,293,110)**	(23,267,386)
Total capital	**7,612,153**	10,592,872

17. CAPITAL MANAGEMENT *(continued)*

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, notes receivable, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consisted of common shares held in a private corporation. The Corporation determined that the fair value of these common shares could not be reliably determined and as such the long-term investment was carried at cost.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable were due from key management personnel and the Corporation minimized the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately 73% of the Corporation's revenue during the year ended December 31, 2016 (2015 - 51%) was generated from 4 (2015 - 3) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2016, the Corporation has cash and cash equivalents of $7,908,963 (2015 - $10,489,615) and has a positive net working capital position of $7,612,153 (2015 - $7,428,490) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2016, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $274,565 (2015 - US $338,718); GBP Nil (2015 – GBP 389,938) and trade and other payables denominated in US $Nil (2015 - US $296,774); GBP Nil (2015 – GBP 7,644) and trade and other receivables denominated in US $Nil (2015 – US $11,382); Euro Nil (2015 – Euro 2,697). A 1% change in the exchange rate between the Canadian and US dollar, GBP and Euro would have a trivial impact on the net income and cash flows of the Corporation for the years ended December 31, 2016 and 2015.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2016 and 2015, the Corporation is not exposed to any interest rate cash flow risk.

19. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

20. DISCONTINUED OPERATIONS

During the year ended December 31, 2016, the Corporation formed a special committee of members from its board of directors to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and risk management businesses and is currently pursuing alternative business opportunities. As such, the Corporation's loss and comprehensive loss and cash flows have been split between continuing and discontinued operations.

20. DISCONTINUED OPERATIONS *(continued)*

Details of the Corporation's discontinued operations are as follows:

	December 31 2016 $	December 31 2015 $
REVENUE	**675,147**	142,195
EXPENSES		
General and administrative	**1,753,309**	2,520,640
Sales and marketing	**1,076,218**	1,559,967
Development and operations	**1,887,909**	3,798,355
Stock-based compensation (notes 6(a) and 12)	**68,725**	2,646,374
Amortization – property and equipment (note 7)	**1,465**	5,097
Amortization – intangible assets (note 6(b))	**322,491**	859,976
	5,110,117	11,390,409
Loss from discontinued operations	**(4,434,970)**	(11,248,214)
Foreign exchange gain	**6,817**	18,420
Loss on impairment of intangible assets (note 6(b))	**(2,687,426)**	-
Loss on impairment of long-term investment	**(145,000)**	-
Loss on wind down of subsidiaries and elimination of foreign exchange related accumulated other comprehensive income	**(432,729)**	-
Interest and bank charge expenses (note 14)	**(33,691)**	(34,441)
Changes in fair value on contingent consideration payable (note 6)	**2,519,660**	(99,948)
Net loss from discontinued operations	**(5,207,339)**	(11,364,183)
OTHER COMPREHENSIVE INCOME		
Exchange gain (loss) on translation of foreign operations	**(17,561)**	17,561
Comprehensive loss from discontinued operations	**(5,224,900)**	(11,346,622)

VOGOGO INC.

Management's Discussion and Analysis

For The Three Months and Year Ended December 31, 2016

MANAGEMENT'S DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation"), believes is required to gain an understanding of the financial results of the Corporation for the three months and years ended December 31, 2016 and 2015, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information" as defined under applicable Canadian securities laws), which are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information". Additional information relating to Vogogo is available under Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of April 13, 2017, should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2016 and 2015.

The Corporation's audited consolidated financial statements have been prepared on a "going concern" basis, which presumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The operations of the Corporation have been primarily funded through private placements of equity. The continued operations of the Corporation are dependent on the Corporation's ability to generate profitable operations in the future, to receive continued financial support from shareholders, and/or to complete sufficient equity and debt financings.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Business Overview

Vogogo has been a specialized payment processing business with associated risk management capability. The Corporation spent recent years developing and launching technologies that enabled secure and compliant transaction processing for businesses.

During the first half of 2016, following the strategic review process announced by Vogogo, the board of directors of the Corporation (the "Board") decided to discontinue payment-processing operations in order to preserve the Corporation's cash position. The Corporation advised its remaining clients that it would cease to process payments by September 30, 2016. Prior to making this determination, the Board reviewed strategic alternatives that focused on increasing shareholder value, which included, but were not limited to, a modified plan for continuing the business; the sale or combination of Vogogo's payment and risk management assets to or with another firm; a strategic vend-in, amalgamation, reverse amalgamation or similar transaction; a sale of one or more corporate assets; and/or a strategic business combination or strategic partnership. Ultimately, the Board concluded that ceasing all operations and seeking a suitable vend-in opportunity was in the best interests of the Corporation and its shareholders. The Board is currently assessing multiple options to vend one or more other viable businesses into the Corporation. There is no assurance that this process will result in any future transaction.

On July 5, 2016, the Corporation completed the disposition of certain of its assets known as the "Vogogo Risk and Rules Engine" (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company (the "Purchaser"). Vogogo had originally purchased the Vogogo Risk and Rules Engine from Mevia. The Sale Transaction involved the disposition of the Corporation's transaction risk management platform. Pursuant to the Sale Transaction, the Purchaser acquired the Vogogo Risk and Rules Engine and all associated liabilities on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, the Purchaser agreed to terminate its rights to post-closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the agreement entered into in the second quarter of 2015 among Mevia, its shareholders and the Corporation, wherein the Corporation acquired the Vogogo Risk and Rules Engine. As a result, the balance of the corresponding intangible asset of $2,687,426 was fully written off during 2016 and estimated contingent consideration payable of $2,219,893 was also eliminated.

In addition to information contained herein, further details concerning the Corporation are provided in the historical financial statements and related management's discussion and analysis, which have been filed under the profile of the Corporation at www.sedar.com.

The Corporation's head office address is P O Box 34023, Westbrook PO, Calgary, Alberta T3C 3W2 and the registered office address is 4600, 525 – 8th Avenue S.W., Calgary, Alberta T2P 1G1.

Discontinued Operations

During the year ended December 31, 2016, the Corporation formed a special committee of its board of directors to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and risk management businesses, and is currently pursuing alternative business opportunities. As such, the Corporation's profit or loss and cash flows have been split between continuing and discontinued operations.

Details of the Corporation's discontinued operations are as follows:

	December 31 2016 $	December 31 2015 $
REVENUE	**675,147**	142,195
EXPENSES		
General and administrative	**1,753,309**	2,520,640
Sales and marketing	**1,076,218**	1,559,967
Development and operations	**1,887,909**	3,798,355
Stock-based compensation	**68,725**	2,646,374
Amortization – property and equipment	**1,465**	5,097
Amortization – intangible assets	**322,491**	859,976
	5,110,117	11,390,409
Loss from discontinued operations	**(4,434,970)**	(11,248,214)
Foreign exchange gain	**6,817**	18,420
Loss on impairment of intangible assets	**(2,687,426)**	-
Loss on impairment of long-term investment	**(145,000)**	-
Loss on wind down of subsidiaries and elimination of foreign exchange and related accumulated other comprehensive income	**(432,729)**	-
Interest and bank charge expenses	**(33,691)**	(34,441)
Changes in fair value on contingent consideration payable	**2,519,660**	(99,948)
Net loss from discontinued operations	**(5,207,339)**	(11,364,183)
OTHER COMPREHENSIVE INCOME		
Exchange gain (loss) on translation of foreign operations	**(17,561)**	17,561
Comprehensive loss from discontinued operations	**(5,224,900)**	(11,346,622)

The Focus for 2017

In the latter half of 2016 and into 2017, the Board has been focused on identifying a vend-in opportunity for Vogogo with the over-arching goal of leveraging the Corporation's cash in an operating business to create shareholder value. Criteria have been prepared to serve as a guide in assessing candidate vend-in opportunities, and include characteristics such as clear path to revenue, scalability, strong management team, little or no debt, and readily financeable in current public market. Over 50 candidate opportunities have been reviewed at a high level and, of these, four opportunities qualified for more comprehensive due diligence. As at the date of this MD&A, two candidate opportunities remain of interest and continue to be assessed in detail. While these two opportunities currently appear to be promising vend-in candidates, there is no assurance that a suitable vend-in deal involving either of the opportunities can be completed. While assessing these candidates, the Board continues to seek additional candidate opportunities. It is contemplated that a vend-in deal will be completed in 2017.

BASIS OF PRESENTATION

This MD&A of the results of operations should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2016 and 2015.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board on April 13, 2017.

NON-IFRS MEASURES

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation's financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users. The EBITDA and Adjusted EBITDA are calculated as follows:

> EBITDA = Income (Loss) + Interest Expense – Interest Income +Accretion + Taxes (if any) + Depreciation + Amortization.
>
> Adjusted EBITDA = EBITDA + Stock Based Compensation

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities.

Cash Flow From Operations

Cash flow from operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items to the comprehensive income and then adding or deducting working capital sources or uses related to operating activities.

	Year ended December 31, 2016 $	Year ended December 31, 2015 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from continuing operations	**(818,385)**	(797,772)
Add back (deduct) items not involving cash:		
Stock-based compensation from continuing operations	**281,673**	241,708
	(536,712)	(556,064)
Changes in non-cash working capital items:		
Trade and other receivables	**38,180**	(59,032)
Notes receivable	**157,500**	(4,500)
Prepaid expenses and deposits	**1,023**	(11,936)
Trade and other payables	**(363,858)**	(32,288)
Net change in non-cash working capital	**(167,155)**	(107,756)
Net cash flows from continuing operations	**(703,867)**	(663,820)
Net cash flows from discontinued operations	**(4,501,892)**	(7,850,124)
Net cash used in operating activities	**(5,205,759)**	(8,513,944)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash flows from discontinued operations	**8,000**	-
Net cash generated by investing activities	**8,000**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash flows from discontinued operations	**2,634,668**	12,332,486
Net cash generated by financing activities	**2,634,668**	12,332,486
Effect of changes in foreign exchange rates on cash held in foreign currencies relating to discontinued operations	**(17,561)**	151,689
Net increase in cash and cash equivalents for the year	**(2,580,652)**	3,970,231
Cash and cash equivalents, beginning of the year	**10,489,615**	6,519,384
Cash and cash equivalents, end of the year	**7,908,963**	10,489,615
Cash and cash equivalents consists of the following:		
Cash held in banks	**$ 358,638**	$1,939,616
Guaranteed investment certificates	**7,550,325**	8,549,999
	$7,908,963	$10,489,615

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to December 31, 2016.

($)	Dec 31, 2016	Sept 30, 2016	June 30, 2016	Mar 31, 2016	Dec 31, 2015	Sept 30, 2015	June 30, 2015	Mar 31, 2015
Total assets	8,148,556	6,618,097	10,668,049	16,623,173	15,788,160	16,393,119	18,525,387	5,432,724
Net working capital	7,612,153	5,213,825	6,528,077	5,645,886	7,428,490	9,896,109	11,451,878	3,749,580
Total liabilities	536,403	1,404,272	4,131,947	8,136,116	5,195,288	4,019,059	4,271,793	1,982,002
Revenue	224,862	31,338	254,495	164,452	80,657	31,527	18,268	11,743
Net loss and comprehensive loss	(602,639)	(1,041,344)	(1,932,999)	(2,466,303)	(2,875,176)	(2,628,001)	(2,882,088)	(3,759,129)
Basic and diluted loss per Share	(0.01)	(0.02)	(0.04)	(0.05)	(0.05)	(0.06)	(0.06)	(0.10)

Comprehensive loss for the three months ended December 31, 2016 decreased to $0.6 million compared to $2.9 million for the same period in 2015. For the year ended December 31, 2016 comprehensive loss decreased to $6.0 million compared to $12.1 million for the year ended December 31, 2015. The lower quarterly and annual losses in 2016 were the result of lower general and administrative, sales and marketing, development and operations and stock-based compensation expenses compared to the same periods in 2015. In addition, revenue for the current year was higher when compared to the previous year.

RESULTS OF OPERATIONS

Revenues

($)	December 31, 2016	December 31, 2015
Revenue – Discontinued Operations	**675,147**	142,195

Vogogo's 2016 revenue was significantly higher at $675,147 compared to $142,195 for the same period a year earlier. This increase is mainly due to an increase in revenues from payment processing in Europe. Vogogo EU received an EMI license during the fall of 2015 and started generating corresponding revenue in March 2016. During 2016, Vogogo EU voluntarily applied for and received confirmation of cancellation of its EMI license, and discontinued operations in Europe. Further, the Company decided to shut down all its operations effective June 30, 2016 and subsequently dissolved Vogogo EU Ltd., Vanado Inc. and Vogogo USA Inc. during the second half of 2016. As a result, no revenue was generated during the fourth quarter of 2016.

General and Administrative

($)	December 31, 2016	December 31, 2015
General and administrative expenses – Discontinued Operations	**1,753,309**	2,520,640
General and administrative expenses – Continued Operations	**601,515**	630,724
TOTAL	**2,354,824**	3,151,364

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the year ended December 31, 2016, G&A expenses decreased by $796,540 or 25% to $2,354,824 from $3,151,364 in 2015.

For the year ended December 31, 2016 G&A expenses were lower when compared to the same period last year due to cost reduction initiatives that the Corporation had been implementing since the beginning of 2016 and the implementation of shut down of business operations.

For the year ended December 31, 2016, 49% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2015, 75% of G&A expenses related to personnel, consulting, professional fees and rent. A larger percentage of 2015 expenses related to higher legal, regulatory and administrative costs as compared to 2016.

Sales and Marketing

($)	December 31, 2016	December 31, 2015
Sales and marketing expenses – Discontinued Operations	**1,076,218**	1,559,967

Sales and marketing expenses consist principally of salaries, commissions, travel and other costs associated with the Corporation's sales force, as well as marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre-sales technical support. Sales and marketing expenses for the year ended December 31, 2016 were lower by $483,749 or 31% compared to the previous year because of cost reduction initiatives that the Corporation had been implementing since the beginning of 2016 and the implementation of shut down of business operations.

Development and Operations

($)	December 31, 2016	December 31, 2015
Development and operations expenses – Discontinued Operations	**1,887,909**	3,798,355

Development and operations ("D&O") expenses include personnel and related equipment costs to develop and support the Corporation's products. The Corporation expenses all research costs as they are incurred. Development costs are only capitalized if they meet the criteria set out by IFRS. Vogogo did not capitalize any development costs during 2016 and 2015. Expenditures for the year ended December 31, 2016 were based on further developing the risk management and payment processing technologies to service businesses operating in higher risk verticals with e-commerce markets, in the key regional markets of Canada, the US and Europe. As noted above, the Vogogo Risk and Rules Engine was sold during the first half of 2016, and all payment processing operations of the Corporation ceased in the second half of 2016.

D&O expenses for the year ended December 31, 2016 were lower by $1,910,446 or 50% compared to the previous year as a result of Management's decision to shut down operations during 2016.

For the years ended December 31, 2016 and 2015, 100% of the R&D expenses related to personnel, consulting and IT expenses.

Amortization

($)	December 31, 2016	December 31, 2015
Amortization expense – Discontinued Operations	**323,956**	865,073

Amortization expense relates to the property, equipment and intangible assets owned by the Corporation. Specifically, the Corporation owned computer equipment, furniture and fixtures, leasehold improvements ("Property and Equipment") and intangible assets related to the Corporation's risk platform. These assets were depreciated over their useful lives and impairments, if any, were assessed at every reporting period. During Q3 2016, the Corporation disposed all of its Property and Equipment for a net book value of $8,000 in cash. Following the Sale Transaction on July 5, 2016, the intangible asset with a net book value of $2,687,426 was impaired as the Vogogo Risk and Rules Engine was sold for a nominal price to a third party, resulting in a decrease in amortization expense for the year ended December 31, 2016 when compared to the same period previous year.

Stock-based Compensation

($)	December 31, 2016	December 31, 2015
Stock-based compensation – Discontinued Operations	**68,725**	2,646,374
Stock-based compensation – Continued Operations	**281,673**	241,708
TOTAL	**350,398**	2,888,082

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized consulting and payment services company based in Denver, Colorado ("Vanado"), for an aggregate deemed purchase price of approximately $1,284,039 comprised of the issuance of 227,273 common shares in the capital of the Corporation, and the fair value of contingent consideration comprised of certain post-closing payments of up to $1,000,000, which would be payable in common shares of the Corporation subject to the Corporation achieving certain performance thresholds. The entire $1,284,039 was allocated to stock-based compensation for Q1 2015.

Stock-based compensation for the year ended December 31, 2016 relates entirely to stock options, which were valued using the Black Scholes option-pricing model. For the year ended December 31, 2016, 5,465,000 stock options were issued (2015 – 1,915,000), 3,840,083 stock options were cancelled or forfeited (2016 – 375,001) and no stock options were exercised (2015 – 837,416). The lower number of new stock option issues and a higher number of stock option cancellations resulted in lower stock-based compensation expense for the current year.

Net Loss and Comprehensive Loss

($)	December 31, 2016	December 31, 2015
Net loss	**(6,025,724)**	(12,161,955)
Comprehensive loss	**(6,043,285)**	(12,144,394)

Included in net loss and comprehensive loss for the year ended December 31, 2016 are significant non-cash charges including $350,398 and 323,956 respectively in stock-based compensation and amortization compared to $2,888,082 and $865,073 respectively for the year ended December 31, 2015. In addition, during the year ended December 31, 2016, there were one-time transactions such as an impairment of intangible assets of $2,687,426, an impairment of the long-term investment of $145,000, wind down of subsidiaries of $432,729 and a gain on changes in contingent consideration payable of $2,519,660.

The difference between net loss and comprehensive loss is the result of foreign exchange gain on translation of foreign operations.

The Corporation's cash and cash equivalents at December 31, 2016 totaled $7,908,963 (December 31, 2015 - $10,489,615) and the positive net working capital position amounted to $7,612,153 (December 31, 2015 - $7,428,490). The Corporation has an accumulated deficit of $29,293,110 (December 31, 2015 - $23,267,386). As at March 31, 2016, the Corporation had not generated sufficient transaction volumes to sustain future operations and the Board decided to cease all operations, which occurred during the second half of 2016.

Liquidity and Capital Resources

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations.

The Corporation's objectives when managing capital were originally to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimized the costs of capital at an acceptable risk. However, as previously noted, during 2016, the Board made the decision to cease all payment processing operations and on July 5, 2016 sold the Vogogo Risk and Rules Engine in order to preserve cash and continue to evaluate strategic alternatives.

The management of capital includes the components of shareholders' equity, comprised of share capital, warrants, contributed surplus, other comprehensive income and deficit. The Corporation strives to maximize the value associated with shareholders' equity. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares, issue debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern;
- To maintain appropriate cash reserves on hand; and
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation plans to fund its expenditures through current cash available and, if necessary and feasible, various financing options including equity and/or debt financing.

In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	December 31, 2016 $	December 31, 2015 $
Share capital	**31,222,125**	30,944,778
Warrants	**403,826**	550,364
Contributed surplus	**5,205,596**	2,347,555
Accumulated other comprehensive income	**-**	17,561
Deficit	**(29,293,110)**	(23,267,386)
	7,612,153	10,592,872

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented.

Acquisitions

(a) Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized consulting and payment services company based in Denver, Colorado, USA, from an arm's length third party pursuant to a Share Purchase Agreement ("SPA").

The purchase was satisfied by the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016. These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016 a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss. The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment of $99,948 during the year ended December 31, 2015. A final adjustment of $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

(b) Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length, third party, private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was satisfied by the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017. These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance thresholds as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software. Management concluded that this acquisition meets the definition of a business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The fair value of the acquired intangible assets was measured using Level 3 inputs at the acquisition date, based on estimated discounted future cash flows.

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

The book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016	**-**

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". Mevia acquired the above described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

Estimated contingent consideration payable on milestones as at December 31, 2015:

	Vanado $	Mevia $	Total $
Current portion	**377,267**	**2,219,893**	**2,597,160**
Long-term portion	**-**	**-**	**-**
	377,267	**2,219,893**	**2,597,160**

The revenues and profit or loss since the closing date of the acquisitions, and proforma revenues and profit or loss giving effect to the acquisitions as if they had occurred on January 1, 2015, are not practical to determine. The operations of the acquired assets are not managed as separate business units, and the Corporation's general business overhead and other costs are not allocated or identified on a specific asset basis. Such allocations would, accordingly, be arbitrary and would require significant assumptions and estimates concerning management's intentions and decision-making.

Related Party Transactions

(a) The Corporation's key management personnel included the Chief Executive Officer, Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary and benefits severance, stock based compensation and consulting fees paid to key management and companies controlled by key management. During the year ended December 31, 2016, key management compensation amounted to $1,660,846 (2015 - $2,142,049), split between general and administrative, sales and marketing, development, operations, and stock-based compensation expenses, based on work performed.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $4,094,280 for the year ended December 31, 2016 (2015 - $7,591,175), split between general and administrative, sales and marketing, development and operations expenses, based on work performed.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel of $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during the year.

Commitments and Contingencies

(a) Commitments

The Corporation is committed under leases on its Calgary office space, expiring July 31, 2017, for gross future minimum rental payments exclusive of occupancy costs totaling $46,046.

During the year ended December 31, 2016, the Corporation entered into an agreement to sublease its office space for the remaining lease term, expiring July 31, 2017. Sublease receipts of $32,046 are expected, resulting in expected net lease outflows of $14,000 during 2017.

(b) Contingencies

In December 2014, a company controlled by the previous Chief Technology Officer of the Corporation filed a statement of claim in the Alberta Court of Queen's Bench. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common

shares of the Corporation previously held by the company. The claim seeks damages in an amount in excess of $15,000,000.

Subsequent to December 31, 2016, an application by the above noted company seeking a summary judgment was dismissed by the Court of Queen's Bench. The company has not yet filed an appeal. The Corporation has been advised that the company now seeks to amend its pleadings to include a claim for oppression.

The Corporation believes that these claims are without merit and litigation counsel has been authorized and instructed to vigorously defend against the claims and, accordingly, the Corporation has not accrued a provision relating to the claim.

Off-Balance Sheet Arrangements

At the date of this report, the Corporation had no off-balance sheet arrangements.

Outstanding Share Capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at December 31, 2016 and the date of this MD&A, the Corporation had 72,495,137 common shares, 6,060,000 stock options, 1,054,231 warrants convertible into common shares, and no preferred shares outstanding.

As at December 31, 2016, a total of Nil common shares (December 31, 2015 – 3,272,116) were held in escrow in compliance with TSX Venture Exchange requirements. The last of these shares were released from escrow on March 11, 2016.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments in applying its accounting policies, including estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

1) Areas of Judgment

(a) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a cash-generating unit ("CGU") is impaired. Factors considered include whether an active market exists for the output produced by the

asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(b) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on Management's assessment as to whether the acquisition meets the definition of a business.

(c) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability to raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern.

(d) Discontinued operations

Profit or loss attributable to operations that have been discontinued are presented separately in the consolidated financial statements of loss and comprehensive loss with specifics of the discontinuation of operations and details of the profit or loss attributable to those operations as disclosed in the notes to the consolidated financial statements.

2) Assumptions and Critical Estimates

(a) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(b) Impairment of property and equipment and intangible assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(c) Estimate of useful lives for intangibles

Management's judgment involves the use of estimates of the useful lives for intangibles to determine amortization methods and rates.

(d) Contingent consideration

The valuations of the contingent considerations issued on the acquisition of shares of Vanado and the acquisition of assets from Mevia (note 6 of the consolidated financial statements) have been recorded at fair value, based on Management's assessment of the likelihood of the performance targets being met. The associated liability is measured at fair value at each reporting date based on the likelihood of the performance targets being met.

(e) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the periods in which such determinations were made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, notes receivable, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private

corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately 73% (2015 - 51%) of the Corporation's revenue during the year ended December 31, 2015 was generated from 4 (2015 – 3) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2016, the Corporation has cash and cash equivalents of $7,908,963 (2015 - $10,489,615) and has a positive net working capital position of $7,612,153 (2015 - $7,428,490) in order to manage liquidity risk. Trade and other payables, trust liabilities and the contingent consideration payable are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2016, the Corporation's exposure to currency risk is limited to cash and cash equivalents of US $274,565 (2015 - US $338,718) and GBP Nil (2015 – GBP 389,938); trade and other payables of US $Nil (2015 - US $296,774) and GBP Nil (2015 – GBP 7,644); and trade and other receivables of US $Nil (2015 – US $11,382) and Euro Nil (2015 – Euro 2,697). A 1% change in the exchange rate between the Canadian and US dollar, GBP and Euro would have a trivial impact on the net income and cash flows of the Corporation for the years ended December 31, 2016 and 2015.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2016 and 2015, the Corporation is not exposed to any interest rate risk.

Risks and Uncertainties

Since the Board has made the decision to cease all operations, the Corporation is no longer subject to the risks associated with the legal and economic climate in which it previously operated or the prior stage of development of its operations. However, as the Corporation continues to evaluate its strategic alternatives, it is subject to a number of associated risks. There can be no certainty that the Corporation will be able to successfully implement any strategic alternative going forward. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the risks associated with pursuing a strategic alternative, including but not limited to the following.

(a) Ability to Effect Strategic Alternative

The Corporation may not be able to source or effect a suitable strategic alternative in a timely manner or at all.

(b) Additional Capital Requirements

The Corporation's cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available in a timely manner, or at all.

(c) Dependence on Key Personnel

The success of the Corporation in arranging a strategic alternative will be largely dependent upon the performance of its Board. The unexpected loss or departure of any of the current directors or consultants of the Corporation could be detrimental to the Corporation.

(d) Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's operations. To the extent that the board is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among

other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

(e) Continued Losses from Operations

As at December 31, 2016, the Corporation has cash and cash equivalents of $7,908,963 (2015 - $10,489,615) and has a positive net working capital position of $7,612,153 (2015 - $7,428,490). However, the Corporation had an accumulated deficit of $29,293,110 (December 31, 2015 - $23,267,386) as at December 31, 2016 and incurred a net loss during the year ended December 31, 2016 of $6,025,724 (2015 - $12,161,955). The Corporation ceased all of it operations and is actively seeking business vend-in options.

(f) Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and the board.

(g) Operating Results and Financial Condition May Fluctuate

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of securities analysts or investors, the market price of the Corporation's shares would likely decline.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Conflicts of interest, if any, that arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from

voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

Vogogo Inc.

Consolidated Financial Statements

(in Canadian dollars)

For the years ended December 31, 2015 and 2014

Management's Responsibility

To the Shareholders of Vogogo Inc.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board, through the Audit Committee, is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board also has the responsibility of recommending the appointment of the Corporation's external auditors and to meet with the external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues.

Collins Barrow Calgary LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 26, 2016

(signed) "*Geoff Gordon*"
Chief Executive Officer

(signed) "*Tom Wenz*"
Chief Financial Officer

Collins Barrow

Collins Barrow Calgary LLP
1400 First Alberta Place
777 – 8th Avenue S.W.
Calgary, Alberta, Canada
T2P 3R5

T. 403.298.1500
F. 403.298.5814
e-mail: calgary@collinsbarrow.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Vogogo Inc.

We have audited the accompanying consolidated financial statements of Vogogo Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2015 and December 31, 2014, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity (deficiency) and consolidated statements of cash flows for the years ended December 31, 2015 and December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Vogogo Inc. and its subsidiaries as at December 31, 2015 and December 31, 2014, and their financial performance and their cash flows for the years ended December 31, 2015 and December 31, 2014 in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to note 2(c) to the consolidated financial statements which describes conditions that indicate the existence of a material uncertainty that may cast significant doubt upon the Corporation's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Collins Barrow Calgary LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Calgary, Canada
April 26, 2016

	December 31 2015 $	December 31 2014 $
ASSETS		
Current assets:		
Cash and cash equivalents	**10,489,615**	6,519,384
Cash held in trust (note 9)	**1,888,008**	611,080
Trade and other receivables	**60,442**	-
Notes receivable (note 18(b))	**157,500**	153,000
Prepaid expenses and deposits	**28,213**	16,277
	12,623,778	7,299,741
Non-current assets:		
Property and equipment (note 8)	**9,465**	14,562
Intangible assets (note 7)	**3,009,917**	-
Long-term investment	**145,000**	145,000
	3,164,382	159,562
Total assets	**15,788,160**	7,459,303
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (note 10)	**710,120**	704,206
Trust liabilities (note 9)	**1,888,008**	611,080
Contingent consideration payable (note 7)	**2,597,160**	-
Total liabilities	**5,195,288**	1,315,286
Shareholders' Equity		
Share capital (note 14)	**30,944,778**	14,934,913
Warrants (note 15)	**550,364**	1,196,919
Contributed surplus (note 15)	**2,347,555**	1,117,616
Accumulated other comprehensive income	**17,561**	-
Deficit	**(23,267,386)**	(11,105,431)
Total shareholders' equity	**10,592,872**	6,144,017
Total liabilities and shareholders' equity	**15,788,160**	7,459,303

Going concern (note 2(c))
Commitments and contingences (note 19)
Subsequent events (notes 14 and 23)

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Chairman and Director

(signed) "*Geoff Gordon*"
Chief Executive Officer and Director

The accompanying notes are an integral part of the consolidated financial statements.

	December 31 2015 $	December 31 2014 $
REVENUE	**142,195**	216,600
EXPENSES		
General and administrative (note 18(a))	**3,151,364**	2,620,823
Sales and marketing	**1,559,967**	1,056,021
Development and operations	**3,798,355**	1,331,780
Stock-based compensation (notes 7, 15 and 16)	**2,888,082**	2,579,934
Reverse acquisition costs (note 6(i))	**-**	373,304
Listing costs (note 6(i))	**-**	930,852
Amortization – property and equipment (note 8)	**5,097**	9,689
Amortization – intangible assets (note 7)	**859,976**	-
	12,262,841	8,902,403
Loss from operations	**(12,120,646)**	(8,685,803)
Foreign exchange gain (loss)	**18,420**	(3,511)
Accretion (note 11)	**-**	(282,169)
Change in fair value of contingent consideration payable (note 7)	**(99,948)**	-
Interest income (expense), net (note 17)	**40,219**	(9,178)
Net loss	**(12,161,955)**	(8,980,661)
OTHER COMPREHENSIVE INCOME		
Exchange gain on translation of foreign operations	**17,561**	-
Comprehensive loss	**(12,144,394)**	(8,980,661)
Loss per share – basic and diluted (note 14)	**(0.27)**	(0.33)

The accompanying notes are an integral part of the consolidated financial statements.

	Share Capital $	Convertible Debentures - Equity Portion $	Warrants $	Contributed Surplus $	Accumulated Other Comprehensive Income $	Deficit $	Total $
Balance, December 31, 2013	**1,161,164**	**15,464**	**-**	**-**	**-**	**(1,802,586)**	**(625,958)**
Issuance of shares (note 14)	693,000	-	-	-	-	-	693,000
Equity portion of convertible debentures (note 14)	-	316,435	-	-	-	-	316,435
Issuance of shares on conversion of debentures (note 14)	2,588,814	(227,700)	-	-	-	-	2,361,114
Share-based compensation (notes 15 and 16)	-	-	-	2,579,934	-	-	2,579,934
Exercise of stock options (notes 14 and 16)	1,887,188	-	-	(1,519,463)	-	-	367,725
Issuance of units (notes 14 and 16)	54,338	-	95,662	-	-	-	150,000
Exercise of warrants (notes 14 and 16)	702,731	-	(202,660)	-	-	-	500,071
Issuance of agents warrants (notes 11 and 16)	-	(96,471)	964,709	-	-	-	868,238
Transfer of equity portion of convertible debentures on repayment (note 11)	-	(7,728)	-	7,728	-	-	-
Repurchase of shares (note 14)	(397,816)	-	-	-	-	(322,184)	(720,000)
Reverse acquisition (note 6(i))	930,000	-	-	49,417	-	-	979,417
Repurchase of shares on acquisition of Limitless (notes 6(ii) and 14)	(40,163)	-	-	-	-	-	(40,163)
Issuance of finders warrants (notes 14 and 16)	(339,208)	-	339,208	-	-	-	-
Issuance of shares on brokered and non brokered private placements, net of issue costs (note 14)	7,694,865	-	-	-	-	-	7,694,865
Net loss and comprehensive loss	-	-	-	-	-	(8,980,661)	(8,980,661)
Balance, December 31, 2014	**14,934,913**	**-**	**1,196,919**	**1,117,616**	**-**	**(11,105,431)**	**6,144,017**
Issuance of shares related to acquisition of Vanado Inc. (notes 87(a) and 14)	**1,006,720**	**-**	**-**	**-**	**-**	**-**	**1,006,720**
Issuance of shares on acquisition of Mevia Inc. (notes 7(b) and 14)	**1,650,000**	**-**	**-**	**-**	**-**	**-**	**1,650,000**
Share-based compensation (notes 15 and 16)	**-**	**-**	**-**	**1,604,043**	**-**	**-**	**1,604,043**
Exercise of stock options (notes 14 and 16)	**831,152**	**-**	**-**	**(374,104)**	**-**	**-**	**457,048**
Exercise of stock warrants (notes14 and 16)	**1,259,269**	**-**	**(646,555)**	**-**	**-**	**-**	**612,714**
Issuance of shares through short form prospectus, net of issue costs (note 14)	**11,262,724**	**-**	**-**	**-**	**-**	**-**	**11,262,724**
Net loss and comprehensive loss	**-**	**-**	**-**	**-**	**17,561**	**(12,161,955)**	**(12,144,394)**
Balance, December 31, 2015	**30,944,778**	**-**	**550,364**	**2,347,555**	**17,561**	**(23,267,386)**	**10,592,872**

The accompanying notes are an integral part of the consolidated financial statements.

	December 31 2015 $	December 31 2014 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	**(12,161,955)**	(8,980,661)
Add back (deduct) items not involving cash:		
Amortization – property and equipment (note 8)	**5,097**	9,689
Amortization – intangible assets (note 7)	**859,976**	-
Accretion (note 11)	**-**	282,169
Listing costs (note 6(i))	**-**	930,852
Foreign exchange loss (gain)	**(97,336)**	-
Interest on royalty financing (note 12)	**-**	11,508
Stock-based compensation and non-cash commission expenses (notes 14 and 16)	**2,988,030**	2,794,934
	(8,406,188)	(4,951,509)
Changes in non-cash working capital items:		
Trade and other receivables	**(59,032)**	17,221
Notes receivable (note 18(b))	**(4,500)**	(153,000)
Prepaid expenses and deposits	**(11,936)**	(2,513)
Trade and other payables	**(32,288)**	203,962
	(107,756)	65,670
Net cash used in operating activities	**(8,513,944)**	(4,885,839)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of royalty financing (note 12)	**-**	(229,700)
Proceeds from the issuance of convertible debentures (note 11)	**-**	3,164,345
Repayment of convertible debentures (note 11)	**-**	(100,000)
Repurchase of shares (note 14)	**-**	(760,163)
Proceeds from the issuance of shares, net of share issue costs (note 14)	**11,262,724**	8,172,865
Proceeds from exercise of stock options (note 14)	**457,048**	367,725
Proceeds from exercise of warrants (note 14)	**612,714**	500,071
Proceeds from exercise of units (note 14)	**-**	150,000
Cash acquired on reverse acquisition (note 6(i))	**-**	47,858
Net cash generated by financing activities	**12,332,486**	11,313,001
Effect of changes in foreign exchange rates on cash held in foreign currencies	**151,689**	-
Net increase in cash and cash equivalents for the year	**3,970,231**	6,427,162
Cash and cash equivalents, beginning of the year	**6,519,384**	92,222
Cash and cash equivalents, end of the year	**10,489,615**	6,519,384
Supplemental cash flow information:		
Interest paid	**34,441**	43,041

	2015	2014
Cash and cash equivalents consists of the following:		
Cash held in banks	**$1,939,616**	$6,519,384
Guaranteed investment certificates (note 3(b))	**8,549,999**	-
	$10,489,615	$6,519,384

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo"), formerly Southtech Capital Corporation ("Southtech"), provides payment processing and related transaction risk services. Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly-owned subsidiary and Delaware company and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd, a wholly-owned subsidiary registered under the laws of United Kingdom. On January 1, 2015 the Corporation acquired all the issued and outstanding shares of Vanado Inc. a Colorado company. The Corporation develops software that administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer and online banking payments for the US, UK and Canadian markets. The head office is located at 400, 320 – 23rd Avenue SW, Calgary, Alberta, Canada, T2S 0J2.

Southtech was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 21, 2011 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of TSX Venture Exchange Inc. ("TSX Venture"). The principle business of Southtech was to identify and evaluate potential acquisitions or businesses ("Qualifying Transaction") and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and, if required, shareholders' approval.

On September 11, 2014, Southtech completed its Qualifying Transaction which was effected pursuant to an agreement between Southtech and Redfall Technologies Inc. ("Redfall"). Pursuant to the agreement, Southtech and Redfall completed a business combination by way of an amalgamation. The former shareholders of Redfall received one fully paid share in the new amalgamated company for every one share held in Redfall and the former shareholders of Southtech received one fully paid share in the new amalgamated company for every five shares held in Southtech. The new amalgamated company changed its name to Vogogo Inc.

Upon closing of the transaction, the shareholders of Redfall owned 95.62% of the common shares of Vogogo and as result, the transaction is a reverse acquisition of Southtech by Redfall. For accounting purposes, Redfall is considered the acquirer and Southtech the acquiree. Accordingly, the consolidated financial statements are in the name of Vogogo Inc. (formerly Southtech), however are a continuation of the financial statements of Redfall. Additional information on the transaction is disclosed in note 6(i).

The shares of Vogogo are traded on the TSX Venture Exchange under the symbol VGO.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 26, 2016.

(b) Basis of measurement and preparation

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

The consolidated financial statements have been prepared under the historical cost basis, except as noted in note 3(h).

General and administrative, sales and marketing, and development and operations expenses are presented on a functional basis. Stock-based compensation, reverse acquisition costs, listing costs and amortization are presented on a separate line by their nature. Significant expenses such as personnel expenses are presented by their nature in the notes to the consolidated financial statements.

2. BASIS OF PRESENTATION *(continued)*

(c) Going concern

These consolidated financial statements have been prepared on the basis that the Corporation will continue as a going concern, which assumes that the Corporation will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of a material uncertainty related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. As at December 31, 2015, the Corporation has cash and cash equivalents of $10,489,615 (2014 - $6,519,384) and has a positive net working capital position of $7,428,490 (2014 - $5,984,455). However, the Corporation has an accumulated deficit of $23,267,386 (2014 - $11,105,431) as at December 31, 2015 and incurred a net loss during the year ended December 31, 2015 of $12,161,955 (2014 - $8,980,661). The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2015 is uncertain.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Canada Inc. The functional currency of Vogogo USA Inc. and Vanado Inc. is U.S. dollars ("USD") and the functional currency of Vogogo EU Ltd. is British Pounds ("GBP").

(e) Basis of consolidation

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions and balances have been eliminated in these consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Business combinations

Business combinations are accounted for using the acquisition method where the acquisitions of companies and assets meet the definition of a business under IFRS. The acquired identifiable net assets are measured at their fair value at the date of acquisition. Contingent consideration is included in the purchase price at fair value at the date of acquisition based on the likelihood of the consideration being ultimately paid and the expected timing of the payment. Any excess of the purchase price over the fair value of the net assets acquired is recognized as goodwill. Following initial recognition, goodwill is recognized at cost less any accumulated impairment losses. Any deficiency of the purchase price below the fair value of the net assets acquired is recorded as a bargain purchase gain in profit or loss. Associated transaction costs are expensed when incurred.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Cash and cash equivalents

Cash and cash equivalents consist of amounts held in current bank accounts and highly liquid short-term investments, including those with maturities of less than three months. As at December 31, 2015, the Corporation held guaranteed investment certificates of $8,549,999 (2014 - $NIL) bearing interest at 0.88% and maturing in June 2016.

(c) Revenue recognition

The Corporation generates revenue through transaction fees on payment processing and fees from transaction risk services. In all cases, revenues generated in the normal course of business are measured at the fair value of the consideration received or receivable. Transaction fee revenues are recognized upon completion of the payment transaction. Risk platform revenues are recognized on a straight-line basis over the term of the services provided. Rebates and similar deductions are deducted from revenues.

Interest income is recognized as it accrues in the consolidated statement of loss and comprehensive loss using the effective interest rate method.

(d) Research and development

Research costs are expensed when incurred. Internally-generated software costs, including personnel costs of the Corporation's development group, are capitalized as intangible assets when the Corporation can demonstrate that the technical feasibility of the project has been established; the Corporation intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Corporation can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally-generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These costs are amortized on a straight-line basis over the estimated useful life of three years. The Corporation did not have any development costs that met the capitalization criteria for the years ended December 31, 2015 or 2014.

(e) Property and equipment

Property and equipment are stated at cost less accumulated amortization and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

Amortization is recognized in profit or loss over the estimated useful lives of property and equipment and is calculated using the depreciable amount, which is the cost of an asset less its residual value.

Property and equipment are amortized over their estimated useful lives at the following rates and methods:

	Rates	Methods
Computer equipment	45% to 55%	Declining balance
Furniture and fixtures	20%	Declining balance
Leasehold improvements	20%	Declining balance

The assets' residual values, useful lives and methods of amortization are reviewed at each financial year-end and adjusted prospectively, if there is a change in any underlying estimates.

Gains or losses arising from the de-recognition of an item of property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is de-recognized.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(f) Intangible assets

Intangible assets consist of risk management software. Intangible assets purchased or acquired as part of a business combination are recorded at fair value at the acquisition date provided that they meet the criteria for recognition as explained in research and development note 3(c) and subsequently at their initial fair values less accumulated amortization and impairment. The fair value of a group of intangible assets acquired in a business combination that meet the specified criteria for recognition is allocated to the individual assets acquired based on their fair values at the time of acquisition. Amortization methods and useful lives are reviewed at each fiscal year end and adjusted if appropriate. Intangible assets are amortized on a straight-line basis over 3 years.

(g) Leases

Leases are classified as either finance or operating leases. Leases that effectively transfer substantially all of the risks and rewards of ownership to the Corporation are finance leases and are accounted for as an acquisition of an asset and an assumption of an obligation at the inception of the lease, measured at the lower of the fair value or the present value of the minimum lease payments. Obligations recorded under finance leases are reduced by the lease payments, net of imputed interest. All other leases are accounted for as operating leases and rental payments are recorded as expenses on a straight-line basis over the term of the related lease.

(h) Foreign currency translation

Foreign currency transactions are initially recorded in the individual company's functional currency at the transaction date exchange rate. At period-end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the period-end exchange rate. All foreign currency gains or losses are recognized in profit or loss.

Financial statements of subsidiaries for which the functional currency is not the presentation currency are translated into Canadian dollars at each reporting period. All asset and liability accounts are translated at the period-end exchange rate and all revenue and expense accounts items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in Other Comprehensive Income (OCI), a component of equity.

(i) Financial instruments

The Corporation aggregates its financial instruments into classes based on their nature and characteristics. Management determines the classification when the instruments are initially recognized.

All financial assets except those measured at “fair value through profit or loss” are subject to review for impairment annually and written down when there is evidence of impairment based on certain specific criteria as detailed further on.

Financial assets and financial liabilities classified as "fair value through profit or loss" are either classified as "held for trading" or "designated at fair value through profit or loss" and are measured at fair value, with changes in fair value recognized in the statement of loss and comprehensive loss. Transaction costs are expensed when incurred. The Corporation has designated cash and cash equivalents and cash held in trust as "held for trading".

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets when they will be realized within 12 months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other receivables, deposits and notes receivable in this category.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The financial instruments included in this category are initially recognized at fair value plus transaction costs and subsequent measurement is at amortized cost.

Financial assets are de-recognized only when the contractual rights to the cash flows from the asset expire.

(ii) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. The Corporation includes long-term investment in this category. The long-term investment is comprised of shares in a private company and is measured at cost.

(iii) Other financial liabilities

The financial instruments included in this category are initially recognized at fair value less transaction costs and subsequent measurement is at amortized cost. They are classified as current liabilities when they are payable within twelve months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other payables, trust liabilities and contingent consideration payable in this category.

The Corporation derecognizes these liabilities when its obligation is discharged or replaced by a new liability with substantially modified terms.

(iv) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Common shares, options and warrants are classified as equity. Incremental costs directly attributable to the issue of common shares, options and warrants are recognized as a deduction from equity.

(j) Share-based compensation

The Corporation uses the fair value method for valuing share-based compensation. Under this method, the compensation cost attributed to stock options and warrants granted is measured at the fair value at the grant date using the Black-Scholes model. Compensation cost for options is expensed over the vesting period with a corresponding increase to contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the settlement of the stock options the previously recognized value in contributed surplus is recorded as an increase to share capital.

The Corporation measures share-based payments to non-employees at the date of receipt of the goods or services. If the fair value of the goods or services cannot be measured reliably, the value of the options or warrants granted based on the Black-Scholes model will be used.

(k) Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognized in profit or loss as a finance cost as it is occurs.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliability.

In assessing impairment, the Corporation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the carrying value and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance against receivables.

(ii) Non-financial assets

Management assesses the carrying value of property and equipment and intangible assets at each reporting date for indications of impairment. Indications of impairment include an ongoing lack of profitability, significant change in technology, loss of a significant customer as well as economic circumstances. When an indication of impairment is present, a test for impairment is carried out by comparing whether the carrying value of the asset exceeds the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal are based on an estimate of the price the Corporation would receive upon the sale of the asset in an orderly transaction under current market conditions. For the purpose of impairment testing, cash-generating units ("CGUs") are assets that cannot be tested individually but are grouped together into the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(m) Taxation and tax credits

The income tax provision includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income or equity. In these specific cases, the income tax expense is recognized in other comprehensive income or equity, respectively.

Deferred taxes are accounted for using the liability method. Under this approach, deferred tax assets and liabilities are determined based on the differences between the carrying amounts and the tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable there will be sufficient taxable profits against which to utilize the benefits in the future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax receivables and payables are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed on the basis of tax profit which differs from net profit. This calculation was made using tax rates and laws which are enacted or substantively enacted at the end of the reporting period.

Tax credits, including research and development tax credits, are not recognized until there is reasonable assurance that the Corporation will meet the eligibility criteria of the credits and that they will be received. Tax credits are recognized as a deduction to the related expenses.

(n) Compound financial instruments

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the issuance date, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability based on amortized cost until the instrument is converted or matures. The equity component is determined by deducting the liability component from the total fair value of the compound instrument and is recognized as equity, net of income tax effects, with no subsequent re-measurement.

(o) Fair value measurement

A number of the Corporation's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining the fair values is disclosed in the notes specific to that asset or liability.

The Corporation classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair values of cash and cash equivalents and cash held in trust are based on Level 1 inputs, and the fair value of the contingent consideration payable is based on Level 3 inputs.

(p) Per share amounts

Basic per share amounts are calculated by dividing the profit or loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments. The Corporation computes the dilutive impact of common shares assuming the proceeds received from the pro forma exercise of in-the-money share options and warrants are used to purchase common shares at average market prices.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

(a) Areas of judgment

(i) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(ii) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case by case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

(iii) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability to raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c).

(b) Assumptions and critical estimates

(i) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(ii) Impairment of property and equipment and intangible assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Estimate of useful life for intangibles

Management's judgment involves the use of estimates for determining the useful life for intangibles to determine amortization methods and rates.

(iv) Contingent consideration

The valuation of the contingent consideration issued on the acquisition of shares of Vanado Inc. ("Vanado") and the acquisition of assets from Mevia Inc. (Mevia") (note 7) has been recorded at fair value and has been based on management's assessment of the likelihood of the performance targets being met. The associated liability is measured at fair value at each reporting date based on the likelihood of the performance targets being met.

(v) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. CHANGES IN ACCOUNTING STANDARDS

(i) Accounting standards adopted in the current year

There were no changes to the accounting standards in the current year applicable to the Corporation.

(ii) Accounting standards issued but not yet applied

- IFRS 15 - *"Revenue from Contracts with Customers"* provides a comprehensive new standard on revenue recognition. It specifies how and when to recognize revenue as well as requiring entities to provide more informative and relevant disclosure. The new standard is effective for years beginning on or after January 1, 2018. IFRS 15 is being assessed to determine its impact on the Corporation's results and financial position.

- IFRS 9 - *"Financial Instruments"* replaces the guidance on "classification and measurement" of financial instruments in IAS 39, Financial Instruments – Recognition and Measurement. The new standard requires a consistent approach to the classification of financial assets and replaces the numerous categories of financial assets in IAS 39 with two categories measured at either amortized cost or at fair value. For financial liabilities, the standard retains most of the IAS 39 requirements, but where the fair value option is taken, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of loss and comprehensive loss, unless this creates an accounting mismatch. It also includes a new general hedge accounting model. IFRS 9 is effective for fiscal periods beginning on or after January 1, 2018. IFRS 9 is being assessed to determine its impact on the Corporation's results and financial position.

5. CHANGES IN ACCOUNTING STANDARDS *(continued)*

- The IASB has developed a new standard, IFRS 16 - "Leases", which supersedes IAS 17 - "Leases". IFRS 16 sets out principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). Lessee accounting will change substantially under this new standard while there is little change for the lessor. IFRS 16 eliminates the classification of leases as either operating leases or financing leases and, instead, introduces a single lessee accounting model. A lessee will be required to recognize assets and liabilities for all leases with a term of more than 12 months (unless the underlying asset is of low value) and will be required to present depreciation of leased assets separately from interest on lease liabilities in the income statement. A lessor will continue to classify its leases as operating leases or financing leases, and to account for those two types of leases separately. IFRS 16 is being assessed to determine its impact on the Corporation's results and financial position.

6. REVERSE ACQUISITION OF SOUTHTECH AND ACQUISITION OF LIMITLESS I CORP.

(i) Reverse acquisition of Southtech

On September 11, 2014, Southtech completed its Qualifying Transaction which was effected pursuant to an agreement between Southtech and Redfall. As a result of the agreement, the former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one Class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five shares held in Southtech.

The transaction was a reverse acquisition of Southtech and has been accounted under IFRS 2, Share-based Payments. Accordingly, the transaction has been accounted for at the fair value of the equity instruments granted by the shareholders of Redfall to the shareholders and option holders of Southtech based on the value of concurrent share issues to arm's length parties. The difference between the net assets acquired and the fair value of the consideration paid of $930,852 has been recognized as a listing expense in the statement of loss and comprehensive loss for the year ended December 31, 2014. Costs of the transaction (reverse acquisition costs) of $373,304 were also expensed in the year ended December 31, 2014.

The results of operations of Southtech are included in the consolidated financial statements of Vogogo from the date of the reverse acquisition, September 11, 2014.

The fair values of the net assets of Southtech acquired on September 11, 2014 are as follows:

	$
Cash	47,858
Other receivables	707
	48,565
Purchase price allocation is as follows:	
Fair value of common shares (1,240,000 shares at $0.75 per share)	930,000
Fair value of stock options (120,000 options exercisable at $0.50 per share)	49,417
	979,417
Listing costs	**930,852**

6. REVERSE ACQUISITION OF SOUTHTECH AND ACQUISITION OF LIMITLESS I CORP. *(continued)*

The fair values of the Southtech options were estimated using the Black-Scholes option pricing model with the following assumptions:

Exercise price	$0.50
Share price	$0.75
Dividend yield	-
Forfeiture %	-
Risk-free interest rate	1.14%
Expected life of options	1.00 year
Expected volatility	114%

(ii) Acquisition of Limitless I Corp. ("Limitless")

Prior to the reverse acquisition of Southtech, Limitless, a shareholder of Redfall holding 9,588,924 Corporation shares, completed a restructuring whereby the shareholders of Limitless each received Redfall's common shares equal to such shareholder's proportionate interest in the aggregate shares held by Limitless. As a result of such restructuring an aggregate of 53,551 Redfall common shares were cancelled to settle outstanding amounts payable by Limitless prior to closing and the shareholders of Limitless received an aggregate of 9,535,373 Redfall common shares. The fair value of the shares issued was determined based on the value of concurrent share issuances to arm's length parties.

The fair value of the net assets of Limitless acquired on September 11, 2014 are as follows:

	$
9,588,924 common shares of Limitless	7,191,693
	7,191,693
Purchase price allocation is as follows:	
Fair value of common shares (9,535,373 shares at $0.75 per share)	7,151,530
	7,151,530
53,551 common shares of the Corporation cancelled on assumption of Limitless liability by the Corporation (53,551 shares at $0.75 per share)	**40,163**

The revenues and profit or loss since the closing date of the acquisitions, and pro forma revenues and profit or loss giving effect to the acquisitions as if they had occurred on January 1, 2014, are not practical to determine. The operations of the acquired assets are not managed as separate business units, and the Corporation's general business overhead and other costs are not allocated or identified on a specific asset basis. Such allocations would, accordingly, be arbitrary and would require significant assumptions and estimates concerning management's intentions and decision-making.

7. ACQUISITIONS

a. Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado, Inc., a specialized consulting and payment services company based in Denver, Colorado, USA, from an arm's length third party pursuant to a share purchase agreement ("SPA").

7. ACQUISITIONS *(continued)*

The purchase was satisfied by the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016 ("Performance Period"). These post-closing payments shall be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds related as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearing house processing capabilities, and the remaining contingent consideration is dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearing house capabilities was achieved during the year ended December 31, 2015 and as a result 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss.

The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability is reviewed each reporting period and any adjustments to this liability value is adjusted through the statement of loss and comprehensive loss. There was an adjustment of $99,948 during the year ended December 31, 2015.

b. Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length third party private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was satisfied by the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017 ("Performance Period"). These post-closing payments shall be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance as set out in the APA. The contingent consideration is dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

7. ACQUISITIONS *(continued)*

The Corporation acquired only intangible assets consisting of risk management software and no other assets or liabilities were acquired as per the APA. Management concluded that this acquisition meets the definition of business combination under IFRS and has determined that the acquisition fair value equates to the fair value of the assets acquired, and has therefore recorded this acquisition value as the intangible asset addition on the statement of financial position. The intangible asset acquired was measured at fair value based on Level 3 inputs at the acquisition date based on estimated discounted cash flows.

These intangible assets are being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

Book value of intangible assets is as follows:

	$
Balance, December 31, 2013 and 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability is reviewed each reporting period and any adjustments to this liability value is adjusted through the statement of loss and comprehensive loss. None of the performance targets were met during the year and there was no adjustment required for the year ended December 31, 2015.

Estimated contingent consideration payable on milestones as at December 31, 2015:

	Vanado $	Mevia $	Total $
Current portion	**377,267**	**2,219,893**	**2,597,160**
Long-term portion	**-**	**-**	**-**
	377,267	**2,219,893**	**2,597,160**

The revenues and profit or loss since the closing date of the acquisitions, and pro forma revenues and profit or loss giving effect to the acquisitions as if they had occurred on January 1, 2015, are not practical to determine. The operations of the acquired assets are not managed as separate business units, and the Corporation's general business overhead and other costs are not allocated or identified on a specific asset basis. Such allocations would, accordingly, be arbitrary and would require significant assumptions and estimates concerning management's intentions and decision-making.

8. PROPERTY AND EQUIPMENT

Cost	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2013	294,720	18,652	2,151	315,523
Additions	-	-	-	-
Disposals	-	-	-	-
Balance, December 31, 2014	294,720	18,652	2,151	315,523
Additions	-	-	-	-
Disposals	-	-	-	-
Balance, December 31, 2015	**294,720**	**18,652**	**2,151**	**315,523**

Accumulated amortization	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2013	280,814	9,857	601	291,272
Amortization	7,621	1,759	309	9,689
Disposals	-	-	-	-
Balance, December 31, 2014	288,435	11,616	910	300,961
Amortization	3,442	1,407	248	5,097
Disposals	-	-	-	-
Balance, December 31, 2015	**291,877**	**13,023**	**1,158**	**306,058**

Net book value	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2014	6,285	7,036	1,241	14,562
Balance, December 31, 2015	**2,843**	**5,629**	**993**	**9,465**

9. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represent amounts collected from customers of Vogogo clients which are held in trust until being paid out to clients.

10. TRADE AND OTHER PAYABLES

	December 31, 2015 $	December 31, 2014 $
Trade accounts payable	**299,133**	594,175
Accrued payables	**396,505**	93,364
Other	**14,482**	16,667
	710,120	704,206

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at December 31, 2015, the Corporation has $177,458 (2014 - $308,219) in accounts payable beyond 60 days.

11. CONVERTIBLE DEBENTURES

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares, at any time, at the option of the holder, at $0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with accrued interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares, at any time, at the option of the holder, at $0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on March 6, 2014. Interest was due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (note 14 (ii)).

On February 11, 2014, the Corporation issued a secured convertible debenture in the amount of $2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to $3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The debenture bore interest at a rate of 10% per annum. The debenture was convertible into common shares of the Corporation, at the option of the holder, at $0.33 per share. The corporation issued 2,275,000 agents warrants in connection with the convertible debenture with a fair value of $964,709 (note 15), of which $868,238 was allocated to the debt component of the convertible debenture and $96,471 was allocated to the equity component of the debenture. On March 26, 2014, the Corporation issued 9,588,924 common shares upon conversion of the full $3,164,345 convertible debenture. Upon conversion, the debt and equity portions of the convertible debenture and associated accretion to the conversion date of $281,442, net of the warrant costs of $964,709, were transferred to share capital (note 14(iv)).

The Corporation determined that the convertible debentures met the definition of a compound financial instrument and determined the fair value of the liability and the resulting equity component by discounting the expected future cash flows of each convertible debenture using interest rates of 20% to 25% representing management's estimate of the fair value interest rate for a similar instrument without the convertibility feature.

12. ROYALTY FINANCING LIABILITY

The Corporation entered into a $1 million investment agreement to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds were available to the Corporation if and when certain pre-determined milestones were achieved. Any amount drawn pursuant to the investment agreement was repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014, until twice the gross amount received was remitted or until the Corporation had repaid all advances received plus 20% interest compounded annually from the date each advance was received, less royalties paid. During the year ended December 31, 2013, the Corporation received $200,000 as part of this arrangement. At December 31, 2013 the liability was comprised of the $200,000 principal plus $18,192 in accrued interest. The $200,000 principal and accrued interest of $29,700 were fully paid on April 24, 2014.

13. INCOME TAXES

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates to profit or loss before income taxes.

The reconciliation of the differences is as follows:

	December 31, 2015 $	December 31, 2014 $
Net loss before income taxes	**(12,161,955)**	(8,980,661)
Statutory income tax rate	**26%**	25%
Expected income tax recovery	**(3,162,108)**	(2,245,165)
Tax assets not recognized	**1,989,492**	2,086,096
Non-deductible intangible asset acquisition	**1,044,871**	-
Stock-based compensation	**776,888**	644,983
Adjustment to prior year losses	**(2,504)**	(184,626)
Share issue costs	**(340,410)**	(304,474)
Change in rate	**(244,424)**	-
Other	**(61,805)**	3,186
Income tax recovery	**-**	-

The net deferred tax asset is comprised of the following temporary differences:

	December 31, 2015 $	December 31, 2014 $
Non-capital losses	**(4,635,257)**	(2,091,303)
Property and equipment and intangible assets	**799,152**	(11,250)
Share issuance costs	**(533,375)**	(277,435)
Tax assets not recognized	**4,369,480**	3,379,988
Deferred tax asset	**-**	-

As at December 31, 2015, the Corporation has Canadian, US and UK non-capital loss carry forwards of approximately $17,168,000 (2014 - $10,983,000). The non-capital loss carry forwards expire at various dates from 2030 to 2035. The Corporation also has tax deductible balances of $1,975,000 at December 31, 2015, relating to share issuance costs, which have not been recognized on the consolidated statement of financial position.

14. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital $
Balance, December 31, 2013	15,696,307	1,161,164
Repurchase of shares for cash (i)	(3,833,334)	(345,000)
Fair value adjustment of repurchase of shares (i)	-	61,422
Shares issued on conversion of convertible debenture (ii)	192,307	107,736
Shares issued for cash (iii)	500,000	45,000
Fair value adjustment of shares issued (iii)	-	215,000
Shares issued on conversion of convertible debenture (iv)	9,588,924	2,481,078
Shares issued for cash (v)	432,692	225,000
Shares issued for cash (vi)	400,000	208,000
Units issued for cash (vii)	288,462	150,000
Warrant component of units issued (vii)	-	(95,662)
Shares issued on exercise of share purchase warrants (vii)	479,540	249,361
Fair value on exercise of share purchase warrants (vii)	-	59,731
Shares issued on exercise of stock options (viii)	3,333,334	300,000
Fair value on exercise of stock options (viii)	-	1,452,020
Repurchase of shares for cash (ix)	(500,000)	(375,000)
Fair value adjustment of repurchase of shares (ix)	-	260,762
Repurchase of shares on acquisition of Limitless (x)	(53,551)	(40,163)
Elimination of Redfall common shares (xi)	(26,524,681)	-
Shares issued on reverse acquisition (xi)	26,524,681	-
Shares issued to Southtech (xii)	1,240,000	930,000
Shares issued for brokered placement (xiii)	4,666,667	3,500,000
Shares issued for non-brokered placement (xiv)	6,666,664	5,000,000
Share issue costs - Finder's Fee paid in cash (xv)	-	(598,396)
Share issue costs - Finders Warrants (xv)	-	(339,208)
Shares issued on exercise of stock options (xvi)	122,500	57,725
Fair value on exercise of stock options (xvi)	-	59,207
Shares issued on exercise of Finders Warrants (xvii)	158,386	118,790
Fair value on exercise of Finders Warrants (xvii)	-	67,723
Shares issued on exercise of stock options (xviii)	20,000	10,000
Fair value on exercise of stock options (xviii)	-	8,236
Shares issued on exercise of Finders Warrants (xix)	10,000	7,500
Fair value on exercise of Finders Warrants (xix)	-	4,276
Shares issued on exercise of Finders Warrants (xx)	42,643	31,982
Fair value on exercise of Finders Warrants (xx)	-	18,233
Shares issued on exercise of Finders Warrants (xxi)	96,000	72,000
Fair value on exercise of Finders Warrants (xxi)	-	41,046
Shares issued on exercise of Finders Warrants (xxii)	5,250	3,938
Fair value on exercise of Finders Warrants (xxii)	-	2,244
Shares issued on exercise of Finders Warrants (xxiii)	22,000	16,500
Fair value on exercise of Finders Warrants (xxiii)	-	9,407
Share issue costs – Legal and other	-	(206,739)
Balance, December 31, 2014	**39,574,791**	**14,934,913**

14. SHARE CAPITAL *(continued)*

	Number of Shares	Share Capital
	#	$
Balance, December 31, 2014	**39,574,791**	**14,934,913**
Shares issued on acquisition of Vanado (xxiv) (note 7(a))	818,639	1,006,720
Shares issued on exercise of stock options (xxv)	837,416	457,048
Fair value on exercise of stock options (xxv)	-	374,104
Shares issued on exercise of warrants (xxvi)	1,625,564	612,714
Fair value on exercise of warrants (xxvi)	-	646,555
Shares issued on acquisition of assets from Mevia (xxvii) (note 7(b))	600,000	1,650,000
Shares issued through short form prospectus (xxviii)	5,566,000	12,523,500
Share issue costs – Underwriters fees (xxviii)	-	(876,645)
Share issue costs – Legal and other (xxviii)	-	(384,131)
Balance, December 31, 2015	**49,022,410**	**30,944,778**

(i) On February 21, 2014 the Corporation repurchased 3,833,334 common shares at $0.09 per share for total cost of $345,000. The average carrying value of share capital as at the date of the buy-back was calculated at $0.07 per share, resulting in a premium of $0.02 per common share. The resulting premium of $61,422 was charged to deficit.

(ii) On March 5, 2014, the Corporation issued 192,307 common shares at $0.52 per share upon conversion of a $100,000 convertible debenture.

(iii) On March 17, 2014, the Corporation issued 500,000 common shares at $0.09 for total cash proceeds of $45,000. The fair value of these shares at the time was determined to be $0.52 per common share. These shares were issued below the market value by $0.43 per share, the total discount of $215,000 was credited to share capital and recorded as commission expenses and is included in the general and administration expense for the period.

(iv) During 2014, the Corporation issued a secured convertible debenture in amount of $3,164,345. The debenture was convertible into common shares of the Corporation at the option of the holder at $0.33 per share. On March 26, 2014, the Corporation issued 9,588,924 common shares upon conversion of the full $3,164,345 convertible debenture.

In connection with the issuance of the convertible debenture on February 11, 2014, the Corporation issued an aggregate of 2,275,000 agent warrants to acquire common shares of the Corporation for a period of five years at a price of $0.33 per common share expiring five years from the date of grant. Fair value of these agent warrants was calculated using the Black-Scholes option-pricing model and recorded as debenture transaction costs. The fair value of the agent warrants was determined to be $964,709, which was allocated to the debt and equity components of the convertible debenture.

Upon conversion the debt and equity portions of the convertible debenture and associated accretion to the conversion date of $281,442, net of warrant costs of $964,709, were transferred to share capital.

(v) On April 2, 2014, the Corporation issued a total of 432,692 common shares for cash at $0.52 per share for total proceeds of $225,000.

(vi) On April 7, 2014, the Corporation issued a total of 400,000 common shares for cash at $0.52 per share for total proceeds of $208,000.

14. SHARE CAPITAL *(continued)*

(vii) On April 30, 2014, the Corporation issued 288,462 units at $0.52 per unit for total proceeds of $150,000. Each unit is comprised of one common share and 2.6624 share purchase warrants, for a total issuance of 288,462 common shares and 768,002 share purchase warrants. Each share purchase warrant entitles the holder to purchase one common share at an exercise price of $0.52 per common share for up to three years following the issuance date. Fair value of these share purchase warrants were calculated using the Black-Scholes option-pricing model. The fair value of these share purchase warrants was determined to be $95,662, which was allocated to warrants from share capital.

On June 27, 2014, 479,540 of the total 768,002 warrants were exercised at $0.52 per warrant for total proceeds of $249,361. The value of these warrants of $59,731 was transferred from warrants to share capital on exercise of these warrants.

(viii) On April 30, 2014, 3,333,334 stock options were exercised at $0.09 per stock option for total proceeds of $300,000. The value of the stock options of $1,450,020 was transferred from contributed surplus to share capital on exercise of these options.

(ix) On September 10, 2014 the Corporation repurchased 500,000 common shares at $0.75 per share for total proceeds of $375,000. The average carrying value of share capital as at the date of the buy-back was calculated at $0.23 per share, resulting in a premium of $0.52 per common share. The resulting premium of $260,762 was charged to deficit.

(x) On September 10, 2014 the Corporation cancelled 53,551 common shares at the fair value of $0.75 per share for a total of $40,163 on acquisition of Limitless (note 7).

(xi) On September 11, 2014, as part of the reverse acquisition, the former holders of Redfall Class A common shares received 1 common share of the Corporation for every 1 Redfall Class A common share held.

(xii) On September 11, 2014, as part of the reverse acquisition, the former holders of Southtech common shares received 1 common share of the Corporation for every 5 Southtech common share held.

(xiii) On September 11, 2014, in conjunction with the reverse acquisition, the Corporation completed a brokered private placement and issued 4,666,667 common shares at $0.75 for gross proceeds of $3,500,000.

(xiv) On September 11, 2014, in conjunction with the reverse acquisition, the Corporation completed a non-brokered private placement and issued 6,666,664 common shares at $0.75 for gross proceeds of $5,000,000.

(xv) On September 11, 2014, in connection with the brokered and non-brokered private placement, the Corporation paid a finder's fee of $598,396 and also issued 793,332 finders warrants ("Finders Warrants"). Each Finders Warrant is exercisable to one common share of the Corporation at $0.75 per finders warrant for a period of 12 months from the date of closing. The fair value of the Finders Warrants was calculated to be $339,208 using the Black-Scholes option pricing model and was recorded as share issue costs.

(xvi) On September 18, 2014, 122,500 stock options were exercised at an average price of $0.47 per stock option for total proceeds of $57,575. The value of the stock options of $59,207 was transferred from contributed surplus to share capital on exercise of these options.

(xvii) On October 1, 2014, 158,386 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $118,790. The value of these warrants of $67,723 was transferred from warrants to share capital on exercise of these warrants.

14. SHARE CAPITAL *(continued)*

(xviii) On October 9, 2014, 20,000 stock options were exercised at a price of $0.50 per stock option for total proceeds of $10,000. The value of the stock options of $8,236 was transferred from contributed surplus to share capital on exercise of these options.

(xix) On October 14, 2014, 10,000 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $7,500. The value of these warrants of $4,276 was transferred from warrants to share capital on exercise of these warrants.

(xx) On October 28, 2014, 42,643 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $31,982. The value of these warrants of $18,233 was transferred from warrants to share capital on exercise of these warrants.

(xxi) On October 29, 2014, 96,000 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $72,000. The value of these warrants of $41,046 was transferred from warrants to share capital on exercise of these warrants.

(xxii) On November 6, 2014, 5,250 Finder Warrants were exercised at $0.75 per warrant for total proceeds of $3,938. The value of these warrants of $2,244 was transferred from warrants to share capital on exercise of these warrants.

(xxiii) On December 12, 2014, 22,000 Finder Warrants were exercised at $0.75 per warrant for total proceeds of $16,500. The value of these warrants of $9,407 was transferred from warrants to share capital on exercise of these warrants.

(xxiv) On January 1, 2015, the Corporation acquired all the issued and outstanding shares of Vanado by issuing 227,273 common shares of the Corporation at a fair value of $2.40 per share. On December 3, 2015, 591,366 additional shares were issued at a fair value of $0.78 on achieving one of the performance thresholds (note 7(a)).

(xxv) On February 23, 2015, 100,000 stock options were exercised at a price of $0.75 per stock option for total proceeds of $75,000. On March 2, 2015, 20,000 stock options were exercised at a price of $0.33 per stock option for total proceeds of $6,600. On March 12, 2015, 25,000 stock options were exercised at a price of $0.75 per stock option for total proceeds of $18,750. On March 12, 2015, 37,500 stock options were exercised at a price of $0.33 per stock option for total proceeds of $12,375. On March 30, 2015, 10,000 stock options were exercised at a price of $0.52 per stock option for total proceeds of $5,200. On April 9, 2015, 152,100 stock options were exercised at a price of $0.52 per stock option for total proceeds of $79,092. On April 16, 2015, 200,000 stock options were exercised at a price of $0.52 per stock option for total proceeds of $104,000. On April 20, 2015, 37,900 stock option were exercised at a price of $0.52 per stock option for total proceeds of $19,708. On May 5, 2015, 73,250 stock options were exercised at a price of $0.33 per stock option for total proceeds of $24,173. On May 8, 2015, 100,000 stock options were exercised at a price of $0.75 per stock option for total proceeds of $75,000. On July 13, 2015, 15,000 stock options were exercised at a price of $0.33 per stock option for total proceeds of $4,950. On September 11, 2015, 60,000 stock options were exercised at a price of $0.50 per stock option for total proceeds of $30,000. On December 1, 2015, 6,666 stock options were exercised at a price of $0.33 per stock option for total proceeds of $2,200. The initial fair value of these stock options of $374,104 was transferred from contributed surplus to share capital on exercise of these options.

(xxvi) On March 20, 2015, 16,333 Finders Warrants were exercised at a price of $0.75 per warrant for total proceeds of $12,250. On March 30, 2015, 100,000 Finders Warrants were exercised at a price of $0.75 per warrant for total proceeds of $75,000. On May 6, 2015, 144,231 share purchase warrants were exercised at a price of $0.52 per warrant for a total proceeds of $75,000. On July 3, 2015, 606,666 share purchase warrants were exercised at a price of $0.33 per warrant for a total proceeds of $200,214. On December 8, 2015, 758,334 share purchase warrants were exercised at a price of $0.33 per warrant for total proceeds of $250,250. The initial fair value of these warrants of $646,555 was transferred from warrants to share capital on exercise of the warrants.

14. SHARE CAPITAL *(continued)*

(xxvii) On April 30, 2015, the Corporation acquired certain assets of Mevia (note 7 (b)) by issuing 600,000 common shares of the Corporation at a price of $2.75 per share.

(xxviii) On June 16, 2015, the Corporation completed a short form prospectus offering and issued a total of 5,566,000 common shares of the Corporation at an offering price of $2.25 per common share for total gross proceeds of $12,523,500. Underwriters' fees of 7% totaling $876,645 were paid in connection with the prospectus. In addition, legal and other share issue costs of $384,131 were incurred.

The weighted average number of common shares outstanding and used to calculate basic and diluted loss per share is 44,377,073 for the year ended December 31, 2015 (2014 – 27,375,926). The effect of the share split was accounted for retrospectively for all periods presented. The Corporation excluded all stock options and warrants from the calculation of diluted loss per share for the years ended December 31, 2015 and 2014 as they would be anti-dilutive.

As at December 31, 2015, a total of 3,272,116 common shares (December 31, 2014 – 9,816,347) were held in escrow pursuant to TSXV requirements. These shares were released from escrow on March 11, 2016.

15. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 16 for further details on these plans.

Contributed Surplus

	$
Balance, December 31, 2013	-
Stock-based compensation expense	2,579,934
Fair value of Southtech stock options on reverse acquisition (note 6(i))	49,417
Equity component of convertible debenture transferred on repayment at maturity	7,728
Exercise of stock options	(1,519,463)
Balance, December 31, 2014	1,117,616
Stock-based compensation expense	1,604,043
Exercise of stock options	(374,104)
Balance, December 31, 2015	**2,347,555**

Warrants

	$
Balance, December 31, 2013	-
Agent warrants issued (note 14(x))	964,709
Share purchase warrants issued (note 14(xiii))	95,662
Finders Warrants issued (note 14(xxi))	339,208
Exercise of warrants	(202,660)
Balance, December 31, 2014	1,196,919
Exercise of warrants	(646,555)
Balance, December 31, 2015	**550,364**

16. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant. During the year ended December 31, 2015, the Corporation issued 1,915,000 options (2014 – 7,208,334) at exercise prices ranging from $0.85 to $2.83 (2014 - $0.09 to $3.65). All of the options vest over three years, except for 95,000 options (2014 – 1,603,334) that have accelerated vesting provisions.

A summary of the Plan transactions for the years ended December 31, 2015 and 2014 are as follows:

	For the year ended December 31, 2015		For the year ended December 31, 2014	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding at beginning of year	3,732,500	0.72	-	-
Options granted	1,915,000	1.54	7,208,334	0.42
Options cancelled / forfeited	(375,001)	(1.44)	-	-
Options exercised during the year	(837,416)	(0.55)	(3,475,834)	(0.11)
Outstanding at end of year	4,435,083	1.05	3,732,500	0.72

The weighted average market price on the date of exercise was $2.87.

The following provides a summary of options outstanding and exercisable as at December 31, 2015:

Options outstanding			Options exercisable		
Outstanding at December 31, 2015	Weighted average remaining contractual life	Weighted average exercise price $	Number exercisable at December 31, 2015	Weighted average remaining contractual life	Weighted average exercise price $
1,156,750	3.33 years	0.33	423,417	3.33 years	0.33
1,338,333	3.70 years	0.75	601,667	3.70 years	0.75
200,000	3.91 years	3.65	66,666	3.91 years	3.65
100,000	4.13 years	2.83	-	-	-
230,000	4.20 years	2.65	-	-	-
130,000	4.66 years	1.09	10,000	4.66 years	1.09
1,150,000	4.69 years	1.20	70,000	4.69 years	1.20
130,000	4.91 years	0.85	15,000	4.91 years	0.85
4,435,083	3.96 years	1.05	1,186,750	3.66 years	0.79

16. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the year ended December 31, 2015	**For the year ended December 31, 2014**
Fair value of options	**$0.65 to $2.42**	$0.34 to $3.14
Exercise price	**$1.54**	$0.42
Share price	**$1.54**	$0.67
Dividend yield	**0%**	0%
Forfeiture %	**3.9%**	0%
Risk-free interest rate	**0.80%**	1.61%
Expected life of options	**5.00 years**	3.04 years
Expected volatility	**125%**	127%

The Corporation's shares started publicly trading on September 11, 2014 and, as a result, the Corporation does not have sufficient trading history to compute its expected volatility using its historical volatility; therefore, the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

The forfeiture rate has been estimated based on past experience.

The Corporation recorded stock-based compensation expense for options of $1,604,043 (2014 - $2,579,934) with an offsetting increase to contributed surplus in respect of the stock options granted during the year ended December 31, 2015. 837,416 (2014 – 3,475,834) stock options were exercised during the year and as a result $374,104 (2014 - $1,519,463) was transferred to share capital from contributed surplus.

The Corporation issued 2,275,000 agent warrants as compensation to agents in connection with convertible debenture issuances during the year ended December 31, 2014. Each agent warrant is exercisable for one common share of the Corporation at $0.33 per common share for a period of 5 years from the issuance date. The fair value of the agent warrants was calculated to be $964,709 using the Black-Scholes option pricing model. 758,334 of these warrants were issued to an entity related by common officers and directors. 910,000 of these agent warrants are outstanding at December 31, 2015.

The Corporation issued 768,002 share purchase warrants as part of a unit offering. Each share purchase warrant is exercisable for one common share of the Corporation at $0.52 per common share for a period of 3 years from the issuance date. The fair value of the share purchase warrants was calculated to be $95,662 using the Black-Scholes option pricing model. 144,231 of these share purchase warrants are outstanding at December 31, 2015.

The Corporation issued 793,332 finders warrants on September 11, 2014 in connection with the brokered and non-brokered private placement. Each finders warrant is exercisable for one common share of the Corporation at $0.75 per common share for a period of 24 months from the date of closing of the Qualifying Transaction. The fair value of the finders warrants was calculated to be $339,208 using the Black-Scholes option pricing model. 342,720 of these share purchase warrants are outstanding at December 31, 2015.

16. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

A summary of warrant transactions for the year ended December 31, 2015 and 2014 are as follows:

	For the year ended December 31, 2015		For the year ended December 31, 2014	
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	3,022,515	0.41	-	-
Agents warrants granted	-	-	2,275,000	0.33
Warrants granted	-	-	768,002	0.52
Finders Warrants granted	-	-	793,332	0.75
Warrants exercised	(1,625,564)	0.38	(813,819)	0.61
Outstanding at end of period	1,396,951	0.45	3,022,515	0.41

The weighted average market price on the date of exercise was $1.53.

The following provides a summary of warrants outstanding as at December 31, 2015:

Warrants outstanding and exercisable		
Outstanding at December 31, 2015	**Weighted average remaining contractual life**	**Weighted average exercise price $**
1,396,951	2.31 years	$0.45

The fair value of each warrant was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the year ended December 31, 2014
Fair value of warrants	$0.34 to $0.43
Exercise price	$0.45
Share price	$0.57
Dividend yield	0%
Risk-free interest rate	1.52%
Expected life of warrants	3.9 years
Expected volatility	106%

The Corporation's shares started publicly trading on September 11, 2014 and, as a result, the Corporation does not have sufficient trading history to compute its expected volatility using its historical volatility; therefore, the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

16. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

The Corporation recorded debenture issue costs for agent warrants of $Nil (2014 - $964,709) with an offsetting increase to warrants during the year ended December 31, 2014. The Corporation recorded $Nil (2014 - $95,662) to warrants on the issue of share purchase warrants with an offset to share capital. On exercise of 1,625,564 (2014 - 813,819) of share purchase warrants $646,555 (2014 - $202,660) was transferred from warrants to share capital during the year ended December 31, 2015.

17. INTEREST

Interest income (expense) consists of the following:

	2015 **$**	2014 $
Interest income	**74,660**	37,464
Interest and bank charges	**(34,441)**	(46,642)
	40,219	(9,178)

18. RELATED PARTY TRANSACTIONS

(a) The Corporation considers its key management personnel to be its Chief Executive Officer, Chief Relationship Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary and benefits, stock based compensation and consulting fees paid to key management and companies controlled by key management. During the year ended December 31, 2015, key management compensation amounted to $2,142,049 (2014 - $1,315,830), split between general and administrative sales and marketing, development, operations, and stock-based compensation expenses, based on work performed.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $7,591,175 (2014 - $2,597,493) for the year ended December 31, 2015, split between general and administrative, sales and marketing, development and operations expenses, based on work performed.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bear interest at 3 percent per annum and were originally due on April 28, 2015. The loan agreements were amended during the year to extend the maturity date to April 28, 2016. Interest expense of $7,500 (2014 - $3,000) has been accrued as at December 31, 2015 and included in the notes receivable balance.

19. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Corporation is committed under leases on its Calgary office space, expiring July 31, 2017, and its London office space, expiring February 29, 2016, for future minimum rental payments exclusive of occupancy costs as follows:

	London $	Calgary $	Total $
2016	11,257	82,368	93,625
2017	-	48,048	48,048
	11,257	**130,416**	**141,673**

(b) Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the Business Corporations Act (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim seeks damages in an amount in excess of $15,000,000.

Subsequent to the year-end on January 20, 2016, a statement of claim was filed in the Alberta Court of Queen's Bench by a firm that was party to a proposed business combination in 2014, which did not proceed and was mutually terminated at that time. The claim alleges a breach of certain provisions of the business combination agreement pursuant to the Corporation completing the reverse take-over transaction in September 2014. The claim seeks damages in an amount in excess of $4,000,000.

The Corporation believes these suits are without merit and litigation counsel has been authorized and instructed to vigorously defend against these claims and, accordingly, the Corporation has not accrued a provision relating to the claims. As at the date of these consolidated financial statements, these claims are still pending.

20. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensuring a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus, accumulated other comprehensive income and deficit as equity components. The Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	December 31, 2015 **$**	December 31, 2014 $
Share capital	**30,944,778**	14,934,913
Warrants	**550,364**	1,196,919
Contributed surplus	**2,347,555**	1,117,616
Accumulated other comprehensive income	**17,561**	-
Deficit	**(23,267,386)**	(11,105,431)
Total capital	**10,592,872**	6,144,017

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented.

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, notes receivable, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately 51% of the Corporation's revenue during the year ended December 31, 2015 (2014 - 73%) was generated from 3 (2014 – 2) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2015, the Corporation has cash and cash equivalents of $10,489,615 (2014 - $6,519,384) and has a positive net working capital position of $7,428,490 (2014 - $5,984,455) in order to manage liquidity risk. Trade and other payables, trust liabilities and the contingent consideration payable are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2015, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $338,718 (2014 - US $583,064); GBP 389,938 (2014 – GBP Nil) and trade and other payables denominated in US $296,774 (2014 - US $36,268); GBP 7,644 (2014 – GBP Nil) and trade and other receivables denominated in US $11,382 (2014 – US $Nil); Euro 2,697 (2014 – Euro Nil). A 1% change in the exchange rate between the Canadian and US dollar, GBP and Euro would have a $4,500 (2014 – $5,500) impact on the net income and cash flows of the Corporation.

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2015, the Corporation is not exposed to any interest rate risk.

22. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

23. SUBSEQUENT EVENTS

(a) On February 17, 2016, the Corporation granted options to acquire 165,000 common shares, which vest over five years at a price of $0.60 per common share expiring five years from the date of grant.

(b) Subsequent to December 31, 2015, 294,999 stock options were cancelled unexercised due to the departures of employees.

(c) On April 26, 2016, the maturity date of the notes receivable (note 18(b)) was extended to April 28, 2017.

VOGOGO INC.

Management's Discussion and Analysis

For The Three Months and Year Ended December 31, 2015

MANAGEMENT'S DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation"), formerly Southtech Capital Corporation ("Southtech"), believes is required to gain an understanding of the financial results of the Corporation for the three months and years ended December 31, 2015 and 2014, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, which are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information". Additional information relating to Vogogo, including the Corporation's Annual Information Form, is available under Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of April 29, 2016, should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2015 and 2014.

The Corporation's audited consolidated financial statements have been prepared on a "going concern" basis, which presumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The operations of the Corporation have been primarily funded through private placements of equity and debt. The continued operations of the Corporation are dependent on the Corporation's ability to generate profitable operations in the future, to receive continued financial support from shareholders, and/or to complete sufficient equity and debt financings.

Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. The consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the online payment processing industry as well as those factors set forth under the heading "*Risk Factors*" in the Annual Information Form of the Corporation dated April 30, 2015 and the risk factors set out herein. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These

forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Business Overview

Vogogo is a risk management and payment services business that has spent recent years developing and launching technologies that enable secure and compliant transaction processing for businesses. Vogogo offers risk mitigation services, including know-your-customer ("KYC") profiling and on-boarding, client underwriting, fraud mitigation, real time transaction monitoring, and smart transaction routing, coupled with compliance-based services such as reporting, sanction checks and anti-money laundering-counter terrorist financing ("AML-CTF") processes. Vogogo also offers a suite of payment services that can be sold separately or bundled together with its risk management services. Vogogo's services are designed and tailored for business verticals that are highly regulated and need to effectively meet compliance requirements as well as verticals that feature higher inherent risk levels, including the cryptocurrency industry.

Vogogo has obtained authorization from the Financial Conduct Authority ("FCA"), the UK's banking and financial services regulator, to operate as an authorized Electronic Money Institution ("EMI"). As an authorized EMI, Vogogo has also established safeguarding accounts with two commercial banks based in Europe and finalized transaction acquiring relationships with two European banks. Discussions are progressing with an additional European acquiring bank.

Obtaining the EMI authorization allows Vogogo to operate as an independent provider of payment processing, stored value, e-wallet, pre-paid card, and foreign exchange services in addition to providing related risk management services. The authorization is issued for the UK and extends to the broader European Economic Area ("EEA") through a cross-border services arrangement known as passporting.

Vogogo is also registered and able to operate in compliance as a Canadian Money Service Business with the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).

Strategic Focus

Vogogo and the Cryptocurrency Vertical

Throughout 2014 and the first half of 2015, Vogogo was focused on servicing the emerging cryptocurrency market. Management believed that businesses developing and offering services based on cryptocurrencies or blockchain technologies were poised to disrupt conventional financial services and it was expected that there would continue to be growth in the cryptocurrency sector for the foreseeable future.

Vogogo developed technology to mitigate the inherent risks involved with cryptocurrencies, which enabled the Corporation to provide access to commercial banking and payments for businesses operating in the cryptocurrency market. The Corporation believed it had the operational experience, knowledge of transaction risk management, regulatory requirements, and technology.

Throughout 2015, Vogogo was able to successfully secure several prominent cryptocurrency based businesses as clients in Canada. While a European banking partner was established in late 2015, arranging supportive acquiring relationships for cryptocurrency transactions proved problematic in the larger US market. The nascent cryptocurrency technologies coupled with traditional bank conservatism and an uncertain, developing regulatory environment specific to each jurisdiction resulted in significant caution by banking partners and regulators in assessing and preparing to fully engage with Vogogo. This resulted in longer-than-expected and still uncertain timing for Vogogo to be able to deliver payment services to the cryptocurrency industry in the key markets of the US and Europe.

As well, while cryptocurrency usage continued to gain adoption, albeit at a slowing pace, transaction services based on cryptocurrencies remain cumbersome for users and the corresponding service businesses are mired in low margin business models. As a result, early adopters still drive the cryptocurrency market and Management believes that many of the businesses in the cryptocurrency sector have been unable to achieve sustainable financial viability.

Throughout 2015, cryptocurrencies and blockchain technologies attracted significant attention from the conventional financial services sector. Many conventional financial services businesses (e.g. banks) started to apply research and develop ways to deploy these technologies to improve their businesses. Regulators also took considerable interest and regulatory frameworks that included these technologies began to take shape. Management came to believe that these technologies had transitioned from a competitive-disruptive path to a more integrated path with conventional financial services. This resulted in a reduced number of viable companies that were offering services based solely on cryptocurrencies and, as a result, the momentum declined for disrupting the business models of the conventional financial services sector. Vogogo's market opportunity based on servicing cryptocurrency companies was no longer growing as expected. In Q3 2015, Management determined that the focus of the Corporation's business development efforts needed to extend beyond the cryptocurrency market in order to meet the growth projections the Corporation had planned for.

Expanded Sales Focus

In Q3 2015, Vogogo commenced an expanded sales program focused on providing payment processing and risk management services to business verticals that have challenges dealing with transaction risk. Establishing supportive acquiring bank relationships remained problematic, even for clients outside of the cryptocurrency market. To mitigate against the uncertainty of bank support in Europe and to increase margins, Vogogo worked throughout 2015 to secure an EMI Authorization from the UK's FCA. Management believed that an EMI authorization would significantly decrease the banks' degree of caution around actively working with Vogogo and would allow the Corporation to become a Payment Facilitator ("PayFac") with European banking partners. The PayFac structure provides a more efficient payment framework and lowers the cost of related banking services. Vogogo secured authorization as an EMI and arranged supporting safeguarding bank accounts in November 2015. Management then began to work with existing European banking partners to establish a PayFac structure and successfully secured its first active European PayFac relationship in Q1 2016.

Vogogo also continued to work with its US bank partner on a jointly administered bank program that is expected to provide payment processing and stored value services in a structure that Management believes fulfills all US regulatory compliance obligations. The program is expected to support qualified businesses operating in high-risk verticals, including the cryptocurrency sector. A contract between Vogogo and its US banking partner to provide a jointly administered US bank program was finalized in December 2015.

The Focus for 2016

Vogogo is focused on generating short-term revenue by selling payment services through its new PayFac relationship while also pursuing longer-term sales of both risk management and payment services. The process for activating the PayFac relationship involved comprehensive set-up and coordination with Vogogo's European banking partner, with several corresponding delays. Originally scheduled to be active in January 2016, the PayFac program went live in March 2016.

Vogogo continues to work with its US bank partner on a jointly administered US bank program. The process for activating the US bank program also involves comprehensive set-up and coordination, and there have been several corresponding delays. Originally scheduled to be active in February 2016, the program is expected to go live in May 2016**.** Management has determined that US Service Organization Control ("SOC") Compliance implementation is no longer a requirement for the business.

The board of directors ("Board") and Management recognize that Vogogo's balance sheet strength is a valuable strategic asset, especially in current market conditions. With Board direction, Management commenced a vigorous cost reduction program in March 2016 while simultaneously focusing on tactical short-term revenue opportunities. Adjustments include staffing reductions and intense cost stewardship that prioritize cash preservation while maintaining critical business functions. The adjustments are expected to be substantially complete in Q2 2016.

Due to the deterioration in Vogogo's original market opportunity involving services for the cryptocurrency industry and the longer-than-expected timing for generating material revenues in more conventional payment processing and transaction risk services, the Board determined at its meeting in April 2016 that a process would be immediately initiated to identify and examine

strategic alternatives for the Corporation. The process will have a focus on increasing shareholder value and may include, but not limited to, a modified plan for continuing the business; the sale or combination of Vogogo's payment and risk management assets to or with another firm; a strategic vend-in, amalgamation, reverse amalgamation or similar transaction; a sale of one or more corporate assets; a strategic business combination or strategic partnership. Opportunities, if any, will be assessed based on synergies with Vogogo's business and the potential to increase shareholder value. There can be no assurance that this exploration process will result in any transaction. There is no set timetable with respect to the Board's review, and the Corporation does not expect to make further public comment regarding these matters unless and until the Board approves a specific action or otherwise concludes its review.

While the Board explores strategic options, Vogogo will implement an operational plan based on maintaining the existing services and client base while making cash conservation a top priority. The plan includes reduced staffing levels amongst other cost cutting initiatives.

ABOUT VOGOGO

Vogogo Inc., formerly Southtech Capital Corporation ("Southtech"), is a risk management and electronic payment services business. The Corporation offers risk mitigation services and also processes multiple types of electronic payments, including card payments, pre-authorized debit, direct deposit, peer-to-peer transfers and online banking payments.

Vogogo Canada Inc. was incorporated under the Business Corporations Act (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary registered in Delaware, and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd., a wholly owned subsidiary registered in the United Kingdom. Lastly, the Corporation acquired Vanado, Inc., a wholly owned subsidiary registered in Colorado, on January 1, 2015.

The Corporation's head office is located at 400, 320 – 23rd Avenue SW, Calgary, Alberta, Canada, T2S 0J2. The registered office is located at Torys LLP, 4600, 525 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 1G1.

Southtech was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on April 21, 2011 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange ("TSX Venture") Corporate Finance Manual. The principle business of Southtech was to identify and evaluate potential acquisitions or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and, if required, shareholder approval ("Qualifying Transaction").

On September 11, 2014, Southtech completed its Qualifying Transaction, which was effected pursuant to an agreement between Southtech and Redfall Technologies Inc. ("Redfall"). Pursuant to the agreement, Southtech and Redfall completed a business combination by way of an amalgamation. The former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five common shares held in Southtech. The new amalgamated company changed its name to "Vogogo Inc."

Upon closing of the Qualifying Transaction, the shareholders of Redfall owned 95.62% of the common shares of Vogogo and, as a result, the transaction is a reverse acquisition of Southtech by Redfall. For accounting purposes, Redfall is considered the acquirer and Southtech the acquiree. Accordingly, the consolidated financial statements are in the name of Vogogo Inc. (formerly Southtech) and are a continuation of the financial statements of Redfall. Additional information on the transaction is disclosed in Note 6(i).

BASIS OF PRESENTATION

This MD&A of the results of operations should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2015 and 2014.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board on April 29, 2016.

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation's financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users. The EBITDA and Adjusted EBITDA are calculated as follows:

EBITDA = Comprehensive Loss + Interest Expense – Interest Income +Accretion + Taxes (if any) + Depreciation + Amortization.

Adjusted EBITDA = EBITDA + Stock Based Compensation

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities.

Cash Flow From Operations

Cash flow from operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items to the comprehensive income and then adding or deducting working capital sources or uses related to operating activities.

SUMMARY OF FINANCIAL AND OPERATIONAL RESULTS

The following tables set forth unaudited interim and audited annual financial data prepared in accordance with IFRS for the three months and years ended December 31, 2015 and 2014, respectively.

Financial Snapshot

($)	Three Months Ended		Year Ended	
	Dec 31, 2015	**Dec 31, 2014**	**Dec 31, 2015**	**Dec 31, 2014**
Revenues	**80,656**	15,981	**142,195**	216,600
Comprehensive loss	**(2,875,176)**	(2,033,915)	**(12,144,394)**	(8,980,661)
			As at Dec 31, 2015	**As at Dec 31, 2014**
Working capital (current assets less current liabilities)			**7,428,490**	5,984,455
Total assets			**15,788,160**	7,459,303
Total liabilities			**5,195,288**	1,315,286

Summary Results of Operations

($)	Three Months Ended		Year Ended	
	Dec 31, 2015	**Dec 31, 2014**	**Dec 31, 2015**	**Dec 31, 2014**
Loss from operating activities	**(2,876,445)**	(2,046,309)	**(12,120,646)**	(8,685,803)
General and administrative	**488,560**	955,175	**3,151,364**	2,620,823
Sales and marketing	**521,502**	399,264	**1,559,967**	1,056,021
Research and development	**1,144,630**	477,975	**3,798,355**	1,331,780
Transaction costs	**-**	-	**-**	373,304
Net cash used in operating activities	**(1,788,724)**	(1,941,146)	**(8,379,816)**	(4,855,839)
Non-cash operating items:				
Amortization and depreciation	**323,765**	2,422	**865,073**	9,689
Accretion	**-**	-	**-**	282,169
Stock-based compensation	**380,275**	227,454	**2,888,082**	2,579,934
EBITDA	**(2,565,591)**	(2,047,398)	**(11,337,101)**	(8,679,627)
Adjusted EBITDA (EBITDA less share-based compensation)	**(2,185,317)**	(1,819,944)	**(8,449,019)**	(6,099,693)

Selected Annual Information

($)	For the years ended December 31, 2015 (audited)	2014 (audited)	2013 (audited)
Total revenues	**142,195**	216,600	159,527
General and administrative	**3,151,364**	2,620,823	695,902
Sales and marketing	**1,559,967**	1,056,021	202,295
Development and Operations	**3,798,355**	1,331,780	239,447
Total comprehensive loss	**(12,144,394)**	(8,980,661)	(1,047,980)
Basic and diluted loss per share	**(0.27)**	(0.33)	(0.07)
Total assets	**15,788,160**	7,459,303	1,616,279
Total liabilities	**5,195,288**	1,315,286	2,242,237
Net working capital	**7,428,490**	5,984,455	(795,209)

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to December 31, 2015.

($)	Dec 31, 2015	Sept 30, 2015	June 30, 2015	Mar 31, 2015	Dec 31, 2014	Sept 30, 2014	June 30, 2014	Mar 31, 2014
Total assets	15,788,160	16,393,119	18,525,387	5,432,724	7,459,303	9,187,195	9,458,084	3,504,394
Net working capital	7,428,490	9,896,109	11,451,878	3,749,580	5,984,455	7,526,431	1,299,384	1,742,505
Total liabilities	5,195,288	4,019,059	4,271,793	1,982,002	1,315,286	1,497,427	7,992,940	1,595,060
Revenue	80,657	31,527	18,268	11,743	15,981	16,985	66,669	116,963
Net loss and comprehensive loss	(2,875,176)	(2,628,001)	(2,882,088)	(3,759,129)	(2,033,915)	(2,508,898)	(2,060,333)	(2,377,515)
Basic and diluted loss per Share	(0.05)	(0.06)	(0.06)	(0.10)	(0.07)	(0.08)	(0.06)	(0.16)

Comprehensive loss for the three months ended December 31, 2015 increased to $2.9 million compared to $2.0 million for the same period in 2014. The higher quarterly loss was the result of higher general and administrative, sales and marketing, development and operations costs, and stock-based compensation expenses realized in 2015 as compared to the same period in 2014. The higher expenditures were partially offset by higher revenues in Q4 2015. Each of these items is discussed in more detail under the Results of Operations section.

RESULTS OF OPERATIONS

Revenues

($)	December 31, 2015	December 31, 2014
Revenues	142,195	216,600

Vogogo's 2015 revenue was $142,195 as compared to $216,600 recorded in 2014. The change in revenue was related to early stage customer volatility as Vogogo was exploring the cryptocurrency market opportunity.

General and Administrative

($)	December 31, 2015	December 31, 2014
General and administrative expenses	**3,151,364**	2,620,823

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the year ended December 31, 2015, G&A expenses increased by $530,541 or 20% to $3,151,364 from $2,620,823 in 2014.

The increase in G&A expenses for the year ended December 31, 2015 is the result of higher salary, consulting and legal expenses in support of the Corporation's expenditures to secure its EMI licensing in Europe as well as development costs to establish the capacity to offer transaction risk and compliance services. Included in 2014 general and administrative expenses is a non-cash commission expense of $215,000 related to the issuance of 500,000 Class A common shares of Redfall at $0.09 per share, which was below the average market price. The fair value adjustment was calculated as the difference between $0.09 (issue price) and $0.52 (fair value market price) and was recorded as commission expense during the year.

For the year ended December 31, 2015, 75% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2014, 93% of G&A expenses related to personnel, consulting, professional fees and rent. The 2015 expenses had a larger percentage relating to higher legal, regulatory and administrative costs as compared to 2014.

Sales and Marketing

($)	December 31, 2015	December 31, 2014
Sales and marketing expenses	**1,559,967**	1,056,021

Sales and marketing expenses consist principally of salaries, commissions, travel and other costs associated with the Corporation's sales force, marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre-sales technical support. Sales and marketing expenses for the year ended December 31, 2015 were higher by $503,946 or 48% compared to the previous year as a result of the Corporation's increased activity in broadening its plan to service businesses in other vertical markets in an effort to offer transaction risk and compliance services, in the key regional markets of Canada, the US and Europe.

Sales and marketing expenses are expected to decrease significantly from current levels over the next two quarters as Vogogo more narrowly focuses on the most promising customer opportunities.

Development and Operations

($)	December 31, 2015	December 31, 2014
Development and operations expenses	**3,798,355**	1,331,780

Development and operations ("D&O") expenses include personnel and related equipment costs to develop and support the Corporation's products. The Corporation expenses all research costs as they are incurred. Development costs are only capitalized if they meet the criteria set out by IFRS. While Vogogo believes that investment in R&D is required to remain competitive and will result in creating a valuable asset, Vogogo did not capitalize any development costs during 2015. Expenditures for the year ended December 31, 2015 were based on further developing the risk management and payment processing technology to service businesses operating in higher risk verticals with e-commerce markets, in the key regional markets of Canada, the US and Europe. The goal is to differentiate from competitors in terms of relevant and superior technology.

D&O expenses for the year ended December 31, 2015 were higher by $2,466,575 or 185% compared to the previous year as a result of Management's decision to adjust the Vogogo Technology to more effectively handle risk management and to better scale to the specific requirements of the opportunity offered by servicing higher risk market verticals.

The 2014 expenses were primarily due to the Corporation deploying resources to re-purpose its payment platform from supporting strictly gaming companies to supporting broader electronic payment applications.

For the years ended December 31, 2015 and 2014, 100% of the R&D expenses related to personnel, consulting and IT expenses.

Transaction costs

($)	December 31, 2015	December 31, 2014
Transaction costs	-	373,304

On July 31, 2014, Southtech and Redfall filed a joint information circular to obtain approval from their respective shareholders to proceed with the Qualifying Transaction, and the approval was granted at meetings held on September 10, 2014 followed by approval by the TSX Venture. In connection with this transaction, the Corporation completed a private placement and raised $8.5 million on a brokered and non-brokered basis. Expenses related to the Qualifying Transaction included transaction costs of $373,304 that were incurred during the second and third quarters of 2014. No such expenses were incurred in 2015.

Listing costs

($)	December 31, 2015	December 31, 2014
Listing costs	-	930,852

On September 11, 2014, the Corporation completed its Qualifying Transaction, which was effected pursuant to an agreement between Southtech and Redfall. The former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one Class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five common shares held in Southtech.

The transaction was a reverse acquisition of Southtech and has been accounted under IFRS 2, Share-based Payments. Accordingly, the transaction has been accounted for at the fair value of the equity instruments granted by the shareholders of Redfall to the shareholders and option holders of Southtech. The difference between the net assets acquired and the fair value of the consideration paid of $930,852 has been recognized as a listing expense in the statement of loss and comprehensive loss for the period ended September 30, 2014. No such expenses were incurred in 2015.

The results of operations of Southtech are included in the consolidated financial statements of Vogogo from the date of the Qualifying Transaction, September 11, 2014.

The fair values of the net assets of Southtech acquired on September 11, 2014 are as follows:

	$
Cash	47,858
Other receivables	707
	48,565
Purchase price allocation is as follows:	
Fair value of common shares (1,240,000 shares at $0.75 per share) $930,000	930,000
Fair value of stock options (120,000 options exercisable at $0.50 per share)	49,417
	979,417
Listing costs	**930,852**

Amortization

($)	December 31, 2015	December 31, 2014
Amortization expense	**865,073**	9,689

Amortization expense relates to the property and equipment and intangible assets owned by the Corporation. Specifically, the Corporation owns computer equipment, furniture and fixtures, leasehold improvements and intangible assets related to the Corporation's risk platform. These assets are depreciated over their useful lives and impairments, if any, are assessed at every reporting period. Expenses incurred for the year ended December 31, 2014 are primarily the result of depreciating office equipment, furniture, fixtures and intangible assets. The expenses in 2015 reflect the amortization of the Corporation's intangible assets of $3,869,893 associated with the acquisition of Mevia Inc. ("Mevia") during the second quarter of 2015.

Stock-based Compensation

($)	December 31, 2015	December 31, 2014
Stock-based compensation	**2,888,082**	2,579,934

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc. ("Vanado"), a specialized consulting and payment services company based in Denver, Colorado, by the issuance of 227,273 common shares in the capital of the Corporation pursuant to a share purchase agreement ("Agreement") and the fair value of contingent consideration comprised of certain post-closing payments of up to $1,000,000 payable in common shares of the Corporation subject to the Corporation achieving certain performance thresholds set out in the Agreement. The fair value of the shares issued was $545,455 and the fair value of the contingent consideration was estimated at $738,584, for a total of $1,284,039. The acquisition did not meet the definition of a business combination under IFRS 3 and, accordingly, the entire $1,284,039 was allocated to stock-based compensation. The performance threshold was

deemed to be achieved during the year ended December 31, 2015 and as a result 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265.

The remaining $1,703,991 of stock-based compensation for the year ended December 31, 2015 resulted from the vesting of previously issued stock options as well as valuing the following option grants using the Black Scholes Option-Pricing Model:

- On February 17, 2015, the Corporation granted 100,000 options to acquire common shares for a period of five years at a price of $2.83 per common share, expiring five years from the date of grant.
- On March 12, 2015, the Corporation granted an aggregate of 380,000 options to acquire common shares for a period of five years at a price of $2.65 per common share, expiring five years from the date of grant.
- On August 28, 2015, the Corporation granted an aggregate of 155,000 options to acquire common shares for a period of five years at a price of $1.09 per common share, expiring five years from date of grant.
- On September 7, 2015, the Corporation granted an aggregate of 1,150,000 options to acquire common shares for a period of five years at a price of $1.20 per common share, expiring five years from date of grant.
- On November 25, 2015, the Corporation granted an aggregate of 130,000 options to acquire common shares for a period of five years at a price of $0.85 per common share, expiring five years from date of grant.

On March 17, 2014, the Corporation issued 3,333,334 stock options to certain officers and directors of the Corporation at an exercise price of $0.09. These stock options vested immediately and expired in one year on March 17, 2015. All these stock options were exercised during Q2 2014 and, as a result, $1,452,020 was transferred to share capital from contributed surplus. On April 1, 2014, the Corporation issued 400,000 stock options at an exercise price of $0.52. These stock options vested immediately and expire three years from the date of issuance on April 1, 2017. On April 28, 2014, the Corporation issued an additional 1,450,000 stock options at an exercise price of $0.33. 250,000 of these stock options vested immediately and the balance vests in equal tranches on the first, second and third anniversary of the grant date. These stock options expire five years from the date of issuance on April 28, 2019. The Corporation also issued 1,705,000 stock options on September 11, 2014 at an exercise price of $0.75. 500,000 of these stock options vested immediately and the balance vest in equal tranches on the first, second and third anniversary of the grant date. These stock options expire five years from the date of issuance on September 11, 2019. As part of the Qualifying Transaction, 120,000 stock options were deemed to be issued on September 11, 2014 to Southtech option holders at an exercise price of $0.50. These stock options vested immediately and expired on September 11, 2015. 122,500 stock options were exercised during Q3 2014 and as a result $59,207 was transferred to share capital from contributed surplus during Q3 2014. The Corporation also issued 200,000 stock options on November 27, 2014 at an exercise price of $3.65. These stock options vest in equal tranches on the first, second and third anniversary of the grant date. These stock options expire five years from the date of issuance on November 27, 2019. 20,000 stock options were exercised during Q4 2014 and as a result $8,236 was transferred to share capital from contributed surplus during Q4 2014.

The Corporation's shares did not have sufficient public trading data and, therefore, the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model until Q3 2014. From Q4 2014 the Corporation used its own trading data for the Black-Scholes Option Pricing Model.

Net Loss and Comprehensive Loss

($)	December 31, 2015	December 31, 2014
Net Loss	**(12,161,955)**	(8,980,661)
Comprehensive loss	**(12,144,394)**	(8,980,661)

Included in net loss and comprehensive loss for the year ended December 31, 2015 and 2014 are significant non-cash charges including $2,888,082 and 2,579,934 respectively in stock-based compensation and amortization of $865,073 and $9,689 respectively. The higher loss excepting non-cash items is the result of higher D&O, G&A and sales and marketing expenses as the Corporation's operations were significantly increased in 2015. The increase was partially offset by lower acquisition and listing costs and no accretion costs in 2015.

The difference between net loss and comprehensive loss in 2015 is the result of foreign exchange gain on translation of foreign operations. In 2014 this amount was immaterial and therefore was not accounted for separately.

The Corporation's cash and cash equivalents at December 31, 2015 totaled $10,489,615 (December 31, 2014 - $6,519,384) and the positive net working capital position amounted to $7,428,490 (December 31, 2014 - $5,984,455). The Corporation has an accumulated deficit of $23,267,386 (December 31, 2014 - $11,105,431). The Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2015 is uncertain.

Liquidity and Capital Resources

Royalty Financing Liability

In 2013, the Corporation entered into a $1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds were available to the Corporation if and when certain pre-determined milestones were achieved. Any amount drawn pursuant to the investment agreement was repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 and extending until twice the gross amount received was remitted or until the Corporation had repaid all advances received plus 20% interest compounded annually from the date each advance was received, less royalties paid. During the year ended December 31, 2013, the Corporation received $200,000 as part of this arrangement. At March

31, 2014, the liability was comprised of the $200,000 principal plus $29,699 in accrued interest. This liability was fully re-paid on April 24, 2014.

Convertible Debentures

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares at $0.52 per share, at any time, at the option of the holder. Unless earlier repaid, at the option of the Corporation, or demanded in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares at $0.52 per common share, at any time, at the option of the holder. Unless earlier repaid, at the option of the Corporation, or demanded in the event of default, the principal was due and payable in full on March 6, 2014. Interest was due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into common shares on March 5, 2014 and a total of 192,307 common shares were issued from treasury (see note 13 (viii) of financial statements).

On February 11, 2014, the Corporation issued a $2,000,000 secured convertible debenture. On March 17, 2014, the Corporation increased the amount of the convertible debenture issued to $3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into common shares of the Corporation at $0.33 per share at the option of the holder. On March 26, 2014, the Corporation issued 9,588,924 common shares upon conversion of the full $3,164,345 convertible debenture.

Capital Management

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations.

The Corporation's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk. However, it should be noted that the Corporation is at an early stage of its redefined commercialization program and will continue to be dependent on its ability to manage cash on hand, increase its revenues and raise additional debt or equity to meet its obligations and repay its liabilities arising from normal business operations when they become due.

The management of capital includes the components of shareholders' equity, comprised of share capital and retained earnings (deficit). The Corporation strives to maximize the value associated with shareholders' equity. In order to maintain or adjust its capital structure, the Corporation may

from time to time issue shares, issue new debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern
- To maintain appropriate cash reserves on hand to meet ongoing development and operating costs
- To invest cash on hand in highly liquid and highly rated financial instruments

The Corporation plans to fund these expenditures through current cash available and if necessary and feasible, various financing options including equity and/or debt financing.

The Corporation optimizes its capital structure with a view to ensure a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus and deficit as equity components. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	December 31, 2015 $	December 31, 2014 $
Share capital	**30,944,778**	14,934,913
Warrants	**550,364**	1,196,919
Contributed surplus	**2,347,555**	1,117,616
Deficit	**(23,249,825)**	(11,105,431)
	10,592,872	6,144,017

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented.

Acquisitions

a. Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado, a specialized consulting and payment services company based out of Denver, Colorado, USA, from an arm's length third-party pursuant to a share purchase agreement ("SPA").

The purchase was satisfied by the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016. These post-closing payments shall be payable in common shares of the Corporation upon the Corporation achieving certain

performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearing house processing capabilities, and the remaining contingent consideration is dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearing house capabilities was achieved during the year ended December 31, 2015 and as a result 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss.

The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability is reviewed each reporting period and any adjustments to this liability value are adjusted through the statement of loss and comprehensive loss. There was an adjustment of $99,948 during the year ended December 31, 2015.

b. Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length third party private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was satisfied by the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017. These post-closing payments shall be payable in common shares of the Corporation upon the Corporation achieving certain performance as set out in the APA. The contingent consideration is dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software and no other assets or liabilities were acquired as per the APA. Management concluded that this acquisition meets the definition of business combination under IFRS and has determined that the acquisition fair value equates to the fair value of the assets acquired, and has therefore recorded this acquisition value as the intangible asset addition on the statement of financial position. The intangible asset acquired was measured at fair value at the acquisition date based on estimated discounted cash flows.

These intangible assets are being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

Book value of intangible assets is as follows:

	$
Balance, December 31, 2013 and 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**

c. Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability is reviewed each reporting period and any adjustment to this liability value is reflected in the statement of loss and comprehensive loss. None of the performance targets were met during the year and there was no adjustment required for the year ended December 31, 2015.

d. Contingent Consideration - Acquisitions

Estimated contingent consideration payable on milestones as at December 31, 2015:

	Vanado	Mevia	Total
	$	$	$
Current portion	**377,267**	**2,219,893**	**2,597,160**
Long-term portion	**-**	**-**	**-**
	377,267	**2,219,893**	**2,597,160**

The revenues and profit or loss since the closing date of the acquisitions, and pro forma revenues and profit or loss giving effect to the acquisitions as if they had occurred on January 1, 2015, are not practical to determine. The operations of the acquired assets are not managed as separate business units, and the Corporation's general business overhead and other costs are not allocated or identified on a specific asset basis. Such allocations would, accordingly, be arbitrary and would require significant assumptions and estimates concerning management's intentions and decision-making.

Related Party Transactions

(a) The Corporation considers its key management personnel to be its Chief Executive Officer, Chief Relationship Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary and benefits, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the year ended December 31, 2015, key management compensation amounted to $2,142,049 (2014 - $1,315,830), split between general and administrative, sales and marketing, development, operations, and stock-based compensation expenses, based on work performed.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $7,591,175 (2014 - $2,597,493) for the year ended December 31, 2015, split between general and administrative, sales and marketing, development and operations expenses, based on work performed.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bear interest at 3 percent per annum and were originally due on April 28, 2015. The loan agreements were amended during the year to extend the maturity date to April 28, 2016. Interest expense of $7,500 (2014 - $3,000) has been accrued as at December 31, 2015 and included in the notes receivable balance.

Commitments and Contingencies

(a) Commitments

The Corporation is committed to a leases for its Calgary office space, expiring July 31, 2017, and its London, UK office space, expiring December 31, 2016 for future minimum rental payments exclusive of occupancy costs as follows:

	London $	Calgary $	Total $
2016	11,257	82,368	93,625
2017	-	48,048	48,048
	11,257	**130,416**	**141,673**

(b) Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the Business Corporations Act (Alberta) by the Corporation in connection with a February 2014 repurchase of certain common shares of the Corporation previously held by the plaintiff. The claim seeks damages in an amount in excess of $15,000,000.

Subsequent to the year-end, on January 20, 2016, a statement of claim was filed in the Alberta Court of Queen's Bench by a firm that was party to a proposed business combination in 2014, which did not proceed and was mutually terminated at that time. The claim alleges a breach of certain provisions of the business combination agreement pursuant to the Corporation completing the reverse take-over transaction in September 2014. The claim seeks damages in an amount in excess of $4,000,000.

The Corporation believes these suits are without merit and litigation counsel has been authorized and instructed to vigorously defend against these claims and, accordingly, the Corporation has not accrued a provision relating to the claims. As at the date of these consolidated financial statements, these claims are still pending.

Off-Balance Sheet Arrangements

At the date of this report, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at the date of this MD&A, the Corporation had 49,022,410 common shares, 4,305,084 stock options, 1,396,951 warrants convertible into common shares, and no preferred shares outstanding.

As at December 31, 2015, a total of 3,272,116 common shares (December 31, 2014 – 9,816,347) were held in escrow in compliance with TSX Venture requirements. These shares were released from escrow on March 11, 2016.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments in applying its accounting policies, including estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

1) Areas of Judgment

(a) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a cash generating unit ("CGU") is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(b) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on Management's assessment as to whether the acquisition meets the definition of a business.

(c) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability to raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c) of the financial statements.

2) Assumptions and Critical Estimates

(a) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(b) Impairment of property and equipment and intangible assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(c) Estimate of useful life for intangibles

Management's judgment involves the use of estimates for determining the useful life for intangibles to determine amortization methods and rates.

(d) Contingent consideration

The valuation of the contingent consideration issued on the acquisition of shares of Vanado and the acquisition of assets from Mevia (note 7) has been recorded at fair value and has been based on Management's assessment of the likelihood of the performance targets being met. The associated liability is measured at fair value at each reporting date based on the likelihood of the performance targets being met.

(e) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, notes receivable, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately 51% of the Corporation's revenue during the year ended December 31, 2015 (2014 - 73%) was generated from 3 (2014 – 2) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2015, the Corporation has cash and cash equivalents of $10,489,615 (2014 - $6,519,384) and has a positive net working capital position of $7,428,490 (2014 - $5,984,455) in order to manage liquidity risk. Trade and other payables, trust liabilities and the contingent consideration payable are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2015, the Corporation's exposure to currency risk is limited to cash and cash equivalents of US $338,718 (2014 - US $583,064); GBP 389,938 (2014 – GBP Nil) and trade and other payables of US $296,774 (2014 - US $36,268); GBP 7,644 (2014 – GBP Nil) and trade and other receivables of US $11,382 (2014 – US $Nil); Euro 2,697 (2014 – Euro Nil). A 1% change in the exchange rate between the Canadian and US dollar, GBP

and Euro would have a $4,500 (2014 – $5,500) impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2015, the Corporation is not exposed to any interest rate risk.

Risks and Uncertainties

Due to the nature of the business, the legal and economic climate in which the Corporation is operating and the present stage of development of its operations, the Corporation is subject to risks. The Corporation's future development and actual operating results may be different from those expected as at the date of this MD&A. There can be no certainty that the Corporation will be able to successfully implement its corporate strategy. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to the Corporation (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

Additional Capital Requirements

The Corporation intends to continue to make investments to support its business growth and will require additional funds to implement its business strategy, including expansion of sales and marketing activities; development of new software, products and features; enhancement of its current operating infrastructure; and acquisition of complementary businesses and technologies. The Corporation's cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses. Accordingly, the Corporation's ability to continue to support its business growth and to respond to business challenges could be significantly limited.

Banking & Processing

The Corporation's success depends on its ability to secure and develop banking and/or third party processing relationships that can effectively support Vogogo's service offering in target markets. The Corporation's service offering is focused on market verticals that are considered high risk from a banking perspective and consequently require sophisticated approaches to transactional risk management, compliance and financial crime prevention. Due to the high-risk nature of its

target markets, the Corporation may be unable to successfully secure and retain banking partners. Failure to do so could materially reduce the Corporation's revenue potential.

Regulatory Risk

Vogogo's anticipated global operations may require it to be compliant with laws in many jurisdictions on matters such as anti-corruption, trade restrictions, taxation, securities regulation, banking regulations and data privacy, amongst others. Complying with these diverse requirements in multiple jurisdictions may be a challenge and could require significant resources. Some of these laws may impose conflicting requirements; there may be restrictions on the movement of cash and other assets; or restrictions on the import and export of certain technologies; or restrictions on the repatriation of earnings, all of which may expose the Corporation to penalties for non-compliance and harm its reputation. Vogogo's relationships with its banking partners require that it comply with complex laws and regulations relating to the banking and payment processing industry.

New Technology

The Corporation's success will depend in part on its ability to develop software and products that keep pace with continuing changes in technology, evolving industry standards and changing client preferences and requirements. The Corporation's software and products embody complex technology that may not meet those standards, changes and preferences. The Corporation may be unable to successfully address these developments on a timely basis or at all. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Corporation's revenue.

Dependence on Key Personnel and Consultants

The success of the Corporation will be largely dependent upon the performance of its Management and key employees. Failure by the Corporation to attract and retain key employees with necessary skills could have a materially adverse impact upon the Corporation's growth and profitability. The Corporation currently does not have key person insurance for its Management or other key employees. These individuals, and the contributions they will make, are important to the future operations and success of the Corporation. The unexpected loss or departure of any of the key officers, employees or consultants of the Corporation could be detrimental to the Corporation's future operations. The competition for skilled technical, management, sales and other employees is high in the Corporation's industry. There can be no assurance that the Corporation will be able to engage the services of such personnel or retain the Corporation's current personnel.

Foreign Currency, Payment Processing and Fiscal Matters

The Corporation's operations are subject to inherent market and industry risks resulting from unpredictable fluctuations in foreign currency exchange rates, failed or fraudulent financial transactions and similar credit risks. These occurrences could have a material adverse impact on the Corporation's results of operations.

Competition

The Corporation operates in a competitive industry that is constantly evolving and changing. The Corporation expects this competition to increase as new competitors enter the market. The Corporation's competitors may have greater financial, technical, sales, production and marketing resources. The Corporation may not be able to compete on the same scale as these companies. Such competition may result in reduced sales, reduced margins and / or increased operating expenses.

Customer Base and Market Acceptance

While Management believes it can expand its client base, the inability to expand such a client base could have a material adverse effect on the Corporation. Although the Corporation believes that its products offer advantages over competitive companies and products, no assurance can be given that the Corporation's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations. Since the Corporation's current revenue source is highly dependent on electronic currency exchanges (specifically, BitCoin exchanges), the regulatory and acceptance risks of such electronic currencies could have a material impact on the Corporation's business.

Consumer Privacy, Data Use and Security

The Corporation is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business, and could be negatively impacted by these regulations. Recently, these topics have received heightened legislative and regulatory focus in jurisdictions around the world. Regulation of privacy and data protection and information security may raise concerns about and scrutiny of the Corporation's practices in regard to the collection, use, disclosure or security of personal and sensitive information. Failure to comply with the privacy and data protection and security laws and regulations to which we are subject could result in fines, sanctions or other penalties, which could materially and adversely affect the Corporation's results of operations and overall business, as well as have an impact on the Corporation's reputation. Any addition or change to regulations in these areas (as well as the manner in which such laws could be interpreted or applied) may also increase the Corporation's costs to comply with such regulations. Changes to these laws could also impact the Corporation's business operations by requiring changes to the Corporation's data practices and other processes such as fraud monitoring. Any of these changes could materially and adversely affect the Corporation's overall business and results of operations.

Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of compatible technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's operations. To the extent Management is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the

shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

Continued Losses from Operations

As at December 31, 2015, the Corporation had cash and cash equivalents of $10,489,615 (2014 - $6,519,384) and had a positive net working capital position of $7,428,490 (2014 - $5,984,455). However, the Corporation had an accumulated deficit of $23,267,386 (2014 - $11,105,431) as at December 31, 2015 and incurred a net loss during the year ended December 31, 2015 of $12,161,955 (2014 - $8,980,661). The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2015 is uncertain.

Stage of Development

The Corporation may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, particularly given the early stage of the Corporation's development. The ability of the Corporation to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Transaction Processing Systems

The Corporation's payment processing systems and other key service offerings may experience interruptions as a result of a disaster including, but not limited to, technology malfunctions, fire, weather events, power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. A disaster that occurs at, or in the vicinity of, our primary and/or back-up facilities in any location could interrupt our services. Although the Corporation continually monitors and assesses risks and potential impacts, and develops effective response strategies, the Corporation cannot ensure that its business would be immune to these risks.

Additionally, the Corporation relies on third-party service providers for the timely transmission of information across its global data network. Inadequate infrastructure in lesser-developed markets could also result in service disruptions, which could impact the Corporation's ability to do business in those markets. If, as a result of natural disaster, one of our service providers fails to provide the communications capacity or services the Corporation requires, the failure could interrupt the Corporation's services. Because of the intrinsic importance of the Corporation's processing systems to its business, any interruption or degradation could adversely affect the perception of the reliability of products carrying the Corporation's brand and materially reduce the Corporation's results of operations.

Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and employees.

Money Laundering and Terrorism

The Corporation is subject to regulations that affect the payments industry. In particular, many of the Corporation's customers are subject to regulations applicable to banks and other financial institutions and, consequently, the Corporation is at times affected by such regulations. Regulation of the payments industry, including regulations applicable to the Corporation and its customers, has increased significantly in the last several years. The Corporation is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its Internet payment gateway. Money laundering or terrorist financing involving the Corporation's payment gateway could result in an enforcement action and/or damage the Corporation's reputation, which could result in a material adverse impact on the Corporation's business.

Operating Results and Financial Condition May Fluctuate on a Quarterly and Annual Basis

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of securities analysts or investors, the market price of the Corporation's shares would likely decline.

Indemnity Risks

Certain of the Corporation's agreements with its merchants contain indemnity provisions that require the Corporation to indemnify the merchant whether or not a transaction is properly completed. Corresponding indemnity claims could potentially have an adverse impact on the Corporation's business.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Certain directors of the Corporation may engage in businesses similar to the Corporation and situations may arise where the directors may be in direct competition with the Corporation's business. Conflicts of interest, if any, that arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

Vogogo Inc.

Consolidated Financial Statements

(in Canadian dollars)

For the years ended December 31, 2014 and 2013

Management's Responsibility

To the Shareholders of Vogogo Inc.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board, through the Audit Committee, is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board also has the responsibility of recommending the appointment of the Corporation's external auditors and to meet with external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues.

Collins Barrow Calgary LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 29, 2015

(signed) "*Geoff Gordon*"
Chief Executive Officer

(signed) "*Karim Teja*"
Chief Financial Officer

Collins Barrow
Chartered Accountants & Consultants

Collins Barrow Calgary LLP
1400 First Alberta Place
777 – 8th Avenue S.W.
Calgary, Alberta, Canada
T2P 3R5

T. 403.298.1500
F. 403.298.5814
e-mail: calgary@collinsbarrow.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Vogogo Inc.

We have audited the accompanying consolidated financial statements of Vogogo Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2014 and December 31, 2013, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity (deficiency) and consolidated statements of cash flows for the years ended December 31, 2014 and December 31, 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Vogogo Inc. and its subsidiaries as at December 31, 2014 and December 31, 2013, and their financial performance and cash flows for the years ended December 31, 2014 and December 31, 2013 in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to note 2(c) to the consolidated financial statements which describes conditions that indicate the existence of material uncertainties that may cast significant doubt upon the Corporation's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

Calgary, Canada
April 29, 2015

Vogogo Inc.
Consolidated Statement of Financial Position
(in CAD)
As at

	December 31 2014 $	December 31 2013 $
ASSETS		
Current assets:		
Cash and cash equivalents	**6,519,384**	92,222
Cash held in trust (note 8)	**611,080**	1,324,528
Goods and services tax recoverable	**-**	16,514
Notes receivable (note 16(b))	**153,000**	-
Prepaid expenses and deposits	**16,277**	13,764
	7,299,741	1,447,028
Non-current assets:		
Property and equipment (note 7)	**14,562**	24,251
Long-term investment (note 3(g)(ii))	**145,000**	145,000
	159,562	169,251
Total assets	**7,459,303**	**1,616,279**
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (note 9)	**704,206**	500,244
Trust liabilities (note 8)	**611,080**	1,324,528
Convertible debentures (note 10)	**-**	199,273
Royalty financing liability (note 11)	**-**	218,192
Total liabilities	**1,315,286**	2,242,237
Shareholders' Equity (Deficiency)		
Share capital (note 13)	**14,934,913**	1,161,164
Convertible debentures - equity portion (note 10)	**-**	15,464
Warrants (note 14)	**1,196,919**	-
Contributed surplus (note 14)	**1,117,616**	-
Deficit	**(11,105,431)**	(1,802,586)
Total shareholders' equity (deficiency)	**6,144,017**	(625,958)
Total liabilities and shareholders' equity (deficiency)	**7,459,303**	**1,616,279**

Going concern (note 2(c))
Commitments and contingences (note 17)
Subsequent events (note 21)

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Director

(signed) "*Geoff Gordon*"
Director and CEO

The accompanying notes are an integral part of the consolidated financial statements.

	December 31 2014 $	December 31 2013 $
REVENUE	**254,064**	159,527
EXPENSES		
General and administrative (note 16(a))	**2,620,823**	695,902
Sales and marketing	**1,056,021**	202,295
Research and development	**1,331,780**	239,447
Stock-based compensation (note 15)	**2,579,934**	-
Reverse acquisition costs (note 6(i))	**373,304**	-
Listing costs (note 6(i))	**930,852**	-
Foreign exchange loss	**3,511**	-
Amortization (note 7)	**9,689**	19,469
	8,905,914	1,157,113
Loss from operations	**(8,651,850)**	(997,586)
Accretion (note 10)	**(282,169)**	(14,737)
Interest and bank charges	**(46,642)**	(35,657)
Net loss and comprehensive loss	**(8,980,661)**	**(1,047,980)**
Loss per share – basic and diluted (note 13)	**(0.33)**	**(0.07)**

The accompanying notes are an integral part of the consolidated financial statements.

	Share Capital $	Convertible Debentures - Equity Portion $	Contributed Surplus $	Warrants $	Deficit $	Total $
Balance, December 31, 2012	685,903	-	-	-	(754,606)	(68,703)
Issuance of shares net of share issuance costs (note 13)	475,261	-	-	-	-	475,261
Equity portion of convertible debentures (note 10)	-	15,464	-	-	-	15,464
Net loss and comprehensive loss	-	-	-	-	(1,047,980)	(1,047,980)
Balance, December 31, 2013	**1,161,164**	**15,464**	**-**	**-**	**(1,802,586)**	**(625,958)**
Issuance of shares (note 13)	**693,000**	**-**	**-**	**-**	**-**	**693,000**
Equity portion of convertible debentures (note 13)	**-**	**316,435**	**-**	**-**	**-**	**316,435**
Issuance of shares on conversion of debentures (note 13)	**2,588,814**	**(227,700)**	**-**	**-**	**-**	**2,361,114**
Share-based compensation (note 15)	**-**	**-**	**2,579,934**	**-**	**-**	**2,579,934**
Exercise of stock options (note 13 and 15)	**1,887,188**	**-**	**(1,519,463)**	**-**	**-**	**367,725**
Issuance of units (notes 13 and 15)	**54,338**	**-**	**-**	**95,662**	**-**	**150,000**
Exercise of warrants (notes 13 and 15)	**702,731**	**-**	**-**	**(202,660)**	**-**	**500,071**
Issuance of agents warrants (notes 10 and 15)	**-**	**(96,471)**	**-**	**964,709**	**-**	**868,238**
Transfer of equity portion of convertible debentures on repayment (note 10)	**-**	**(7,728)**	**7,728**	**-**	**-**	**-**
Repurchase of shares (note 13)	**(397,816)**	**-**	**-**	**-**	**(322,184)**	**(720,000)**
Reverse acquisition (note 6(i))	**930,000**	**-**	**49,417**	**-**	**-**	**979,417**
Repurchase of shares on acquisition of Limitless (note 6(ii) and 13)	**(40,163)**	**-**	**-**	**-**	**-**	**(40,163)**
Issuance of finders warrants (note 13)	**(339,208)**	**-**	**-**	**339,208**	**-**	**-**
Issuance of shares on brokered and non brokered private placements, net of issue costs (note 13)	**7,694,865**	**-**	**-**	**-**	**-**	**7,694,865**
Net loss and comprehensive loss	**-**	**-**	**-**	**-**	**(8,980,661)**	**(8,980,661)**
Balance, December 31, 2014	**14,934,913**	**-**	**1,117,616**	**1,196,919**	**(11,105,431)**	**6,144,017**

The accompanying notes are an integral part of the consolidated financial statements.

	December 31 2014 $	December 31 2013 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss and comprehensive loss	**(8,980,661)**	(1,047,980)
Add back items not involving cash:		
Amortization (note 7)	**9,689**	19,469
Accretion (note 10)	**282,169**	14,737
Listing costs (note 6(i))	**930,852**	-
Interest on royalty financing (note 11)	**11,508**	18,192
Stock-based compensation and non-cash commission expenses (notes 13 and 15)	**2,794,934**	11,614
	(4,951,509)	(983,968)
Changes in non-cash working capital items:		
Goods and services tax recoverable	**17,221**	1,158
Notes receivable (note 16(b))	**(153,000)**	-
Prepaid expenses and deposits	**(2,513)**	9,248
Trade and other payables	**203,962**	164,735
	65,670	175,141
Net cash used in operating activities	**(4,885,839)**	(808,827)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) proceeds from royalty financing (note 11)	**(229,700)**	200,000
Proceeds from the issuance of convertible debentures (note 10)	**3,164,345**	200,000
Repayment of convertible debentures (note 10)	**(100,000)**	-
Repurchase of shares (note 13)	**(760,163)**	-
Proceeds from the issuance of shares, net of share issue costs (note 13)	**8,172,865**	463,647
Proceeds from exercise of stock options (note 13)	**367,725**	-
Proceeds from exercise of warrants (note 15)	**500,071**	-
Proceeds from exercise of units (note 13)	**150,000**	-
Cash acquired on reverse acquisition (note 6(i))	**47,858**	-
Net cash generated by financing activities	**11,313,001**	863,647
Net increase in cash and cash equivalents for the year	**6,427,162**	54,820
Cash and cash equivalents, beginning of the year	**92,222**	37,402
Cash and cash equivalents, end of the year	**6,519,384**	92,222
Supplemental cash flow information:		
Interest paid	**43,041**	5,000

The accompanying notes are an integral part of the consolidated financial statements.

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo"), formerly Southtech Capital Corporation ("Southtech"), is in the payment technology and transaction processing business. Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly-owned subsidiary and Delaware company and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd, a wholly-owned subsidiary registered under the laws of United Kingdom. The Corporation develops software that administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer and online banking payments for both the U.S and Canadian markets. The head office is located at 400, 320 – 23rd Avenue SW, Calgary, Alberta, Canada, T2S 0J2.

Southtech was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 21, 2011 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of TSX Venture Exchange Inc. ("TSX Venture"). The principle business of Southtech was to identify and evaluate potential acquisitions or businesses ("Qualifying Transaction") and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and, if required, shareholders' approval.

On September 11, 2014, Southtech completed its Qualifying Transaction which was effected pursuant to an agreement between Southtech and Redfall Technologies Inc. ("Redfall"). Pursuant to the agreement, Southtech and Redfall completed a business combination by way of an amalgamation. The former shareholders of Redfall received one fully paid share in the new amalgamated company for every one share held in Redfall and the former shareholders of Southtech received one fully paid share in the new amalgamated company for every five shares held in Southtech. The new amalgamated company changed its name to Vogogo Inc.

Upon closing of the transaction, the shareholders of Redfall owned 95.62% of the common shares of Vogogo and as result, the transaction is a reverse acquisition of Southtech by Redfall. For accounting purposes, Redfall is considered the acquirer and Southtech the acquiree. Accordingly, the consolidated financial statements are in the name of Vogogo Inc. (formerly Southtech), however are a continuation of the financial statements of Redfall. Additional information on the transaction is disclosed in Note 6(i).

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 29, 2015.

(b) Basis of preparation

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

The consolidated financial statements have been prepared under the historical cost convention, except as noted in Note 3(g).

2. BASIS OF PRESENTATION *(continued)*

(c) Going concern

These consolidated financial statements have been prepared on the basis that the Corporation will continue as a going concern, which assumes that the Corporation will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. As at December 31, 2014, the Corporation has cash and cash equivalents of $6,519,384 (2013 - $92,222) and has a positive net working capital position of $5,984,455 (2013 - $795,209 negative net working capital position). However, the Corporation has an accumulated deficit of $11,105,431 (2013 - $1,802,586) as at December 31, 2014 and incurred a net loss during the year ended December 31, 2014 of $8,980,661 (2013 - $1,047,980). The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2014 is uncertain.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Inc. The functional currency of Vogogo USA Inc. is U.S. dollars ("USD") and for Vogogo EU Ltd. is British Pounds ("GBP").

(e) Basis of consolidation

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in these consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Cash and cash equivalents

Cash and cash equivalents consist of amounts held in current bank accounts and highly liquid short-term investments, including those with maturities of less than three months. The Corporation does not have any cash equivalents as at December 31, 2014 or 2013.

(b) Revenue recognition

The Corporation generates revenue through transaction fees on payment transaction processing. In all cases, revenues generated in the normal course of business are measured at the fair value of the consideration received or receivable. Revenues are recognized only when there is persuasive evidence that an arrangement exists, delivery has occurred or the service has been rendered, the price is fixed or determinable, and collection of the related receivable is reasonably assured. Revenues arising from an agreement to render services are recognized based on the stage of completion of the contract. Rebates and similar deductions are deducted from revenues.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

In addition to these general revenue recognition policies, the following specific revenue-recognition policies are applied to the Corporation's main sources of revenue:

(i) Transaction fees are recognized when the transaction occurs.

(ii) Interest income is recognized as it accrues in the consolidated statement of loss and comprehensive loss using the effective interest rate method.

(c) Research and development

Research costs are expensed when incurred. Internally-generated software costs, including personnel costs of the Corporation's development group, are capitalized as intangible assets when the Corporation can demonstrate that the technical feasibility of the project has been established; the Corporation intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Corporation can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally-generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These costs are amortized on a straight-line basis over the estimated useful life of three years. The Corporation did not have any development costs that met the capitalization criteria for the years ended December 31, 2014 or 2013.

(d) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

Amortization is recognized in profit or loss over the estimated useful lives of property and equipment and is calculated using the depreciable amount, which is the cost of an asset less its residual value.

Property and equipment are amortized over their estimated useful lives at the following rates and methods:

	Rates	Methods
Computer equipment	45% to 55%	Declining balance
Furniture and fixtures	20%	Declining balance
Leasehold improvements	20%	Declining balance

The assets' residual values, useful lives and methods of amortization are reviewed at each financial year-end and adjusted prospectively, if there is a change in any underlying estimates.

Gains or losses arising from the de-recognition of an item of property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

(e) Leases

Leases are classified as either finance or operating leases. Leases that effectively transfer substantially all of the risks and rewards of ownership to the Corporation are finance leases and are accounted for as an acquisition of an asset and an assumption of an obligation at the inception of the lease, measured at the lower of the fair value or the present value of the minimum lease payments. Obligations recorded under finance leases are reduced by the lease payments, net of imputed interest. All other leases are accounted for as operating leases and rental payments are recorded as expenses on a straight-line basis over the term of the related lease.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(f) Foreign currency translation

Foreign currency transactions are initially recorded in the individual company's functional currency at the transaction date exchange rate. At period-end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the period-end exchange rate. All foreign currency adjustments are recognized in profit or loss.

Financial statements of subsidiaries for which the functional currency is not the presentation currency are translated into Canadian dollars. All asset and liability accounts are translated at the period-end exchange rate and all earnings and expense accounts and cash flow statement items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in Other Comprehensive Income (OCI) through the *Reserve – Translation of foreign operations* account.

(g) Financial instruments

The Corporation aggregates its financial instruments into classes based on their nature and characteristics. Management determines the classification when the instruments are initially recognized, which is normally on the date of purchase.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment annually and written down when there is evidence of impairment based on certain specific criteria as detailed further on.

Financial assets and financial liabilities classified as "fair value through profit or loss" are either classified as "held for trading" or "designated at fair value through profit or loss" and are measured at fair value, with changes in fair value recognized in the statement of loss and comprehensive loss. Transaction costs are expensed when incurred. The Corporation has designated cash and cash equivalents and cash held in trust as "held for trading".

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets when they will be realized within 12 months of the reporting date, otherwise they are classified as non-current. The Corporation includes notes receivable in this category.

The financial instruments included in this category are initially recognized at fair value plus transaction costs and subsequent measurement is at amortized cost. Due to the short-term nature of these balances, the carrying values approximate fair value.

Financial assets are derecognized only when the contractual rights to the cash flows from the asset expire.

(ii) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. The Corporation includes long-term investment in this category. The long-term investment is comprised of shares in a private company and is measured at cost.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(iii) Other financial liabilities

The financial instruments included in this category are initially recognized at fair value less transaction costs and subsequent measurement is at amortized cost. They are classified as current liabilities when they are payable within twelve months of the reporting date, otherwise they are classified as non-current. The Corporation includes trade and other payables, trust liabilities, convertible debentures and royalty financing liability in this category.

The Corporation derecognizes these liabilities when its obligation is discharged or replaced by a new liability with substantially modified terms.

(iv) Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Share capital and warrants are classified as equity. Incremental costs directly attributable to the issue of share capital and warrants are recognized as a deduction from equity.

(h) Share-based compensation

The Corporation uses the fair value method for valuing share-based compensation. Under this method, the compensation cost attributed to stock options granted is measured at the fair value at the grant date, compensation cost for options is expensed over the vesting period with a corresponding increase to contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the settlement of the stock options the previously recognized value in contributed surplus is recorded as an increase to shareholders' capital.

The Corporation measures share-based payments to non-employees at the date of receipt of the goods or services. If the fair value cannot be measured reliably, the value of the options or warrants granted will be used.

(i) Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognized in profit or loss as a finance cost as it is occurs.

(j) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliability.

In assessing impairment, the Corporation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the carrying value and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance against receivables.

(ii) Non-financial assets

Management assesses the carrying value of property and equipment and internally-generated intangible assets at each reporting date for indications of impairment. Indications of impairment include an ongoing lack of profitability, significant change in technology as well as economic circumstances. When an indication of impairment is present, a test for impairment is carried out by comparing whether the carrying value of the asset exceeds the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For purpose of impairment testing, cash-generating units ("CGUs") are assets that cannot be tested individually but are grouped together into the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Taxation and tax credits

The income tax provision includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income or equity. In these specific cases, the income tax expense is recognized in other comprehensive income or equity, respectively.

Deferred taxes are accounted for using the liability method. Under this approach, deferred tax assets and liabilities are determined based on the differences between the carrying amounts and the tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable there will be sufficient taxable profits against which to utilize the benefits in the future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax receivables and payables are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed on the basis of tax profit which differs from net profit. This calculation was made using tax rates and laws which are enacted or substantively enacted at the end of the reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tax credits, including research and development tax credits, are not recognized until there is reasonable assurance that the Corporation will meet the eligibility criteria of the credits and that they will be received. Tax credits are recognized as a deduction to the related expenses.

(l) Compound financial instruments

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the issuance date, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability based on amortized cost until the instrument is converted or matures. The equity component is determined by deducting the liability component from the total fair value of the compound instrument and is recognized as equity, net of income tax effects, with no subsequent re-measurement.

(m) Fair value measurement

A number of the Corporation's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining the fair values is disclosed in the notes specific to that asset or liability.

The Corporation classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair values of cash and cash equivalents and cash held in trust are based on Level 1 inputs.

(n) Per share amounts

Basic per share amounts are calculated by dividing the profit or loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments. The Corporation computes the dilutive impact of common shares assuming the proceeds received from the pro forma exercise of in-the-money share options and warrants are used to purchase common shares at average market prices.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(a) Areas of judgment

(i) Long-term investment valuation

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess whether the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

(ii) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. The determination of CGUs is also based on management's judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how management monitors and makes decisions about the Corporation's operations.

(iii) Royalty financing liability

The royalty financing liability was measured at the present value of management's best estimate of the future repayment at the initial date of entering this contract. Determining future repayment required estimates of the timing and amount of future revenue earned on the Corporation's products, including current and potential future products. The timing or amount of future revenue can vary from period to period based on the progress of the Corporation's development and commercialization programs. A change in the estimate of the amount or timing of such revenue would impact the valuation of the royalty financing liability.

(iv) Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c).

(b) Assumptions and critical estimates

(i) Compound financial instruments

Certain financial instruments are comprised of a liability and an equity component. The determination of the amount allocated to the liability and equity components requires management to estimate various components and characteristics of present value calculations used in determining the fair value of the instrument, including the market interest rates of non-convertible debentures.

(ii) Stock-based compensation and warrants

The amounts disclosed relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Impairment of property and equipment

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iv) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. CHANGES IN ACCOUNTING STANDARDS

On January 1, 2014, the Corporation adopted the following new standards and amendments which became effective for years beginning on or after January 1, 2014:

- IAS 32, Financial Instruments: Presentation, has been amended to clarify certain requirements for offsetting financial assets and liabilities. The amendment addresses the meaning and application of the concepts of legally enforceable right of set-off and simultaneous realization and settlement. This amendment had no impact on the Corporation's results or financial position.
- IAS 36, Impairment of Assets, has been amended to require disclosure of the recoverable amount of an asset (including goodwill) or a CGU when an impairment loss has been recognized or reversed in the period. When the recoverable amount is based on fair value less costs of disposal, the valuation techniques and key assumptions must also be disclosed. The amendment had no impact on the Corporation's results or financial position.
- IFRIC 21, Levies, on the accounting for levies imposed by governments clarifies the obligating event that gives rise to a liability to pay a levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The adoption of this IFRIC had no impact on the Corporation's results or financial position.

5. CHANGES IN ACCOUNTING STANDARDS *(continued)*

The following pronouncements will become effective for fiscal periods subsequent to December 31, 2014:

- IFRS 15, Revenue from Contracts with Customers provides a comprehensive new standard on revenue recognition. It specifies how and when to recognize revenue as well as requiring entities to provide more informative and relevant disclosure. The new standard is effective for years beginning on or after January 1, 2017. IFRS 15 is being assessed to determine its impact on the Corporation's results and financial position.

- IFRS 9, Financial Instruments, addresses the classification and measurement of financial assets. IFRS 9 replaces the guidance on "classification and measurement" of financial instruments in IAS 39, Financial Instruments – Recognition and Measurement. The new standard requires a consistent approach to the classification of financial assets and replaces the numerous categories of financial assets in IAS 39 with two categories, measured at either amortized cost or at fair value. For financial liabilities, the standard retains most of the IAS 39 requirements, but where the fair value option is taken, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of operations and comprehensive loss, unless this creates an accounting mismatch. It also includes a new general hedge accounting model. IFRS 9 is effective for fiscal periods beginning on or after January 1, 2018. IFRS 9 is being assessed to determine its impact on the Corporation's results and financial position.

6. REVERSE ACQUISITION OF SOUTHTECH AND ACQUISITION OF LIMITLESS I CORP.

(i) Reverse acquisition of Southtech

On September 11, 2014, Southtech completed its Qualifying Transaction which was effected pursuant to an agreement between Southtech and Redfall. As a result of the agreement, the former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one Class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five shares held in Southtech.

The transaction is a reverse acquisition of Southtech and has been accounted under IFRS 2, Share-based Payments. Accordingly, the transaction has been accounted for at the fair value of the equity instruments granted by the shareholders of Redfall to the shareholders and option holders of Southtech. The difference between the net assets acquired and the fair value of the consideration paid of $930,852 has been recognized as a listing expense in the statement of loss and comprehensive loss for the year ended December 31, 2014. Costs of the transaction (reverse acquisition costs) of $373,304 were also expensed in the year ended December 31, 2014.

The results of operations of Southtech are included in the consolidated financial statements of Vogogo from the date of the reverse acquisition, September 11, 2014.

The fair value of the net assets of Southtech acquired on September 11, 2014 are as follows:

	$
Cash	47,858
Other receivables	707
	48,565
Purchase price allocation is as follows:	
Fair value of common shares (1,240,000 shares at $0.75 per share)	930,000
Fair value of stock options (120,000 options exercisable at $0.50 per share)	49,417
	979,417
Listing costs	**930,852**

6. REVERSE ACQUISITION OF SOUTHTECH AND ACQUISITION OF LIMITLESS I CORP. *(continued)*

The fair value of the Southtech options were estimated using the Black-Scholes option pricing model with the following assumptions:

Exercise price	$0.50
Share price	$0.75
Dividend yield	-
Forfeiture %	-
Risk-free interest rate	1.14%
Expected life of options	1.00 year
Expected volatility	114%

(ii) Acquisition of Limitless I Corp. ("Limitless")

Prior to the reverse acquisition of Southtech, Limitless, a shareholder of Redfall holding 9,588,924 Corporation shares, completed a restructuring whereby the shareholders of Limitless each received Redfall's common shares equal to such shareholder's proportionate interest in the aggregate shares held by Limitless. As a result of such restructuring an aggregate of 53,551 Redfall common shares were cancelled to settle outstanding amounts payable by Limitless prior to closing and the shareholders of Limitless received an aggregate of 9,535,373 Redfall common shares.

The fair value of the net assets of Limitless acquired on September 11, 2014 are as follows:

	$
9,588,924 common shares of the Corporation	7,191,693
	7,191,693

Purchase price allocation is as follows:	
Fair value of common shares (9,535,373 shares at $0.75 per share)	7,151,530
	7,151,530
53,551 common shares of the Corporation cancelled on assumption of Limitless liability by the Corporation (53,551 shares at $0.75 per share)	**40,163**

The revenues and profit or loss since the closing date of the acquisitions, and pro forma revenues and profit or loss giving effect to the acquisitions as if they had occurred on January 1, 2014, are not practical to determine. The operations of the acquired assets are not managed as separate business units, and the Corporation's general business overhead and other costs are not allocated or identified on a specific asset basis. Such allocations would, accordingly, be arbitrary and would require significant assumptions and estimates concerning management's intentions and decision-making.

7. PROPERTY AND EQUIPMENT

Cost	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2012	294,720	18,652	2,151	315,523
Additions	-	-	-	-
Disposals	-	-	-	-
Balance, December 31, 2013	294,720	18,652	2,151	315,523
Additions	-	-	-	-
Disposals	-	-	-	-
Balance, December 31, 2014	**294,720**	**18,652**	**2,151**	**315,523**

Accumulated amortization	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2012	263,931	7,658	214	271,803
Amortization	16,883	2,199	387	19,469
Disposals	-	-	-	-
Balance, December 31, 2013	280,814	9,857	601	291,272
Amortization	7,621	1,759	309	9,689
Disposals	-	-	-	-
Balance, December 31, 2014	**288,435**	**11,616**	**910**	**300,961**

Net book value	Computer Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Total $
Balance, December 31, 2013	13,906	8,795	1,550	24,251
Balance, December 31, 2014	**6,285**	**7,036**	**1,241**	**14,562**

8. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represent amounts collected from customers of clients which are held in trust until being paid out to clients.

9. TRADE AND OTHER PAYABLES

	December 31, 2014 $	December 31, 2013 $
Trade accounts payable	**594,175**	**407,595**
Accrued payables	**93,364**	**39,302**
Payroll	**-**	**48,237**
Other	**16,667**	**5,110**
	704,206	**500,244**

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at December 31, 2014, the Corporation has $308,219 (2013 - $349,471) in accounts payable beyond 60 days.

10. CONVERTIBLE DEBENTURES

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares, at any time, at the option of the holder at $0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with accrued interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares, at any time, at the option of the holder at $0.52 per share. Unless earlier repaid, at the option of the Corporation, or demanded, in the event of default, the principal was due and payable in full on March 6, 2014. Interest was due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (note 13 (viii)).

On February 11, 2014, the Corporation issued a secured convertible debenture in the amount of $2,000,000. On March 17, 2014, the Corporation amended this convertible debenture, increasing the amount of the convertible debenture issued to $3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The debenture bore interest at a rate of 10% per annum. The debenture was convertible into common shares of the Corporation at the option of the holder at $0.33 per share. The corporation issued 2,275,000 agents warrants in connection with the convertible debenture with a fair value of $964,709 (note 14), of which $868,238 was allocated to the debt component of the convertible debenture and $96,471 was allocated to the equity component of the debenture. On March 26, 2014, the Corporation issued 9,588,924 common shares upon conversion of the full $3,164,345 convertible debenture. Upon conversion, the debt and equity portions of the convertible debenture and associated accretion to the conversion date of $281,442, net of the warrant costs of $964,709, were transferred to share capital (note 13(x)).

The Corporation determined that the convertible debentures met the definition of a compound financial instrument and determined the fair value of the liability and the resulting equity component by discounting the expected future cash flows of each convertible debenture using interest rates of 20% to 25% representing management's estimate of the fair value interest rate for a similar instrument without the convertibility feature.

11 ROYALTY FINANCING LIABILITY

The Corporation entered into a $1 million investment agreement to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds were available to the Corporation if and when certain pre-determined milestones were achieved. Any amount drawn pursuant to the investment agreement was repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 until twice the gross amount received was remitted or until the Corporation had repaid all advances received plus 20% interest compounded annually from the date each advance was received, less royalties paid. During the year ended December 31, 2013, the Corporation received $200,000 as part of this arrangement. At December 31, 2013 the liability was comprised of the $200,000 principal plus $18,192 in accrued interest. The $200,000 principal and accrued interest of $29,700 were fully paid on April 24, 2014.

12. INCOME TAXES

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates to profit or loss before income taxes.

The reconciliation of the differences is as follows:

	December 31, 2014 $	December 31, 2013 $
Profit (loss) before income taxes	**(8,980,661)**	(1,047,980)
Statutory income tax rate	**25.00%**	25.00%
Expected income tax recovery	**(2,245,165)**	(261,995)
Change in valuation allowance	**2,426,605**	260,236
Adjustment to prior year losses	**(184,626)**	-
Other	**3,186**	1,759
Income tax recovery	**-**	-

The net deferred tax asset is comprised of the following temporary differences:

	December 31, 2014 $	December 31, 2013 $
Non-capital losses	**(2,745,824)**	(595,242)
Property and equipment	**(11,250)**	(1,604)
Share issuance costs	**(277,435)**	(11,058)
Valuation allowance	**3,034,509**	607,904
Deferred tax asset	**-**	-

As at December 31, 2014, the Corporation has Canadian non-capital loss carry forwards of approximately $10,983,295 (2013 - $1,969,482). The Canadian non-capital loss carry forwards expire at various dates from 2030 to 2034. The Corporation also has tax deductible balances worth $277,435 at December 31, 2014, relating to share issuance costs, which have not been recognized on the consolidated statement of financial position.

13. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital $
Balance, December 31, 2012	**13,856,000**	**685,903**
Shares issued through re-pricing of existing shares (i)	576,361	-
Shares issued for cash (ii)	1,031,012	478,550
Share-based payments (iii)	203,401	105,769
Share-based payments (iv)	9,836	5,114
Share-based payments (v)	19,697	6,500
Share issue costs (iii)	-	(105,769)
Share issue costs (vi)	-	(14,903)
Balance, December 31, 2013	**15,696,307**	**1,161,164**

13. SHARE CAPITAL *(continued)*

	Number of Shares #	Share Capital $
Balance, December 31, 2013	**15,696,307**	**1,161,164**
Repurchase of shares for cash (vii)	(3,833,334)	(345,000)
Fair value adjustment of repurchase of shares (vii)	-	61,422
Shares issued on conversion of convertible debenture (viii)	192,307	107,736
Shares issued for cash (ix)	500,000	45,000
Fair value adjustment of shares issued (ix)	-	215,000
Shares issued on conversion of convertible debenture (x)	9,588,924	2,481,078
Shares issued for cash (xi)	432,692	225,000
Shares issued for cash (xii)	400,000	208,000
Units issued for cash (xiii)	288,462	150,000
Warrant component of units issued (xiii)	-	(95,662)
Shares issued on exercise of share purchase warrants (xiii)	479,540	249,361
Fair value on exercise of share purchase warrants (xiii)	-	59,731
Shares issued on exercise of stock options (xiv)	3,333,334	300,000
Fair value on exercise of stock options (xiv)	-	1,452,020
Repurchase of shares for cash (xv)	(500,000)	(375,000)
Fair value adjustment of repurchase of shares (xv)	-	260,762
Repurchase of shares on acquisition of Limitless (xvi)	(53,551)	(40,163)
Elimination of Redfall common shares (xvii)	(26,524,681)	-
Shares issued on reverse acquisition (xvii)	26,524,681	-
Shares issued to Southtech (xviii)	1,240,000	930,000
Shares issued for brokered placement (xix)	4,666,667	3,500,000
Shares issued for non-brokered placement (xx)	6,666,664	5,000,000
Share issue costs - Finder's Fee paid in cash (xxi)	-	(598,396)
Share issue costs - Finders Warrants (xxi)	-	(339,208)
Shares issued on exercise of stock options (xxii)	122,500	57,725
Fair value on exercise of stock options (xxii)	-	59,207
Shares issued on exercise of Finders Warrants (xxiii)	158,386	118,790
Fair value on exercise of Finders Warrants (xxiii)	-	67,723
Shares issued on exercise of stock options (xxiv)	20,000	10,000
Fair value on exercise of stock options (xxiv)	-	8,236
Shares issued on exercise of Finders Warrants (xxv)	10,000	7,500
Fair value on exercise of Finders Warrants (xxv)	-	4,276
Shares issued on exercise of Finders Warrants (xxvi)	42,643	31,982
Fair value on exercise of Finders Warrants (xxvi)	-	18,233
Shares issued on exercise of Finders Warrants (xxvii)	96,000	72,000
Fair value on exercise of Finders Warrants (xxvii)	-	41,046
Shares issued on exercise of Finders Warrants (xxviii)	5,250	3,938
Fair value on exercise of Finders Warrants (xxviii)	-	2,244
Shares issued on exercise of Finders Warrants (xxix)	22,000	16,500
Fair value on exercise of Finders Warrants (xxix)	-	9,407
Share issue costs – Legal and other	-	(206,739)
Balance, December 31, 2014	**39,574,791**	**14,934,913**

13. SHARE CAPITAL *(continued)*

(i) On April 9, 2013 the Corporation issued 576,361 common shares to all existing shareholders who paid $0.93 per share during 2012 in order to revalue their share purchase price from $0.93 per share to $0.52 per share.

(ii) The Corporation issued a total of 1,031,012 common shares for cash during the year ended December 31, 2013 at an average price of $0.46 per share.

(iii) The Corporation issued 203,401 common shares to an employee and a consulting firm during the year ended December 31, 2013 in exchange for assistance in raising the common share financing. The fair value of the common shares of $0.52 per share, which is equal to the amount paid by arms length parties, was recorded as share issue costs.

(iv) The Corporation issued 9,836 common shares to a consulting firm during the year ended December 31, 2013 for consulting services performed. The fair value of the common shares of $0.52 per share, which is equal to the amount paid by arms length parties, was recorded as general and administrative expenses.

(v) The Corporation issued 19,697 common shares to a consulting firm during the year ended December 31, 2013 in exchange for services performed related to the royalty financing (note 11). The fair value of the common shares of $0.33 per share, which is equal to the amount paid by arms length parties, was recorded as general and administrative expenses.

(vi) The Corporation incurred $14,903 in share issue costs during the year ended December 31, 2013 which consist of legal fees.

(vii) On February 21, 2014 the Corporation repurchased 3,833,334 common shares at $0.09 per share for total cost of $345,000. The average carrying value of share capital as at the date of the buy-back was calculated at $0.07 per share, resulting in a premium of $0.02 per common share. The resulting premium of $61,422 was charged to deficit.

(viii) On March 5, 2014, the Corporation issued 192,307 common shares at $0.52 per share upon conversion of a $100,000 convertible debenture (note 10).

(ix) On March 17, 2014, the Corporation issued 500,000 common shares at $0.09 for total cash proceeds of $45,000. The fair value of these shares at the time was determined to be $0.52 per common share. These shares were issued below the market value by $0.43 per share, the total discount of $215,000 was credited to share capital and recorded as commission expenses and is included in the general and administration expense for the period.

(x) During 2014, the Corporation issued a secured convertible debenture in amount of $3,164,345 (note 10). The debenture was convertible into common shares of the Corporation at the option of the holder at $0.33 per share. On March 26, 2014, the Corporation issued 9,588,924 common shares upon conversion of the full $3,164,345 convertible debenture.

In connection with the issuance of the convertible debenture on February 11, 2014, the Corporation issued an aggregate of 2,275,000 agent warrants to acquire common shares of the Corporation for a period of five years at a price of $0.33 per common share expiring five years from the date of grant. Fair value of these agent warrants were calculated using the Black-Scholes option-pricing model and recorded as debenture transaction costs. The fair value of the agent warrants was determined to be $964,709, which was allocated to the debt and equity components of the convertible debenture.

Upon conversion the debt and equity portions of the convertible debenture and associated accretion to the conversion date of $281,442, net of warrant costs of $964,709, were transferred to share capital.

(xi) On April 2, 2014, the Corporation issued a total of 432,692 common shares for cash at $0.52 per share for total proceeds of $225,000.

13. SHARE CAPITAL *(continued)*

(xii) On April 7, 2014, the Corporation issued a total of 400,000 common shares for cash at $0.52 per share for total proceeds of $208,000.

(xiii) On April 30, 2014, the Corporation issued 288,462 units at $0.52 per unit for total proceeds of $150,000. Each unit is comprised of one common share and 2.6624 share purchase warrants, for a total issuance of 288,462 common shares and 768,002 share purchase warrants. Each share purchase warrant entitles the holder to purchase one common share at an exercise price of $0.52 per common share for up to three years following the issuance date. Fair value of these share purchase warrants were calculated using the Black-Scholes option-pricing. The fair value of these share purchase warrants was determined to be $95,662, which was allocated to warrants from share capital.

On June 27, 2014, 479,540 of the total 768,002 warrants were exercised at $0.52 per warrant for total proceeds of $249,361. The value of these warrants of $59,731 was transferred from warrants to share capital on exercise of these warrants.

(xiv) On April 30, 2014, 3,333,334 stock options were exercised at $0.09 per stock option for total proceeds of $300,000. The value of the stock options of $1,452,000 was transferred from contributed surplus to share capital on exercise of these options.

(xv) On September 10, 2014 the Corporation repurchased 500,000 common shares at $0.75 per share for total proceeds of $375,000. The average carrying value of share capital as at the date of the buy-back was calculated at $0.23 per share, resulting in a premium of $0.52 per common share. The resulting premium of $260,762 was charged to deficit.

(xvi) On September 10, 2014 the Corporation cancelled 53,551 common shares at the fair value of $0.75 per share for a total of $40,163 on acquisition of Limitless (note 6(ii)).

(xvii) On September 11, 2014, as part of the reverse acquisition (note 6(i)) the former holders of Redfall Class A common shares received 1 common share of the Corporation for every 1 Redfall Class A common share held.

(xviii) On September 11, 2014, as part of the reverse acquisition (note 6(i)) the former holders of Southtech common shares received 1 common share of the Corporation for every 5 Southtech common share held.

(xix) On September 11, 2014, in conjunction with the reverse acquisition, the Corporation completed a brokered private placement and issued 4,666,667 common shares at $0.75 for gross proceeds of $3,500,000.

(xx) On September 11, 2014, in conjunction with the reverse acquisition, the Corporation completed a non-brokered private placement and issued 6,666,664 common shares at $0.75 for gross proceeds of $5,000,000.

(xxi) On September 11, 2014, in connection with the brokered and non-brokered private placement the Corporation paid finder's fee of $598,396 and also issued 793,332 finders warrants ("Finders Warrant"). Each Finders Warrant is exercisable to one common share of the Corporation at $0.75 per finders warrant for a period of 12 months from the date of closing. The fair value of the Finders Warrants was calculated to be $339,208 using the Black-Scholes option pricing model and was recorded as share issue costs.

(xxii) On September 18, 2014, 122,500 stock options were exercised at an average price of $0.47 per stock option for total proceeds of $57,725. The value of the stock options of $59,207 was transferred from contributed surplus to share capital on exercise of these options.

(xxiii) On October 1, 2014, 158,386 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $118,790. The value of these warrants of $67,723 was transferred from warrants to share capital on exercise of these warrants.

13. SHARE CAPITAL *(continued)*

(xxiv) On October 9, 2014, 20,000 stock options were exercised at a price of $0.50 per stock option for total proceeds of $10,000. The value of the stock options of $8,236 was transferred from contributed surplus to share capital on exercise of these options.

(xxv) On October 14, 2014, 10,000 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $7,500. The value of these warrants of $4,276 was transferred from warrants to share capital on exercise of these warrants.

(xxvi) On October 28, 2014, 42,643 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $31,982. The value of these warrants of $18,233 was transferred from warrants to share capital on exercise of these warrants.

(xxvii) On October 29, 2014, 96,000 Finders Warrants were exercised at $0.75 per warrant for total proceeds of $72,000. The value of these warrants of $41,046 was transferred from warrants to share capital on exercise of these warrants.

(xxviii) On November 6, 2014, 5,250 Finder Warrants were exercised at $0.75 per warrant for total proceeds of $3,938. The value of these warrants of $2,244 was transferred from warrants to share capital on exercise of these warrants.

(xxix) On December 12, 2014, 22,000 Finder Warrants were exercised at $0.75 per warrant for total proceeds of $16,500. The value of these warrants of $9,407 was transferred from warrants to share capital on exercise of these warrants.

The weighted average number of common shares outstanding used to calculate basic and diluted loss per share is 27,375,926 for the year ended December 31, 2014 (2013 - 15,231,042). The effect of the share split was accounted for retrospectively for all periods presented.

As at December 31, 2014, a total of 9,816,347 common shares (December 31, 2013 - Nil) were held in escrow pursuant to TSXV requirements. The remaining shares will be released from escrow every 6 months by installments of 3,272,116 on March 11, 2015, September 11, 2015 and March 11, 2016 respectively.

14. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 15 for further details on these plans.

Contributed Surplus

	$
Balance, December 31, 2012 and 2013	-
Stock-based compensation expense	2,579,934
Fair value of Southtech stock options on reverse acquisition (note 6(i))	49,417
Equity component of convertible debenture transferred on repayment at maturity	7,728
Exercise of stock options	(1,519,463)
Balance, December 31, 2014	**1,117,616**

14. CONTRIBUTED SURPLUS AND WARRANTS *(continued)*

Warrants

	$
Balance, December 31, 2012 and 2013	-
Agent warrants issued (note 13(x))	964,709
Share purchase warrants issued (note 13(xiii))	95,662
Finders Warrants issued (note 13(xxi))	339,208
Exercise of warrants	(202,660)
Balance, December 31, 2014	**1,196,919**

15. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant.

A summary of the Plan transactions for the year ended December 31, 2014 and 2013 are as follows:

	For the year ended December 31, 2014		For the year ended December 31, 2013	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding at beginning of year	-	-	-	-
Options granted to employees, consultants, directors and officers	7,208,334	0.42	-	-
Options exercised during the period	(3,475,834)	(0.11)	-	-
Outstanding at end of year	3,732,500	0.72	-	-

The following provides a summary of options outstanding and exercisable as at December 31, 2014:

Options outstanding			Options exercisable		
Outstanding at December 31, 2014	Weighted average remaining contractual life	Weighted average exercise price $	Number exercisable at December 31, 2014	Weighted average remaining contractual life	Weighted average exercise price $
3,732,500	4.31 years	0.72	1,127,500	3.77 years	0.58

15. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the year ended December 31, 2014	For the year ended December 31, 2013
Fair value of options	$0.34 to $3.14	-
Exercise price	$0.42	-
Share price	$0.67	-
Dividend yield	0%	-
Forfeiture %	0%	-
Risk-free interest rate	1.61%	-
Expected life of options	3.04 years	-
Expected volatility	127%	-

The Corporation's shares started publicly trading on September 11, 2014 and, as a result, the Corporation does not have sufficient trading history to compute its expected volatility using its historical volatility; therefore the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

The Corporation recorded stock-based compensation expense for options of $2,579,934 (2013 - $Nil) with an offsetting increase to contributed surplus in respect of the stock options granted during the year ended December 31, 2014. 3,475,834 stock options were exercised during the period and as a result $1,519,463 was transferred to share capital from contributed surplus.

The Corporation issued 2,275,000 agent warrants as compensation to agents in connection with convertible debenture issuances during the year ended December 31, 2014. Each agent warrant is exercisable for one common share of the Corporation at $0.33 per common share for a period of 5 years from the issuance date. The fair value of the agent warrants was calculated to be $964,709 using the Black-Scholes option pricing model. 758,334 of these warrants were issued to an entity related by common officers and directors.

The Corporation issued 768,002 share purchase warrants as part of a unit offering. Each share purchase warrant is exercisable for one common share of the Corporation at $0.52 per common share for a period of 3 years from the issuance date. The fair value of the share purchase warrants was calculated to be $95,662 using the Black-Scholes option pricing model. 479,540 of these share purchase warrants were exercised during the year.

The Corporation issued 793,332 finders warrants on September 11, 2014 in connection with the brokered and non-brokered private placement. Each finders warrant is exercisable for one common share of the Corporation at $0.75 per common share for a period of 12 months from the date of closing of the Qualifying Transaction. The fair value of the finders warrants was calculated to be $339,208 using the Black-Scholes option pricing model. 334,279 of these share purchase warrants were exercised during the year.

15. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

A summary of warrant transactions for the year ended December 31, 2014 and 2013 are as follows:

	For the year ended December 31, 2014		For the year ended December 31, 2013	
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	-	-	-	-
Agents warrants granted	2,275,000	0.33	-	-
Warrants granted	768,002	0.52	-	-
Finders Warrants granted	793,332	0.75	-	-
Warrants exercised	(813,819)	0.61	-	-
Outstanding at end of period	3,022,515	0.41	-	-

The following provides a summary of warrants outstanding as at December 31, 2014:

Warrants outstanding		
Outstanding at December 31, 2014	**Weighted average remaining contractual life**	**Weighted average exercise price $**
3,022,515	3.56 years	$0.41

The fair value of each warrant was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the year ended December 31, 2014	For the year ended December 31, 2013
Fair value of warrants	$0.34 to $0.43	-
Exercise price	$0.45	-
Share price	$0.57	-
Dividend yield	0%	-
Risk-free interest rate	1.52%	-
Expected life of warrants	3.9 years	-
Expected volatility	106%	-

The Corporation's shares started publicly trading on September 11, 2014 and, as a result, the Corporation does not have sufficient trading history to compute its expected volatility using its historical volatility; therefore the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

The Corporation recorded debenture issue costs for agent warrants of $964,709 (2013 - $Nil) with an offsetting increase to warrants during the year ended December 31, 2014. The Corporation recorded $95,662 (2013 - $Nil) to warrants on the issue of share purchase warrants with an offset to share capital. On exercise of 813,819 of share purchase warrants $202,660 (2013 - $Nil) was transferred from warrants to share capital during the year ended December 31, 2014.

16. RELATED PARTY TRANSACTIONS

(a) The Corporation considers its key management personnel to be its Chief Executive Officer, Chief Relationship Officer, Chief Financial Officer and Chief Technology Officer. Key management compensation is composed of payroll, stock based compensation and consulting fees paid to key management and companies controlled by key management. During the year ended December 31, 2014, key management compensation amounted to $1,315,830 (2013 - $56,000), split between general and administrative sales and marketing, and research and development expenses, based on work performed.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $2,597,493 (2013 - $578,453) for the year ended December 31, 2013, split between general and administrative sales and marketing, and research and development expenses, based on work performed.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bear interest at 3 percent per annum and are payable on maturity on April 28, 2015. Subsequent to December 31, 2014, these promissory notes were extended to October 28, 2015. Interest expense of $3,000 has been accrued as at December 31, 2014 and included in the notes receivable balance.

17. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Corporation is committed under a lease on their office space, expiring July 31, 2017 for future minimum rental payments exclusive of occupancy costs as follows:

	$
2015	76,934
2016	78,936
2017	46,046
	201,916

(b) Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the Business Corporations Act (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim seeks damages in an amount in excess of $15,000,000.

The Corporation believes the suit is without merit and litigation counsel has been authorized and instructed to vigorously defend against these claims and, accordingly, the Corporation has not accrued a provision relating to the claims. As at the date of these consolidated financial statements, this claim is still pending.

18. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensure a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus and deficit as equity components and the Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of cash and cash equivalents, cash held in trust, notes receivable, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada and the United States. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately 73% of the Corporation's revenue during the year ended December 31, 2014 (2013 - 70%) was generated from 2 (2013 – 1) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2014, the Corporation has cash and cash equivalents of $6,519,384 (2013 - $92,222) and has a positive net working capital position of $5,984,455 (2013 - $795,209 negative net working capital position) in order to manage liquidity risk.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2014, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US dollars in the amount of US $583,064 (2013 - US $228) and trade and other payables denominated in US dollars in the amount of US $36,268 (2013 - US $Nil). A 1% change in the exchange rate between the Canadian and US dollar would have a $5,500 (2013 - negligible) impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2014, the Corporation's exposure to interest rate risk is limited to cash and cash equivalents that earns interest of 1.16% per annum. A 1% change in the interest rate would have a $70,600 (2013 – negligible) impact on the net income and cash flows of the Corporation.

20. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

21. SUBSEQUENT EVENTS

(a) On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc. ("Vanado"), a specialized consulting and payment services company based out of Denver, Colorado, for an aggregate deemed purchase price of approximately $610,000, comprised of the issuance of 227,273 common shares in the capital of the Corporation pursuant to a share purchase agreement ("Agreement"). The Agreement also provides for certain post-closing payments of up to $1,000,000 which shall be payable in common shares of the Corporation subject to the Corporation achieving certain performance thresholds set out in the Agreement.

(b) On February 17, 2015, the Corporation granted 100,000 options to acquire common shares for a period of five years at a price of $2.83 per common share expiring five years from the date of grant.

(c) On March 12, 2015, the Corporation granted an aggregate of 380,000 options to acquire common shares for a period of five years at a price of $2.65 per common share expiring five years from the date of grant.

(d) Subsequent to December 31, 2014, 582,500 stock options and 116,333 finders warrants were exercised for total proceeds of $320,725 and $87,250, respectively, resulting in the issuance of 698,833 common shares. Subsequent to December 31, 2014, 50,000 stock options were cancelled unexercised due to the departure of an employee.

Vogogo Inc.

Management Discussion and Analysis

For The Three Months and Year Ended December 31, 2014

MANAGEMENT'S DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation"), formerly Southtech Capital Corporation ("Southtech"), believes is required to gain an understanding of the financial results of the Corporation for the three months and years ended December 31, 2014 and 2013, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, which are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information". Additional information relating to Vogogo is available under Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of April 29, 2015, should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2014 and 2013.

The Corporation's audited consolidated financial statements have been prepared on a "going concern" basis, which presumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The operations of the Corporation have been primarily funded through private placements of equity and debt. The continued operations of the Corporation are dependent on the Corporation's ability to generate profitable operations in the future, to receive continued financial support from shareholders, and/or to complete sufficient equity and debt financings.

Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the online payment processing industry as well as those factors set forth under the heading "*Risk Factors*" in the joint management information circular of Southtech and Redfall Technologies Inc. ("Redfall") dated July 31, 2014. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual

events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Core Business and Strategy

Vogogo is a risk management and electronic payment services business that has spent recent years developing and launching payment risk management and processing technologies ("Vogogo Technology") that enable secure transaction processing between businesses and their customers, utilizing conventional banking and payment networks. Vogogo provides automated risk management services including fraud mitigation, know your customer ("KYC"), sanctions checks and anti-money laundering - counter terrorist financing ("AML-CTF") processes and procedures, combined with a bundled suite of payment services. This unique combination gives Vogogo the security, flexibility and scalability to meet the demands of a marketplace driven by technology and seeking reliable**,** flexible, cost effective and compliant access to conventional banking and payment services.

Vogogo is primarily focused on servicing the new and emerging cryptocurrency market. Management believes that businesses developing and offering services based on cryptocurrencies or blockchain technologies are poised to significantly disrupt conventional financial services on a global scale. As a consequence, it is expected that the current rapid growth of the cryptocurrency sector will continue for the foreseeable future to create a market with significant size, scope and longevity. Management firmly believes that, in order for these technologies (and the businesses offering the services) to gain mass adoption and proliferate globally, they must provide end users with convenient and efficient methods of getting funds into and out of the cryptocurrency ecosystem(s). These businesses face a significant challenge in that they do not have the risk management and regulatory knowledge, technology, banking relationships, or operational experience to effectively secure access to conventional banking and payment services.

The Corporation, via Vogogo Technology, provides compliant risk management, payment and pre-paid services to the new and emerging cryptocurrency market. The Corporation has the risk management and regulatory knowledge, technology, banking relationships, and operational experience to effectively service the cryptocurrency industry. Vogogo provides the cryptocurrency industry with convenient and flexible payment options, allowing end users to conveniently get fiat currencies in and out of the cryptocurrency ecosystem(s).

Management believes that Vogogo has an early mover advantage as the Corporation has many of the central participants in the cryptocurrency industry either under contract or in negotiations. Management remains focused on first enabling the major cryptocurrency markets of the U.S., Canada and Europe.

The businesses involved in offering cryptocurrency-based services have a difficult time securing access to conventional banking and payments – very similar challenges to those faced by early online gaming operators. Similar to the cryptocurrency industry, the online gaming industry emerged and grew very rapidly; the services were considered high risk from a banking perspective and required sophisticated approaches to transactional risk management, compliance and financial crime prevention. As was the case for the gaming operators, effective access to and interoperability with conventional banking and payments are critical components

for cryptocurrency-based services to be successful and gain mass adoption. A large portion of Vogogo's historical processing portfolio has been for operators in the online poker industry, where the Corporation developed its risk mitigation and payment processing expertise. Banks, merchants, and investors view this as credible validation of Vogogo's capabilities and a key competitive advantage to servicing the cryptocurrency market.

Vogogo also provides automated electronic payment processing for conventional accounts payable and accounts receivable processes. Vogogo believes the U.S. and Canada lag behind other mature economies in the adoption of electronic payments for accounts payable and accounts receivable processes. While adoption is progressing, paper cheques, featuring time-consuming manual actions, continue to be a significant component of the overall U.S. and Canadian payment landscape, with corresponding high costs and slow settlement speeds. Management believes that this situation is primarily due to the banks' slow pace in modernizing their business models to offer effective electronic transaction solutions to the market, particularly for business-to-business payables and receivables.

To effectively execute on its business plan, Vogogo is working on achieving the following milestones in Canada, Europe and the U.S.

1) ***Financial Conduct Authority ("FCA") – Electronic Money Issuer ("EMI") License ("EMI")*** – Vogogo is becoming a direct provider of compliant risk management, payment processing and stored value services in the United Kingdom and the broader European Economic Area ("EEA"). This includes meeting the application requirements in order to secure an EMI license issued by the FCA, including a security deposit estimated at approximately $500,000. An EMI license will require that Vogogo maintain comprehensive operational policies and procedures in order to maintain compliance and good standing as a regulated EMI with the FCA. Vogogo has completed the majority of the related tasks and Management expects to obtain an EMI license in the third quarter of 2015.

   Vogogo is currently working in partnership with other EMIs and Payment Institutions ('PIs") in Europe so securing an EMI license is not required for Vogogo to service the European market. Securing an EMI license will, however, help solidify Vogogo's European offering with direct European banking relationships and improved operating margins.

2) ***Payment Card Industry Data Security Standard ("PCI-DSS") Testing and Audit*** - As a payment processor, Vogogo is subject to independent annual audit and testing to demonstrate compliance with PCI-DSS as a condition of receiving PCI certification. Prior to scaling to larger processing volumes in partnership with existing European based EMIs" and PIs, the current PCI-DSS testing and audit process must be finalized to confirm that Vogogo properly handles sensitive payment-card-related data. Vogogo has previous experience with PCI-DSS compliance. Vogogo has completed the majority of the related tasks and Management is confident in being able to finalize the current annual audit and testing process.

3) ***U.S. Regulatory Oversight*** – As a service provider direct to U.S. banking partners (together, the "Bank"), Vogogo and the "Bank" need to be satisfied that the activities conducted by the Bank and Vogogo's customer(s) ("Customers") do not expose the Bank to compliance risks arising from servicing of the Customers. The Bank has a regulatory obligation to understand the risks posed and to oversee all compliance measures to ensure that the services provided are conducted in a safe, sound and compliant manner. Due to Management's belief that:

a. cryptocurrency and blockchain technologies are not yet well understood in general, and;

b. businesses developing and offering services based on cryptocurrencyand blockchain technologies are poised to significantly disrupt U.S.-based conventional financial services,

Management in coordination with the Corporation's banking partners and legal counsel has determined that educating and gaining appropriate oversight from relevant U.S. banking regulators on Vogogo's service offering are important steps in ensuring that the services are well understood, compliant and remain confidently reliable in the long term. As Vogogo provides a new service offering for a new and disruptive industry, the timing of U.S. regulatory oversight is uncertain and there are not yet any prescribed objectives that need to be achieved. It is a "feeling out" process rather than a formal process. It is expected that the Corporation will be able to start offering services in the U.S. in the second quarter of 2015.

Management continues to monitor the proposed cryptocurrency regulations introduced in New York State in July 2014 as well as in various other U.S. states. While there remains potential for proposed cryptocurrency regulations to affect the industry, to date there has been minimal resulting effect on the industry and minimal impact on Vogogo's service offering in the U.S.

4) ***American Institute of Chartered Professional Accountants ("AICPA) Service Organization Control ("SOC") Accounting Standards Control*** – As a direct provider of compliant risk management, payment processing and stored value services to U.S. banks, Vogogo has determined that securing and maintaining SOC 1 & 2 accounting standards via a third party independent audit will significantly improve the Corporation's credibility and confidence with U.S. banks and regulators. SOC requires that Vogogo implement and maintain comprehensive operational controls, policies and procedures, and regularly report on the effectiveness of the controls in place. SOC implementation is expected to be completed in 2015 and the corresponding third party audit is expected to be completed in 2016.

About Vogogo

Vogogo Inc., formerly Southtech Capital Corporation, is a risk management and electronic payment services business. Vogogo Canada Inc. was incorporated under the Business Corporations Act (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company, and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd., a wholly owned subsidiary registered under the laws of the United Kingdom. The Corporation develops software that currently administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer transfers and online banking payments for both the U.S and Canadian markets. The head office is located at 400, 320 – 23rd Avenue SW, Calgary, Alberta, Canada, T2S 0J2. The registered office is located at Torys LLP, 4600, 525 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 1G1.

Southtech was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on April 21, 2011 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange ("TSX Venture") Corporate Finance Manual. The principle

business of Southtech was to identify and evaluate potential acquisitions or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and, if required, shareholders' approval ("Qualifying Transaction").

On September 11, 2014, Southtech completed its Qualifying Transaction, which was effected pursuant to an agreement between Southtech and Redfall. Pursuant to the agreement, Southtech and Redfall completed a business combination by way of an amalgamation. The former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five common shares held in Southtech. The new amalgamated company changed its name to Vogogo Inc.

Upon closing of the Qualifying Transaction, the shareholders of Redfall owned 95.62% of the common shares of Vogogo and, as a result, the transaction is a reverse acquisition of Southtech by Redfall. For accounting purposes, Redfall is considered the acquirer and Southtech the acquiree. Accordingly, the consolidated financial statements are in the name of Vogogo Inc. (formerly Southtech) and are a continuation of the financial statements of Redfall. Additional information on the transaction is disclosed in Note 6(i).

BASIS OF PRESENTATION

This review of the results of operations should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2014 and 2013.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 29, 2015.

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation's financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users.

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities.

Cash Flow From Operations

Cash flow from operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items to the comprehensive income and then adding or deducting working capital sources or uses related to operating activities.

SUMMARY OF FINANCIAL AND OPERATIONAL RESULTS

The following tables set forth unaudited interim and audited annual financial data prepared in accordance with IFRS for the three months and years ended December 31, 2014 and 2013, respectively.

Financial Snapshot

	Three Months Ended		Year Ended	
($)	**Dec 31, 2014**	**Dec 31, 2013**	**Dec 31, 2014**	**Dec 31, 2013**
Revenues	**41,530**	112,481	**254,064**	159,527
Net loss and comprehensive loss	**(2,033,915)**	(124,130)	**(8,980,661)**	(1,047,980)
			As at Dec 31, 2014	**As at Dec 31, 2013**
Working capital (current assets less current liabilities)			**5,984,455**	(795,209)
Total assets			**7,459,303**	1,616,279
Total liabilities			**1,315,286**	2,242,237

Summary Results of Operations

	Three Months Ended		Year Ended	
($)	**Dec 31, 2014**	**Dec 31, 2013**	**Dec 31, 2014**	**Dec 31, 2013**
Loss from operating activities	**(2,024,271)**	(96,271)	**(8,651,850,)**	(997,586)
General and administrative	**955,175**	209,423	**2,620,823**	695,902
Sales and marketing	**399,264**	78,552	**1,056,021**	202,295
Research and development	**477,975**	(84,090)	**1,331,780**	239,447
Transaction costs	**-**	-	**373,304**	-
Net cash used in operating activities	**(2,091,146)**	7,104	**(4,855,839)**	(808,827)
Non-cash operating items:				
Amortization and depreciation	**2,422**	4,867	**9,689**	19,469
Accretion	**-**	4,667	**282,169**	14,737
Stock-based compensation	**227,454**	-	**2,794,934**	-
EBITDA	**(2,021,849)**	(91,404)	**(8,642,161)**	(978,117)
Adjusted EBITDA (EBITDA less share-based compensation)	**(1,794,395)**	(91,404)	**(5,847,227)**	(978,117)

The Corporation raised a net of $11.3 million through various financing activities in 2014 and became a publically listed company on the TSX Venture. With the additional capital, the Company was sufficiently financed to be able to implement and execute on its plan to service businesses operating in the new and emerging cryptocurrency market, in the key regional markets of Canada, the U.S. and Europe. These initiatives increased expenditures in all areas, the details of which are discussed in the Results of Operations section.

Selected Annual Information

($)	For the years ended December 31, 2014 (audited)	2013 (audited)	2012 (audited)
Total revenues	**254,064**	159,527	31,748
General and administrative	**2,620,823**	695,902	425,109
Sales and marketing	**1,056,021**	202,295	548,552
Research and development	**1,331,780**	239,447	893,732
Net loss and total comprehensive loss	**(8,980,661)**	(1,047,980)	(1,778,822)
Basic and diluted loss per share	**(0.33)**	(0.07)	(0.13)
Total assets	**7,459,303**	1,616,279	358,307
Total liabilities	**1,315,286**	2,242,237	427,010
Net working capital	**5,984,455**	(795,209)	(257,423)

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to December 31, 2014.

($)	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013
Total assets	7,459,303	9,187,195	9,458,084	3,504,394	1,616,279	228,185	265,106	291,711
Net working capital	5,984,455	7,526,431	1,299,384	1,742,505	(795,209)	(732,446)	(537,680)	(584,314)
Total liabilities	1,315,286	1,497,427	7,992,940	1,595,060	2,242,237	786,513	623,801	692,173
Revenue	41,530	23,638	68,767	120,129	112,481	23,495	9,892	13,659
Net loss and comprehensive loss	(2,033,915)	(2,508,898)	(2,060,333)	(2,377,515)	(124,130)	(234,730)	(345,767)	(343,353)
Basic and diluted loss per share	(0.07)	(0.08)	(0.06)	(0.16)	(0.01)	(0.02)	(0.02)	(0.02)

Comprehensive loss for the three months ended December 31, 2014 increased to $2.0 million compared to $0.1 million for the same period in 2013. The higher quarterly loss was the result of lower revenues combined with higher general and administrative, sales and marketing, R&D, listing and stock-based compensation expenses realized in 2014 as compared to the same period in 2013. Each of these items is discussed in more detail under the Results of Operations section.

RESULTS OF OPERATIONS

Revenues

($)	December 31, 2014	December 31, 2013	December 31, 2012
Revenues	**254,064**	159,527	31,748

All of the 2,277 transactions and 100% of the revenues generated in 2012 were the result of payment processing for property managers and various conventional small businesses based in Canada. In 2013, Vogogo recorded an increase in revenues of almost $128,000 compared to 2012. The increase in revenues occurred in the second half of 2013 when Vogogo started servicing its first two customers in the cryptocurrency space. Transactions processed for those two customers accounted for a majority of the revenue in 2013 (70% from one customer), and other payment processing transactions for 272 customers accounted for the remainder of the revenue.

For the year ended December 31, 2014, the Corporation's revenues increased by $94,537 or 59% when compared to the same period in the prior year. Revenue growth remained modest for two primary reasons, as follows:

1) Revenues were negatively impacted as a result of adverse developments involving the two active cryptocurrency customers of Vogogo. The developments, in both cases, were completely outside of Vogogo's control. One of the cryptocurrency merchants lost its commercial banking for reasons that Vogogo is not aware of. It is Vogogo's understanding that the second cryptocurrency merchant may have encountered financial difficulties, specifically around cash flows, and, as a result, had to restrict operations until it sourced additional capital. As a result, volumes processed by this second merchant also significantly declined.
2) With the knowledge gained from servicing the two active customers in the cryptocurrency space, Management made the decision in the third quarter of 2013 to stop adding customers in order to adjust the Vogogo Technology. It was felt that the adjustments were necessary to more effectively handle risk management and to better scale to the specific requirements of the broader cryptocurrency industry. Vogogo completed the core adjustments to its software and started bringing on new customers in the cryptocurrency space in the fourth quarter of 2014. The software has since been undergoing quality assurance testing combined with relatively low volume processing (average of $75,000 per day) with customers in Canada. In parallel with quality assurance testing, the Corporation is also preparing for commercial service levels (in excess of $1 million in processing per day) in the key markets of Canada, the U.S. and Europe. These preparations are further discussed in the Outlook section of this document.

General and Administrative

($)	December 31, 2014	December 31, 2013	December 31, 2012
General and administrative expenses	**2,620,823**	695,902	425,109

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the year ended 2014, G&A expenses increased to $2,620,823 from $695,902 in 2013.

Included in 2014 general and administrative expenses is a non-cash commission expense of $215,000 related to the issuance of 500,000 Class A common shares of Redfall at $0.09 per share, which was below the average market price. The fair value adjustment was calculated as the difference between $0.09 (issue price) and $0.52 (fair value market price) and was recorded as commission expense during the year. The other increases in G&A expenses for the year ended December 31, 2014 resulted from higher salary, consulting and legal expenses in support of the Corporation's pursuit of several strategic and regulatory options to enhance its future growth opportunities.

For the year ended December 31, 2014, 93% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2013, 84% of G&A expenses related to personnel, consulting, professional fees and rent.

Sales and Marketing

($)	December 31, 2014	December 31, 2013	December 31, 2012
Sales and marketing expenses	**1,056,021**	202,295	548,552

Sales and marketing expenses consist principally of salaries, commissions, travel and other costs associated with the Corporation's sales force, marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre- and post-sales technical support. Sales and marketing expenses for the year ended 2014 were higher by $853,726 or 422% compared to the previous year as a result of the Corporation being sufficiently financed and able to implement and execute on its plan to service businesses operating in the new and emerging cryptocurrency market, in the key regional markets of Canada, the U.S. and Europe.

Sales and marketing expenses are expected to increase over the next several quarters as Vogogo continues to expand its brand awareness, value proposition and market presence.

The 2012 sales and marketing focus was limited and primarily directed to attracting new customers comprising conventional small and medium sized businesses in Canada.

Research and Development

($)	December 31, 2014	December 31, 2013	December 31, 2012
Research and development expenses	**1,331,780**	239,447	893,732

Research and Development ("R&D") expenses include personnel and related equipment costs to develop and support the Corporation's products. The Corporation expenses all research costs as they are incurred. Development costs are only capitalized if they meet the criteria set out by

IFRS. While Vogogo believes that investment in R&D is required to remain competitive and will result in creating a valuable asset, Vogogo has not capitalized any development costs during 2014. Expenditures for the year ended December 31, 2014 were based on further developing the risk management and payment processing technology to service businesses operating in the new and emerging cryptocurrency market, in the key regional markets of Canada, the U.S. and Europe. The goal is to continue to differentiate from competitors in terms of relevant and superior technology.

R&D expenses for the year ended December 31, 2014 were higher by $1,092,333 or 456% compared to the previous year as a result of Management's decision to adjust the Vogogo Technology to more effectively handle risk management and to better scale to the specific requirements of the opportunity offered by servicing the cryptocurrency industry.

To maintain relevant and industry leading technology requires continual development, enhancement, upgrading and migration to new and more effective base technologies. As such, R&D expenses are expected to continue at these levels or higher over the next several quarters.

The higher expenditure in 2012 compared to 2013 was due to the Corporation dedicating resources to re-purpose its payment platform from supporting strictly gaming companies to supporting broader electronic payment applications.

For the years ended December 31, 2014 and 2013, 100% of the R&D expenses related to personnel, consulting and IT expenses.

Transaction costs

($)	December 31, 2014	December 31, 2013	December 31, 2012
Transaction costs	**373,304**	-	-

On July 31, 2014, Southtech and Redfall filed a joint information circular to obtain approval from their respective shareholders to proceed with the Qualifying Transaction, and the approval was granted at meetings held on September 10, 2014 followed by approval by the TSX Venture. In connection with this transaction, the Corporation completed a private placement and raised $8.5 million on a brokered and non-brokered basis. Expenses related to the Qualifying Transaction included transaction costs of $373,304 that were incurred during the second and third quarters of 2014.

Listing costs

($)	December 31, 2014	December 31, 2013	December 31, 2012
Listing costs	**930,852**	-	-

On September 11, 2014, the Corporation completed its Qualifying Transaction, which was effected pursuant to an agreement between Southtech and Redfall. The former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one Class A common share held in Redfall and the former shareholders of Southtech received one

fully paid common share in the new amalgamated company for every five common shares held in Southtech.

The transaction was a reverse acquisition of Southtech and has been accounted under IFRS 2, Share-based Payments. Accordingly, the transaction has been accounted for at the fair value of the equity instruments granted by the shareholders of Redfall to the shareholders and option holders of Southtech. The difference between the net assets acquired and the fair value of the consideration paid of $930,852 has been recognized as a listing expense in the statement of loss and comprehensive loss for the period ended September 30, 2014. Costs of the transaction of $373,304 were also expensed in the nine-month period ended September 30, 2014 and are shown separately under the "Transaction Costs" line item discussed above.

The results of operations of Southtech are included in the consolidated financial statements of Vogogo from the date of the Qualifying Transaction, September 11, 2014.

The fair values of the net assets of Southtech acquired on September 11, 2014 are as follows:

	$
Cash	47,858
Other receivables	707
	48,565
Purchase price allocation is as follows:	
Fair value of common shares (1,240,000 shares at $0.75 per share) $930,000	930,000
Fair value of stock options (120,000 options exercisable at $0.50 per share)	49,417
	979,417
Listing costs	**930,852**

Amortization

($)	December 31, 2014	December 31, 2013	December 31, 2012
Amortization expense	**9,689**	19,469	429,843

Amortization expense relates to the property and equipment owned by the Corporation. Specifically, the Corporation owns computer equipment, furniture and fixtures, and leasehold improvements. These assets are depreciated over their useful life and impairment, if any, is assessed at every reporting period. Expenses incurred for the years ended December 31, 2014 and 2013 are primarily the result of depreciating office equipment, furniture and fixtures. The lower expenses in 2014 reflect the fact that some of the equipment had been fully depreciated in 2013.

Stock-based Compensation

($)	December 31, 2014	December 31, 2013	December 31, 2012
Stock-based compensation	**2,579,934**	-	-

On March 17, 2014, the Corporation issued 3,333,334 stock options to certain officers and directors of the Corporation at an exercise price of $0.09. These stock options vested immediately and expired in one year on March 17, 2015. All these stock options were exercised during Q2 2014 and, as a result, $1,452,020 was transferred to share capital from contributed surplus. On April 1, 2014, the Corporation issued 400,000 stock options at an exercise price of $0.52. These stock options vested immediately and expire in three years on April 1, 2017. On April 28, 2014, the Corporation issued an additional 1,450,000 stock options at an exercise price of $0.33. 250,000 of these stock options vested immediately and the balance vests in equal tranches on the first, second and third anniversary of the grant date. These stock options expire in five years on April 28, 2019. The Corporation also issued 1,705,000 stock options on September 11, 2014 at an exercise price of $0.75. 500,000 of these stock options vested immediately and the balance vest in equal tranches on the first, second and third anniversary of the grant date. These stock options expire in five years on September 11, 2019. As part of the Qualifying Transaction, 120,000 stock options were deemed to be issued on September 11, 2014 to Southtech option holders at an exercise price of $0.50. These stock options vested immediately and expire on September 11, 2015. 122,500 stock options were exercised during Q3 2014 and as a result $59,207 was transferred to share capital from contributed surplus during Q3 2014. The Corporation also issued 200,000 stock options on November 27, 2014 at an exercise price of $3.65. These stock options vest in equal tranches on the first, second and third anniversary of the grant date. These stock options expire in five years on November 27, 2019. 20,000 stock options were exercised during Q4 2014 and as a result $8,236 was transferred to share capital from contributed surplus during Q4 2014.

The Corporation's shares did not have sufficient public trading data and, therefore, the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model until Q3 2014. From Q4 2014 the Corporation used its own trading data for the Black-Scholes Option Pricing Model. No share option transactions occurred in 2013.

Net Loss and Comprehensive Loss

($)	December 31, 2013	December 31, 2012	December 31, 2011
Loss and comprehensive income loss	**(8,980,661)**	(1,047,980)	(1,778,822)

Included in net loss and comprehensive loss for the year ended December 31, 2014 are significant non-cash charges including $2,579,934 in stock-based compensation, $282,169 in accretion expense and $215,000 in a fair value adjustment of common shares issued during Q1 2014; the latter being included in general and administrative expenses. In addition, during Q3 2014 non-cash listing costs of $930,852 related to the Qualifying Transaction. Net loss and comprehensive loss for the year ended 2014 without these non-cash items is $4,972,706, which is higher by

$3,958,932 or 371% compared to the year ended 2013. The higher loss excepting non-cash items is the result of higher G&A, R&D and sales and marketing expenses as the Corporation's operations were significantly increased post financing.

The Corporation's cash and cash equivalents at December 31, 2014 totaled $6,519,384 (December 31, 2013 - $92,222) and the positive net working capital position was $5,984,455 (December 31, 2013 - $795,209 negative net working capital position). The Corporation has an accumulated deficit of $11,105,431 (December 31, 2013 - $1,802,586). The Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2014 is uncertain.

Liquidity and Capital Resources

Royalty Financing Liability

In 2013, the Corporation entered into a $1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds were available to the Corporation if and when certain pre-determined milestones were achieved. Any amount drawn pursuant to the investment agreement was repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 and extending until twice the gross amount received was remitted or until the Corporation had repaid all advances received plus 20% interest compounded annually from the date each advance was received, less royalties paid. During the year ended December 31, 2013, the Corporation received $200,000 as part of this arrangement. At March 31, 2014, the liability was comprised of the $200,000 principal plus $29,699 in accrued interest. This liability was fully re-paid on April 24, 2014.

Convertible Debentures

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares at $0.52 per share, at any time, at the option of the holder. Unless earlier repaid, at the option of the Corporation, or demanded in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares at $0.52 per common share, at any time, at the option of the holder. Unless earlier repaid, at the option of the Corporation, or demanded in the event of default, the principal was due and payable in full on March 6, 2014. Interest was due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (see note 13 (viii) of financial statements).

On February 11, 2014, the Corporation issued a $2,000,000 secured convertible debenture. On March 17, 2014, the Corporation increased the amount of the convertible debenture issued to

$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at $0.33 per share at the option of the holder. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full $3,164,345 convertible debenture.

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations if demanded to do so. The Corporation is actively pursuing sales and commercialization efforts, including targeting currently underserved markets and expanding its offering with a focus on cryptocurrency exchange transactions.

The Corporation's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk. However, it should be noted that the Corporation is at an early stage of its redefined commercialization program and will continue to be dependent on its ability to manage cash on hand, increase its revenues and raise additional debt or equity to meet its obligations and repay its liabilities arising from normal business operations when they become due.

The management of capital includes the components of shareholders' equity, comprised of share capital and retained earnings (deficit).The Corporation strives to maximize the value associated with shareholders' equity. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares, issue new debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing development and operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation estimates the following major expenditures over the next eighteen months. These do not include general operating expenses and commitments (see Commitments note for details of commitments).

- $2,435,000 for software development and testing;

- $125,000 for a range of corporate consulting services provided by Business Instincts Group;

- $2,000,000 for one or more strategic acquisitions to accelerate growth; and

- $1,500,000 for security deposits and PCI-DSS testing and audits.

The Corporation plans to fund these expenditures through various financing options including equity and/or debt financing.

Related party transactions

Vogogo considers its key management personnel to be its Chief Executive Officer, Chief Operating Officer, Chief Revenue Officer, Chief Financial Officer and Chief Technology Officer. Key management compensation is comprised of payroll, stock-based compensation and consulting fees paid to companies controlled by key management. During the year ended December 31, 2014, key management compensation amounted to $1,315,830 (December 31, 2013: $56,000).

Total personnel expenses for employees, consultants, directors and Management included in expenses in the consolidated statement of loss and comprehensive loss are $2,597,493 (2013 - $578,453) for the year ended December 31, 2013, split between general and administrative, sales and marketing, and research and development expenses, based on work performed.

On April 28, 2014, the Corporation provided loans of $75,000 to each of two companies controlled by two key management personnel, for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bear interest at 3 percent per annum and are payable on maturity on April 28, 2015. Interest income of $3,000 has been accrued as at December 31, 2014 and included in the notes receivable balance.

Commitments

The Corporation is committed under a lease on its office space, expiring July 31, 2017, with future minimum rental payments exclusive of occupancy costs as follows:

2015	$ 76,934
2016	78,936
2017	46,046
	$ 201,916

Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act (Alberta)* by the Corporation in connection with a February 2014 repurchase of certain Class A Common shares of Redfall previously held by the company. The claim seeks damages in an amount in excess of $15,000,000.

The Corporation believes the suit is without merit and litigation counsel has been authorized and instructed to vigorously defend against these claims. As at the date of this MD&A, the claim is still pending.

Off-Balance Sheet Arrangements

At the date of this report, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at the date of this MD&A, the Corporation had 40,500,897 common shares, 3,580,000 stock options, 2,906,182 warrants convertible into common shares, and no preferred shares outstanding.

As at December 31, 2014, a total of 9,816,347 common shares (December 31, 2013 - Nil) were held in escrow in compliance with TSX Venture requirements. The remaining shares will be released from escrow every 6 months in installments of 3,272,116 on each of March 12, 2015, September 12, 2015 and February 12, 2016.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformance with IFRS requires Management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

Areas of judgment

- Long-term investment valuation

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess whether the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

- Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a Cash Generating Unit (“CGU”) is impaired. The identification of CGUs is also based on Management’s judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how Management monitors and makes decisions about the Corporation’s operations.

- Royalty financing liability

The royalty financing liability was measured at the present value of Management's best estimate of the future repayment at the initial date of entering the contract. Determining future repayment required estimates of the timing and amount of future revenue earned on the Corporation's products, including current and potential future products. The timing or amount of future revenue can vary from period to period based on the progress of the Corporation's development and commercialization programs. A change in the estimate of the amount or timing of such revenue would impact the valuation of the royalty financing liability.

- Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability to raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c) of the audited financial statements.

Assumptions and critical estimates

- Compound financial instruments

Certain financial instruments are comprised of a liability and an equity component. The determination of the amount allocated to the liability and equity components requires Management to estimate various components and characteristics of present value calculations used in determining the fair value of the instrument, including the market interest rates of non-convertible debentures.

- Stock-based compensation and warrants

The amounts disclosed relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation’s share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period and corresponding to the expected lives of the Corporation’s options and warrants.

- Impairment of property and equipment

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding arm’s length sales transactions pertaining to similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

- Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

CHANGES IN ACCOUNTING STANDARDS

On January 1, 2014, the Corporation adopted the following new standards and amendments which became effective for years beginning on or after January 1, 2014:

> IAS 32, Financial Instruments: Presentation, has been amended to clarify certain requirements for offsetting financial assets and liabilities. The amendment addresses the meaning and application of the concepts of legally enforceable right of set-off and simultaneous realization and settlement. This amendment had no impact on the Corporation's results or financial position.
>
> IAS 36, Impairment of Assets, has been amended to require disclosure of the recoverable amount of an asset (including goodwill) or a CGU when an impairment loss has been recognized or reversed in the period. When the recoverable amount is based on fair value less costs of disposal, the valuation techniques and key assumptions must also be disclosed. The amendment had no impact on the Corporation's results or financial position.
>
> IFRIC 21, Levies, on the accounting for levies imposed by governments clarifies the obligating event that gives rise to a liability to pay a levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The adoption of this IFRIC had no impact on the Corporation's results or financial position.

The following pronouncements will become effective for fiscal periods subsequent to December 31, 2014:

> IFRS 15, Revenue from Contracts with Customers provides a comprehensive new standard on revenue recognition. It specifies how and when to recognize revenue as well as requiring entities to provide more informative and relevant disclosure. The new standard is effective for years beginning on or after January 1, 2017. IFRS 15 is being assessed to determine its impact on the Corporation's results and financial position.

IFRS 9, Financial Instruments, addresses the classification and measurement of financial assets. IFRS 9 replaces the guidance on "classification and measurement" of financial instruments in IAS 39, Financial Instruments – Recognition and Measurement. The new standard requires a consistent approach to the classification of financial assets and replaces the numerous categories of financial assets in IAS 39 with two categories, measured at either amortized cost or at fair value. For financial liabilities, the standard retains most of the IAS 39 requirements, but where the fair value option is taken, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of operations and comprehensive loss, unless this creates an accounting mismatch. It also includes a new general hedge accounting model. IFRS 9 is effective for fiscal periods beginning on or after January 1, 2018. IFRS 9 is being assessed to determine its impact on the Corporation's results and financial position.

Financial Instruments and Risk Management

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

- Fair value

Due to the short-term nature of cash and cash equivalents, cash held in trust, notes receivable, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair values. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

- Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada and the United States. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amounts receivable and the financial position of the debtors.

Approximately 73% of the Corporation's revenue during the year ended December 31, 2014 (2013 - 70%) was generated from 2 (2013 – 1) customers.

- Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2014, the Corporation had cash and cash equivalents of $6,519,384 (2013 - $92,222) and had a positive net working capital position of $5,984,455 (2013 - $795,209 negative net working capital position) in order to manage liquidity risk.

- Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Corporation will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2014, the Corporation's exposure to currency risk was limited to cash and cash equivalents denominated in U.S. dollars in the amount of US $583,064 (2013 – US $228) and trade and other payables denominated in U.S. dollars in the amount of US $36,268 (2013 – US $Nil). A 1% change in the exchange rate between the Canadian and U.S. dollar would have a $5,500 (2013 - negligible) impact on the net income and cash flows of the Corporation.

- Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2014, the Corporation's exposure to interest rate risk was limited to cash and cash equivalents that earned interest of 1.16% per annum. A 1% change in the interest rate would have a $70,600 (2013 – negligible) impact on the net income and cash flows of the Corporation.

Risks and Uncertainties

Due to the nature of the business, the legal and economic climate in which the Corporation is operating and the present stage of development of its operations, the Corporation is subject to risks. The Corporation's future development and actual operating results may be different from those expected as at the date of this MD&A. There can be no certainty that the Corporation will be able to successfully implement its corporate strategy. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to the Corporation (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

Additional Capital Requirements

The Corporation intends to continue to make investments to support its business growth and will require additional funds to implement its business strategy, including expansion of sales and marketing activities; development of new software, products and features; enhancement of its current operating infrastructure; and acquisition of complementary businesses and technologies. The Corporation's cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to

those of current shareholders. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses, and accordingly, the Corporation's ability to continue to support its business growth and to respond to business challenges could be significantly limited.

Banking & Processing

The Corporation's success depends on its ability to secure and develop banking and/or third party processing relationships that can effectively support the Vogogo service offering in target markets. The Corporation's service offering is focused on new and emerging markets that are considered high risk from a banking perspective and consequently requires sophisticated approaches to transactional risk management, compliance and financial crime prevention. Due to the high-risk nature of its target markets, the Corporation may be unable to successfully secure and retain banking partners. Failure to do so could materially reduce the Corporation's revenue potential.

Regulatory Risk

Vogogo's anticipated global operations may require it to be compliant with laws in many jurisdictions on matters such as anticorruption, trade restrictions, taxation, securities regulation, banking regulations and data privacy, amongst others. Complying with these diverse requirements in multiple jurisdictions may be a challenge and could require significant resources. Some of these laws may impose conflicting requirements; there may be restrictions on the movement of cash and other assets; or restrictions on the import and export of certain technologies; or restrictions on the repatriation of earnings, all of which may expose the Corporation to penalties for non-compliance and harm its reputation. Vogogo's relationship with its banking partners requires that it comply with complex laws and regulations relating to the banking and payment processing industry.

New Technology

The Corporation's success will depend in part on its ability to develop software and products that keep pace with continuing changes in technology, evolving industry standards and changing client preferences and requirements. The Corporation's software and products embody complex technology that may not meet those standards, changes and preferences. The Corporation may be unable to successfully address these developments on a timely basis or at all. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Corporation's revenue.

Dependence on Key Personnel and Consultants

The success of the Corporation will be largely dependent upon the performance of its Management and key employees. Failure by the Corporation to attract and retain key employees with necessary skills could have a materially adverse impact upon the Corporation's growth and profitability. The Corporation currently does not have key person insurance for its Management

or other key employees. These individuals, and the contributions they will make, are important to the future operations and success of the Corporation. The unexpected loss or departure of any of the key officers, employees or consultants of the Corporation could be detrimental to the Corporation's future operations. The competition for skilled technical, management, sales and other employees is high in the Corporation's industry. There can be no assurance that the Corporation will be able to engage the services of such personnel or retain the Corporation's current personnel.

Foreign Currency, Payment Processing and Fiscal Matters

The Corporation's operations are subject to inherent market and industry risks resulting from unpredictable fluctuations in foreign currency exchange rates, failed or fraudulent financial transactions and similar credit risks. These occurrences could have a material adverse impact on the Corporation's results of operations.

Competition

The Corporation operates in a competitive industry that is constantly evolving and changing. The Corporation expects this competition to increase as new competitors enter the market. The Corporation's competitors may have greater financial, technical, sales, production and marketing resources. The Corporation may not be able to compete on the same scale as these companies. Such competition may result in reduced sales, reduced margins and / or increased operating expenses.

Customer Base and Market Acceptance

While Management believes it can grow its client base, the inability to grow such a client base could have a material adverse effect on the Corporation. Although the Corporation believes that its products offer advantages over competitive companies and products, no assurance can be given that the Corporation's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations. Since the Corporation's current revenue source is highly dependent on electronic currency exchanges (specifically, BitCoin exchanges), the regulatory and acceptance risks of such electronic currencies could have a material impact on the Corporation's business.

Consumer Privacy, Data Use and Security

The Corporation is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business, and could be negatively impacted by these regulations. Recently, these topics have received heightened legislative and regulatory focus in jurisdictions around the world. Regulation of privacy and data protection and information security may raise concerns about and scrutiny of the Corporation's practices in regard to the collection, use, disclosure or security of personal and sensitive information. Failure to comply with the privacy and data protection and security laws and regulations to which we are subject could result in fines, sanctions or other penalties, which could materially and adversely affect the Corporation's results of operations and overall business, as well as have an impact on the Corporation's reputation. Any addition or change to regulations in these areas (as well as the manner in which such laws could be interpreted or applied) may also increase the Corporation's costs to comply with such regulations. Changes to these laws could also impact the Corporation's business operations by

requiring changes to the Corporation's data practices and could impact aspects of the Corporation's business such as fraud monitoring. Any of these changes could materially and adversely affect the Corporation's overall business and results of operations.

Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of compatible technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's operations. To the extent Management is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

Losses from Operations

As at December 31, 2014, the Corporation had cash and cash equivalents of $6,519,384 (2013 - $92,222) and had a positive net working capital positon of $5,984,455 (2013 - $795,209 negative net working capital position). However, the Corporation has an accumulated deficit of $11,105,431 as at December 31, 2014 (2013 – $1,802,586) and incurred a net loss of $8,980,661 during the year ended December 31, 2014 (2013 - $1,047,980). The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2014 is uncertain.

Stage of Development

The Corporation may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, particularly given the early stage of the Corporation's development. The ability of the Corporation to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Transaction Processing Systems

The Corporation's payment processing systems and other key service offerings may experience interruptions as a result of a disaster including, but not limited to, technology malfunctions, fire, weather events, power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. A disaster that occurs at, or in the vicinity of, our primary and/or back-up facilities in any location could interrupt our services. Although the Corporation

continually monitors and assesses risks and potential impacts, and develops effective response strategies, the Corporation cannot ensure that its business would be immune to these risks.

Additionally, the Corporation relies on third-party service providers for the timely transmission of information across its global data network. Inadequate infrastructure in lesser-developed markets could also result in service disruptions, which could impact the Corporation's ability to do business in those markets. If, as a result of natural disaster, one of our service providers fails to provide the communications capacity or services the Corporation requires, the failure could interrupt the Corporation's services. Because of the intrinsic importance of the Corporation's processing systems to its business, any interruption or degradation could adversely affect the perception of the reliability of products carrying the Corporation's brand and materially reduce the Corporation's results of operations.

Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and employees.

Money Laundering and Terrorism

The Corporation is subject to regulations that affect the payments industry. In particular, many of the Corporation's customers are subject to regulations applicable to banks and other financial institutions and, consequently, the Corporation is at times affected by such regulations. Regulation of the payments industry, including regulations applicable to the Corporation and its customers, has increased significantly in the last several years. The Corporation is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its internet payment gateway. Money laundering or terrorist financing involving the Corporation's payment gateway could result in an enforcement action and/or damage the Corporation's reputation, which could result in a material adverse impact on the Corporation's business.

Operating Results and Financial Condition May Fluctuate on a Quarterly and Annual Basis

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of securities analysts or investors, who may derive their expectations by extrapolating data from recent historical operating results, the market price of the Corporation's shares would likely decline.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective purchasers are cautioned not to place undue reliance on forward-looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to

differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Certain directors of the Corporation may engage in businesses similar to the Corporation and situations may arise where the directors may be in direct competition with the Corporation's business. Conflicts of interest, if any, which arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

Subsequent Events

The Corporation entered into the following agreements and transactions subsequent to the year ended December 31, 2014:

(a) On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc. ("Vanado"), a specialized consulting and payment services company based out of Denver, Colorado, for an aggregate deemed purchase price of approximately $610,000, comprised of the issuance of 227,273 common shares in the capital of the Corporation pursuant to a share purchase agreement ("Agreement"). The Agreement also provides for certain post-closing payments of up to $1,000,000 which shall be payable in common shares of the Corporation subject to the Corporation achieving certain performance thresholds set out in the Agreement.

(b) On February 17, 2015, the Corporation granted 100,000 options to acquire common shares for a period of five years at a price of $2.83 per common share expiring five years from the date of grant.

(c) On March 12, 2015, the Corporation granted an aggregate of 380,000 options to acquire common shares for a period of five years at a price of $2.65 per common share expiring five years from the date of grant.

(d) Subsequent to December 31, 2014, 582,500 stock options and 116,333 finders warrants were exercised for total proceeds of $320,725 and $87,250, respectively, resulting in the issuance of 698,833 common shares. Subsequent to December 31, 2014, 50,000 stock options were cancelled unexercised due to the departure of an employee.

Outlook

Vogogo remains primarily focused on servicing the new and emerging cryptocurrency market. Management believes that businesses developing and offering services based on cryptocurrencies or blockchain technologies are poised to significantly disrupt conventional

financial services on a global scale. Management further believes that, in order for businesses offering services using these technologies to gain mass adoption and proliferate, they must be able to offer their end users convenient and efficient methods of getting funds into and out of the cryptocurrency ecosystem(s). These businesses face a significant challenge in that they do not have the requisite experience in risk management, regulatory compliance, technology development, banking relationships, or operating processes to effectively secure access to conventional banking and payment services.

The Corporation, via Vogogo Technology, provides compliant risk management, payment and pre-paid services to the new and emerging cryptocurrency market. The Corporation has the experience in risk management, regulatory compliance, technology development, banking relationships, and operating processes to effectively service the cryptocurrency industry with convenient and flexible payment options allowing end users to conveniently get fiat currencies in and out of the cryptocurrency ecosystem(s).

Vogogo completed the core adjustments to its software and started bringing on new customers in the cryptocurrency space in the fourth quarter of 2014. The software has since been undergoing quality assurance testing combined with relatively low volume processing (average of approximately $75,000 per day) with customers in Canada. In parallel with quality assurance testing, the Corporation is also preparing for commercial service levels (in excess of $1 million in processing per day) in the key markets of Canada, the U.S. and Europe.

Management believes that Vogogo has an early mover advantage as the Corporation has many of the key participants in the cryptocurrency industry either under contract or in negotiations. Vogogo is moving forward with its plan to commercially market its transaction risk management and electronic payment services to cryptocurrency-based clients servicing the Canadian, European and American markets, as described in more detail below.

Canada

In the first quarter of 2015, the Corporation focused on selected large international customers that are more capable of driving business than smaller Canadian customers. While the larger international customers have not historically perceived Canada as a key market, several of these customers are now integrated or in the process of integrating with Vogogo. The Corporation is now positioned to ramp revenues in Canada, noting that Canada is not as large of a market as the U.S or Europe.

Europe

No major preparations remain to offer the Corporation's services in the European market. The Corporation is now positioned to ramp revenues in Europe. As discussed more fully in the "Core Business and Strategy" section, completion of current work to secure an EMI license and to obtain PCI-DSS certification is expected to allow the Corporation to expand its service offering in Europe and increase corresponding margins.

U.S.

The Corporation expects to commence its service offering in the U.S, in 2015. As discussed more fully in the "Core Business and Strategy" section, completion of current work to establish U.S. Regulatory Oversight and to implement SOC 1 and 2 accounting standards is expected to enhance credibility and differentiation to accelerate revenue growth in the U.S.

ATTACHMENT B

Vogogo Inc.

Condensed Interim Consolidated Financial Statements

(in Canadian dollars)

(unaudited)

For the three and nine months ended September 30, 2017 and 2016

($)	**September 30 2017**	December 31 2016
ASSETS		
Current assets:		
Cash and cash equivalents (note 11)	**6,919,054**	7,908,963
Cash held in trust (note 6)	**7,759**	190,141
Trade and other receivables	**5,625**	22,262
Prepaid expenses and deposits	**3,057**	27,190
Total assets	**6,935,495**	8,148,556
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (notes 7 and 12(c))	**87,319**	346,262
Trust liabilities (note 6)	**7,759**	190,141
Total liabilities	**95,078**	536,403
Shareholders' Equity		
Share capital (note 8)	**31,222,125**	31,222,125
Warrants (note 9)	**385,884**	403,826
Contributed surplus (note 9)	**5,681,512**	5,279,312
Deficit	**(30,449,104)**	(29,293,110)
Total shareholders' equity	**6,840,417**	7,612,153
Total liabilities and shareholders' equity	**6,935,495**	8,148,556

Contingences (note 13)

Subsequent event (note 18)

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Chairman and Director

(signed) "*Gino DeMichele*"
Chief Executive Officer and Director

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

($)	**3 months ended September 30, 2017**	3 months ended September 30, 2016	**9 months ended September 30, 2017**	9 months ended September 30, 2016
EXPENSES				
General and administrative (note 13(b))	**85,588**	172,598	**801,738**	595,045
Stock-based compensation (note 9)	**128,241**	39,420	**384,258**	176,770
Total Expenses	**213,829**	212,018	**1,185,996**	771,815
OTHER INCOME				
Foreign exchange gain (loss)	**(7,223)**	(172)	**(10,814)**	(2,939)
Interest income, net (note 11)	**16,844**	13,861	**40,816**	51,918
Gain (loss) on impairment of long-term investment	**-**	-	**-**	(145,000)
Loss from continuing operations	**(204,208)**	(198,329)	**(1,155,994)**	(867,836)
Loss from discontinued operations (note 17)	**-**	(812,340)	**-**	(4,350,586)
Loss	**(204,208)**	(1,010,669)	**(1,155,994)**	(5,218,422)
OTHER COMPREHENSIVE LOSS				
Exchange gain (loss) on translation of foreign operations related to discontinued operations (note 17)	**-**	(30,675)	**-**	(222,224)
Loss and comprehensive loss	**(204,208)**	(1,041,344)	**(1,155,994)**	(5,440,646)
Loss per share from continuing operations - basic and diluted (note 8)	**(0.00)**	(0.00)	**(0.02)**	(0.01)
Loss per share from discontinued operations - basic and diluted (note 8)	**(0.00)**	(0.02)	**(0.00)**	(0.10)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

($)	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance, December 31, 2015	**30,944,778**	**550,364**	**2,347,555**	**17,561**	**(23,267,386)**	**10,592,872**
Stock-based compensation (note 9)	-	-	263,599	-	-	263,599
Repurchase of shares (note 8)	(2,714,321)	-	2,434,821	-	-	(279,500)
Issuance of shares related to acquisition of Vanado Inc. (notes 5(a) and 8)	77,500	-	-	-	-	77,500
Expiry of stock warrants (note 9)	-	(146,538)	146,538	-	-	-
Loss and comprehensive loss	-	-	-	(222,224)	(5,218,422)	(5,440,646)
Balance, September 30, 2016	**28,307,957**	**403,826**	**5,192,513**	**(204,663)**	**(28,485,808)**	**5,213,825**
Balance, December 31, 2016	**31,222,125**	**403,826**	**5,279,312**	**-**	**(29,293,110)**	**7,612,153**
Stock-based compensation (note 9)	-	-	384,258	-	-	384,258
Expiry of warrants (note 9)	-	(17,942)	17,942	-	-	-
Loss and comprehensive loss	-	-	-	-	(1,155,994)	(1,155,994)
Balance, September 30, 2017	**31,222,125**	**385,884**	**5,681,512**	**-**	**(30,449,104)**	**6,840,417**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

($)	**3 months ended September 30 2017**	3 months ended September 30 2016	**9 months ended September 30 2017**	9 months ended September 30 2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss from continuing operations	**(204,208)**	(198,329)	**(1,155,994)**	(867,836)
Add back (deduct) items not involving cash:				
Stock-based compensation (note 9)	**128,241**	39,420	**384,258**	176,770
Impairment of long-term investment	**-**	-	**-**	145,000
	(75,967)	(158,909)	**(771,736)**	(546,066)
Changes in non-cash working capital items:				
Trade and other receivables	**7,031**	-	**16,637**	-
Prepaid expenses and deposits	**16,795**	-	**24,133**	-
Trade and other payables	**1,096**	-	**(258,943)**	-
	24,922	-	**(218,173)**	-
Net cash flows used in continuing operations	**(51,045)**	(158,909)	**(989,909)**	(546,066)
Net cash flows used in discontinued operations	**-**	(1,067,401)	**-**	(3,790,049)
Net cash used in operating activities	**(51,045)**	(1,226,310)	**(989,909)**	(4,336,115)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net cash flows from discontinued operations	**-**	8,000	**-**	8,000
Net cash generated by investing activities	**-**	8,000	**-**	8,000
CASH FLOWS FROM FINANCING ACTIVITIES				
Net cash flows from discontinued operations	**-**	(279,500)	**-**	(279,500)
Net cash generated by financing activities	**-**	(279,500)	**-**	(279,500)
Effect of changes in foreign exchange rates on cash held in foreign currencies related to discontinued operations	**-**	(31,346)	**-**	(226,612)
Net increase (decrease) in cash and cash equivalents for the period	**(51,045)**	(1,529,156)	**(989,909)**	(4,834,227)
Cash and cash equivalents, beginning of the period	**6,970,099**	7,184,544	**7,908,963**	10,489,615
Cash and cash equivalents, end of the period	**6,919,054**	5,655,388	**6,919,054**	5,655,388
Supplemental cash flow information:				
Interest paid relating to discontinued operations	**-**	7,749	**-**	30,769
Cash and cash equivalents consists of the following:				
Cash held in banks			**319,054**	**1,105,063**
Guaranteed investment certificates (note 11)			**6,600,000**	**4,550,325**
			6,919,054	**5,655,388**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo") provided payment processing and related transaction risk services. During 2016, Vogogo discontinued its payment processing and related transaction risk services and the Corporation is now assessing alternate business opportunities (note 17). Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company, and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd, a wholly owned subsidiary registered under the laws of United Kingdom. On January 1, 2015 the Corporation acquired all the issued and outstanding shares of Vanado Inc., a Colorado company. During the year ended December 31, 2016, the Corporation dissolved Vogogo USA Inc., Vogogo EU Ltd. and Vanado Inc.

The head office is located at PO Box 34023, Westbrook PO, Calgary, Alberta, Canada, T3C 3W2.

The shares of Vogogo are traded on the TSX Venture Exchange under the symbol VGO.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”), as issued by the IASB. Accordingly, certain financial information and disclosures normally included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been omitted or condensed.

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on November 3, 2017.

(b) Basis of measurement and preparation

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements, unless otherwise indicated.

The condensed interim consolidated financial statements have been prepared under the historical cost basis, except as noted.

General and administrative, sales and marketing, and development and operations expenses are presented on a functional basis. Stock-based compensation and amortization are presented on a separate line by their nature. Significant expenses such as personnel expenses are presented by their nature in the notes to the condensed interim consolidated financial statements (note 12(a)).

(c) Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars ("CAD"), which is the functional currency of the Corporation and Vogogo Canada Inc. The functional currency of Vogogo USA Inc. and Vanado Inc. was U.S. dollars ("USD") and the functional currency of Vogogo EU Ltd. was British Pounds (“GBP”).

2. BASIS OF PRESENTATION *(continued)*

(d) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions and balances have been eliminated in these condensed interim consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the condensed interim consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2016. Because the disclosures provided in these condensed interim consolidated financial statements do not conform in all respects with IFRS for annual consolidated financial statements, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2016.

There were no new accounting standards, interpretations or amendments to existing standards adopted during the nine months ended September 30, 2017 that would be expected to have a significant impact on the Corporation's condensed interim consolidated financial statements. There were no new accounting standards, interpretations or amendments issued during the nine months ended September 30, 2017 that are expected to have a significant impact on the Corporation's financial statements in future periods. Further, the Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

(a) Areas of judgment

(i) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a Cash Generating Unit ("CGU") is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(ii) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation's business that was discontinued versus operations that continue going forward.

(b) Assumptions and critical estimates

(i) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(ii) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. ACQUISITIONS

a. Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized payment consulting company based in Denver, Colorado, USA, from an arm's length third party pursuant to a share purchase agreement ("SPA").

The purchase was completed through the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455.

Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016 ("Performance Period"). These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016, a final 500,000 common shares of the Corporation were issued as part of the final

5. ACQUISITIONS *(continued)*

post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss.

The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment to increase contingent consideration by $99,948 during the year ended December 31, 2015. A final adjustment to decrease contingent consideration by $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

b. Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length, third party, private risk management company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was completed through the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000.

Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017 ("Performance Period"). These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software and no other assets or liabilities were acquired as per the APA. Management concluded that this acquisition meets the definition of business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The intangible assets acquired were measured at fair value based on Level 3 inputs at the acquisition date and estimated discounted future cash flows.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of three years.

5. ACQUISITIONS *(continued)*

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

Book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016 and September 30, 2017	**-**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability has been reviewed at each reporting period and any adjustments to this liability value have been adjusted through the statement of loss and comprehensive loss.

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the “Sale Transaction”) back to Mevia. The Sale Transaction involved the disposition of the Corporation’s risk platform known as the “Vogogo Risk and Rules Engine”. The Sale Transaction involved Mevia acquiring the above described assets and all associated liabilities therewith on an “as is, where is” basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

6. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represents amounts collected from customers of clients that are held in trust until being paid out to clients.

7. TRADE AND OTHER PAYABLES

($)	**September 30, 2017**	December 31, 2016
Trade accounts payable	**86,267**	140,486
Accrued payables	**-**	205,331
Other	**1,052**	445
	87,319	346,262

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at September 30, 2017, the Corporation has $77,533 (December 31, 2015 - $248,378) in accounts payable beyond 60 days.

8. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital $
Balance, December 31, 2015	49,022,410	30,944,778
Repurchase of shares (i)	(2,000,000)	(130,000)
Fair value adjustment of repurchase of shares (i)	-	(1,132,475)
Repurchase of shares (ii)	(2,300,000)	(149,500)
Fair value adjustment of repurchase of shares (ii)	-	(1,302,346)
Issue of shares related to acquisition of Vanado (iii) (note 5(a))	500,000	77,500
Issue of shares on private placement (iv)	27,272,727	3,000,000
Share issue costs - Legal and other (iv)	-	(85,832)
Balance, December 31, 2016 and September 30, 2017	**72,495,137**	**31,222,125**

(i) On July 6, 2016, the Corporation repurchased 2 million common shares of the Corporation for cancellation from a corporation controlled by the former President and CEO of the Corporation for $0.065 per share. Consideration for this share re-purchase was used to settle the note receivable from this corporation (note 12(b)), with the balance settled in cash. These 2 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,132,475 was credited to contributed surplus.

(ii) On August 18, 2016, the Corporation repurchased 2.3 million common shares of the Corporation for cancellation from a company controlled by the former Chief Revenue Officer of the Corporation for $0.065 per share. Consideration for this share repurchase was used to settle the note receivable from this corporation (note 12(b)), with the balance to be settled in cash. These 2.3 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,302,346 was credited to contributed surplus.

(iii) On September 30, 2016, 500,000 additional common shares were issued at a fair market value of $0.155 as part of the final post-closing payment to settle the contingent consideration related to the acquisition of Vanado.

(iv) On October 3, 2016, the Corporation closed a non-brokered private placement (“Offering”). Pursuant to the Offering, the Corporation issued a total of 27,272,727 common shares at $0.11 per share for aggregate gross proceeds of $3,000,000. Legal and other share issue costs of $85,832 were incurred.

The weighted average number of common shares outstanding and used to calculate basic and diluted loss per share for the three and nine months ended September 30, 2017 is 72,495,137 and for the three and nine months ended September 30, 2016 is 49,022,410. The Corporation excluded all stock options and warrants from the calculation of diluted loss per share for the three and nine months ended September 30, 2017 and 2016 as they would be anti-dilutive.

9. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 10 for further details on these plans.

Contributed Surplus

	$
Balance, December 31, 2015	2,347,555
Stock-based compensation expense	263,599
Expiry of warrants	146,538
Fair value adjustment of repurchase of shares (Note 8(i))	1,132,475
Fair value adjustment of repurchase of shares (Note 8(ii))	1,302,346
Balance, September 30, 2016	**5,192,513**
Balance, December 31, 2016	5,279,312
Stock-based compensation expense	384,258
Expiry of warrants	17,942
Balance, September 30, 2017	**5,681,512**

Warrants

	$
Balance, December 31, 2015 and September 30, 2016	550,364
Balance, December 31, 2016	403,826
Expiry of warrants	(17,942)
Balance, September 30, 2017	**385,884**

10. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant.

A summary of the Plan transactions for the nine months ended September 30, 2017 and year ended December 31, 2016 is as follows:

	For the nine months ended September 30, 2017		For the year ended December 31, 2016	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding at beginning of period	6,060,000	0.24	4,435,083	1.05
Options granted	-	-	5,465,000	0.17
Options cancelled / forfeited	(230,000)	0.42	(3,840,083)	1.08
Outstanding at end of period	5,830,000	0.23	6,060,000	0.24

10. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

The following provides a summary of options outstanding and exercisable as at September 30, 2017:

Options outstanding			Options exercisable		
Outstanding at September 30, 2017	**Weighted average remaining contractual life**	**Weighted average exercise price $**	**Number exercisable September 30, 2017**	**Weighted average remaining contractual life**	**Weighted average exercise price $**
5,830,000	3.98 years	0.23	476,666	2.40 years	0.91

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the nine months ended September 30, 2017	**For the year ended December 31, 2016**
Fair value of options	**-**	**$0.16 to $0.60**
Exercise price	**-**	**$0.17**
Share price	**-**	**$0.17**
Dividend yield	**-**	**0%**
Forfeiture %	**-**	**0.72%**
Risk-free interest rate	**-**	**1.22%**
Expected life of options	**-**	**5 years**
Expected volatility	**-**	**149%**

The forfeiture rate has been estimated based on past experience.

A summary of warrant transactions for the nine months ended September 30, 2017 and year ended December 31, 2016 is as follows:

	For the nine months ended September 30, 2017		**For the year ended December 31, 2016**	
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	1,054,231	0.36	1,396,951	0.45
Warrants expired	(144,231)	0.52	(342,720)	0.75
Outstanding at end of period	910,000	0.33	1,054,231	0.36

The following provides a summary of warrants outstanding as at September 30, 2017:

Warrants outstanding and exercisable		
Outstanding at September 30, 2017	**Weighted average remaining contractual life**	**Weighted average exercise price $**
910,000	1.37 years	$0.33

11. INTEREST

Interest income (expense) consists of the following:

($)	**For the three months ended September 30, 2017**	For the three months ended September 30, 2016	**For the nine months ended September 30, 2017**	For the nine months ended September 30, 2016
Interest income	**17,155**	13,861	**44,294**	51,918
Interest and bank charges	**(311)**	(7,749)	**(3,478)**	(30,769)
	16,844	6,112	**40,816**	21,149

Cash and cash equivalents includes redeemable and non-redeemable guaranteed investment certificates of $6,600,000 (December 31, 2016 - $7,550,325) bearing interest at an average rate of 1.56% (December 31, 2016 - 0.70%) and maturing on November 17, 2017 and December 18, 2017 (December 31, 2016 - April 2017).

12. RELATED PARTY TRANSACTIONS

(a) The Corporation currently considers its key management personnel to be its Chief Executive Officer, Chief Financial Officer and Board of Directors. Prior to discontinuing operations, key management personnel also included the Chief Revenue Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary, benefits, severance, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three and nine months ended September 30, 2017, key management compensation amounted to $180,994 and $481,723 respectively (2016 - $660,238 and $1,526,512), split between discontinued operations, general and administrative and stock-based compensation expenses, based on work performed. Key management salaries of $Nil (2016 - $1,118,269) have been included in discontinued operations (note 17), $128,441 (2016 - $304,197) has been included in general and administrative expenses and $353,282 (2016 - $176,770) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss for the three and nine months ended September 30, 2017 were $58,554 and $180,429 respectively (2016 - $1,082,011 and $3,875,062) split between discontinued operations and general and administrative expenses, based on work performed. Total personnel expense of $Nil (2016 - $3,643,589) has been included in discontinued operations (note 17) and $180,429 (2016 - $231,437) has been included in general and administrative expenses.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during 2016 (notes 8 (i) and (ii)).

(c) As at September 30, 2017, the Corporation had $69,751 (December 31, 2016 - $245,082) in trade and other payables owing to former key management personnel.

13. CONTINGENCIES

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleged a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim sought damages in an amount in excess of $15,000,000.

During the second quarter of 2017, the Corporation entered into a settlement agreement with respect to the above claim such that the claim is no longer outstanding. The settlement amount is included in general and administrative expenses for the nine months ended September 30, 2017. The terms of the settlement are confidential.

14. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensuring a strong financial position to support its growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus, and deficit as equity components. The Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	September 30, 2017	**December 31, 2016**
	$	**$**
Share capital	**31,222,125**	**31,222,125**
Warrants	**385,884**	**403,826**
Contributed surplus	**5,681,512**	**5,279,312**
Deficit	**(30,449,104)**	**(29,293,110)**
Total capital	**6,840,417**	**7,612,153**

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management has not changed during the quarter ended September 30, 2017.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables and deposits.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable were due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors. Approximately Nil% of the Corporation's revenue during the nine months ended September 30, 2017 (2016 - 94%) was generated from Nil (2016 - 4) customers.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at September 30, 2017, the Corporation has cash and cash equivalents of $6,919,054 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,823,976 (December 31, 2016 - $7,612,153) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Corporation will fluctuate due to changes in foreign currency exchange rates. As at September 30, 2017, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $77,839 (December 31, 2016 - US $274,565). A 1% change in the exchange rate between the Canadian and US dollar would have trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As September 30, 2017, the Corporation is not exposed to interest rate cash flow risk.

16. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

17. DISCONTINUED OPERATIONS

During the year ended December 31, 2016, the Corporation formed a special committee of members from its board of directors to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and risk management businesses and is currently pursuing alternative business opportunities. As such, the Corporation's loss and comprehensive loss and cash flows have been split between continuing and discontinued operations.

17. DISCONTINUED OPERATIONS *(continued)*

Details of the Corporation's discontinued operations are as follows:

($)	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
REVENUE	-	31,338	-	450,285
EXPENSES				
General and administrative	-	582,088	-	1,292,993
Sales and marketing	-	162,121	-	1,007,572
Development and operations	-	495,926	-	1,874,751
Stock-based compensation (notes 5(a) and 9)	-	(118,353)	-	86,829
Amortization – property and equipment	-	25	-	1,465
Amortization – intangible assets	-	-	-	322,491
	-	1,121,807	-	4,586,101
Loss from discontinued operations	-	(1,090,469)	-	(4,135,816)
Foreign exchange gain (loss)	-	(13,889)	-	(16,235)
Interest and bank charge expenses (note 11)	-	(7,749)	-	(30,769)
Loss on impairment of intangible assets (note 5.b)	-	-	-	(2,687,426)
Changes in fair value of contingent consideration payable	-	299,767	-	2,519,660
Net loss from discontinued operations	-	(812,340)	-	(4,350,586)
OTHER COMPREHENSIVE INCOME				
Exchange gain (loss) on translation of foreign operations	-	(30,675)	-	(222,224)
Comprehensive loss from discontinued operations	-	(843,015)	-	(4,572,810)

18. SUBSEQUENT EVENT

On October 31, 2017, the Corporation closed on a previously announced non-brokered private placement (the "Offering") of units of the Corporation ("Units"). Each Unit was offered at a price of $0.10 and consists of one common share in the capital of the Corporation ("Common Share") and one full common share purchase warrant ("Warrant"), with each Warrant being exercisable to acquire one additional Common Share (a "Warrant Share") at a price of $0.13 per Warrant Share for a period of 24 months following the closing of the Offering. Pursuant to the Offering, the Corporation distributed a total of 60,000,000 Units for aggregate gross proceeds of $6,000,000. The net proceeds from the Offering will be used for general corporate purposes and to augment the Corporation's cash reserves. Units acquired by places under the Offering are subject to a four-month hold period, which will last until March 1, 2018 in accordance with applicable securities legislation.

Vogogo Inc.

Management Discussion and Analysis

For The Three and Nine Months Ended September 30, 2017

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation") believes is required to gain an understanding of the financial results of the Corporation for the three and nine months ended September 30, 2017 compared to the same period in 2016, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, which are based on current plans and expectations. See under the heading "Special Note Regarding Forward-Looking Information". Additional information relating to Vogogo is available in Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of November 3, 2017, should be read in conjunction with the unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2017 and the audited consolidated financial statements and related notes for the years ended December 31, 2016 and 2015.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward-Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties including, but not limited to, those factors set forth under the heading "*Risk Factors*" in the Annual Information Form. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Business Overview

Vogogo was created to become a specialized payment processing business with associated risk management capability. The Corporation spent recent years developing and launching technologies that enabled secure and compliant transaction processing for businesses.

During the first half of 2016, following a strategic review process announced by Vogogo, the board of directors of the Corporation (the "Board") decided to discontinue payment-processing operations in order to preserve the Corporation's cash position. The Corporation advised its remaining clients that it would cease to process payments by September 30, 2016. Prior to making this determination, the Board reviewed strategic alternatives that focused on increasing shareholder value, which included, but were not limited to, a modified plan for continuing the business; the sale or combination of Vogogo's payment and risk management assets to or with another firm; a strategic vend-in, amalgamation, reverse amalgamation or similar transaction; a sale of one or more corporate assets; and/or a strategic business combination or strategic partnership. Ultimately, the Board concluded that ceasing all operations and seeking a suitable vend-in opportunity was in the best interests of the Corporation and its shareholders. The Board is currently assessing multiple options to vend one or more other viable businesses into the Corporation. There is no assurance that this process will result in any future transaction.

On July 5, 2016, the Corporation completed the disposition of certain of its assets known as the "Vogogo Risk and Rules Engine" (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company (the "Purchaser"). Vogogo had originally purchased the Vogogo Risk and Rules Engine from Mevia. The Sale Transaction involved the disposition of the Corporation's transaction risk management platform. Pursuant to the Sale Transaction, the Purchaser acquired the Vogogo Risk and Rules Engine and all associated liabilities on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, the Purchaser agreed to terminate its rights to post-closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the agreement entered into in the second quarter of 2015 among Mevia, its shareholders and the Corporation, wherein the Corporation acquired the Vogogo Risk and Rules Engine. As a result, the balance of the corresponding intangible asset of $2,687,426 was fully written off during 2016 and estimated contingent consideration payable of $2,219,893 was also eliminated.

In addition to information contained herein, further details concerning the Corporation are provided in the historical financial statements and related management's discussion and analysis, which have been filed under the profile of the Corporation at www.sedar.com.

The Corporation's head office address is PO Box 34023, Westbrook PO, Calgary, Alberta T3C 3W2 and the registered office address is 4600, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1.

Discontinued Operations

During the year ended December 31, 2016, the Corporation formed a special committee of the Board to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and transaction risk management businesses, and is currently pursuing alternative business opportunities. As such, the Corporation's profit or loss and cash flows were split between continuing and discontinued operations for the years ended December 31, 2016 and 2015. There were no discontinued operations during the nine months ended September 30, 2017.

Details of the Corporation's discontinued operations are as follows:

($)	**December 31, 2016**	December 31, 2015
REVENUE	**675,147**	142,195
EXPENSES		
General and administrative	**1,753,309**	2,520,640
Sales and marketing	**1,076,218**	1,559,967
Development and operations	**1,887,909**	3,798,355
Stock-based compensation	**68,725**	2,646,374
Amortization - property and equipment	**1,465**	5,097
Amortization - intangible assets	**322,491**	859,976
	5,110,117	11,390,409
Loss from discontinued operations	**(4,434,970)**	(11,248,214)
Foreign exchange gain	**6,817**	18,420
Loss on impairment of intangible assets	**(2,687,426)**	-
Loss on impairment of long-term investment	**(145,000)**	-
Loss on wind down of subsidiaries and elimination of foreign exchange and related accumulated other comprehensive income	**(432,729)**	-
Interest and bank charge expenses	**(33,691)**	(34,441)
Changes in fair value on contingent consideration payable	**2,519,660**	(99,948)
Net loss from discontinued operations	**(5,207,339)**	(11,364,183)
OTHER COMPREHENSIVE INCOME		
Exchange gain (loss) on translation of foreign operations	**(17,561)**	17,561
Comprehensive loss from discontinued operations	**(5,224,900)**	(11,346,622)

The Focus for 2017

In the latter half of 2016 and into 2017, the Board has been focused on identifying a vend-in opportunity for Vogogo with the over-arching goal of leveraging the Corporation's cash in an operating business to create shareholder value. Criteria have been prepared to serve as a guide in assessing candidate vend-in opportunities, and include characteristics such as clear path to revenue, scalability, strong management team, little or no debt, and readily financeable in the current public market. Over 50 candidate opportunities have been reviewed at a high level and, of these, five opportunities qualified for more comprehensive due diligence. As at the date of this MD&A, two candidate opportunities remain of interest and continue to be assessed in detail. While these two opportunities currently appear to be promising vend-in candidates, there is no assurance that a suitable vend-in deal involving either of the opportunities can be completed.

While assessing these candidates, the Board continues to seek additional candidate opportunities. It is contemplated that a vend-in deal will be completed in 2017.

BASIS OF PRESENTATION

This MD&A of the results of operations should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2017 and the audited consolidated financial statements for the years ended December 31, 2016 and 2015.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Board on November 3, 2017.

NON-IFRS MEASURES

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation's financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users.

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities. The EBITDA and Adjusted EBITDA are calculated as follows:

> EBITDA = Income (Loss) + Interest Expense - Interest Income + Accretion + Taxes (if any) + Depreciation + Amortization.
>
> Adjusted EBITDA = EBITDA + Stock-Based Compensation

Cash Flow Used In Operations

Cash flow used in operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items

to the net income or loss and then adding or deducting working capital sources or uses related to operating activities.

($)	**3 months ended September 30 2017**	3 months ended September 30 2016	**9 months ended September 30 2017**	9 months ended September 30 2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss from continuing operations	**(204,208)**	(198,329)	**(1,155,994)**	(867,836)
Add back (deduct) items not involving cash:				
Stock-based compensation (note 9)	**128,241**	39,420	**384,258**	176,770
Impairment of long-term investment	**-**	-	**-**	145,000
	(75,967)	(158,909)	**(771,736)**	(546,066)
Changes in non-cash working capital items:				
Trade and other receivables	**7,031**	-	**16,637**	-
Prepaid expenses and deposits	**16,795**	-	**24,133**	-
Trade and other payables	**1,096**	-	**(258,943)**	-
	24,922	-	**(218,173)**	-
Net cash flows used in continuing operations	**(51,045)**	(158,909)	**(989,909)**	(546,066)
Net cash flows used in discontinued operations	**-**	(1,067,401)	**-**	(3,790,049)
Net cash used in operating activities	**(51,045)**	(1,226,310)	**(989,909)**	(4,336,115)

SUMMARY OF FINANCIAL AND OPERATIONAL RESULTS

The following tables set forth unaudited condensed interim consolidated financial data prepared in accordance with IFRS for the three and nine months ended September 30, 2017 and 2016, respectively.

Financial Snapshot

($)	**Three Months Ended**		**Nine Months Ended**	
	September 30, 2017	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Loss from continuing operations	**(204,208)**	(198,329)	**(1,155,994)**	(867,836)
Loss from discontinued operations	**-**	(812,340)	**-**	(4,350,586)
Loss and comprehensive loss	**(204,208)**	(1,041,344)	**(1,155,994)**	(5,440,646)
			As at September 30, 2017	**As at December 31, 2016**
Working capital (current assets less current liabilities)			**6,840,417**	7,612,153
Total assets			**6,935,495**	8,148,556
Total liabilities			**95,078**	536,403

Summary Results of Operations

	Three Months Ended		NineMonths Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
General and administrative expenses - continuing operations	**85,588**	172,598	**801,738**	595,045
General and administrative expenses - discontinued operations	**-**	582,088	**-**	1,292,993
Sales and marketing expenses - discontinued operations	**-**	162,121	**-**	1,007,572
Development and operations expenses - discontinued operations	**-**	495,926	**-**	1,874,751
Net cash used in operating activities	**(51,045)**	(1,226,310)	**(989,909)**	(4,336,115)
Loss	**(204,208)**	(1,010,669)	**(1,155,994)**	(5,218,422)
Interest (income), net	**(16,844)**	(13,861)	**(40,816)**	(51,918)
Amortization and depreciation	**-**	25	**-**	323,956
EBITDA	**(221,052)**	(1,024,505)	**(1,196,810)**	(4,946,384)
Stock-based compensation - continuing operations	**128,241**	39,420	**384,258**	176,770
Stock-based compensation - discontinued operations	**-**	(118,353)	**-**	86,829
Adjusted EBITDA (EBITDA less share-based compensation)	**(92,811)**	(1,103,438)	**(812,552)**	(4,682,785)

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to September 30, 2017.

($)	**Sept 30, 2017**	**June 30, 2017**	**Mar 31, 2017**	**Dec 31, 2016**	**Sept 30, 2016**	**June 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**
Total assets	6,935,495	7,010,366	7,773,903	8,148,556	6,618,097	10,668,049	16,623,173	15,788,160
Net working capital	6,840,417	6,916,384	6,991,870	7,612,153	5,213,825	6,528,077	5,645,886	7,428,490
Total liabilities	95,078	93,982	782,033	536,403	1,404,272	4,131,947	8,136,116	5,195,288
Revenue	-	-	-	224,862	31,338	254,495	164,452	80,657
Net loss and comprehensive loss	(204,208)	(203,073)	(748,713)	(602,639)	(1,041,344)	(1,932,999)	(2,466,303)	(2,875,176)
Basic and diluted loss per Share	(0.00)	(0.00)	(0.00)	(0.01)	(0.02)	(0.04)	(0.05)	(0.05)

Comprehensive loss for the nine months ended September 30, 2017 decreased to $1.16 million compared to $5.44 million for the same period in 2016 and for the three months ended September 30, 2017 comprehensive loss decreased to $0.20 million compared to $1.04 million for the same period last year. The lower loss was the result of lower general and administrative, sales and marketing, development and operations, and stock-based compensation expenses compared to the same periods in 2016 as the Company discontinued its operations during the second half of 2016.

RESULTS OF OPERATIONS

Revenues

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Revenue – Discontinued Operations	**-**	31,338	**-**	450,285

Vogogo's Q3 2017 revenues were $Nil compared to $31,338 for Q3 2016 and for the nine months ended September 30, 2016, revenues were $Nil compared to $450,285 for the nine months ended September 30, 2016. During 2016, Vogogo EU voluntarily applied for and received confirmation of cancellation of its Electronic Money Institution ("EMI") license, and discontinued operations in Europe. Further, the Company decided to shut down all its operations effective June 30, 2016 and subsequently dissolved Vogogo EU Ltd., Vanado Inc. and Vogogo USA Inc. during the second half of 2016. As a result, no revenue was generated during 2017.

General and Administrative

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
General and administrative expenses – Continued Operations	**85,588**	172,598	**801,738**	595,045
General and administrative expenses – Discontinued Operations	**-**	582,088	**-**	1,292,993
TOTAL	**85,588**	754,686	**801,738**	1,888,038

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the three months ended September 30, 2017, G&A expenses decreased to $85,588 a decrease of $669,098 when compared to the same period in 2016. For the nine months ended September 30, 2017, G&A expenses decreased to $801,738 a decrease of $1,086,300 for the same period in 2016. Included in the current year G&A is the settlement of a legal claim that was finalized during the first quarter of 2017. The terms of this settlement have been agreed to be kept confidential.

Without this one-time settlement of a legal claim, G&A for the nine months ended September 30, 2017 would have been even lower due to cost reduction initiatives that the Corporation had been implementing since early 2016, including the shutdown of business operations.

For the nine months ended September 30, 2017, 97% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2016, 82% of G&A expenses related to personnel, consulting, professional fees and rent.

Sales and Marketing

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Sales and marketing expenses – Discontinued Operations	-	162,121	-	1,007,572

Sales and marketing ("S&M") expenses consisted principally of salaries, commissions, travel and other costs associated with the Corporation's sales force as well as marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre- and post-sales technical support. S&M expenses for the three months ended September 30, 2017 were $Nil as compared to $162,121 for the same period in 2016 and for the nine months ended September 30, 2017, S&M expenses were $Nil compared to $1,007,572 for the same period last year as the Corporation discontinued its operations during the second half of 2016.

Development and Operations

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Development and operations expenses – Discontinued Operations	-	495,926	-	1,874,751

Development and operations ("D&O") expenses included personnel and related equipment costs to develop and support the Corporation's products. The Corporation expensed all research costs as they were incurred. Development costs were only capitalized if they met the criteria set out by IFRS.

D&O expenses for the three months ended September 30, 2017 were $Nil compared to $495,926 for the same period in 2016 and for the nine months ended September 30, 2017, D&O expenses were $Nil compared to $1,874,751 for the same period in 2016 as the Corporation discontinued its operations during the second half of 2016.

For the nine months ended September 30, 2016, 100% of the D&O expenses were related to personnel, consulting and IT expenses.

Amortization

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Amortization expenses – Discontinued Operations	**-**	25	**-**	323,956

Amortization expense related to the property and equipment and intangible assets owned by the Corporation. Specifically, the Corporation owned computer equipment, furniture and fixtures, leasehold improvements and intangible assets related to the Corporation's risk platform. These assets were depreciated over their useful lives and impairments, if any, were assessed at every reporting period. During Q3 2016, the Corporation disposed all of its Property and Equipment for a net book value of $8,000 in cash. Following the Sale Transaction on July 5, 2016, the intangible asset with a net book value of $2,687,426 was impaired as the Vogogo Risk and Rules Engine was sold for a nominal price to a third party, resulting in $Nil amortization expense for the three and nine months ended September 30, 2017 as compared to $25 and $323,956 for the same periods in the previous year.

Stock-based Compensation

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Stock-based compensation – Continued Operations	**128,241**	39,420	**384,258**	176,770
Stock-based compensation – Discontinued Operations	**-**	(118,353)	**-**	86,829
TOTAL	**128,241**	(78,933)	**384,258**	263,599

Stock-based compensation for the three and nine months ended September 30, 2017 relates entirely to stock options valued using the Black Scholes option-pricing model. For the nine months ended September 30, 2017 no stock options were issued (2016 - 165,000) and 230,000 stock options were cancelled or forfeited (2016 – 3,691,665) and Nil stock options were exercised (2016 – Nil).

Net Loss and Comprehensive Loss

	Three Months Ended		Nine Months Ended	
($)	**September 30, 2017**	**September 30, 2016**	**September 30, 2017**	**September 30, 2016**
Loss	**(204,208)**	(1,010,669)	**(1,155,994)**	(5,218,422)
Comprehensive loss	**(204,208)**	(1,041,344)	**(1,155,994)**	(5,440,646)

The difference between net loss and comprehensive loss for the nine months ended September 30, 2016 is the result of foreign exchange gain on translation of foreign operations. During the nine months ended September 30, 2017, there was no foreign exchange gain or loss on translation of foreign operations as there were no foreign operations in the period.

The Corporation's cash and cash equivalents at September 30, 2017 totaled $6,919,054 (December 31, 2016 - $7,908,963) and the positive net working capital position amounted to $6,840,417 (December 31, 2016 – $7,612,153). The Corporation has an accumulated deficit at September 30, 2017 of $30,449,104 (December 31, 2016 – $29,293,110).

Liquidity and Capital Resources

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations.

The Corporation's objectives when managing capital were originally to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimized the costs of capital at an acceptable risk. However, as previously noted, during 2016, the Board made the decision to cease all payment processing operations and, on July 5, 2016, sold the Vogogo Risk and Rules Engine in order to preserve cash and continue to evaluate strategic alternatives.

The management of capital includes the components of shareholders' equity, comprised of share capital, warrants, contributed surplus, other comprehensive income and deficit. The Corporation strives to maximize the value associated with shareholders' equity. In order to maintain or adjust its capital structure, the Corporation may, from time to time, issue shares, issue debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through disciplined expense control, timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern;
- To maintain appropriate cash reserves on hand; and
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation plans to fund its expenditures through current cash available and, if necessary and feasible, various financing options including equity and/or debt financing.

In order to maintain or adjust its capital structure, the Corporation may, from time to time, issue shares and adjust its spending.

($)	September 30, 2017	December 31, 2016
Share capital	**31,222,125**	**31,222,125**
Warrants	**385,884**	**403,826**
Contributed surplus	**5,681,512**	**5,279,312**
Deficit	**(30,449,104)**	**(29,293,110)**
Total capital	**6,840,417**	**7,612,153**

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the periods presented.

Acquisitions

(a) Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized consulting and payment services company based in Denver, Colorado, USA, from an arm's length third party pursuant to a Share Purchase Agreement ("SPA").

The purchase was satisfied by the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016. These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016 a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result,

management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss. The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment of $99,948 during the year ended December 31, 2015. A final adjustment of $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

(b) Acquisition of Mevia assets

On April 30, 2015, the Corporation acquired certain assets from an arm's length, third party, private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was satisfied by the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017. These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance thresholds as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at a fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software. Management concluded that this acquisition meets the definition of a business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The fair value of the acquired intangible assets was measured using Level 3 inputs at the acquisition date, based on estimated discounted future cash flows.

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of six years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

The book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016	**-**

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". Mevia acquired the above-described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

Related party transactions

(a) The Corporation currently considers its key management personnel to be its Chief Executive Officer, Chief Financial Officer and Board of Directors. Prior to discontinuing operations, key management personnel also included the Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary, benefits, severance, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three and nine months ended September 30, 2017, key management compensation amounted to $180,994 and $481,723, respectively (2016 - $660,238 and $1,526,512), split between discontinued operations, general and administrative and stock-based compensation expenses, based on work performed. Key management salaries of $Nil (2016 - $1,118,269) have been included in discontinued operations (note 17), $128,441 (2016 - $304,197) has been included in general and administrative expenses and $353,282 (2016 - $176,770) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss for the three and nine months ended September 30, 2017 were $58,554 and $180,429, respectively (2016 - $1,082,011 and $3,875,062) split between discontinued operations and general and administrative expenses, based on work performed. For the nine months ended September 30, 2017, total personnel expense of $Nil (2016 - $3,643,589) has been included in discontinued operations (note 17) and $180,429 (2016 - $231,437) has been included in general and administrative expenses.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during 2016 (notes 8 (i) and (ii)).

(c) As at September 30, 2017, the Corporation had $69,751 (December 31, 2016 - $245,082) in trade and other payables owing to former key management personnel.

Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim sought damages in an amount in excess of $15,000,000.

During the second quarter of 2017, the Corporation entered into a settlement agreement with respect to the above claim such that the claim is no longer outstanding. The terms of the settlement are confidential.

Off-Balance Sheet Arrangements

At the date of this MD&A, the Corporation had no off-balance sheet arrangements.

Outstanding Share Capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at the date of this MD&A, the Corporation had 132,495,137 common shares, 5,830,000 stock options, 60,0910,000 warrants convertible into common shares, and no preferred shares outstanding.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments in applying its accounting policies, including estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

1) Areas of Judgment

(a) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a Cash Generating Unit ("CGU") is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(b) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

(c) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation's business that was discontinued or operations that continue going forward.

Assumptions and Critical Estimates

(a) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(b) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the periods in which such determinations are made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued

by the Corporation's Canadian bank. The Corporation minimizes credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately Nil% of the Corporation's revenue during the nine months ended September 30, 2017 (2016 - 94%) was generated from Nil (2016 – 4) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at September 30, 2017, the Corporation has cash and cash equivalents of $6,919,054 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,823,976 (December 31, 2016 - $7,612,153) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Corporation will fluctuate due to changes in foreign currency exchange rates. As at September 30, 2017, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $77,839 (December 31, 2016 - US $274,565). A 1% change in the exchange rate between the Canadian and US dollar would have trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As September 30, 2017, the Corporation is not exposed to interest rate cash flow risk.

Subsequent Event

On October 31, 2017, the Corporation closed on a previously announced non-brokered private placement (the "Offering") of units of the Corporation ("Units"). Each Unit was offered at a price of $0.10 and consists of one common share in the capital of the Corporation ("Common Share") and one full common share purchase warrant ("Warrant"), with each Warrant being exercisable to acquire one additional Common Share (a "Warrant Share") at a price of $0.13 per Warrant Share for a period of 24 months following the closing of the Offering. Pursuant to the Offering, the Corporation distributed a total of 60,000,000 Units for aggregate gross proceeds of $6,000,000. The net proceeds from the Offering will be used for general corporate purposes and to augment the Corporation's cash reserves. Units acquired by places under the Offering are subject to a four-month hold period, which will last until March 1, 2018 in accordance with applicable securities legislation.

Risks and Uncertainties

Since the Board has made the decision to cease all operations, the Corporation is no longer subject to the risks associated with the legal and economic climate in which it previously operated or the prior stage of development of its operations. However, as the Corporation continues to evaluate its strategic alternatives, it is subject to a number of associated risks. There can be no certainty that the Corporation will be able to successfully implement any strategic alternative going forward. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the risks associated with pursuing a strategic alternative, including but not limited to the following:

(a) Ability to Effect Strategic Alternative

The Corporation may not be able to source or effect a suitable strategic alternative in a timely manner or at all.

(b) Additional Capital Requirements

The Corporation's cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available in a timely manner, or at all.

(c) Dependence on Key Personnel

The success of the Corporation in arranging a strategic alternative will be largely dependent upon the performance of its Board. The unexpected loss or departure of any of the current directors or consultants of the Corporation could be detrimental to the Corporation.

(d) Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated by the Corporation. To the extent that the board is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination

thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

(e) Continued Losses from Operations

As at September 30, 2017, the Corporation has cash and cash equivalents of $6,919,054 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,840,4174 (December 31, 2016 - $7,612,153). However, the Corporation has an accumulated deficit of $30,449,104 as at September 30, 2017 (December 31, 2016 - $29,293,110) and incurred a net loss during the nine months ended September 30, 2017 of $1,155,994 (2016 - $5,218,422). The Corporation ceased all of it operations and is actively seeking business vend-in options.

(f) Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and the board.

(g) Operating Results and Financial Condition May Fluctuate

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of securities analysts or investors, the market price of the Corporation's shares would likely decline.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward-Looking Statements May Prove Inaccurate

Prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Conflicts of interest, if any, that arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

Vogogo Inc.

Condensed Interim Consolidated Financial Statements

(in Canadian dollars)

(unaudited)

For the three and six months ended June 30, 2017 and 2016

	June 30 2017 $	December 31 2016 $
ASSETS		
Current assets:		
Cash and cash equivalents (note 11)	**6,970,099**	7,908,963
Cash held in trust (note 6)	**7,759**	190,141
Trade and other receivables	**12,656**	22,262
Prepaid expenses and deposits	**19,852**	27,190
Total assets	**7,010,366**	8,148,556
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (notes 7 and 12(c))	**86,223**	346,262
Trust liabilities (note 6)	**7,759**	190,141
Total liabilities	**93,982**	536,403
Shareholders' Equity		
Share capital (note 8)	**31,222,125**	31,222,125
Warrants (note 9)	**385,884**	403,826
Contributed surplus (note 9)	**5,553,271**	5,279,312
Deficit	**(30,244,896)**	(29,293,110)
Total shareholders' equity	**6,916,384**	7,612,153
Total liabilities and shareholders' equity	**7,010,366**	8,148,556

Contingences (note 13)

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Chairman and Director

(signed) "*Gino DeMichele*"
Chief Executive Officer and Director

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	3 months ended June 30, 2017 $	3 months ended June 30, 2016 $	**6 months ended June 30, 2017 $**	6 months ended June 30, 2016 $
EXPENSES				
General and administrative (note 13(b))	**90,022**	250,021	**716,150**	422,447
Stock-based compensation (note 9)	**127,587**	(5,375)	**256,017**	137,350
Total Expenses	**217,609**	244,646	**972,167**	559,797
OTHER INCOME				
Foreign exchange gain (loss)	**1,602**	(2)	**(3,591)**	(2,767)
Interest income, net (note 11)	**12,934**	17,349	**23,972**	38,057
Gain (loss) on impairment of long-term investment	**-**	(145,000)	**-**	(145,000)
Loss from continuing operations	**(203,073)**	(372,299)	**(951,786)**	(669,507)
Loss from discontinued operations (note 17)	**-**	(1,481,234)	**-**	(3,538,246)
Loss	**(203,073)**	(1,853,533)	**(951,786)**	(4,207,753)
OTHER COMPREHENSIVE LOSS				
Exchange gain (loss) on translation of foreign operations related to discontinued operations (note 17)	**-**	(79,466)	**-**	(191,549)
Loss and comprehensive loss	**(203,073)**	(1,932,999)	**(951,786)**	(4,399,302)
Loss per share from continuing operations - basic and diluted (note 8)	**(0.00)**	(0.00)	**(0.01)**	(0.01)
Loss per share from discontinued operations - basic and diluted (note 8)	**(0.00)**	(0.04)	**(0.00)**	(0.08)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	Share Capital $	Warrants $	Contributed Surplus $	Accumulated Other Comprehensive Income (Loss) $	Deficit $	Total $
Balance, December 31, 2015	**30,944,778**	**550,364**	**2,347,555**	**17,561**	**(23,267,386)**	**10,592,872**
Stock-based compensation (note 9)	-	-	342,532	-	-	342,532
Loss and comprehensive loss	-	-	-	(191,549)	(4,207,753)	(4,399,302)
Balance, June 30, 2016	**30,944,778**	**550,364**	**2,690,097**	**(173,988)**	**(27,475,139)**	**6,536,102**
Balance, December 31, 2016	**31,222,125**	**403,826**	**5,279,312**	**-**	**(29,293,110)**	**7,612,153**
Stock-based compensation (note 9)	-	-	256,017	-	-	256,017
Expiry of warrants	-	(17,942)	17,942	-	-	-
Loss and comprehensive loss	-	-	-	-	(951,786)	(951,786)
Balance, June 30, 2017	**31,222,125**	**385,884**	**5,553,271**	**-**	**(30,244,896)**	**6,916,384**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	3 months ended June 30 2017 $	3 months ended June 30 2016 $	**6 months ended June 30 2017 $**	6 months ended June 30 2016 $
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss from continuing operations	**(203,073)**	(372,298)	**(951,786)**	(669,506)
Add back (deduct) items not involving cash:				
Stock-based compensation (note 9)	**127,587**	(5,375)	**256,017**	137,350
Impairment of long-term investment	**-**	145,000	**-**	145,000
	(75,486)	(232,673)	**(695,769)**	(387,156)
Changes in non-cash working capital items:				
Trade and other receivables	**27,591**	-	**9,606**	-
Prepaid expenses and deposits	**3,669**	-	**7,338**	-
Trade and other payables	**(555,682)**	-	**(260,039)**	-
	(524,422)	-	**(243,095)**	-
Net cash flows used in continuing operations	**(599,908)**	(232,673)	**938,864**	(387,156)
Net cash flows used in discontinued operations	**-**	(909,131)	**-**	(2,722,549)
Net cash used in operating activities	**(599,908)**	(1,141,804)	**(938,864)**	(3,109,805)
Effect of changes in foreign exchange rates on cash held in foreign currencies related to discontinued operations	**-**	(100,190)	**-**	(195,266)
Net increase (decrease) in cash and cash equivalents for the period	**(599,908)**	(1,241,994)	**(938,864)**	(3,305,071)
Cash and cash equivalents, beginning of the period	**7,570,007**	8,426,538	**7,908,963**	10,489,615
Cash and cash equivalents, end of the period	**6,970,099**	7,184,544	**6,970,099**	7,184,544
Supplemental cash flow information:				
Interest paid relating to discontinued operations	**-**	10,660	**-**	23,020
Cash and cash equivalents consists of the following:				
Cash held in banks			**362,575**	**1,634,219**
Guaranteed investment certificates (note 11)			**6,607,524**	**5,550,325**
			6,970,099	**7,184,544**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo") provided payment processing and related transaction risk services. During 2016, Vogogo discontinued its payment processing and related transaction risk services and the Corporation is now assessing alternate business opportunities (note 17). Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company, and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd, a wholly owned subsidiary registered under the laws of United Kingdom. On January 1, 2015 the Corporation acquired all the issued and outstanding shares of Vanado Inc., a Colorado company. During the year ended December 31, 2016, the Corporation dissolved Vogogo USA Inc., Vogogo EU Ltd. and Vanado Inc.

The head office is located at PO Box 34023, Westbrook PO, Calgary, Alberta, Canada, T3C 3W2.

The shares of Vogogo are traded on the TSX Venture Exchange under the symbol VGO.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”), as issued by the IASB. Accordingly, certain financial information and disclosures normally included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been omitted or condensed.

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on August 21, 2017.

(b) Basis of measurement and preparation

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements, unless otherwise indicated.

The condensed interim consolidated financial statements have been prepared under the historical cost basis, except as noted.

General and administrative, sales and marketing, and development and operations expenses are presented on a functional basis. Stock-based compensation and amortization are presented on a separate line by their nature. Significant expenses such as personnel expenses are presented by their nature in the notes to the condensed interim consolidated financial statements (note 12(a)).

(c) Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars ("CAD"), which is the functional currency of the Corporation and Vogogo Canada Inc. The functional currency of Vogogo USA Inc. and Vanado Inc. was U.S. dollars ("USD") and the functional currency of Vogogo EU Ltd. was British Pounds (“GBP”).

2. BASIS OF PRESENTATION *(continued)*

(d) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions and balances have been eliminated in these condensed interim consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the condensed interim consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2016. Because the disclosures provided in these condensed interim consolidated financial statements do not conform in all respects with IFRS for annual consolidated financial statements, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2016.

There were no new accounting standards, interpretations or amendments to existing standards adopted during the six months ended June 30, 2017 that would be expected to have a significant impact on the Corporation's condensed interim consolidated financial statements. There were no new accounting standards, interpretations or amendments issued during the six months ended June 30, 2017 that are expected to have a significant impact on the Corporation's financial statements in future periods. Further, the Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

(a) Areas of judgment

(i) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(ii) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation's business that was discontinued versus operations that continue going forward.

(b) Assumptions and critical estimates

(i) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(ii) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. ACQUISITIONS

a. Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized payment consulting company based in Denver, Colorado, USA, from an arm's length third party pursuant to a share purchase agreement ("SPA").

The purchase was completed through the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455.

5. ACQUISITIONS *(continued)*

Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016 ("Performance Period"). These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016, a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss.

The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment to increase contingent consideration by $99,948 during the year ended December 31, 2015. A final adjustment to decrease contingent consideration by $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

b. Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length, third party, private risk management company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was completed through the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000.

5. ACQUISITIONS *(continued)*

Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017 ("Performance Period"). These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software and no other assets or liabilities were acquired as per the APA. Management concluded that this acquisition meets the definition of business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The intangible assets acquired were measured at fair value based on Level 3 inputs at the acquisition date and estimated discounted future cash flows.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

Book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016 and June 30, 2017	**-**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability has been reviewed each reporting period and any adjustments to this liability value have been adjusted through the statement of loss and comprehensive loss.

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") back to Mevia. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". The Sale Transaction involved Mevia acquiring the above described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

6. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represents amounts collected from customers of clients that are held in trust until being paid out to clients.

7. TRADE AND OTHER PAYABLES

	June 30, 2017	December 31, 2016
	$	$
Trade accounts payable	**78,494**	140,486
Accrued payables	**7,000**	205,331
Other	**729**	445
	86,223	346,262

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at June 30, 2017, the Corporation has $69,835 (December 31, 2015 - $248,378) in accounts payable beyond 60 days.

8. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares	Share Capital
	#	$
Balance, December 31, 2015	49,022,410	30,944,778
Repurchase of shares (i)	(2,000,000)	(130,000)
Fair value adjustment of repurchase of shares (i)	-	(1,132,475)
Repurchase of shares (ii)	(2,300,000)	(149,500)
Fair value adjustment of repurchase of shares (ii)	-	(1,302,346)
Issue of shares related to acquisition of Vanado (iii) (note 5(a))	500,000	77,500
Issue of shares on private placement (iv)	27,272,727	3,000,000
Share issue costs - Legal and other (iv)	-	(85,832)
Balance, December 31, 2016 and June 30, 2017	**72,495,137**	**31,222,125**

8. SHARE CAPITAL *(continued)*

(i) On July 6, 2016, the Corporation repurchased 2 million common shares of the Corporation for cancellation from a corporation controlled by the former President and CEO of the Corporation for $0.065 per share. Consideration for this share re-purchase was used to settle the note receivable from this corporation (note 12(b)), with the balance settled in cash. These 2 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,132,475 was credited to contributed surplus.

(ii) On August 18, 2016, the Corporation repurchased 2.3 million common shares of the Corporation for cancellation from a company controlled by the former Chief Revenue Officer ("CRO") of the Corporation for $0.065 per share. Consideration for this share repurchase was used to settle the note receivable from this corporation (note 12(b)), with the balance to be settled in cash. These 2.3 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,302,346 was credited to contributed surplus.

(iii) On September 30, 2016, 500,000 additional common shares were issued at a fair market value of $0.155 as part of the final post-closing payment to settle the contingent consideration related to the acquisition of Vanado.

(iv) On October 3, 2016, the Corporation closed a non-brokered private placement ("Offering"). Pursuant to the Offering, the Corporation issued a total of 27,272,727 common shares at $0.11 per share for aggregate gross proceeds of $3,000,000. Legal and other share issue costs of $85,832 were incurred.

The weighted average number of common shares outstanding and used to calculate basic and diluted loss per share for the three and six months ended June 30, 2017 is 72,495,137 and for the three and six months ended June 30, 2016 is 49,022,410. The Corporation excluded all stock options and warrants from the calculation of diluted loss per share for the three and six months ended June 30, 2017 and 2016 as they would be anti-dilutive.

9. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 10 for further details on these plans.

Contributed Surplus

	$
Balance, December 31, 2015	2,347,555
Stock-based compensation expense	342,532
Balance, June 30, 2016	2,690,087
Balance, December 31, 2016	5,279,312
Stock-based compensation expense	256,017
Expiry of warrants	17,942
Balance, June 30, 2017	**5,553,271**

Warrants

	$
Balance, December 31, 2015 and June 30, 2016	550,364
Balance, December 31, 2016	403,826
Expiry of warrants	(17,942)
Balance, June 30, 2017	**385,884**

10. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant.

A summary of the Plan transactions for the six months ended June 30, 2017 and year ended December 31, 2016 is as follows:

	For the six months ended June 30, 2017		For the year ended December 31, 2016	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding at beginning of period	6,060,000	0.24	4,435,083	1.05
Options granted	-	-	5,465,000	0.17
Options cancelled / forfeited	(230,000)	0.42	(3,840,083)	1.08
Outstanding at end of period	5,830,000	0.23	6,060,000	0.24

The following provides a summary of options outstanding and exercisable as at June 30, 2017:

Options outstanding			Options exercisable		
Outstanding at June 30, 2017	Weighted average remaining contractual life	Weighted average exercise price $	Number exercisable June 30, 2017	Weighted average remaining contractual life	Weighted average exercise price $
5,830,000	4.20 years	0.23	383,334	2.67 years	0.90

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the six months ended June 30, 2017	For the year ended December 31, 2016
Fair value of options	**-**	**$0.16 to $0.60**
Exercise price	**-**	**$0.17**
Share price	**-**	**$0.17**
Dividend yield	**-**	**0%**
Forfeiture %	**-**	**0.72%**
Risk-free interest rate	**-**	**1.22%**
Expected life of options	**-**	**5 years**
Expected volatility	**-**	**149%**

The forfeiture rate has been estimated based on past experience.

10. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

A summary of warrant transactions for the six months ended June 30, 2017 and year ended December 31, 2016 is as follows:

	For the six months ended June 30, 2017		For the year ended December 31, 2016	
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	1,054,231	0.36	1,396,951	0.45
Warrants expired	(144,231)	0.52	(342,720)	0.75
Outstanding at end of period	910,000	0.33	1,054,231	0.36

The following provides a summary of warrants outstanding as at June 30, 2017:

Warrants outstanding and exercisable		
Outstanding at June 30, 2017	**Weighted average remaining contractual life**	**Weighted average exercise price $**
910,000	1.62 years	$0.33

11. INTEREST

Interest income (expense) consists of the following:

	For the three months ended June 30, 2017 $	For the three months ended June 30, 2016 $	**For the six months ended June 30, 2017 $**	For the six months ended June 30, 2016 $
Interest income	**14,329**	17,349	**27,139**	38,057
Interest and bank charges	**(1,395)**	(10,660)	**(3,167)**	(23,020)
	12,934	6,689	**23,972**	15,037

Cash and cash equivalents includes redeemable and non-redeemable guaranteed investment certificates of $6,607,524 (December 31, 2016 - $7,550,325) bearing interest at an average rate of 0.95% (December 31, 2016 - 0.70%) and maturing on September 17, 2017 (December 31, 2016 - April 2017).

12. RELATED PARTY TRANSACTIONS

(a) The Corporation currently considers its key management personnel to be its Chief Executive Officer and Board of Directors. Prior to discontinuing operations, key management personnel also included the Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary, benefits, severance, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three and six months ended June 30 2017, key management compensation amounted to $145,462 and $300,729 respectively (2016 - $492,229 and $866,274), split between discontinued operations, general and administrative and stock-based compensation expenses, based on work performed. Key management salaries of $Nil (2016 - $597,585) have been included in discontinued operations (note 17), $79,896 (2016 - $122,484) has been included in general and administrative expenses and $220,833 (2016 - $146,205) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss for the three and six months ended June 30, 2017 were $59,950 and $121,875 respectively (2016 - $1,182,354 and $2,793,051) split between discontinued operations and general and administrative expenses, based on work performed. Total personnel expense of $Nil (2016 - $2,626,205) has been included in discontinued operations (note 17) and $121,875 (2016 - $166,846) has been included in general and administrative expenses.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during 2016 (notes 8 (i) and (ii)).

(c) As at June 30, 2017, the Corporation had $69,751 (December 31, 2016 - $245,082) in trade and other payables owing to former key management personnel.

13. CONTINGENCIES

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim sought damages in an amount in excess of $15,000,000.

During the second quarter of 2017, the Corporation entered into a settlement agreement with respect to the above claim such that the claim is no longer outstanding. The settlement amount is included in general and administrative expenses for the six months ended June 30, 2017. The terms of the settlement are confidential.

14. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensuring a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus, and deficit as equity components. The Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	June 30, 2017 $	December 31, 2016 $
Share capital	**31,222,125**	**31,222,125**
Warrants	**385,884**	**403,826**
Contributed surplus	**5,553,271**	**5,279,312**
Deficit	**(30,244,896)**	**(29,293,110)**
Total capital	**6,916,384**	**7,612,153**

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management has not changed during the quarter ended June 30, 2017.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables and deposits.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable were due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Approximately Nil% of the Corporation's revenue during the six months ended June 30, 2017 (2016 - 86%) was generated from Nil (2016 - 4) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at June 30, 2017, the Corporation has cash and cash equivalents of $6,970,099 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,916,384 (December 31, 2016 - $7,612,153) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Corporation will fluctuate due to changes in foreign currency exchange rates. As at June 30, 2017, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $77,839 (December 31, 2016 - US $274,565). A 1% change in the exchange rate between the Canadian and US dollar would have trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As June 30, 2017, the Corporation is not exposed to interest rate cash flow risk.

16. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

17. DISCONTINUED OPERATIONS

During the year ended December 31, 2016, the Corporation formed a special committee of members from its board of directors to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and risk management businesses and is currently pursuing alternative business opportunities. As such, the Corporation's loss and comprehensive loss and cash flows have been split between continuing and discontinued operations.

Details of the Corporation's discontinued operations are as follows:

	Three months ended June 30, 2017 $	Three months ended June 30, 2016 $	Six months ended June 30, 2017 $	Six months ended June 30, 2016 $
REVENUE	-	254,495	-	418,947
EXPENSES				
General and administrative	-	175,292	-	710,905
Sales and marketing	-	525,685	-	845,451
Development and operations	-	566,074	-	1,378,825
Stock-based compensation (notes 5(a) and 9)	-	(12,581)	-	205,182
Amortization – property and equipment	-	720	-	1,440
Amortization – intangible assets	-	-	-	322,491
	-	1,255,190	-	3,464,294
Loss from discontinued operations	-	(1,000,695)	-	(3,045,347)
Foreign exchange gain (loss)	-	(2,346)	-	(2,346)
Interest and bank charge expenses (note 11)	-	(10,660)	-	(23,020)
Loss on impairment of intangible assets (note 5.b)	-	(2,687,426)	-	(2,687,426)
Changes in fair value of contingent consideration payable	-	2,219,893	-	2,219,893
Net loss from discontinued operations	-	(1,481,234)	-	(3,538,246)
OTHER COMPREHENSIVE INCOME				
Exchange gain (loss) on translation of foreign operations	-	(79,466)	-	(191,549)
Comprehensive loss from discontinued operations	-	(1,560,701)	-	(3,729,796)

Vogogo Inc.

Management Discussion and Analysis

For The Three and Six Months Ended June 30, 2017

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation") believes is required to gain an understanding of the financial results of the Corporation for the three and six months ended June 30, 2017 compared to the same period in 2016, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, which are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information". Additional information relating to Vogogo is available in Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of August 21, 2017, should be read in conjunction with the unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2017 and the audited consolidated financial statements and related notes for the years ended December 31, 2016 and 2015.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties including, but not limited to, those factors set forth under the heading "*Risk Factors*" in the Annual Information Form. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Business Overview

Vogogo was created to become a specialized payment processing business with associated risk management capability. The Corporation spent recent years developing and launching technologies that enabled secure and compliant transaction processing for businesses.

During the first half of 2016, following a strategic review process announced by Vogogo, the board of directors of the Corporation (the "Board") decided to discontinue payment-processing operations in order to preserve the Corporation's cash position. The Corporation advised its remaining clients that it would cease to process payments by September 30, 2016. Prior to making this determination, the Board reviewed strategic alternatives that focused on increasing shareholder value, which included, but were not limited to, a modified plan for continuing the business; the sale or combination of Vogogo's payment and risk management assets to or with another firm; a strategic vend-in, amalgamation, reverse amalgamation or similar transaction; a sale of one or more corporate assets; and/or a strategic business combination or strategic partnership. Ultimately, the Board concluded that ceasing all operations and seeking a suitable vend-in opportunity was in the best interests of the Corporation and its shareholders. The Board is currently assessing multiple options to vend one or more other viable businesses into the Corporation. There is no assurance that this process will result in any future transaction.

On July 5, 2016, the Corporation completed the disposition of certain of its assets known as the "Vogogo Risk and Rules Engine" (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company (the "Purchaser"). Vogogo had originally purchased the Vogogo Risk and Rules Engine from Mevia. The Sale Transaction involved the disposition of the Corporation's transaction risk management platform. Pursuant to the Sale Transaction, the Purchaser acquired the Vogogo Risk and Rules Engine and all associated liabilities on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, the Purchaser agreed to terminate its rights to post-closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the agreement entered into in the second quarter of 2015 among Mevia, its shareholders and the Corporation, wherein the Corporation acquired the Vogogo Risk and Rules Engine. As a result, the balance of the corresponding intangible asset of $2,687,426 was fully written off during 2016 and estimated contingent consideration payable of $2,219,893 was also eliminated.

In addition to information contained herein, further details concerning the Corporation are provided in the historical financial statements and related management's discussion and analysis, which have been filed under the profile of the Corporation at www.sedar.com.

The Corporation's head office address is PO Box 34023, Westbrook PO, Calgary, Alberta T3C 3W2 and the registered office address is 4600, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1.

Discontinued Operations

During the year ended December 31, 2016, the Corporation formed a special committee of the Board to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and transaction risk management businesses, and is currently pursuing alternative business opportunities. As such, the Corporation's profit or loss and cash flows were split between continuing and discontinued operations for the years ended December 31, 2016 and 2015. There were no discontinued operations during the six months ended June 30, 2017.

Details of the Corporation's discontinued operations are as follows:

	December 31, 2016 $	December 31, 2015 $
REVENUE	**675,147**	142,195
EXPENSES		
General and administrative	**1,753,309**	2,520,640
Sales and marketing	**1,076,218**	1,559,967
Development and operations	**1,887,909**	3,798,355
Stock-based compensation	**68,725**	2,646,374
Amortization - property and equipment	**1,465**	5,097
Amortization - intangible assets	**322,491**	859,976
	5,110,117	11,390,409
Loss from discontinued operations	**(4,434,970)**	(11,248,214)
Foreign exchange gain	**6,817**	18,420
Loss on impairment of intangible assets	**(2,687,426)**	-
Loss on impairment of long-term investment	**(145,000)**	-
Loss on wind down of subsidiaries and elimination of foreign exchange and related accumulated other comprehensive income	**(432,729)**	-
Interest and bank charge expenses	**(33,691)**	(34,441)
Changes in fair value on contingent consideration payable	**2,519,660**	(99,948)
Net loss from discontinued operations	**(5,207,339)**	(11,364,183)
OTHER COMPREHENSIVE INCOME		
Exchange gain (loss) on translation of foreign operations	**(17,561)**	17,561
Comprehensive loss from discontinued operations	**(5,224,900)**	(11,346,622)

The Focus for 2017

In the latter half of 2016 and into 2017, the Board has been focused on identifying a vend-in opportunity for Vogogo with the over-arching goal of leveraging the Corporation's cash in an operating business to create shareholder value. Criteria have been prepared to serve as a guide in assessing candidate vend-in opportunities, and include characteristics such as clear path to revenue, scalability, strong management team, little or no debt, and readily financeable in the current public market. Over 50 candidate opportunities have been reviewed at a high level and, of these, five opportunities qualified for more comprehensive due diligence. As at the date of this MD&A, two candidate opportunities remain of interest and continue to be assessed in detail. While these two opportunities currently appear to be promising vend-in candidates, there is no assurance that a suitable vend-in deal involving either of the opportunities can be completed. While assessing these candidates, the Board continues to seek additional candidate opportunities. It is contemplated that a vend-in deal will be completed in 2017.

BASIS OF PRESENTATION

This MD&A of the results of operations should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2017 and the audited consolidated financial statements for the years ended December 31, 2016 and 2015.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Board on August 21, 2017.

NON-IFRS MEASURES

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation's financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users.

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities. The EBITDA and Adjusted EBITDA are calculated as follows:

> EBITDA = Income (Loss) + Interest Expense - Interest Income + Accretion + Taxes (if any) + Depreciation + Amortization.
>
> Adjusted EBITDA = EBITDA + Stock-Based Compensation

Cash Flow Used In Operations

Cash flow used in operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items to the net income or loss and then adding or deducting working capital sources or uses related to operating activities.

	3 months ended June 30 2017 $	3 months ended June 30 2016 $	**6 months ended June 30 2017 $**	6 months ended June 30 2016 $
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss from continuing operations	**(203,073)**	(372,298)	**(951,786)**	(669,506)
Add back (deduct) items not involving cash:				
Stock-based compensation (note 9)	**127,587**	(5,375)	**256,017**	137,350
Impairment of long-term investment	**-**	145,000	**-**	145,000
	(75,486)	(232,673)	**(695,769)**	(387,156)
Changes in non-cash working capital items:				
Trade and other receivables	**27,591**	-	**9,606**	-
Prepaid expenses and deposits	**3,669**	-	**7,338**	-
Trade and other payables	**(555,683)**	-	**(260,040)**	-
	(524,422)	-	**(243,095)**	-
Net cash flows used in continuing operations	**(599,908)**	(232,673)	**938,864**	(387,156)
Net cash flows used in discontinued operations	**-**	(909,131)	**-**	(2,722,549)
Net cash used in operating activities	**(599,908)**	(1,141,804)	**(938,864)**	(3,109,805)

SUMMARY OF FINANCIAL AND OPERATIONAL RESULTS

The following tables set forth unaudited condensed interim consolidated financial data prepared in accordance with IFRS for the three and six months ended June 30, 2017 and 2016, respectively.

Financial Snapshot

	Three Months Ended		**Six Months Ended**	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Loss from continuing operations	**(203,073)**	(372,299)	**(951,786)**	(669,507)
Loss from discontinued operations	**-**	(1,481,234)	**-**	(3,538,246)
Loss and comprehensive loss	**(203,073)**	(1,932,999)	**(951,786)**	(4,399,302)
			As at June 30, 2017	**As at December 31, 2016**
Working capital (current assets less current liabilities)			**6,916,384**	7,612,153
Total assets			**7,010,366**	8,148,556
Total liabilities			**93,982**	536,403

Summary Results of Operations

	Three Months Ended		Six Months Ended	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
General and administrative expenses - continuing operations	**90,022**	250,021	**716,150**	422,447
General and administrative expenses - discontinued operations	**-**	175,292	**-**	710,905
Sales and marketing expenses - discontinued operations	**-**	525,685	**-**	845,451
Development and operations expenses - discontinued operations	**-**	566,074	**-**	1,378,825
Net cash used in operating activities	**(599,908)**	(1,141,804)	**(938,864)**	(3,109,805)
Loss	**(203,073)**	(1,853,533)	**(951,786)**	(4,207,753)
Interest (income), net	**(12,934)**	(6,689)	**(23,972)**	(15,037)
Amortization and depreciation	**-**	720	**-**	323,931
EBITDA	**(190,139)**	(1,859,502)	**(927,814)**	(3,898,859)
Stock-based compensation - continuing operations	**127,587**	(5,375)	**256,017**	137,350
Stock-based compensation - discontinued operations	**-**	(12,581)	**-**	205,182
Adjusted EBITDA (EBITDA less share-based compensation)	**(62,552)**	(1,877,458)	**(671,797)**	(3,556,327)

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to June 30, 2017.

($)	**June 30, 2017**	**Mar 31, 2017**	**Dec 31, 2016**	**Sept 30, 2016**	**June 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sept 30, 2015**
Total assets	7,010,366,	7,773,903	8,148,556	6,618,097	10,668,049	16,623,173	15,788,160	16,393,119
Net working capital	6,916,384	6,991,870	7,612,153	5,213,825	6,528,077	5,645,886	7,428,490	9,896,109
Total liabilities	93,982	782,033	536,403	1,404,272	4,131,947	8,136,116	5,195,288	4,019,059
Revenue	-	-	224,862	31,338	254,495	164,452	80,657	31,527
Net loss and comprehensive loss	(203,073)	(748,713)	(602,639)	(1,041,344)	(1,932,999)	(2,466,303)	(2,875,176)	(2,628,001)
Basic and diluted loss per Share	(0.00)	(0.00)	(0.01)	(0.02)	(0.04)	(0.05)	(0.05)	(0.06)

Comprehensive loss for the six months ended June 30, 2017 decreased to $0.95 million compared to $4.40 million for the same period in 2016 and for the three months ended June 30, 2017 comprehensive loss decreased to $0.20 million compared to $1.93 million for the same period last year. The lower loss was the result of lower general and administrative, sales and marketing, development and operations, and stock-based compensation expenses compared to the same periods in 2016 as the Company discontinued its operations during the second half of 2016.

RESULTS OF OPERATIONS

Revenues

	Three Months Ended		Six Months Ended	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Revenue – Discontinued Operations	**-**	254,495	**-**	418,947

Vogogo's Q2 2016 revenues were $254,495 compared to $Nil for the current quarter Q2 2017 and for the six moths ended June 30, 2016 revenues were $418,947 compared to $Nil for the current six months ended June 30, 2017. During 2016, Vogogo EU voluntarily applied for and received confirmation of cancellation of its EMI license, and discontinued operations in Europe. Further, the Company decided to shut down all its operations effective June 30, 2016 and subsequently dissolved Vogogo EU Ltd., Vanado Inc. and Vogogo USA Inc. during the second half of 2016. As a result, no revenue was generated during 2017.

General and Administrative

	Three Months Ended		Six Months Ended	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
General and administrative expenses – Continued Operations	**90,022**	250,021	**716,150**	422,447
General and administrative expenses – Discontinued Operations	**-**	175,292	**-**	710,905
TOTAL	**90,022**	425,313	**716,150**	1,133,352

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the three months ended June 30, 2017, G&A expenses decreased to $90,022 a decrease of $335,291 when compared to the same period in 2016. For the six months ended June 30, 2017, G&A expenses decreased to $716,150 a decrease of $417,202 for the same period in 2016. Included in the current year G&A is the settlement of a legal claim that was finalized during the first quarter of 2017. The terms of this settlement have been agreed to be kept confidential.

Without this one time settlement of a legal claim G&A for the six months ended June 30, 2017, would have been even lower when compared to the same period last year due to cost reduction initiatives that the Corporation had been implementing since early 2016, including the shutdown of business operations.

For the six months ended June 30, 2017, 99% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2016, 74% of G&A expenses related to personnel, consulting, professional fees and rent.

Sales and Marketing

	Three Months Ended		Six Months Ended	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Sales and marketing expenses – Discontinued Operations	-	525,685	-	845,451

Sales and marketing ("S&M") expenses consisted principally of salaries, commissions, travel and other costs associated with the Corporation's sales force as well as marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre- and post-sales technical support. S&M expenses for the three months ended June 30, 2017 were $Nil as compared to $525,685 for the same period in 2016 and for the six months ended June 30, 2017, S&M expenses were $Nil compared to $845,451 for the same period last year as the Corporation discontinued its operations during the second half of 2016.

Development and Operations

	Three Months Ended		Six Months Ended	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Development and operations expenses – Discontinued Operations	-	566,074	-	1,378,825

Development and operations ("D&O") expenses included personnel and related equipment costs to develop and support the Corporation's products. The Corporation expensed all research costs as they were incurred. Development costs were only capitalized if they met the criteria set out by IFRS.

D&O expenses for the three months ended June 30, 2017 were $Nil compared to $566,074 for the same period in 2016 and for the six months ended June 30, 2017 D&O expenses were $Nil compared to $1,378,825 for the same period in 2016 as the Corporation discontinued its operations during the second half of 2016.

For the six months ended June 30, 2016, 100% of the D&O expenses were related to personnel, consulting and IT expenses.

Amortization

	Three Months Ended		**Six Months Ended**	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Amortization expenses – Discontinued Operations	**-**	720	**-**	323,931

Amortization expense related to the property and equipment and intangible assets owned by the Corporation. Specifically, the Corporation owned computer equipment, furniture and fixtures, leasehold improvements and intangible assets related to the Corporation's risk platform. These assets were depreciated over their useful lives and impairments, if any, were assessed at every reporting period. During Q3 2016, the Corporation disposed all of its Property and Equipment for a net book value of $8,000 in cash. Following the Sale Transaction on July 5, 2016, the intangible asset with a net book value of $2,687,426 was impaired as the Vogogo Risk and Rules Engine was sold for a nominal price to a third party, resulting in $Nil amortization expense for the three and six months ended June 30, 2017 as compared to $720 and $323,931 for the same periods in the previous year.

Stock-based Compensation

	Three Months Ended		**Six Months Ended**	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Stock-based compensation – Continued Operations	**127,587**	(5,375)	**256,017**	137,350
Stock-based compensation – Discontinued Operations	**-**	(12,581)	**-**	205,182
TOTAL	**127,587**	(17,956)	**256,017**	342,532

Stock-based compensation for the three and six months ended June 30, 2017 relates entirely to stock options valued using the Black Scholes option-pricing model. For the six months ended June 30, 2017 no stock options were issued (2016 - 165,000) and 230,000 stock options were cancelled or forfeited (2016 – 1,498,331) and Nil stock options were exercised (2016 – Nil).

Net Loss and Comprehensive Loss

	Three Months Ended		**Six Months Ended**	
($)	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Loss	**(203,073)**	(1,853,533)	**(951,786)**	(4,207,753)
Comprehensive loss	**(203,073)**	(1,932,999)	**(951,786)**	(4,399,302)

The difference between net loss and comprehensive loss for the six months ended June 30, 2016 is the result of foreign exchange gain on translation of foreign operations. During the six months ended June 30, 2017, there was no foreign exchange gain or loss on translation of foreign operations as there were no foreign operations in the period.

The Corporation's cash and cash equivalents at June 30, 2017 totaled $6,970,099 (December 31, 2016 - $7,908,963) and the positive net working capital position amounted to $6,916,384 (December 31, 2016 – $7,612,153). The Corporation has an accumulated deficit at June 30, 2017 of $30,244,896 (December 31, 2016 – $29,293,110).

Liquidity and Capital Resources

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations.

The Corporation's objectives when managing capital were originally to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimized the costs of capital at an acceptable risk. However, as previously noted, during 2016, the Board made the decision to cease all payment processing operations and on July 5, 2016 sold the Vogogo Risk and Rules Engine in order to preserve cash and continue to evaluate strategic alternatives.

The management of capital includes the components of shareholders' equity, comprised of share capital, warrants, contributed surplus, other comprehensive income and deficit. The Corporation strives to maximize the value associated with shareholders' equity. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares, issue debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through disciplined expense control, timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern;
- To maintain appropriate cash reserves on hand; and
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation plans to fund its expenditures through current cash available and, if necessary and feasible, various financing options including equity and/or debt financing.

In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	June 30, 2017 $	**December 31, 2016 $**
Share capital	**31,222,125**	31,222,125
Warrants	**385,884**	403,826
Contributed surplus	**5,553,271**	5,205,596
Deficit	**(30,244,896)**	(29,293,110)
Net working capital	**6,916,384**	7,612,153

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the periods presented.

Acquisitions

(a) Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized consulting and payment services company based in Denver, Colorado, USA, from an arm's length third party pursuant to a Share Purchase Agreement ("SPA").

The purchase was satisfied by the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016. These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the

payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016 a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss. The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment of $99,948 during the year ended December 31, 2015. A final adjustment of $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

(b) Acquisition of Mevia assets

On April 30, 2015, the Corporation acquired certain assets from an arm's length, third party, private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was satisfied by the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017. These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance thresholds as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at a fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software. Management concluded that this acquisition meets the definition of a business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The fair value of the acquired intangible assets was measured using Level 3 inputs at the acquisition date, based on estimated discounted future cash flows.

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of six years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

The book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016	**-**

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". Mevia acquired the above-described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

Related party transactions

(a) The Corporation currently considers its key management personnel to be its Chief Executive Officer and Board of Directors. Prior to discontinuing operations, key management personnel also included the Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary, benefits, severance, stock-based compensation and consulting fees paid to key management and companies controlled by key management. For the three and six months ended June 30 2017, key management compensation amounted to $145,462 and $300,729 respectively (2016 - $492,229 and $866,274), split between discontinued operations, general and administrative and stock-based compensation

expenses, based on work performed. Key management salary expense of $Nil (2016 - $597,585) has been included in discontinued operations (note 17 to the condensed interim consolidated financial statements), $79,896 (2016 - $122,484) has been included in general and administrative expenses and $220,833 (2016 - $146,205) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss for the three and six months ended June 30, 2017 were $59,950 and $121,875 respectively (2016 - $1,182,354 and $2,793,051) split between discontinued operations and general and administrative expenses, based on work performed. Total personnel expense of $Nil (2016 - $2,626,205) has been included in discontinued operations and $121,875 (2016 - $166,846) has been included in general and administrative expenses.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during 2016.

(c) As at June 30, 2017, the Corporation had $69,751 (December 31, 2016 - $245,082) in trade and other payables owing to former key management personnel.

Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim sought damages in an amount in excess of $15,000,000.

During the second quarter of 2017, the Corporation entered into a settlement agreement with respect to the above claim such that the claim is no longer outstanding. The terms of the settlement are confidential.

Off-Balance Sheet Arrangements

At the date of this MD&A, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at the date of this MD&A, the Corporation had 72,495,137 common shares, 5,830,000 stock options, 910,000 warrants convertible into common shares, and no preferred shares outstanding.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments in applying its accounting policies, including estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

1) Areas of Judgment

(a) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(b) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

(c) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation's business that was discontinued or operations that continue going forward.

2) Assumptions and Critical Estimates

(a) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(b) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result

from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the periods in which such determinations are made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The Corporation minimizes credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately Nil% of the Corporation's revenue during the six months ended June 30, 2017 (2016 - 86%) was generated from Nil (2016 – 4) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at June 30, 2017, the Corporation has cash and cash equivalents of $6,970,099 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,916,384 (December 31, 2016 - $7,612,153) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Corporation will fluctuate due to changes in foreign currency exchange rates. As at June 30, 2017, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $77,839 (December 31, 2016 - US $274,565). A 1% change in the exchange rate between the Canadian and US dollar would have a trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As June 30, 2017, the Corporation is not exposed to interest rate cash flow risk.

Risks and Uncertainties

Since the Board has made the decision to cease all operations, the Corporation is no longer subject to the risks associated with the legal and economic climate in which it previously operated or the prior stage of development of its operations. However, as the Corporation continues to evaluate its strategic alternatives, it is subject to a number of associated risks. There can be no certainty that the Corporation will be able to successfully implement any strategic alternative going forward. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the risks associated with pursuing a strategic alternative, including but not limited to the following:

(a) Ability to Effect Strategic Alternative

The Corporation may not be able to source or effect a suitable strategic alternative in a timely manner or at all.

(b) Additional Capital Requirements

The Corporation's cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of current shareholders. Any debt

financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available in a timely manner, or at all.

(c) Dependence on Key Personnel

The success of the Corporation in arranging a strategic alternative will be largely dependent upon the performance of its Board. The unexpected loss or departure of any of the current directors or consultants of the Corporation could be detrimental to the Corporation.

(d) Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated by the Corporation. To the extent that the board is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

(e) Continued Losses from Operations

As at June 30, 2017, the Corporation has cash and cash equivalents of $6,970,099 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,916,384 (December 31, 2016 - $7,612,153). However, the Corporation has an accumulated deficit of $30,244,896 as at June 30, 2017 (December 31, 2016 - $29,293,110) and incurred a net loss during the six months ended June 30, 2017 of $951,786 (2016 - $4,399,302). The Corporation ceased all of it operations and is actively seeking business vend-in options.

(f) Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and the board.

(g) Operating Results and Financial Condition May Fluctuate

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of

securities analysts or investors, the market price of the Corporation's shares would likely decline.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Conflicts of interest, if any, that arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

Vogogo Inc.

Condensed Interim Consolidated Financial Statements

(in Canadian dollars)

(unaudited)

For the three months ended March 31, 2017 and 2016

	March 31 2017 $	December 31 2016 $
ASSETS		
Current assets:		
Cash and cash equivalents (note 11)	**7,570,007**	7,908,963
Cash held in trust (note 6)	**140,128**	190,141
Trade and other receivables	**40,247**	22,262
Prepaid expenses and deposits	**23,521**	27,190
Total assets	**7,773,903**	8,148,556
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (notes 7, 12(c) and 13(b))	**641,905**	346,262
Trust liabilities (note 6)	**140,128**	190,141
Total liabilities	**782,033**	536,403
Shareholders' Equity		
Share capital (note 8)	**31,222,125**	31,222,125
Warrants (note 9)	**403,826**	403,826
Contributed surplus (note 9)	**5,407,742**	5,279,312
Deficit	**(30,041,823)**	(29,293,110)
Total shareholders' equity	**6,991,870**	7,612,153
Total liabilities and shareholders' equity	**7,773,903**	8,148,556

Commitments and contingences (note 13)
Subsequent events (notes 13(b) and 18)

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Chairman and Director

(signed) "*Gino DeMichele*"
Interim Chief Executive Officer and Director

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	March 31 2017 $	March 31 2016 $
EXPENSES		
General and administrative (note 13(b))	**626,128**	172,426
Stock-based compensation (note 9)	**128,430**	142,725
Total Expenses	**754,558**	315,151
OTHER INCOME		
Foreign exchange loss	**(5,193)**	(2,765)
Interest income, net (note 11)	**11,038**	20,708
Loss from continuing operations	**(748,713)**	(297,208)
Loss from discontinued operations (note 17)	**-**	(2,057,012)
Loss	**(748,713)**	(2,354,220)
OTHER COMPREHENSIVE INCOME (LOSS)		
Exchange gain (loss) on translation of foreign operations related to discontinued operations (note 17)	**-**	(112,083)
Loss and comprehensive loss	**(748,713)**	(2,466,303)
Loss per share from continuing operations - basic and diluted (note 8)	**(0.01)**	(0.01)
Loss per share from discontinued operations - basic and diluted (note 8)	**(0.00)**	(0.04)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	Share Capital $	Warrants $	Contributed Surplus $	Accumulated Other Comprehensive Income (Loss) $	Deficit $	Total $
Balance, December 31, 2015	30,944,778	550,364	2,347,555	17,561	(23,267,386)	10,592,872
Share-based compensation (note 9)	-	-	360,488	-	-	360,488
Loss and comprehensive loss	-	-	-	(112,083)	(2,354,220)	(2,466,303)
Balance, March 31, 2016	30,944,778	550,364	2,708,043	(94,522)	(25,621,606)	8,487,057
Balance, December 31, 2016	31,222,125	403,826	5,279,312	-	(29,293,110)	7,612,153
Share-based compensation (note 9)	-	-	128,430	-	-	128,430
Loss and comprehensive loss	-	-	-	-	(748,713)	(748,713)
Balance, March 31, 2017	31,222,125	403,826	5,407,742	-	(30,041,823)	6,991,870

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	March 31 2017 $	March 31 2016 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from continuing operations	**(748,713)**	(297,208)
Add back (deduct) items not involving cash:		
Stock-based compensation (note 9)	**128,430**	142,725
	(620,283)	(154,483)
Changes in non-cash working capital items:		
Trade and other receivables	**(17,985)**	-
Prepaid expenses and deposits	**3,669**	-
Trade and other payables	**295,643**	-
Net cash flows used in continuing operations	**(338,956)**	(154,483)
Net cash flows used in discontinued operations	**-**	(1,813,518)
Net cash used in operating activities	**(338,956)**	(1,968,001)
Effect of changes in foreign exchange rates on cash held in foreign currencies related to discontinued operations	**-**	(95,076)
Net decrease in cash and cash equivalents for the period	**(338,956)**	(2,063,077)
Cash and cash equivalents, beginning of the period	**7,908,963**	10,489,615
Cash and cash equivalents, end of the period	**7,570,007**	8,426,538
Supplemental cash flow information:		
Interest paid relating to discontinued operations	**-**	12,360
Cash and cash equivalents consists of the following:		
Cash held in banks	**219,682**	1,876,539
Guaranteed investment certificates (note 11)	**7,350,325**	6,549,999
	7,570,007	8,426,538

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo") provided payment processing and related transaction risk services. During 2016, Vogogo discontinued its payment processing and related transaction risk services and the Corporation is now assessing alternate business opportunities (note 17). Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd, a wholly owned subsidiary registered under the laws of United Kingdom. On January 1, 2015 the Corporation acquired all the issued and outstanding shares of Vanado Inc. a Colorado company. During the year ended December 31, 2016, the Corporation dissolved Vogogo USA Inc., Vogogo EU Ltd. and Vanado Inc.

The head office is located at PO Box 34023 Westbrook PO, Calgary, Alberta, Canada, T3C 3W2.

The shares of Vogogo are traded on the TSX Venture Exchange under the symbol VGO.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”), as issued by the IASB. Accordingly, certain financial information and disclosures normally included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been omitted or condensed.

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on May 23, 2017.

(b) Basis of measurement and preparation

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements, unless otherwise indicated.

The condensed interim consolidated financial statements have been prepared under the historical cost basis, except as noted.

General and administrative, sales and marketing, and development and operations expenses are presented on a functional basis. Stock-based compensation and amortization are presented on a separate line by their nature. Significant expenses such as personnel expenses are presented by their nature in the notes to the condensed interim consolidated financial statements.

(c) Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Canada Inc. The functional currency of Vogogo USA Inc. and Vanado Inc. was U.S. dollars ("USD") and the functional currency of Vogogo EU Ltd. was British Pounds (“GBP”).

2. BASIS OF PRESENTATION *(continued)*

(d) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions and balances have been eliminated in these condensed interim consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the condensed interim consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2016. Because the disclosures provided in these condensed interim consolidated financial statements do not conform in all respects with IFRS for annual consolidated financial statements, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2016.

There were no new accounting standards, interpretations or amendments to existing standards adopted during the three months ended March 31, 2017 that would be expected to have a significant impact on the Corporation's condensed interim consolidated financial statements. There were no new accounting standards, interpretations or amendments issued during the three months ended March 31, 2017 that are applicable to the Corporation in future periods. Further, the Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

(a) Areas of judgment

(i) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(ii) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(iii) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation's business which was discontinued or operations, which continue going forward.

(b) Assumptions and critical estimates

(i) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(ii) Impairment of property and equipment and intangible assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iii) Estimate of useful life for intangibles

Management's judgment involves the use of estimates for determining the useful life for intangibles to determine amortization methods and rates.

(iv) Contingent consideration

The valuation of the contingent consideration issued on the acquisition of shares of Vanado Inc. ("Vanado") and the acquisition of assets from Mevia Inc. (Mevia") (note 5) was recorded at fair value and was based on management's assessment of the likelihood of the performance targets being met. The associated liability was measured at fair value at each reporting date based on the likelihood of the performance targets being met.

(v) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. ACQUISITIONS

a. Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized payment consulting company based in Denver, Colorado, USA, from an arm's length third party pursuant to a share purchase agreement ("SPA").

The purchase was completed through the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455.

Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016 ("Performance Period"). These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds related as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016 a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in the statement of loss and comprehensive loss.

The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment to increase contingent consideration by $99,948 during the year ended December 31, 2015. A final adjustment to decrease contingent consideration by $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

5. ACQUISITIONS *(continued)*

b. Acquisition of assets of Mevia

On April 30, 2015, the Corporation acquired certain assets from an arm's length third party private risk management company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was completed through the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000.

Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017 ("Performance Period"). These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software and no other assets or liabilities were acquired as per the APA. Management concluded that this acquisition meets the definition of business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The intangible assets acquired were measured at fair value based on Level 3 inputs at the acquisition date based on estimated discounted future cash flows.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

Book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016 and March 31, 2017	**-**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability has been reviewed each reporting period and any adjustments to this liability value have been adjusted through the statement of loss and comprehensive loss.

5. ACQUISITIONS *(continued)*

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") back to Mevia. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". The Sale Transaction involves Mevia acquiring the above described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

6. TRUST ASSETS AND LIABILITIES

Cash held in trust consists of cash held in bank accounts and represent amounts collected from customers of clients that are held in trust until being paid out to clients.

7. TRADE AND OTHER PAYABLES

	March 31, 2017 $	December 31, 2016 $
Trade accounts payable	**634,905**	140,486
Accrued payables	**7,000**	205,331
Other	**-**	445
	641,905	346,262

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at March 31, 2017, the Corporation has $117,144 (December 31, 2015 - $248,378) in accounts payable beyond 60 days.

8. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital $
Balance, December 31, 2015	49,022,410	30,944,778
Repurchase of shares (i)	(2,000,000)	(130,000)
Fair value adjustment of repurchase of shares (i)	-	(1,132,475)
Repurchase of shares (ii)	(2,300,000)	(149,500)
Fair value adjustment of repurchase of shares (ii)	-	(1,302,346)
Issue of shares related to acquisition of Vanado (iii) (note 5(a))	500,000	77,500
Issue of shares on private placement (iv)	27,272,727	3,000,000
Share issue costs - Legal and other (iv)	-	(85,832)
Balance, December 31, 2016 and March 31, 2017	**72,495,137**	**31,222,125**

8. SHARE CAPITAL *(continued)*

(i) On July 6, 2016, the Corporation repurchased 2 million common shares of the Corporation for cancellation from a corporation controlled by the former President and CEO of the Corporation for $0.065 per share. Consideration for this share re-purchase was used to settle the note receivable from this corporation (note 12(b)), with the balance settled in cash. These 2 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,132,475 was credited to contributed surplus.

(ii) On August 18, 2016, the Corporation repurchased 2.3 million common shares of the Corporation for cancellation from a company controlled by the former Chief Revenue Officer ("CRO") of the Corporation for $0.065 per share. Consideration for this share repurchase was used to settle the note receivable from this corporation (note 12(b)), with the balance to be settled in cash. These 2.3 million shares were immediately cancelled on re-purchase. The weighted average carrying value of the share capital as at the date of the buy-back was calculated at $0.6312 per share, resulting in a discount of $0.5662 per common share. The resulting discount of $1,302,346 was credited to contributed surplus.

(iii) On September 30, 2016, 500,000 additional common shares were issued at a fair market value of $0.155 as part of the final post-closing payment to settle the contingent consideration related to the acquisition of Vanado.

(iv) On October 3, 2016, the Corporation closed a non-brokered private placement ("Offering"). Pursuant to the Offering, the Corporation issued a total of 27,272,727 common shares at $0.11 per share for aggregate gross proceeds of $3,000,000. Legal and other share issue costs of $85,832 were incurred.

The weighted average number of common shares outstanding and used to calculate basic and diluted loss per share is 72,495,137 for the three months ended March 31, 2017 (2016 - 49,022,410). The Corporation excluded all stock options and warrants from the calculation of diluted loss per share for the three months ended March 31, 2017 and 2016 as they would be anti-dilutive.

9. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 10 for further details on these plans.

Contributed Surplus

	$
Balance, December 31, 2015	2,347,555
Stock-based compensation expense	360,488
Balance, March 31, 2016	2,708,043
Balance, December 31, 2016	5,279,312
Stock-based compensation expense	128,430
Balance, March 31, 2017	**5,407,742**

Warrants

	$
Balance, December 31, 2015 and March 31, 2016	550,364
Balance, December 31, 2016 and March 31, 2017	**403,826**

10. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant.

A summary of the Plan transactions for the three months ended March 31, 2017 and year ended December 31, 2016 are as follows:

	For the three months ended March 31, 2017		For the year ended December 31, 2016	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding at beginning of period	6,060,000	0.24	4,435,083	1.05
Options granted	-	-	5,465,000	0.17
Options cancelled / forfeited	-	-	(3,840,083)	1.08
Outstanding at end of period	6,060,000	0.24	6,060,000	0.24

The following provides a summary of options outstanding and exercisable as at March 31, 2017:

Options outstanding			Options exercisable		
Outstanding at March 31, 2017	Weighted average remaining contractual life	Weighted average exercise price $	Number exercisable March 31, 2017	Weighted average remaining contractual life	Weighted average exercise price $
6,060,000	4.36 years	0.24	496,667	2.76 years	0.80

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the three months ended March 31, 2017	For the year ended December 31, 2016
Fair value of options	**-**	**$0.16 to $0.60**
Exercise price	**-**	**$0.17**
Share price	**-**	**$0.17**
Dividend yield	**-**	**0%**
Forfeiture %	**-**	**0.72%**
Risk-free interest rate	**-**	**1.22%**
Expected life of options	**-**	**5 years**
Expected volatility	**-**	**149%**

The forfeiture rate has been estimated based on past experience.

10. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

A summary of warrant transactions for the three months ended March 31, 2017 and year ended December 31, 2016 is as follows:

	For the three months ended March 31, 2017		For the year ended December 31, 2016	
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	1,054,231	0.36	1,396,951	0.45
Warrants expired	-	-	(342,720)	0.75
Outstanding at end of period	1,054,231	0.36	1,054,231	0.36

The following provides a summary of warrants outstanding as at March 31, 2017:

Warrants outstanding and exercisable		
Outstanding at March 31, 2017	**Weighted average remaining contractual life**	**Weighted average exercise price $**
1,054,231	1.62 years	$0.36

11. INTEREST

Interest income (expense) consists of the following:

	For the three months ended March 31, 2017 $	For the three months ended March 31, 2016 $
Interest income	**12,810**	20,708
Interest and bank charges	**(1,772)**	(12,360)
	11,038	8,348

Cash and cash equivalents includes redeemable and non-redeemable guaranteed investment certificates of $7,350,325 (December 31, 2016 - $7,550,325) bearing interest at an average rate of 0.70% (December 31, 2016 - 0.70%) and maturing between April and October 2017 (December 31, 2016 - April and October 2017).

12. RELATED PARTY TRANSACTIONS

(a) The Corporation currently considers its key management personnel to be its Chief Executive Officer. Prior to discontinuing operations, key management personnel also included the Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary, benefits, severance, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three months ended March 31 2017, key management compensation amounted to $155,267 (2016 - $374,045), split between discontinued operations, general and administrative and stock-based compensation expenses, based on work performed. Key management salaries of $Nil (2016 - $181,320) have been included in discontinued operations (note 17), $39,948 (2016 - $50,000) has been included in general and administrative expenses and $115,319 (2016 - $142,725) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $61,925 (2016 - $1,610,697) for the three months ended March 31, 2017, split between discontinued operations and general and administrative expenses, based on work performed. Total personnel expenses of $Nil (2016 - $1,527,097) have been included in discontinued operations (note 17) and $61,925 (2016 - $83,600) has been included in general and administrative expenses.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during 2016 (notes 8 (i) and (ii)).

(c) As at March 31, 2017, the Corporation had $69,751 (December 31, 2016 - $245,082) in trade and other payables owing to former key management personnel.

13. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Corporation is committed under leases on its Calgary office space, expiring July 31, 2017, for gross future minimum rental payments exclusive of occupancy costs as follows:

	$
2017	26,312
	26,312

During the year ended December 31, 2016, the Corporation entered into an agreement to sublease its office space for the remaining lease term, expiring July 31, 2017. Sublease receipts of $19,448 are expected, resulting in expected net lease outflows of $6,864 during the remaining lease term.

(b) Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim sought damages in an amount in excess of $15,000,000.

Subsequent to March 31, 2017, the Corporation entered into a settlement agreement with respect to the above claim such that the claim is no longer outstanding. The settlement amount is included in general and administrative expenses for the three months ended March 31, 2017 and is included in trade and other payables at March 31, 2017. The terms of the settlement are confidential.

14. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensuring a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus, and deficit as equity components. The Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	March 31, 2017	**December 31, 2016**
	$	**$**
Share capital	**31,222,125**	**31,222,125**
Warrants	**403,826**	**403,826**
Contributed surplus	**5,407,742**	**5,279,312**
Deficit	**(30,041,823)**	**(29,293,110)**
Total capital	**6,991,870**	**7,612,153**

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management has not changed during the quarter ended March 31, 2017.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables and deposits.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada, the United States and the United Kingdom. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Approximately Nil% of the Corporation's revenue during the three months ended March 31, 2017 (2016 - 71%) was generated from Nil (2016 - 3) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at March 31, 2017, the Corporation has cash and cash equivalents of $7,570,007 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,991,870 (December 31, 2016 - $7,612,153) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at March 31, 2017, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $173,916 (December 31, 2016 - US $274,565). A 1% change in the exchange rate between the Canadian and US dollar would have trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As March 31, 2017, the Corporation is not exposed to interest rate cash flow risk.

16. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

17. DISCONTINUED OPERATIONS

During the year ended December 31, 2016, the Corporation formed a special committee of members from its board of directors to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and risk management businesses and is currently pursuing alternative business opportunities. As such, the Corporation's loss and comprehensive loss and cash flows have been split between continuing and discontinued operations.

Details of the Corporation's discontinued operations are as follows:

	Three months ended March 31, 2017 $	Three months ended March 31, 2016 $
REVENUE	-	164,452
EXPENSES		
General and administrative	-	535,613
Sales and marketing	-	319,766
Development and operations	-	812,751
Stock-based compensation (notes 5(a) and 9)	-	217,763
Amortization – property and equipment	-	720
Amortization – intangible assets	-	322,491
	-	2,209,104
Loss from discontinued operations	-	(2,044,652)
Interest and bank charge expenses (note 11)	-	(12,360)
Net loss from discontinued operations	-	(2,057,012)
OTHER COMPREHENSIVE INCOME		
Exchange gain (loss) on translation of foreign operations	-	(112,083)
Comprehensive loss from discontinued operations	-	(2,169,095)

18. SUBSEQUENT EVENTS

(a) Subsequent to March 31, 2017, 144,231 share purchase warrants with an exercise price of $0.52 expired.

(b) Subsequent to March 31, 2017, 230,000 stock options with an average exercise price of $0.42 expired.

Vogogo Inc.

Management Discussion and Analysis

For The Three Months Ended March 31, 2017

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation") believes is required to gain an understanding of the financial results of the Corporation for the three months ended March 31, 2017 compared to the same period in 2016, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, which are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information". Additional information relating to Vogogo is available in Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of May 23, 2017, should be read in conjunction with the unaudited condensed interim consolidated financial statements and related notes for the three months ended March 31, 2017 and the audited consolidated financial statements and related notes for the years ended December 31, 2016 and 2015.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the online payment processing industry as well as those factors set forth under the heading "*Risk Factors*" in the Annual Information Form. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Business Overview

Vogogo has been a specialized payment processing business with associated risk management capability. The Corporation spent recent years developing and launching technologies that enabled secure and compliant transaction processing for businesses.

During the first half of 2016, following a strategic review process announced by Vogogo, the board of directors of the Corporation (the "Board") decided to discontinue payment-processing operations in order to preserve the Corporation's cash position. The Corporation advised its remaining clients that it would cease to process payments by September 30, 2016. Prior to making this determination, the Board reviewed strategic alternatives that focused on increasing shareholder value, which included, but were not limited to, a modified plan for continuing the business; the sale or combination of Vogogo's payment and risk management assets to or with another firm; a strategic vend-in, amalgamation, reverse amalgamation or similar transaction; a sale of one or more corporate assets; and/or a strategic business combination or strategic partnership. Ultimately, the Board concluded that ceasing all operations and seeking a suitable vend-in opportunity was in the best interests of the Corporation and its shareholders. The Board is currently assessing multiple options to vend one or more other viable businesses into the Corporation. There is no assurance that this process will result in any future transaction.

On July 5, 2016, the Corporation completed the disposition of certain of its assets known as the "Vogogo Risk and Rules Engine" (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company (the "Purchaser"). Vogogo had originally purchased the Vogogo Risk and Rules Engine from Mevia. The Sale Transaction involved the disposition of the Corporation's transaction risk management platform. Pursuant to the Sale Transaction, the Purchaser acquired the Vogogo Risk and Rules Engine and all associated liabilities on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, the Purchaser agreed to terminate its rights to post-closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the agreement entered into in the second quarter of 2015 among Mevia, its shareholders and the Corporation, wherein the Corporation acquired the Vogogo Risk and Rules Engine. As a result, the balance of the corresponding intangible asset of $2,687,426 was fully written off during 2016 and estimated contingent consideration payable of $2,219,893 was also eliminated.

In addition to information contained herein, further details concerning the Corporation are provided in the historical financial statements and related management's discussion and analysis, which have been filed under the profile of the Corporation at www.sedar.com.

The Corporation's head office address is PO Box 34023, Westbrook PO, Calgary, Alberta T3C 3W2 and the registered office address is 4600, 525 - 8th Avenue S.W., Calgary, Alberta T2P 1G1.

Discontinued Operations

During the year ended December 31, 2016, the Corporation formed a special committee of the Board to consider strategic alternatives to its previous operations. As a result, the Corporation discontinued its payment processing and transaction risk management businesses, and is currently pursuing alternative business opportunities. As such, the Corporation's profit or loss and cash flows were split between continuing and discontinued operations for the years ended December 31, 2016 and 2015. There were no discontinued operations during the three months ended March 31, 2017.

Details of the Corporation's discontinued operations are as follows:

	December 31, 2016 $	December 31, 2015 $
REVENUE	**675,147**	142,195
EXPENSES		
General and administrative	**1,753,309**	2,520,640
Sales and marketing	**1,076,218**	1,559,967
Development and operations	**1,887,909**	3,798,355
Stock-based compensation	**68,725**	2,646,374
Amortization - property and equipment	**1,465**	5,097
Amortization - intangible assets	**322,491**	859,976
	5,110,117	11,390,409
Loss from discontinued operations	**(4,434,970)**	(11,248,214)
Foreign exchange gain	**6,817**	18,420
Loss on impairment of intangible assets	**(2,687,426)**	-
Loss on impairment of long-term investment	**(145,000)**	-
Loss on wind down of subsidiaries and elimination of foreign exchange and related accumulated other comprehensive income	**(432,729)**	-
Interest and bank charge expenses	**(33,691)**	(34,441)
Changes in fair value on contingent consideration payable	**2,519,660**	(99,948)
Net loss from discontinued operations	**(5,207,339)**	(11,364,183)
OTHER COMPREHENSIVE INCOME		
Exchange gain (loss) on translation of foreign operations	**(17,561)**	17,561
Comprehensive loss from discontinued operations	**(5,224,900)**	(11,346,622)

The Focus for 2017

In the latter half of 2016 and into 2017, the Board has been focused on identifying a vend-in opportunity for Vogogo with the over-arching goal of leveraging the Corporation's cash in an operating business to create shareholder value. Criteria have been prepared to serve as a guide in assessing candidate vend-in opportunities, and include characteristics such as clear path to revenue, scalability, strong management team, little or no debt, and readily financeable in current public market. Over 50 candidate opportunities have been reviewed at a high level and, of these, five opportunities qualified for more comprehensive due diligence. As at the date of this MD&A, two candidate opportunities remain of interest and continue to be assessed in detail. While these two opportunities currently appear to be promising vend-in candidates, there is no assurance that a suitable vend-in deal involving either of the opportunities can be completed. While assessing these candidates, the Board continues to seek additional candidate opportunities. It is contemplated that a vend-in deal will be completed in 2017.

BASIS OF PRESENTATION

This MD&A of the results of operations should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2017 and the audited consolidated financial statements for the years ended December 31, 2016 and 2015.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Board on May 23, 2017.

NON-IFRS MEASURES

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation's financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users.

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities. The EBITDA and Adjusted EBITDA are calculated as follows:

> EBITDA = Income (Loss) + Interest Expense - Interest Income + Accretion + Taxes (if any) + Depreciation + Amortization.
>
> Adjusted EBITDA = EBITDA + Stock-Based Compensation

Cash Flow Used In Operations

Cash flow used in operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items to the net income or loss and then adding or deducting working capital sources or uses related to operating activities.

	March 31 2017 $	March 31 2015 $
CASH FLOW USED IN OPERATIONS		
Net loss	**(748,713)**	(297,208)
Add back (deduct) items not involving cash:		
Stock-based compensation	**128,430**	142,725
	(620,283)	(154,483)
Changes in non-cash working capital items:		
Trade and other receivables	**(17,985)**	-
Prepaid expenses and deposits	**3,669**	-
Trade and other payables	**295,643**	-
Net cash used in continued operations	**(338,956)**	(154,483)
Net cash used in discontinued operations	**-**	(1,813,518)
Cash flow used in operations	**(338,956)**	(1,968,001)

SUMMARY OF FINANCIAL AND OPERATIONAL RESULTS

The following tables set forth unaudited condensed interim consolidated financial data prepared in accordance with IFRS for the three months ended March 31, 2016 and 2015, respectively.

Financial Snapshot

	Three Months Ended	
($)	**March 31, 2017**	**March 31, 2016**
Loss from continuing operations	**748,713**	297,208
Loss from discontinued operations	**-**	2,057,012
Loss and comprehensive loss	**748,713**	2,466,303
	As at March 31, 2017	**As at December 31, 2016**
Working capital (current assets less current liabilities)	**6,991,870**	7,612,153
Total assets	**7,773,903**	8,148,556
Total liabilities	**782,033**	536,403

Summary Results of Operations

	Three Months Ended	
($)	**March 31, 2016**	**March 31, 2015**
General and administrative expenses - continuing operations	**626,128**	172,426
General and administrative expenses - discontinued operations	**-**	535,613
Sales and marketing expenses - discontinued operations	**-**	319,766
Development and operations expenses - discontinued operations	**-**	812,751
Net cash used in operating activities	**(338,956)**	(1,968,001)
Net loss	**(748,713)**	(2,354,220)
Interest (income), net	**(11,038)**	(8,348)
Amortization and depreciation	**-**	323,211
EBITDA	**(759,751)**	(2,039,357)
Stock-based compensation - continuing operations	**128,430**	142,725
Stock-based compensation - discontinued operations	**-**	217,763
Adjusted EBITDA (EBITDA less share-based compensation)	**(631,321)**	(1,678,869)

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to March 31, 2017.

($)	**Mar 31, 2017**	**Dec 31, 2016**	**Sept 30, 2016**	**June 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sept 30, 2015**	**June 30, 2015**
Total assets	7,773,903	8,148,556	6,618,097	10,668,049	16,623,173	15,788,160	16,393,119	18,525,387
Net working capital	6,991,870	7,612,153	5,213,825	6,528,077	5,645,886	7,428,490	9,896,109	11,451,878
Total liabilities	782,033	536,403	1,404,272	4,131,947	8,136,116	5,195,288	4,019,059	4,271,793
Revenue	-	224,862	31,338	254,495	164,452	80,657	31,527	18,268
Net loss and comprehensive loss	(748,713)	(602,639)	(1,041,344)	(1,932,999)	(2,466,303)	(2,875,176)	(2,628,001)	(2,882,088)
Basic and diluted loss per Share	(0.00)	(0.01)	(0.02)	(0.04)	(0.05)	(0.05)	(0.06)	(0.06)

Comprehensive loss for the three months ended March 31, 2017 decreased to $0.8 million compared to $2.5 million for the same period in 2016. The lower quarterly loss was the result of lower general and administrative, sales and marketing, development and operations, and stock-based compensation expenses compared to the same period in 2016 as the Company discontinued its operations during the second half of 2016.

RESULTS OF OPERATIONS

Revenues

($)	March 31, 2017	March 31, 2016
Revenues – Discontinued Operations	-	164,452

Vogogo's Q1 2016 revenues were $164,452 compared to $Nil for the current quarter Q1 2017. During 2016, Vogogo EU voluntarily applied for and received confirmation of cancellation of its EMI license, and discontinued operations in Europe. Further, the Company decided to shut down all its operations effective June 30, 2016 and subsequently dissolved Vogogo EU Ltd., Vanado Inc. and Vogogo USA Inc. during the second half of 2016. As a result, no revenue was generated during the first quarter of 2017.

General and Administrative

($)	March 31, 2017	March 31, 2016
General and administrative expenses – Continued Operations	**626,128**	172,426
General and administrative expenses – Discontinued Operations	-	535,613
TOTAL	**626,128**	708,039

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the three months ended March 31, 2017, G&A expenses decreased to $626,128, a decrease of $81,911 when compared to the same period in 2016. Included in the current quarter G&A is an accrual for the settlement of a legal claim that was finalized after the quarter end. The terms of this settlement have been agreed to be kept confidential.

Without this one time settlement of a legal claim G&A for the quarter ended March 31, 2017, G&A expenses were lower when compared to the same period last year due to cost reduction initiatives that the Corporation had been implementing since early 2016, including the shutdown of business operations.

For the first quarter of 2017, 24% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2016, 89% of G&A expenses related to personnel, consulting, professional fees and rent.

Sales and Marketing

($)	March 31, 2017	March 31, 2016
Sales and marketing expenses – Discontinued Operations	-	319,766

Sales and marketing expenses consisted principally of salaries, commissions, travel and other costs associated with the Corporation's sales force, marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre- and post-sales technical support. Sales and marketing expenses for the three months ended

March 31, 2017 were $Nil as compared to $319,766 for the same period in 2016 as the Company discontinued its operations during the second half of 2016.

Development and Operations

($)	March 31, 2017	March 31, 2016
Development and operations expenses - Discontinued Operations	-	812,751

Development and operations ("D&O") expenses included personnel and related equipment costs to develop and support the Corporation's products. The Corporation expensed all research costs as they were incurred. Development costs were only capitalized if they met the criteria set out by IFRS.

D&O expenses for the first quarter of 2017 were $Nil compared to $812,751 for the same period in 2016 as the Company discontinued its operations during the second half of 2016.

For the three months ended March 31, 2016, 100% of the D&O expenses were related to personnel, consulting and IT expenses.

Amortization

($)	March 31, 2017	March 31, 2016
Amortization expense – Discontinued Operations	-	323,211

Amortization expense related to the property and equipment and intangible assets owned by the Corporation. Specifically, the Corporation owned computer equipment, furniture and fixtures, leasehold improvements and intangible assets related to the Corporation's risk platform. These assets were depreciated over their useful lives and impairments, if any, were assessed at every reporting period. During Q3 2016, the Corporation disposed all of its Property and Equipment for a net book value of $8,000 in cash. Following the Sale Transaction on July 5, 2016, the intangible asset with a net book value of $2,687,426 was impaired as the Vogogo Risk and Rules Engine was sold for a nominal price to a third party, resulting in $Nil amortization expense for the first quarter of 2017 when compared to the same period previous year.

Stock-based Compensation

($)	March 31, 2017	March 31, 2016
Stock-based compensation – Continued Operations	**128,430**	142,725
Stock-based compensation – Discontinued Operations	-	217,763
TOTAL	**128,430**	360,488

Stock-based compensation for the quarter ended March 31, 2016 relates entirely to stock options valued using the Black Scholes option-pricing model. For the quarter ended March 31, 2017 no stock options were issued (2016 - 165,000) and no stock options were cancelled (2016 - 294,999).

Net Loss and Comprehensive Loss

($)	March 31, 2017	March 31, 2016
Loss	**(748,713)**	(2,354,220)
Comprehensive loss	**(748,713)**	(2,466,303)

The difference between net loss and comprehensive loss for the three months ended March 31, 2016 is the result of foreign exchange gain on translation of foreign operations. During the three months ended March 31, 2017, there was no foreign exchange gain or loss on translation of foreign operations as there were no foreign operations in the period.

The Corporation's cash and cash equivalents at March 31, 2017 totaled $7,570,007 (December 31, 2015 - $7,908,863) and the positive net working capital position amounted to $6,991,870 (December 31, 2016 – $7,612,153). The Corporation has an accumulated deficit at March 31, 2017 of $30,041,823 (December 31, 2016 – $29,293,110).

Liquidity and Capital Resources

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations.

The Corporation's objectives when managing capital were originally to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimized the costs of capital at an acceptable risk. However, as previously noted, during 2016, the Board made the decision to cease all payment processing operations and on July 5, 2016 sold the Vogogo Risk and Rules Engine in order to preserve cash and continue to evaluate strategic alternatives.

The management of capital includes the components of shareholders' equity, comprised of share capital, warrants, contributed surplus, other comprehensive income and deficit. The Corporation strives to maximize the value associated with shareholders' equity. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares, issue debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through disciplined expense control, timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation's overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation's ability to continue as a going concern;
- To maintain appropriate cash reserves on hand; and
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation plans to fund its expenditures through current cash available and, if necessary and feasible, various financing options including equity and/or debt financing.

In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	March 31, 2017 $	December 31, 2016 $
Share capital	**31,222,125**	31,222,125
Warrants	**403,826**	403,826
Contributed surplus	**5,407,742**	5,205,596
Deficit	**(30,041,823)**	(29,293,110)
Net working capital	**6,991,870**	7,612,153

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the periods presented.

Acquisitions

(a) Acquisition of Vanado shares

On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc., a specialized consulting and payment services company based in Denver, Colorado, USA, from an arm's length third party pursuant to a Share Purchase Agreement ("SPA").

The purchase was satisfied by the issuance of 227,273 common shares of the Corporation with a fair value of $2.40 per share based on the closing trading price on January 1, 2015 for total consideration of $545,455. Additional consideration included certain post-closing payments of up to $1 million payable on or before December 31, 2016. These post-closing payments were to be payable in common shares of the Corporation upon the Corporation achieving certain performance thresholds as set out in the SPA. $500,000 of the contingent consideration was dependent on the Corporation securing US domestic automated clearinghouse processing capabilities, and the remaining contingent consideration was dependent on meeting monthly revenue targets of US $200,000, US $425,000 and US $600,000 in any two consecutive months. The fair value of the contingent consideration was valued at $738,584 at the closing date based on the likelihood of the performance thresholds being met and the estimated timing of the payments. The performance threshold related to the clearinghouse capabilities was deemed to be achieved during the year ended December 31, 2015 and, as a result, 591,366 common shares of the Corporation were issued on December 3, 2015 with a fair value of $0.78 per share for total value of $461,265. On September 30, 2016 a final 500,000 common shares of the Corporation were issued as part of the final post-closing payments with a fair market value of $0.155 per share for a total value of $77,500. The remaining contingent consideration was reduced to $NIL on mutual termination of the Corporation's agreement with Vanado's former shareholders on September 30, 2016.

The Corporation did not acquire any assets or liabilities or obtain inputs or processes on acquisition of Vanado other than the personnel employed by Vanado. As a result, management concluded that this acquisition does not meet the definition of business combination under IFRS and represents a share-based payment. Accordingly, the Corporation has recorded the cost of acquiring Vanado as stock-based compensation in

the statement of loss and comprehensive loss. The stock-based compensation recognized upon acquisition consisted of:

	$
Shares issued (227,273 common shares at $2.40 each)	545,455
Contingent consideration payable based on milestones	738,584
Stock-based compensation	**1,284,039**

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss. There was an adjustment of $99,948 during the year ended December 31, 2015. A final adjustment of $299,767 was made during the year ended December 31, 2016 after issuing 500,000 common shares of the Corporation with a fair market value of $0.155 per share for a total value of $77,500 as part of the final post-closing payment to settle the contingent consideration in full.

(b) Acquisition of Vanado shares

On April 30, 2015, the Corporation acquired certain assets from an arm's length, third party, private risk management and consulting services company, Mevia, in order to obtain the company's risk management software, pursuant to an asset purchase agreement ("APA").

The purchase was satisfied by the issuance of 600,000 common shares of the Corporation with a fair value of $2.75 per share based on the closing trading price on April 30, 2015 for total consideration of $1,650,000. Additional consideration included certain post-closing payments of up to $3 million payable on or before April 30, 2017. These post-closing payments were to be payable in cash or common shares of the Corporation at the option of the Corporation upon the Corporation achieving certain performance thresholds as set out in the APA. The contingent consideration was dependent on meeting monthly revenue targets of CDN $250,000, CDN $500,000 and CDN $800,000 in any two consecutive months. The post-closing payments represent a provision and were measured at a fair value of $2,219,893.

The Corporation acquired only intangible assets consisting of risk management software. Management concluded that this acquisition meets the definition of a business combination under IFRS and determined that the acquisition fair value equates to the fair value of the assets acquired, and recorded this acquisition value as the intangible asset addition on the statement of financial position. The fair value of the acquired intangible assets was measured using Level 3 inputs at the acquisition date, based on estimated discounted future cash flows.

Management reviewed the probability of meeting the performance conditions and discounted future expected cash flows to record a fair value estimate of contingent consideration. This liability was reviewed at each reporting period and any adjustments to this liability value were recorded through the statement of loss and comprehensive loss.

These intangible assets were being amortized on a straight-line basis over the estimated useful life of three years.

The Intangible Assets recognized upon acquisition consisted of:

	$
Shares issued (600,000 common shares at $2.75 each)	1,650,000
Contingent consideration payable based on milestones	2,219,893
Intangible Assets	**3,869,893**

The book value of intangible assets is as follows:

	$
Balance, December 31, 2014	-
Additions	3,869,893
Amortization	(859,976)
Balance, December 31, 2015	**3,009,917**
Amortization	(322,491)
Impairment (*)	(2,687,426)
Balance, December 31, 2016	**-**

(*) On July 5, 2016, the Corporation completed the disposition of certain assets (the "Sale Transaction") to Mevia, an arm's length private risk management and consulting services company. The Sale Transaction involved the disposition of the Corporation's risk platform known as the "Vogogo Risk and Rules Engine". Mevia acquired the above-described assets and all associated liabilities therewith on an "as is, where is" basis for nominal consideration. As part of the Sale Transaction, Mevia agreed to terminate its rights to post closing payments of up to $3 million, which were payable in cash or common shares of the Corporation, in the sole discretion of the Corporation, upon the Corporation achieving certain performance thresholds set out in the original agreement wherein the Corporation acquired the assets that are subject to the Sale Transaction. As a result, the balance of the intangible asset of $2,687,426 was fully impaired during the year ended December 31, 2016 and contingent consideration payable of $2,219,893 was also eliminated.

Related party transactions

(a) The Corporation currently considers its key management personnel to be its Chief Executive Officer. Prior to discontinuing operations, key management personnel also included the Chief Revenue Officer, Chief Financial Officer, Chief Operating Officer and Chief Technology Officer. Key management compensation is composed of salary, benefits, severance, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three months ended March 31 2017, key management compensation amounted to $155,267 (2016 - $374,045), split between discontinued operations, general and administrative and stock-based compensation expenses, based on work performed. Key management salaries of $Nil (2016 - $181,320) have been included in discontinued operations (note 17 to the condensed interim consolidated financial statements), $39,948 (2016 - $50,000) has been included in general and administrative expenses and $115,319 (2016 - $142,725) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $61,925 (2016 - $1,610,697) for the three months ended March 31, 2017, split between discontinued operations and general and administrative, based on work performed. Total personnel expenses of $Nil (2016 - $1,527,097) have been included in discontinued operations (note 17) and $61,925 (2016 - $83,600) has been included in general and administrative expenses.

(b) On April 28, 2014, the Corporation provided loans to two companies controlled by two key management personnel for $75,000 each for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bore interest at 3 percent per annum and were originally due April 28, 2015. The loan agreements were amended to extend the maturity date to April 28, 2017. These promissory notes were repaid in full during 2016 (notes 8 (i) and (ii)).

(c) As at March 31, 2017, the Corporation had $69,751 (December 31, 2016 - $245,082) in trade and other payables owing to former key management personnel.

Commitments

The Corporation is committed under leases on its Calgary office space, expiring July 31, 2017, for gross future minimum rental payments exclusive of occupancy costs as follows:

	Calgary $	Total $
2017	26,312	26,312
	26,312	**26,312**

During the year ended December 31, 2016, the Corporation entered into an agreement to sublease its office space for the remaining lease term, expiring July 31, 2017. Sublease receipts of $19,448 are expected, resulting in expected net lease outflows of $6,864 during the remaining lease term.

Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act* (Alberta) by the Corporation in connection with a February 2014 repurchase of certain Common shares of the Corporation previously held by the company. The claim sought damages in an amount in excess of $15,000,000.

Subsequent to March 31, 2017, the Corporation entered into a settlement agreement with respect to the above claim such that the claim is no longer outstanding. The terms of the settlement are confidential.

Off-Balance Sheet Arrangements

At the date of this MD&A, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at the date of this MD&A, the Corporation had 72,495,137 common shares, 5,830,000 stock options, 910,000 warrants convertible into common shares, and no preferred shares outstanding.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires Management to make judgments in applying its accounting policies, including estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments; estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

1) Areas of Judgment

(a) Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a CGU is impaired. Factors considered include whether an active market exists for the output produced by the asset or group of assets, estimates of future revenues and costs, discount rates and other relevant assumptions.

(b) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case by case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

(c) Discontinued and continuing operations

Determining the split of revenue and expenses between discontinued and continuing operations requires judgment as to what revenues and expenses were earned and incurred as part of the Corporation's business which was discontinued or operations which continue going forward.

2) Assumptions and Critical Estimates

(a) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(b) Impairment of property and equipment and intangible assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices

less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(c) Estimate of useful lives for intangibles

Management's judgment involves the use of estimates of the useful lives for intangibles to determine amortization methods and rates.

(d) Contingent consideration

The valuations of the contingent considerations issued on the acquisition of shares of Vanado and the acquisition of assets from Mevia (note 6 of the consolidated financial statements) were recorded at fair value, based on Management's assessment of the likelihood of the performance targets being met. The associated liability was measured at fair value at each reporting date based on the likelihood of the performance targets being met. There is no contingent consideration in the period ended March 31, 2017.

(e) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the periods in which such determinations were made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables, deposits and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables, deposits and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amount receivable and the financial position of the debtors.

Approximately Nil% of the Corporation's revenue during the three months ended March 31, 2017 (2016 - 71%) was generated from Nil (2016 – 3) customers.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at March 31, 2017, the Corporation has cash and cash equivalents of $7,570,007 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,991,870 (December 31, 2016 - $7,612,153) in order to manage liquidity risk. Trade and other payables and trust liabilities are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at March 31, 2017, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $173,916 (December 31, 2016 - US $274,565). A 1% change in the exchange rate between the Canadian and US dollar would have a trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As March 31, 2017, the Corporation is not exposed to interest rate cash flow risk.

Risks and Uncertainties

Since the Board has made the decision to cease all operations, the Corporation is no longer subject to the risks associated with the legal and economic climate in which it previously operated or the prior stage of development of its operations. However, as the Corporation continues to evaluate its strategic alternatives, it is subject to a number of associated risks. There can be no certainty that the Corporation will be able to successfully implement any strategic alternative going forward. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the risks associated with pursuing a strategic alternative, including but not limited to the following:

(a) Ability to Effect Strategic Alternative

The Corporation may not be able to source or effect a suitable strategic alternative in a timely manner or at all.

(b) Additional Capital Requirements

The Corporation's cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available in a timely manner, or at all.

(c) Dependence on Key Personnel

The success of the Corporation in arranging a strategic alternative will be largely dependent upon the performance of its Board. The unexpected loss or departure of any of the current directors or consultants of the Corporation could be detrimental to the Corporation.

(d) Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's

operations. To the extent that the board is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

(e) Continued Losses from Operations

As at March 31, 2017, the Corporation has cash and cash equivalents of $7,570,007 (December 31, 2016 - $7,908,963) and has a positive net working capital position of $6,991,870 (December 31, 2016 - $7,612,153). However, the Corporation has an accumulated deficit of $30,041,823 (December 31, 2016 - $29,293,110) as at March 31, 2017 and incurred a net loss during the quarter ended March 31, 2017 of $748,713 (2016 - $2,354,220). The Corporation ceased all of it operations and is actively seeking business vend-in options.

(f) Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and the board.

(g) Operating Results and Financial Condition May Fluctuate

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of securities analysts or investors, the market price of the Corporation's shares would likely decline.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Conflicts of interest, if any, that arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

ATTACHMENT C

EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

Compensation Discussion and Analysis

Introduction

The purpose of this Compensation Discussion and Analysis ("**CD&A**") is to provide information about the Company's philosophy, objectives and processes regarding executive compensation.

This disclosure is intended to communicate the compensation provided to the CEO, the CFO and the three most highly compensated executive officers of the Company, if any, whose individual total compensation was more than $150,000 for the year ended December 31, 2016 (each a "**Named Executive Officer**" or "**NEO**" and collectively, the "**Named Executive Officers**" or "**NEOs**") and how the determinations in respect of the NEOs' 2016 compensation were made. For the year ended December 31, 2016, the Company had the following six NEOs and no other executive officers or individuals acting in a similar capacity:

Named Executive Officer	Position
Gino DeMichele	Mr. DeMichele was appointed as a director of the Company on April 26, 2016. He was appointed the interim President and CEO on August 16, 2016, and became the acting CFO on September 30, 2016.
Karim Teja	Mr. Teja resigned from his position as CFO of the Company on January 8, 2016 and did not receive any compensation from the Company in 2016.
Thomas B. Wenz	Mr. Wenz became CFO of the Company on January 8, 2016. He resigned from his positions as the CFO and Chief Operating Officer of the Company on September 30, 2016.
Robert (Geoff) Gordon	Mr. Gordon resigned from his position as the President and CEO of the Company on June 24, 2016 and as a director on July 10, 2016.
Rodney Thompson	Mr. Thompson resigned from his position as the Chief Revenue Officer of the Company on June 30, 2016.
Kris Read	Mr. Read resigned from his position as the Chief Technology Officer of the Company on July 31, 2016.

The Company does not currently have a compensation committee due to the small number of remaining employees of the Company and the size of its Board. The Board will consider and determine all compensation matters of the Company on an interim basis. In reviewing the compensation matters, the Board will consider, among other things:

(a) employment agreements for executive officers;

(b) the performance of the CEO, other senior officers, and management personnel;

(c) compensation policies and guidelines for senior officers and management personnel as well as existing corporate benefits and incentive plans;

(d) the administration of the Company's stock option plan ("**Option Plan**"), including the term and vesting of stock options, and reviewing and approving the recommendations of senior management relating to the annual salaries, bonuses and option grants of the executive officers and key employees; and

(e) the adequacy and form of the compensation of directors to determine if the compensation realistically reflects the responsibilities and risks involved in being an effective director and committee member.

Compensation Philosophy and Objectives of Compensation Programs

Vogogo's executive compensation program in 2016 consisted of three components as set forth in the following chart:

Compensation Components	Description and Purpose
Base Compensation	A base level of income that reflects the executive's position and level of responsibility, as well as base compensation norms in the sector and the general marketplace.
Options	A pay-at-risk component of compensation that rewards long-term performance by allowing executives to participate in the market appreciation of the Common Shares over an extended period. This component was also intended to make the Company competitive from a total remuneration standpoint and encourage executive retention through time-based vesting of awards.
Benefits	Group health and dental care and various forms of life, disability, critical illness and health insurance, plus certain additional perquisites for NEOs such as parking and priority healthcare insurance.

See "Compensation Discussion and Analysis - Elements of Compensation."

The goals of the compensation program were to attract and retain highly qualified people, to motivate and reward such individuals on a short-term and long-term basis, and to create alignment between corporate performance and compensation. While the Company did not award cash bonuses for the year ended December 31, 2016, the Company may award performance-based cash bonuses to management and employees of the Company when the Company becomes cash flow positive.

The Company does not believe that its compensation program encouraged excessive or inappropriate risk-taking as the Company's employees received a balanced mix of competitive salaries (that provide a steady income regardless of the stock price) and stock options that vested over a period of years.

Pursuant to Vogogo's disclosure and insider trading policy, the directors and Named Executive Officers of Vogogo are not permitted to purchase financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held by the director or Named Executive Officer of Vogogo.

Determining Compensation

As mentioned above, the Company does not currently have a Compensation Committee. All compensation matters were considered and dealt with by the Board on an interim basis for the year ended December 31, 2016 and will continue to be dealt with in such a manner going forward.

Elements of Compensation

Base Salaries

Base salary is intended to reflect an executive officer's position within the corporate structure, his or her years of experience and level of responsibility, and salary norms in the sector and the general marketplace. As such, decisions with respect to base salary levels for executive officers are not based on objective identifiable performance measures but for the most part are determined by reference to competitive market information for similar roles and levels of responsibility, as well as more subjective performance factors such as leadership, commitment, accountability, industry experience and contribution. The Company's view is that a competitive base salary is a necessary element for retaining qualified executive officers, as it creates a meaningful incentive for individuals to remain at Vogogo and not be unreasonably susceptible to recruiting efforts by the Company's competitors.

The base salaries and compensation of the Named Executive Officers of the Company for the years ended December 31, 2016, 2015 and 2014 are disclosed in the Summary Compensation Table below.

Options

The Company believes that long-term performance and increases in shareholder value are enhanced through an ownership culture that encourages performance by all employees, including executives, through the use of at-risk long-term incentives. The Company established the Option Plan to provide employees, including executive officers, with incentives to help align those employees' interests with the performance of the Company as reflected in the Common Share price. For a description of the Option Plan, see "Equity Plan Compensation".

Benefits

The Company's group benefits program consists of health and dental care and various forms of life, disability, critical illness and health insurance consistent with industry norms. In addition, the NEOs receive a reimbursement of parking costs up to a defined limit or a transportation allowance in lieu of parking, as well as priority healthcare insurance.

Severance and Change of Control Agreements

Executive employment and consulting agreements were put in place for the NEOs providing for severance or other payouts upon a change of control event. See "Employment and Consulting Agreements and Termination and Change of Control Benefits".

NEO Compensation

Summary Compensation Table

The following table provides information concerning compensation of the NEOs for the years ended December 31, 2016, 2015 and 2014, as applicable.

Name and Principal Position	Year	Salary ($)	Option Awards[1] ($)	Non-equity incentive plan compensation ($)	All Other Compensation[2] ($)	Total Compensation ($)
				Annual Incentive		

				Plan		
Gino DeMichele[3] CEO, Acting CFO and President	2016	51,000	60,509[4]	Nil	Nil	111,509
Robert (Geoff) Gordon[5] Former CEO	2016 2015 2014	146,980 220,000 64,167	Nil 35,970[6] 491,779[7]	Nil Nil Nil	Nil Nil Nil	146,980 255,970 555,946
Karim Teja[8] Former CFO	2016 2015 2014	Nil 126,000 36,750	Nil 7,194[6] 133,878[7]	Nil Nil Nil	Nil Nil Nil	Nil 133,194 170,628
Kris Read[9] Former Chief Technology Officer	2016 2015 2014	87,500 150,000 43,750	Nil 70,497[6] 155,905[7]	Nil Nil Nil	$3000,000[9] Nil Nil	387,500 220,497 199,655
Rodney Thompson[10] Former Chief Revenue Officer	2016 2015 2014	145,155 205,000 64,167	Nil 26,977[6] 491,779[7]	Nil Nil Nil	$200,000[10] Nil Nil	345,155 231,977 555,946
Thomas B. Wenz[11] Former CFO and Chief Operating Officer	2016 2015 2014	140,500 195,000[12] Nil	66,040[12] 53,955[6] Nil[7]	Nil Nil Nil	$239,317[11] Nil Nil	445,857 248,955 Nil

Notes:

(1) The actual value of the Options granted to the NEOs will be determined based on the market price of the Common Shares at the time of exercise of such Options, which may be greater or less than grant date fair value reflected in the table above.

(2) Nil indicates that perquisites and other personal benefits did not exceed $50,000 or 10% of the total salary of the NEO for the financial year.

(3) Mr. DeMichele was appointed as director of the Company on April 26, 2016. He was also appointed the interim President and CEO on August 16, 2016 and became the acting CFO on September 30, 2016.

(4) This does not represent cash paid to the NEO. This figure is based on the grant date fair value of such Options as at November 4, 2016 calculated through the use of the Black-Scholes Model. The grant date fair value was determined in accordance with International Financial Reporting Standards. This model was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements since Black-Scholes is a commonly used model for valuing options that provides an objective and reasonable estimate of fair value. The key assumptions of this valuation include current market price of the stock, exercise price of the option, option term (weighted average expected life), risk-free interest rate, dividend yield of stock and volatility of stock return. The actual assumptions and estimates used for the summary compensation table values were as follows for the November 4, 2016 grant date: (i) Fair Value of $0.15 per share; (ii) Risk-Free Interest Rate of 1%; (iii) Expected Life of 5 years; (iv) Expected Volatility of 151%; and (v) Dividend per Share of nil.

(5) Mr. Gordon resigned as the President and CEO of Vogogo on June 24, 2016 and as a director on July 10, 2016. In connection with such resignation, the Company repurchased, for cancellation, 2 million Common Shares that were beneficially owned by Mr. Gordon for a purchase price of $130,000 on July 6, 2016.

(6) This does not represent cash paid to the NEO. This figure is based on the grant date fair value of such Options as at September 7, 2015 calculated through the use of the Black-Scholes Model. Each grant date fair value was determined in accordance with International Financial Reporting Standards. This model was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements since Black-Scholes is a commonly used model for valuing options that provides an objective and reasonable estimate of fair value. The key assumptions of this valuation include current market price of the stock, exercise price of the option, option term (weighted average expected life), risk-free interest rate, dividend yield of stock and volatility of stock return. The actual assumptions and estimates used for the summary compensation table values were as follows for the September 7, 2015, grant date: (i) Fair Value of $1.20 per share; (ii) Risk-Free Interest Rate of 0.75%; (iii) Expected Life of 5 years; (iv) Expected Volatility of 123.65%; and (v) Dividend per Share of nil.

(7) This does not represent cash paid to the NEO. This figure is based on the grant date fair value of such Options as at March 17, 2014, April 28, 2014 and September 11, 2014 calculated through the use of the Black-Scholes Model. Each grant date fair value was determined in accordance with International Financial Reporting Standards. This model was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements since Black-Scholes is a commonly used model for valuing options that provides an objective and reasonable estimate of fair value. The key assumptions of this valuation include current market price of the stock, exercise price of the option, option term (weighted average expected life), risk-free interest rate, dividend yield of stock and volatility of stock return. The actual assumptions and estimates used for the summary compensation table values were as follows for the March 17,

2014, April 28, 2014 and September 11, 2014 grant dates, respectively: (i) Fair Value of $0.09, $0.33 and $0.75 per share; (ii) Risk-Free Interest Rate of 1.04%, 1.08% and 1.61%; (iii) Expected Life of 3.04 years, 4.38 years and 4.95 years; (iv) Expected Volatility of 109%, 105%, 127%; and (v) Dividend per Share of nil for all grant dates.

(8) Mr. Teja resigned as the CFO of the Company on January 8, 2016 and did not receive any compensation from the Company in 2016.

(9) Mr. Read resigned as the Chief Technology Officer of Vogogo on July 31, 2016. In connection with his resignation, Mr. Read was paid a one-time severance payment in the amount of $300,000.

(10) Mr. Thompson resigned as the Chief Revenue Officer of Vogogo on June 30, 2016. In connection with such resignation, the Company repurchased, for cancellation, 2.3 million Common Shares that were beneficially owned by Mr. Thompson for a purchase price of $149,500 on August 19, 2016, in reliance on an exemption received form the Alberta Securities Commission in respect of certain issuer bid requirements under National Instrument 62-104 – Takeover Bids and Issuer Bids. Also in connection with his resignation, Mr. Thompson was paid a one-time severance payment in the amount of $200,000.

(11) Mr. Wenz resigned from all positions with the Company effective September 30, 2016. In connection with his resignation, Mr. Wenz was paid a one-time severance payment in the amount of $239,317.

(12) Mr. Wenz was paid in USD. This number has been exchanged from USD to CAD at an exchange rate of 1.30.

Outstanding Option-Based Awards

The following table sets forth information with respect to the unexercised Options granted under the Option Plan to the NEOs and that were outstanding as of December 31, 2016.

Name and Principal Position	**Number of Common Shares Underlying Unexercised Options**	**Option-Based Awards**		
		Option Exercise Price ($)	**Option Expiration Date[1]**	**Value of Unexercised In-the-Money Options ($)[2]**
Gino DeMichele CEO, CFO and President	150.000 2,000,000	1.20 0.16	September 7, 2020 November 4, 2021	Nil
Robert (Geoff) Gordon[3] Former CEO	Nil	-	-	-
Karim Teja[3] Former CFO	Nil	-	-	-
Rodney Thompson[3] Former Chief Revenue Officer	Nil	-	-	-
Kris Read[3] Former Chief Technology Officer	Nil	-	-	-
Thomas B. Wenz[3] Former CFO and Chief Operating Officer	Nil	-	-	-

Notes:

(1) In accordance with the terms of the Option Plan, Options will expire 90 days from the date on which an Option holder ceases to be a director, officer, consultant, employee or management company employee of the Company.

(2) The value shown is the product of the number of Common Shares underlying the Option multiplied by the difference between the Common Share TSXV closing price on December 31, 2016 of $0.125 and the exercise price.

(3) In connection with the registrations of each of Messrs. Gordon, Thompson, Read and Wenz from the Company, all of the Options previously held by such individuals had expired as at December 31, 2016.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth information with respect to the value of Options vested during the year ended December 31, 2016 as well as the cash bonuses granted to the NEOs during the year ended December 31, 2016.

Name and Principal Position	Option-Based Awards Value Vested During Year ($)[1]	Non-Equity Incentive Plan Compensation Value earned during the year ($)[2]
Robert (Geoff) Gordon Former CEO	Nil	Nil
Karim Teja Former CFO	Nil	Nil
Rodney Thompson Former Chief Revenue Officer	Nil	Nil
Kris Read Former Chief Technology Officer	Nil	Nil
Thomas B. Wenz Former CFO and Chief Operating Officer	Nil	Nil
Gino DeMichele CEO, CFO and President	Nil	Nil

Notes:

(1) The value shown is the product of the number of Common Shares underlying the Options that vested during the year multiplied by the difference between the Common Share TSXV closing price on the respective days the Options vested and the exercise price of the respective Options that vested.

(2) No cash bonuses were paid to NEOs in respect of the year ended December 31, 2016.

Employment and Consulting Agreements and Termination and Change of Control Benefits

Each of the NEOs other than Mr. DeMichele, was a party to an executive employment agreement (the "Executive Employment Agreements") or consulting services agreement ("Consulting Services Agreement") with the Company prior to their respective resignations in 2016. The Executive Employment Agreements had an indefinite term and contained standard confidentiality and non-solicitation provisions. The Consulting Services Agreement had a one-year term, which was renewable for an additional one-year term, and could be terminated with 30 days' notice by either party.

Vogogo agreed pursuant to the Executive Employment Agreements that the NEOs would receive base salaries determined by the Board and may receive discretionary bonuses, grants of Options, reimbursement of expenses, benefits and certain perquisites as set forth in the Executive Employment Agreements. The amounts paid in 2016 with respect to such matters are set forth in the Summary Compensation Table.

The payments that were made to Messrs. Gordon, Thompson, Wenz and Read are set forth in the Summary Compensation Table. Mr. Teja was not entitled to, and did not receive, any payments in connection with his resignation from the Company.

Following the resignations of each of Messrs. Gordon, Thompson Wenz, Teja and Read, any outstanding Options were treated in the manner set forth in the Option Plan and applicable stock option agreements, which provide that all unvested Options terminate as of the date notice is given in respect of such termination. Notwithstanding the foregoing, in the event of a Proposed Transaction (as defined in the Option Plan) or upon the death or disability of an NEO, all unexercised and unvested outstanding Options granted would vest and become immediately

exercisable unless otherwise determined by the Board in accordance with the Option Plan and the applicable stock option agreement.

As noted above, each of Messrs. Gordon, Thompson, Read, Teja and Wenz resigned from the Company prior to December 31, 2016.

Director Compensation

Summary Compensation Table

The following tables set forth information concerning compensation paid to the non-executive directors for the year ended December 31, 2016.

Name	Fees Earned ($)	Option-based awards[(1)(2)] ($)	All Other Compensation ($)	Total ($)
Margaret (Peggy) Gilmour[(3)]	11,667	10,381	Nil	22,048
Dale Johnson	40,667	47,490	Nil	88,157
Tom English	16,387	7,469	Nil	23,856
John F. Robinson[(3)]	Nil	Nil	Nil	Nil

Notes:

(1) The value of options granted is calculated by Vogogo using the Black-Scholes model. Vogogo chose this model because it is the most common model used for valuing options and determining value comparisons. The Black-Scholes weighted average assumptions used by Vogogo for September 11, 2014, February 17, 2015 and September 7, 2015 and November 4, 2016 were: (i) Fair Value of $0.33, $2.42. $0.97 and $0.13 per share; (ii) Risk-Free Interest Rate of $1.66, 0.79%, 0.75% and 0.66%; (iii) Expected Life of 5.5 and 5 years; (iv) Expected Volatility of 130.00%, 129.30%, 123.65% and 124.48%; respectively and (v) Dividend per share of nil for all of the grant dates.

(2) The actual value of the Options granted to the directors will be determined based on the market price of the Common Shares at the time of exercise of such Options, which may be greater or less than grant date fair value reflected in the table above.

(3) Ms. Gilmour and Mr. Robinson resigned as directors of Vogogo on April 26, 2016.

Incentive Plan Awards – Outstanding Option-Based Awards

The following table sets forth information with respect to the unexercised Options granted under the Option Plan to the non-executive directors and that were outstanding as of December 31, 2016.

Name and Principal Position	Number of Common Shares Underlying Unexercised Options and Warrants	Option-Based Awards		
		Option/Warrant Exercise Price ($)	Option/Warrant Expiration Date	Value of Unexercised In-the-Money Options and Warrants ($)[1]
Dale Johnson	130,000 50,000 1,500,000	0.75 1.20 0.16	September 11, 2019 September 7, 2020 November 4, 2021	Nil Nil Nil
Tom English	1,500,000	0.16	November 4, 2021	Nil
Margaret (Peggy) Gilmour[2]	Nil	-	-	-
Anthony (Tony) Lacavera[2]	Nil	-	-	-
John F. Robinson[2]	Nil	-	-	-

Note:

(1) The value shown is the product of the number of Common Shares underlying the Options multiplied by the difference between the Common Share TSXV closing price on December 31, 2016 of $0.125 and the exercise price.

(2) In connection with the resignations from the board of directors of the Company by each of the Messrs. Robinson and Lacavera and Ms. Gilmour, all of the options previously held by such individuals had expired as at December 31, 2016.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-Based Awards Value Vested During Year ($)[1]	Warrants Value Vested During Year ($)[1]	Non-Equity Incentive Plan Compensation Value earned during the year ($)
Dale Johnson	Nil	Nil	Nil
Tom English	Nil	Nil	Nil
Margaret (Peggy) Gilmour	Nil	Nil	Nil
Anthony (Tony) Lacavera	Nil	Nil	Nil
John F. Robinson	Nil	Nil	Nil

Notes:

(1) The value shown is the product of the number of Common Shares underlying the Warrants and Options that vested during the year multiplied by the difference between the Common Share TSXV closing price on the respective days the Options and Warrants vested and the exercise price of the respective Options and Warrants that vested.