FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Qwick Media Inc. (the "Issuer").

Trading Symbol: QMI

Number of Outstanding Listed Securities: 71,128,456 common shares

Date: September 5, 2016

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

(a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.

(b) The term "Issuer" includes the Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

   The Company remains focused on expansion of its sales force, with engagement of a certain independent commission based sales agency, and continued negotiations with certain independent media agents under a cooperative services agreement. In addition, the Company has provided software development work to a confidential third party for deployment of the Company's proprietary content

management software. The company completed its 90-120 day proof of technology commenced in November, 2015 with deployment of interactive touch screen kiosks within certain big box retail locations in the Cities of Vancouver and Victoria, British Columbia. The Company has received a purchase order for new product and is on track for deployment in 85 retail store locations throughout Western Canada commencing September 2016. The Company remains under an agreement of confidentiality with its customer until the new technology product deployment has been unveiled.

The Company further deployed one of its Waterfillz digital media water dispensing kiosks inside the secure area of the Abbotsford International Airport. The deployment marks the beginning of providing air travellers with free purified filtered water based upon an advertising business model that the Company plans to expand into all airports across North America and perhaps globally.

Provide a general overview and discussion of the activities of management.

The Company continues to focus on building a strong customer focused organization, while increasing efficiency across all aspects of operations.

Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

See response to Item 1 above.

2. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

   None.

3. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

   None.

4. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

   None.

5. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the

consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None.

6. Describe the acquisition of new customers or loss of customers.

None.

7. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None.

8. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None.

9. Report on any labour disputes and resolutions of those disputes if applicable.

None.

10. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

11. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

On August 5, 2015, the Company announced a private placement financing of convertible debentures to raise gross proceeds of up to CAD$3,000,000. The debentures will be secured by a charge over all of the assets of the Company and its wholly-owned subsidiary, Qeyos Ad Systems Inc., will bear interest at the rate of 10% per annum ("Interest") and will have a maturity date of three years from the date of issuance. The debentures will be convertible, at the option of the holder, into common shares of the Company at a conversion price of CAD$0.20 per share, subject to adjustment. In addition, 20% of the proceeds received by the Company from the sale of each debenture will be placed in a segregated escrow bank account by the Company, to be used solely to pay interest payable per annum on the principal amount of such debenture ("Interest Reserve Account"), unless waived by the applicable subscriber.

The closing of the first tranche of this financing, which continues to be expected to close in multiple tranches, has been delayed to on or about September 15, 2016. At June 30, 2015, the Company had received proceeds of CAD$250,000 from the President of the Company and CAD$30,000 from a director of the

Company. Subsequent to June 30, 2015, the Company received an additional CAD$300,000 from another director. In February 2016, the Company received an additional CAD$250,000 from the President. In March 2016 the Company received an additional CAD$150,000, and June 2016 CAD100,000 from the President.

For purpose of freeing up additional working capital to the Company, each of the foregoing subscribers to the first tranche of financing in the total principal amount of $980,000 have waived their respective individual right to accrue Interest on the principal amounts so advanced until the closing date of the first tranche of this financing. As such the first tranche of financing shall be non-interest bearing until closed. In addition, each of the foregoing subscribers to the first tranche of financing have further waived their respective individual right to require the Company to hold the above mentioned amount of 20% of the proceeds from the sale of each debenture in the first tranche of financing in the Interest Reserve Account.

12. Provide details of any securities issued and options or warrants granted.

None.

13. Provide details of any loans to or by Related Persons.

See response to Item 12 above.

14. Provide details of any changes in directors, officers or committee members.

None.

15. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Issuer's business is subject to fluctuations in the demand for interactive digital out-of-home ("DOOH") advertising, which is affected by, among other things, seasonality and general economic conditions, and a decrease in the demand for interactive DOOH advertising may make it difficult for the Issuer to sell its advertising time slots.

If the Issuer is unable to adapt to changing advertising trends and the technology needs of advertisers and consumers, it will not be able to compete effectively and it will be unable to realize, increase or maintain its revenues, which may materially and adversely affect its business prospects and revenues.

The Issuer faces significant competition in the global advertising industry, and if it does not compete successfully against new and existing competitors in North America and the People's Republic of China, the Issuer may not be able to effect its plan of operations, or may lose its future planned market share, and its intended profitability may be adversely affected.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.

2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 7 Monthly Progress Report is true.

Dated as of September 5, 2016

Ross J. Tocher
Name of Director or Senior Officer

Signature

President & CEO
Official Capacity

Issuer Details Name of Issuer Qwick Media Inc.	For Month End August 31, 2016	Date of Report YY/MM/D 16/09/05
Issuer Address 8652 Commerce Court, Burnaby, BC V5A 4N6		
City/Province/Postal Code Burnaby, BC V5A 4N6	Issuer Fax No. (604) 336-5460	Issuer Telephone No. (778) 370-1715
Contact Name Greg Dureault	Contact Position VP, General Counsel	Contact Telephone No. (604)338-8820
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