Intelligent Content Enterprises Inc.

Management's Discussion and Analysis
For the Three and Six Months Ended
February 28, 2017

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OVERVIEW

Intelligent Content Enterprises Inc., (formerly: Eagleford Energy Corp.) was amalgamated under the Business Corporations Act (*Ontario)* on November 30, 2009 (“ICE” or the “Company”). The Company filed articles of amendment effective February 1, 2016, and changed its name from Eagleford Energy Corp., to Intelligent Content Enterprises Inc., and consolidated its common shares on the basis of one (1) new share for every ten (10) old shares. Through the Company’s wholly owned subsidiary DoubleTap Daily Inc. (formerly: Digital Widget Factory Inc.) (“DoubleTap”), the Company has developed an online management and advertising platform that powers user and advertising engagement programs in real-time to desktop, mobile and portable devices. The Company's registered office is located at 1 King Street West, Suite 1505, Toronto, Ontario, M5H 1A1. The Company’s common shares trade on OTCQB under the symbol ICEIF and on the Canadian Securities Exchange under the symbol ISP.

Our Canadian public filings can be accessed and viewed via the System for Electronic Data Analysis and Retrieval (“SEDAR”) at www.sedar.com. Readers can also access and view our Canadian public insider trading reports via the System for Electronic Disclosure by Insiders at www.sedi.ca. Our U.S. public filings are available at the public reference room of the U.S. Securities and Exchange Commission (“SEC”) located at 100 F Street, N.E., Room 1580, Washington, DC 20549 and at the website maintained by the SEC at www.sec.gov.

The Company’s Unaudited Interim Condensed Consolidated Financial Statements for the three and six months ended February 28, 2017 and 2016, include the accounts of ICE, the legal parent, together with its wholly-owned subsidiaries, Ice Studio Productions Inc., incorporated in the Province of Ontario on June 16, 2016 (“ICE Studio”) and DoubleTap incorporated in the Province of Ontario on February 29, 2016.

All Intercompany balances and transactions have been eliminated on consolidation. Effective February 29, 2016, the Company disposed of its investment in 1354166 Alberta Ltd., a company operating in the province of Alberta (“1354166 Alberta”). The Company’s former subsidiaries, Eagleford Energy, Zavala Inc., a Nevada company (“Zavala Inc.”), and its’ wholly owned subsidiary EEZ Operating Inc., a Texas company (“EEZ Operating”) were disposed of effective August 31, 2015 and Dyami Energy LLC., a Texas company (“Dyami Energy”) was dissolved effective April 3, 2014 (see Note 15 to the Unaudited Interim Condensed Consolidated Financial Statements).

The following Management’s Discussion and Analysis of ICE should be read in conjunction with the Company’s Unaudited Interim Condensed Consolidated Financial Statements for the three and six months ended February 28, 2017 and notes thereto. This Management’s Discussion and Analysis is dated April 27, 2017, and has been approved by the Board of Directors of the Company.

The Company’s Unaudited Interim Condensed Consolidated Financial Statements for the three and six months ended February 28, 2017, were prepared using the same accounting policies and methods of computation as those described in our Consolidated Financial Statements for the year ended August 31, 2016. Any subsequent changes to IFRS that are given effect in the Company’s annual consolidated financial statements for the year ending August 31, 2017 could result in restatement of the Unaudited Interim Condensed Consolidated Financial Statements. The Unaudited Interim Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements for the year ended August 31, 2016. All amounts herein are presented in Canadian dollars, unless otherwise noted.

The Unaudited Interim Condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB and interpretations issued by IFRIC.

FORWARD LOOKING STATEMENTS

This Management’s Discussion and Analysis contains certain forward-looking statements, including management’s assessment of future plans and operations, and capital expenditures and the timing thereof, that involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company’s control. Such risks and uncertainties include, without limitation, risks associated with ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Company’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive there from. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are *expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this Management Discussion and Analysis are made as at the date of this Management Discussion and Analysis and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.*

OVERALL PERFORMANCE

Net loss from continuing operations for the six months ended February 28, 2017, was $699,462, compared to a net loss of $11,566,292 for the six months ended February 29, 2016. During the six months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $12,489,235 for six month period ended February 29, 2016. During the six month period in 2017, the Company experienced an increase of $235,994 in research, content development and technology support compared to $Nil in 2016, an 18,000 compared to $Nil during 2016 and an increase in general and administrative costs of $109,657 to $277,619 compared to $167,962 for the six month period ended February 29, 2016. During the six month period in 2017, the Company recorded a gain on de-recognition of financial liabilities of $Nil compared to $893,990 in 2016 and a gain on expiry of derivative warrants in the amount of $Nil compared to $281,210 during the comparable period in 2016.

On November 30, 2016, the Company completed private placements for gross proceeds of $50,000 and issued 76,923 units in the capital of the Company at a purchase price of $0.65 per unit. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $1.00 until November 30, 2019.

On May 25, 2016, the Company entered into a Term Sheet to license to acquire all the technology, production and client operations owned and operated by New York based Catch Star Studios LLC ("Catch Star"). On October 12, 2016, the Company advanced $86,112 (US$65,000) to Catch Star and entered into a Secured Promissory Note and General Security Agreement (the "Note") with Catch Star. The Note is due on demand and is secured by all of the assets of Catch Star. Subsequently, Catch Star and the Company could not reach a definitive agreement to memorialize the terms and conditions of the Term Sheet and abandoned the prospective transaction. On February 1, 2017, the Company issued a letter of demand for the repayment in full of the US$65,000 secured note receivable from Catch Star. At this time, no determination can be made with respect to the outcome of the Company's demand for repayment of the Note.

The Company anticipates further expenditures to be made on future opportunities evaluated by the Company. Any expenditure which exceeds available cash will be required to be funded by additional share capital or debt issued by the Company, or by other means. The Company's long-term profitability will depend upon its ability to successfully implement its business plan. The Company's past primary source of liquidity and capital resources has been proceeds from the issuance of share capital and shareholders' loans.

RISK AND UNCERTAINTIES

There have been no material changes during the six months ended February 28, 2017, to the risks and uncertainties as identified in the Management Discussion and Analysis and the Annual Report on Form 20F for the year ended August 31, 2016.

The following table illustrates the contractual maturities of financial liabilities:

February 28, 2017	**Payments Due by Period $**				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and others payables	1,243,117	1,243,117	-	-	-
Shareholder loans	49,872	49,872			
Total	1,292,989	1,292,989	-	-	-

August 31, 2016	**Payments Due by Period $**				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and others payables	1,173,231	1,173,231	-	-	-
Total	1,173,231	1,173,231	-	-	-

Capital Management

The Company's objectives when managing capital are to ensure the Company will have sufficient financial capacity, liquidity and flexibility to funds its operations, growth and ongoing development opportunities. The Company's capital requirements currently exceed its operational cash flow. As such, the Company is dependent upon future financings in order to maintain liquidity and will be required to issue equity or issue debt.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, availability of capital and the risk characteristics of any underlying assets in order to meet current and upcoming obligations.

The board of directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management and favourable market conditions to sustain future development of the business. As at February 28, 2017 and August 31, 2016, the Company considered its capital structure to be comprised of shareholders' deficiency.

RESULTS OF OPERATIONS-CONTINUING OPERATIONS

Research, Content Development and Technology Support
For the three months ended February 28, 2017, the Company incurred research, content development and technology support costs of $63,641 compared to $Nil in the prior comparable period in 2016.

For the six months ended February 28, 2017, the Company incurred research, content development and technology support costs of $235,994 compared to $Nil in the prior comparable period in 2016. The increase in research, content development and technology support costs during the 2017 periods relates to the change in the business direction of the Company into technology.

Hosting, Advertising and Technology Services
For the three months ended February 28, 2017, the Company incurred hosting and technology costs of $10,869 compared to $Nil for the same three month period in 2016.

For the six months ended February 28, 2017, the Company incurred hosting and technology costs of $15,065 compared to $Nil for the same six month period in 2016. The increase in hosting and technology costs experienced in current fiscal year 2016, was a result of the costs associated with the change in business direction of the Company into technology.

General and Administrative Expenses	For the Three Months Ended		For the Six Months Ended	
	February 28, 2017	February 29 2016	February 28, 2017	February 29 2016
Professional fees	$42,019	$28,495	$87,597	$39,098
Head office costs	25,740	25,500	51,240	51,000
Management fees	15,000	15,000	30,000	30,000
Transfer and registrar costs	4,647	1,655	12,430	3,472
Shareholders information	2,272	31,698	30,615	41,510
Rent	-	-	19,912	-
Office and general costs	2,319	839	8,436	1,682
Travel	217	-	1,089	-
Consulting fees	-	-	30,000	-
Directors fees	1,500	1,200	6,300	1,200
Total	$93,713	$104,387	$277,619	$167,962

General and administrative expenses for the three months ended February 28, 2017, were $10,674 lower at $93,713 compared to $104,387 for the three months ended February 29, 2016. The decrease in expenses during 2017, was primarily attributed to a decrease in shareholders information of $29,426 to $2,272 compared to $31,698 for the same three month period in 2016. This decrease was partially offset by, professional fees increases of $13,524 to $42,019 compared to $28,495 for the same three month period ending February 29, 2016.

General and administrative expenses for the six months ended February 28, 2017, were $109,657 higher at $277,619 compared to $167,962 for the six months ended February 26, 2016. The increase in expenses during 2017, was primarily attributed to an increase in professional fees of $48,499 to $87,597 compared to $39,098 for the same six month period in 2016, an increase in consulting fees of $30,000 compared to $Nil in 2016, an increase of $19,912 to $19,912 in rent compared to $Nil during the same six month period in 2016. In addition, transfer and registrar costs increased by $8,958 to $12,430 compared to $3,472 for the same six month period in 2016.

(Gain) Loss on Foreign Exchange
For the three months ended February 28, 2017, the Company recorded a gain on foreign exchange of $281 compared to a loss on foreign exchange of $1,141 for the same three month period in 2016.

For the six months ended February 28, 2017, the Company recorded a loss on foreign exchange of $1,688 compared to a loss on foreign exchange of $19,848 for the same six month period in 2016.

These foreign exchange gains and losses are attributed to the translation of monetary assets and liabilities not denominated in the functional currency of the Company.

Stock Based Compensation
Employees
For the three months ended February 28, 2017, the Company recorded stock based compensation of $Nil compared to $Nil for the same three month period in 2016.

For the six months ended February 28, 2017, the Company recorded stock based compensation of $136,291 compared to $Nil for the same six month period in 2016.

On September 9, 2016, the Company granted 300,000 immediately vesting common share purchase options to shares to a director and 300,000 common share purchase options vesting February 6, 2017 to the President. These options are exercisable at $1.30 per share and expire on September 8, 2021. The Company recorded non-cash stock based compensation expense of $44,416.

On September 9, 2016, the Company granted to the President 700,000 common share purchase options exercisable at $1.50 per share and expiring on September 8, 2021. Of these options 350,000 vest on September 8, 2017 and 350,000 vest on September 8, 2018. The Company recorded non-cash stock based compensation expense of $50,897.

On November 1, 2016, the Company granted 500,000 common share purchase options vesting March 30, 2017 to the former Chief Financial Officer. These options are exercisable at $0.64 per share and expire on April 25, 2017. The Company recorded non-cash stock based compensation expense of $40,978.

Non Employees
For the three months ended February 28, 2017, the Company recorded stock based compensation for non-employees of $Nil compared to $Nil for the same three month period in 2016.

For the six months ended February 28, 2017, the Company recorded stock based compensation for non-employees of $14,805 compared to $Nil for the same six month period in 2016.

On September 9, 2016, the Company granted 200,000 immediately vesting common share purchase options to a consultant of the Company. These options are exercisable at $1.30 per share and expire on September 8, 2021. The Company recorded non-cash stock based compensation expense of $14,805.

Anti-Dilution Fees
For the three months ended February 28, 2017, the Company recorded anti-dilution fees of $(86,727) compared to $Nil for the same period in 2016.

For the six months ended February 28, 2017, the Company recorded anti-dilution fees of $18,000 compared to $Nil for the same period in 2016.

On August 31, 2016, the Company completed private placements for gross proceeds of $260,000 and issued 236,364 units in the capital of the Company at a purchase price of $1.10 per unit. The subscription agreements contain an anti-dilution provision such that if within 18 months of August 31, 2016, the Company issues additional common shares for a consideration per share or with an exercise or conversion price per share, less than $1.10 (the “Adjusted Price”) the Holder shall be entitled to receive from the Company (for no additional consideration) additional Units in an amount such that, when added to the number of Units acquired by Holder under this agreement will equal the number of Units that the Holder would otherwise be entitled to receive had this transaction occurred at the Adjusted Price. On November 30, 2016, the Company completed private placements for gross proceeds of $50,000 and issued 76,923 units in the capital of the Company at a purchase price of $0.65 per unit and accordingly this transaction gave effect to additional units to be issued pursuant to the Adjusted Price. At February 28, 2017, the Company recorded the additional 163,636 units to be issued at the market price of $0.11 per unit or $18,000 as a derivative liability on the statement of financial position and as anti-dilution fees on the consolidated statements of operations.

Interest Expense
For the three months ended February 28, 2017, the Company incurred interest costs of $Nil versus interest costs of $5,194 for the three months ended February 29, 2016.

For the six months ended February 28, 2017, the Company incurred interest costs of $Nil versus interest costs of $12,812 for the six months ended February 29, 2016.

The decrease in interest costs during the February 28, 2017 periods, was primarily attributed to the reduction of loans and shareholder loans payable.

Gain on Expiry of Derivative Liabilities
For the three months ended February 28, 2017, the Company recorded again on expiry of derivative liabilities of $Nil compared to a gain of $Nil for the three months ended February 29, 2016.

For the six months ended February 28, 2017, the Company recorded again on expiry of derivative liabilities of $Nil compared to a gain of $281,210 for the six months ended February 29, 2016.

On September 25, 2015, 13,048 warrants expired and the fair value measured using the Black-Scholes option pricing model of $281,210 was recorded as a gain on expiry of derivative liabilities on the consolidated statement of operations.

Loss on Settlement of Debt
For the three months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $483,431 for the same three month period in 2016.

For the six months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $12,489,235 for the same six month period in 2016.

The primary factors attributable to the loss on settlement of debt in the 2016 periods were as follows: Effective November 18, 2015, the Company issued 10,329,983 units in the capital of the Company pursuant to the anti-dilution provision of the August 30, 2014, debt conversion agreements. Each unit was comprised of one (1) common share and one half of one (1/2) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of CDN$1.00 until August 30, 2017. The fair value of the units $6,896,800 was recognized as a loss on settlement of debt in the statement of operations; and effective November 18, 2015, the Company entered into shares for debt conversion agreements and converted loans and interest due in the aggregate amount of $1,262,453 through the issuance of 9,543,110 common shares in the capital of the Company. The fair value of $6,371,457 was recorded as an increase to common shares and $5,109,004 was recorded as a loss on settlement of debt in the statement of operations.

Impairment Loss on Marketable Securities
For the three months ended February 28, 2017, the Company recorded an impairment loss on marketable securities in the amount of $Nil compared to $Nil for the same three month period in 2016.

For the six months ended February 28, 2017, the Company recorded an impairment loss on marketable securities in the amount of $Nil compared to $120,124 for the same six month period in 2016.

As at November 30, 2015, the Company held 1,200,000 common shares in a quoted company security that had been acquired as settlement of litigation. As at August 31, 2015, the Company recorded a change in the fair value of the securities in other comprehensive loss in the amount of $110,525. For the three months ended November 30, 2015, the Company re-classified the comprehensive loss of $110,525 to the statement of operations and recorded a further impairment of $9,599.

Gain on disposal of subsidiary
For the three months ended February 28, 2017, the Company recorded a gain on disposal of subsidiary in the amount of $Nil compared to $Nil for the three months ended February 29, 2016.

For the six months ended February 28, 2017, the Company recorded a gain on disposal of subsidiary in the amount of $Nil compared to $68,489 for the six months ended February 29, 2016.

The Company entered into a Share Purchase and Debt Settlement Agreement with 1288131 Alberta, effective February 29, 2016, and disposed of its interest in 1354166 Alberta for the settlement of debt owed to 1288131 Alberta Ltd., in the amount of $62,867. The net assets and liabilities of 1354166 Alberta upon disposal were $(5,622) resulting in a gain of $68,489.

Gain on De-Recognition of Financial Liabilities
For the three months ended February 28, 2017, the Company recorded a gain on de-recognition of financial liabilities in the amount of $Nil compared to $893,990 for the same three month period in 2016.

For the six months ended February 28, 2017, the Company recorded a gain on de-recognition of financial liabilities in the amount of $Nil compared to $893,990 for the same three month period in 2016.

Effective April 3, 2014, Dyami Energy's charter was dissolved by the Secretary of State, Texas. Accordingly, the Company's investment in Dyami Energy had been deconsolidated from the Company's Consolidated Financial Statements as at the effective date, and presented on the Consolidated Statements of Operations and Comprehensive Loss and the Consolidated Statements of Cash Flow as an impairment of the net assets and liabilities on dissolution of subsidiary. Prior obligations related to Dyami Energy, with respect to the Matthews and Murphy Leases of $893,990 expired and were recorded as a gain on de-recognition of financial liabilities in the in the consolidated statements of operations as at February 29, 2016.

Net Loss from Continuing Operations
Net loss from continuing operations for the three months ended February 28, 2017, was $81,215 compared to a net loss of $525,664 for the three months ended February 29, 2016. During the three months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $483,431 in the three month period in 2016. During the three month period in 2017, the Company experienced an increase of $63,641 in research, content development and technology support compared to $Nil in 2016, and a recovery of anti-dilution fees of $86,727 compared to $Nil during 2016.

During the three month period in 2017, the Company recorded a gain on disposal of subsidiary in the amount of $Nil compared to $68,489 in 2016.

Net loss from continuing operations for the six months ended February 28, 2017, was $699,462 compared to a net loss of $11,566,292 for the six months ended February 29, 2016. For the six months ended February 28, 2017, the Company incurred research, content development and technology support costs of $235,994 compared to $Nil in the prior comparable period in 2016. For the six months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $12,489,235 for the same six month period in 2016. For the six months ended February 28, 2017, the Company recorded a gain on de-recognition of financial liabilities in the amount of $Nil compared to $893,990 for the same six month period in 2016. During the six month period in 2017, the Company recorded a gain on disposal of subsidiary in the amount of $Nil compared to $68,489 in 2016 and a gain on expiry of derivative warrants in the amount of $Nil compared to $281,210 during the comparable six month period in 2016.

Net Income from Discontinued Operations Net of Tax

Net income from discontinued operations net of tax for the three months ended February 28, 2017, was $Nil compared to net income from discontinued operations net of tax of $3,324 for the three months ended February 29, 2016.

Net income from discontinued operations net of tax for the six months ended February 28, 2017, was $Nil compared to net income from discontinued operations net of tax of $4,829 for the six months ended February 29, 2016.

The following table presents the statements of operations of 1354166 Alberta for the periods set out:

	Three Months Ended February 29, 2016	**Six Months Ended** February 29, 2016
Revenue		
Natural gas sales	$5,035	$13,998
Expenses		
Operating costs	1,645	5,170
General and administrative	66	97
	(1,711)	(5,267)
Net income from discontinued operations	$3,324	$8,731
Earnings per share from discontinued operations, basic and diluted	$0.00	$0.00

The Company entered into a Share Purchase and Debt Settlement Agreement with 1288131 Alberta Ltd. effective February 29, 2016 and disposed of its interest in 1354166 Alberta. As a result the disposition, the Company's investment in 1354166 Alberta had been derecognized from the Company's consolidated financial statements as at the effective date (February 29, 2016) and presented as discontinued operations on the consolidated statements of operations and the consolidated statements of cash flows. Upon the disposition of 1354166 Alberta the Company recognized a gain in the amount of $68,489.

The following table presents the consolidated statements of operations of Zavala Inc., for the periods set out:

	Three Months Ended February 29, 2016	**Six Months Ended** February 29, 2016
Expenses		
General and administrative	$-	$3,902
Loss from discontinued operations	$-	(3,902)
Comprehensive loss from discontinued operations	$-	$(3,902)
Loss per share from discontinued operations, basic	$(0.00)	$(0.00)

At August 31, 2015, the Company entered into a Settlement and Exercise of Security Agreement whereby effective August 31, 2015, the Company assigned and conveyed all of its rights, title and interest in and to Zavala Inc. Accordingly, the Company's investment in Zavala Inc. had been deconsolidated from the Company's Consolidated Financial Statements as at August 31, 2015 and subsequently presented as discontinued operations on the consolidated statements of operations.

Net Loss

Net loss for the three months ended February 28, 2017, was $81,215, compared to a net loss of $522,340 for the three months ended February 29, 2016. During the three months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $483,431 in the three month period in 2016. During the three month period in 2017, the Company experienced an increase of $63,641 in research, content development and technology support compared to $Nil in 2016, and a recovery of anti-dilution fees of $86,727 compared to $Nil during 2016. During the three month period in 2017, the Company recorded a gain on disposal of subsidiary in the amount of $Nil compared to $68,489 in same three month period in 2016.

Net loss for the six months ended February 28, 2017, was $699,462 compared to a net loss of $11,561,463 for the six months ended February 29, 2016. For the six months ended February 28, 2017, the Company incurred research, content development and technology support costs of $235,994 compared to $Nil in the prior comparable period in 2016. For the six months ended February 28, 2017, the Company recorded a loss on settlement of debt in the amount of $Nil compared to $12,489,235 for the same six month period in 2016. For the six months ended February 28, 2017, the Company recorded a gain on de-recognition of financial liabilities in the amount of $Nil compared to $893,990 for the same six month period in 2016. During the six month period in 2017, the Company recorded a gain on disposal of subsidiary in the amount of $Nil compared to $68,489 in 2016 and a gain on expiry of derivative warrants in the amount of $Nil compared to $281,210 during the comparable six month period in 2016.

Other Comprehensive Income to be re-classified to operations
Impairment Loss on Marketable Securities
As at February 29, 2016, the Company reclassified an impairment loss on marketable securities of $110,525 from other comprehensive income to an impairment loss on marketable securities on the consolidated statement of operations.

Total Other Comprehensive Income
Total other comprehensive income for the three months ended February 28, 2017 was $Nil compared to $Nil for the three months ended February 29, 2016.

Total other comprehensive income for the six months ended February 28, 2017 was $Nil compared to $110,525 for the six months ended February 29, 2016.

Net Loss from Operations and Other Comprehensive Income (Loss)
Net loss from operations and other comprehensive income (loss) for the three months ended February 28, 2017 was $81,215 compared to a net loss from operations and other comprehensive income (loss) of $522,340 for the three months ended February 29, 2016.

Net loss from operations and other comprehensive income (loss) for the six months ended February 28, 2017 was $699,462 compared to a net loss from operations and other comprehensive income (loss) of $11,450,938 for the six months ended February 29, 2016.

Earnings (Loss) per Share, Basic
Basic loss per share from continuing operations for the three months ended February 28, 2017 was $0.003 compared to basic loss per share of $0.022 for the same three month period in 2016. Basic loss per share from continuing operations for the six months ended February 28, 2017 was $0.026 compared to basic loss per share of $0.756 for the same six month period in 2016.

Basic income per share from discontinued operations for the three and six months ended February 28, 2017 was $Nil compared to basic income per share of $Nil for the same three and six month period in 2016.

Total Loss per Share, Basic
Total basic loss per share for the three months ended February 28, 2017 was $0.003 compared to total basic loss per share of $0.022 for the same three month period in 2016. Total basic loss per share for the six months ended February 28, 2017 was $0.026 compared to total basic loss per share of $0.756 for the same three month period in 2016

Earnings (Loss) per Share, Diluted
Diluted loss per share from continuing operations for the three months ended February 28, 2017 was $0.003 compared to diluted loss per share of $0.022 for the same three month period in 2016. Diluted loss per share from continuing operations for the six months ended February 28, 2017 was $0.026 compared to diluted loss per share of $0.748 for the same six month period in 2016.

Diluted loss per share from discontinued operations for the three months ended February 28, 2017 was $Nil compared to diluted loss per share of $Nil for the same three month period in 2016. Diluted loss per share from discontinued operations for the six months ended February 28, 2017 was $Nil compared to diluted loss per share of $Nil for the same six month period in 2016.

Total Loss per Share, Diluted
Total diluted loss per share for the three months ended February 28, 2017 was $0.003 compared to total diluted loss per share of $0.022 for the same three month period in 2016. Total diluted loss per share for the six months ended February 28, 2017 was $0.0026 compared to total diluted loss per share of $0.748 for the same three month period in 2016.

SUMMARY OF QUARTERLY RESULTS-CONTINUING OPERATIONS

The following tables reflect the summary of quarterly results for the periods set out.

For the quarter ending	2017 February 28	2016 November	2016 August 31	2016 May 31
Net income (loss) for the period	$(81,215)	$(618,247)	$(1,118,309)	$(855,102)
Loss per share, basic	$(0.003)	$(0.023)	$(0.043)	$(0.033)

During the quarter ended February 28, 2017, the Company recorded research, content development and technology support costs of $63,641. During the quarter ended November 30, 2016, the Company recorded anti-dilution fees of $104,727. During the quarter ended August 31, 2016, the Company reversed a previously recorded gain on de-recognition financial liabilities for prior obligations of Dyami Energy in the amount of $893,990. During the first quarter ended August 31, 2016, the Company recorded general and administrative expenditures of $148,078 and research, content development and technology support costs of $68,819. During the quarter ended May 31, 2016, the Company recorded stock based compensation expense of $615,924.

For the quarter ending	2016 February 29	2015 November 30	2015 August 31	2015 May 31
Net income (loss) for the period	$(525,664)	$(11,035,223)	$4,250,165	$(523,128)
Earnings (loss) per share, basic	$(0.022)	$(1.71)	$1.151	$(0.014)
Earnings (loss) per share, diluted		$(1.71)	$1.116	$(0.014)

For the three months ended February 29, 2016, the Company recorded a gain on settlement of debt in the amount of $285,721. For the three months ended November 30, 2015 the Company a loss on settlement of debt in the amount of $12,005,804 and a gain on expiry of derivative warrants in the amount of $281,210 and a gain on de-recognition financial liabilities for prior obligations of Dyami Energy in the amount of $893,990. For the three month period ended August 31, 2015, the Company recorded gain on derivative liabilities of $2,653,591, a gain on expiry of derivative liabilities of $722,664 and a gain on disposal of subsidiary of $615,881. For the three month period ended May 31, 2015, the Company recorded a loss on derivative liabilities of $738,652 and accretion of $327,793 on a secured convertible note.

CAPITAL EXPENDITURES

On May 25, 2016, the Company entered into a Term Sheet to license to acquire all the technology, production and client operations owned and operated by New York based Catch Star Studios LLC ("Catch Star"). On October 12, 2016, the Company advanced $86,112 (US$65,000) to Catch Star and entered into a Secured Promissory Note and General Security Agreement (the "Note") with Catch Star. The Note is due on demand and is secured by all of the assets of Catch Star. Subsequently, Catch Star and the Company could not reach a definitive agreement to memorialize the terms and conditions of the Term Sheet and abandoned the prospective transaction. On February 1, 2017, the Company issued a letter of demand for the repayment in full of the US$65,000 secured note receivable from Catch Star. At this time, no determination can be made with respect to the outcome of the Company's demand for repayment of the Note.

The Company expects that capital expenditures will increase in future reporting periods as the Company seeks further opportunities and ventures of merit.

FINANCING ACTIVITIES

On November 30, 2016, the Company completed a private placement for gross proceeds of $50,000 and issued 76,923 units in the capital of the Company at a purchase price of $0.65 per unit. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $1.00 until November 30, 2019.

LIQUIDITY AND CAPITAL RESOURCES

Cash as of February 28, 2017, was $19,899 (August 31, 2016: $449,983). During the three months ended February 28, 2017, the Company completed a private placement for gross proceeds of $50,000.

For the three months ended February 28, 2017, the primary use of funds was related to administrative expenses and the $86,112 (US$65,000) advance to Catch Star. The Company's working capital deficiency at February 28, 2017 was $1,189,015 (August 31, 2016: $690,649).

Our current assets of $121,974 as at February 28, 2017 ($482,582 as of August 31, 2016) include the following items: cash $19,899 ($449,983 as of August 31, 2016), other receivables $15,962 ($14,800 as of August 31, 2016), secured note receivable $86,112 ($Nil as of August 31, 2016) and prepaid expenses and deposits of $Nil ($17,799 as of August 31, 2016).

Our current liabilities of $1,310,989 as of February 28, 2017 ($1,173,231 as of August 31, 2016) include the following items: trade and other payables $1,243,117 ($1,173,231 as of August 31, 2016); derivative liabilities of $18,000 ($Nil as of August 31, 2016); and shareholder loans of $49,872 ($Nil as of August 31, 2016).

At February 28, 2017, the Company had outstanding 1,605,190 common share purchase warrants exercisable at $0.35 per share, 236,364 common share purchase warrants exercisable at $1.25 per share, and 5,461,088 common share purchase warrants exercisable at $1.00 per share. If any of these common share purchase warrants are exercised, it would generate additional capital for us.

Management of the Company recognizes that cash flow from operations is not sufficient to meet its working capital requirements or fund additional opportunities or ventures of merit. The Company has liquidity risk which necessitates the Company to obtain debt financing or raise additional equity. There is no assurance the Company will be able to obtain the necessary financing in a timely manner.

The Company's past primary source of liquidity and capital resources has been proceeds from the issuance of share capital, shareholders' loans and cash flow from oil and gas operations. If the Company issued additional common shares from treasury it would cause the current shareholders of the Company dilution.

Outlook and Capital Requirements

The Company anticipates further expenditures to expand its current business plan. Amounts expended on future opportunities and ventures of merit is dependent on the nature of the opportunities evaluated by the Company. Any expenditure which exceeds available cash will be required to be funded by additional share capital or debt issued by the Company, or by other means. The Company's long-term profitability will depend upon its ability to successfully implement its business plan.

SHAREHOLDERS' LOANS AND NOTES PAYABLE

Shareholder Loans

As at February 29, 2017, the Company had shareholders' loans payable of $49,872 (August 31, 2016: $Nil). Effective November 18, 2015, the Company issued a total of 10,329,983 Units in the capital of the Company pursuant to the terms of the August 30, 2014, debt conversion agreements that contained an anti-dilution provision such that if within 18 months of this the effective date, the Company issues additional common shares for a consideration per share or with an exercise or conversion price per share, less than CDN$0.80 (the "Adjusted Price") the Holder herein shall be entitled to receive from the Company (for no additional consideration) additional Units in an amount such that, when added to the number of Units acquired by Holder under this agreement will equal the number of Units that the Holder would otherwise be entitled to receive had this transaction occurred at the Adjusted Price. The warrant component was valued using a Binomial Lattice model whereas the fair value of the common share component was based on the current market value of the company's stock. The fair value of the units of $6,896,800 was allocated to the common shares in the amount of $5,034,157 and warrants in the amount of $1,862,643 based on their relative fair values and $6,896,800 was recognized as a loss on settlement of debt in the statement of operations. Significant assumptions utilized in the Binomial Lattice process for the warrant component of the conversion were as follows:

	November 18, 2015
Market value on valuation date	$0.66
Contractual exercise rate	$1.00
Term	1.79 Years
Expected market volatility	183.30%
Risk free rate using zero coupon US Treasury Security rate	0.90%

Loans Payable

As at February 29, 2017 and August 31, 2016, the Company had loans payable of $Nil. As at February 29, 2017, the Company recorded interest on the loans payable of $Nil (August 31, 2016: $4,945). As at February 28, 2017, included in trade and other payables, is interest of $Nil (August 31, 2016: $Nil). The loans were payable on demand with interest at 10% per annum. Effective November 18, 2015, the Company entered into shares for debt conversion agreements and converted loans and interest due in the aggregate amount of $899,660 through the issuance of 6,800,680 common shares in the capital of the Company. The fair value of the common shares $4,540,474 was allocated to common shares and $3,640,814 was recorded as loss on settlement of debt in the consolidated statement of operations.

On February 29, 2016, the Company entered into asset purchase and debt settlement agreement and converted loans and interest in the aggregate amount of $277,473 in exchange for the Company's 0.03% net smelter return royalty on 8 mining claim blocks located in Red Lake, Ontario which were carried on the consolidated statement of financial position at $Nil.

Accordingly, the Company recorded a gain on settlement of debt for the full amount.

The Company entered into a debt settlement agreement with 1288131 Alberta Ltd. effective February 29, 2016 and disposed of its interest in 1354166 Alberta for the settlement of debt owed by the Company to 1288131 Alberta Ltd., in the amount of $62,867.

Debt Conversion
On February 29, 2016, the Company entered into shares for debt conversion agreements and converted debt in the aggregate amount of $451,557 through the issuance of 1,505,190 units in the capital of the Company. Each unit was comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $0.35 until March 1, 2019. The fair value of the Units $1,220,709 was allocated to common shares in the amount of $638,295 and warrants in the amount of $582,414 based on their relative fair values and $769,152 was recognized as a loss on extinguishment of debt in the consolidated statement of operations. The units are subject to the terms and conditions of a Lock-up and Leak-out Agreement. Under the terms of Lock-up and Leak-out Agreement the Holder may not offer, sell, contract to sell, grant any option to purchase, hypothecate, pledge or otherwise dispose of or transfer title to any of the Purchase Price Shares during the period commencing on the February 29, 2016 and ending on November 30, 2016 (the “Lockup Period”). During the 12 month period following the Lockup Period, if Holders sales are less than 25% in any such three month period, the unsold portion shall carry forward into the next three month period (the “Lock-up and Leak-out Agreement”).

Significant assumptions utilized in the Binomial Lattice process for the warrant component of the conversion were as follows:

	February 29, 2016
Market value on valuation date	$0.81
Contractual exercise rate	$0.35
Term (years)	3 Years
Expected market volatility	169.73%
Risk free rate using zero coupon US Treasury Security rate	0.91%

DERIVATIVE LIABILITIES

Anti-Dilution Fees
On August 31, 2016, the Company completed private placements for gross proceeds of $260,000 and issued 236,364 units in the capital of the Company at a purchase price of $1.10 per unit. The subscription agreements contain an anti-dilution provision such that if within 18 months of August 31, 2016, the Company issues additional common shares for a consideration per share or with an exercise or conversion price per share, less than $1.10 (the “Adjusted Price”) the Holder shall be entitled to receive from the Company (for no additional consideration) additional Units in an amount such that, when added to the number of Units acquired by Holder under this agreement will equal the number of Units that the Holder would otherwise be entitled to receive had this transaction occurred at the Adjusted Price. On November 30, 2016, the Company completed a private placement for gross proceeds of $50,000 and issued 76,923 units in the capital of the Company at a purchase price of $0.65 per unit and accordingly this transaction gave effect to additional units to be issued pursuant to the Adjusted Price. At February 28, 2017, the Company recorded the additional 163,636 units to be issued at the market price of $0.11 per unit or $18,000 as a derivative liability on the consolidated statement of financial position and as anti-dilution fees on the consolidated statement of operations.

Warrants
As at February 28, 2017, the Company recorded a gain on expiry of derivative warrant liabilities of $Nil (February 29, 2016: $281,210). As at February 28, 2017, the Company had derivative liabilities with a fair value of $Nil (August 31, 2016: $Nil). The Company had warrants issued with an exercise price in US dollars which is different from the functional currency of the Company and accordingly the warrants were treated as a financial liability. The fair value movement during the periods were recognized in the profit or loss. The following table sets out the changes in derivative warrant liabilities during the respective periods.

	Number of Warrants	**Fair Value Assigned $**	**Average Exercise Price $**
As at August 31, 2015	13,048	281,210	-
Warrants expired (Note a)	(13,048)	(281,210)	-
As at November 30, 2015	-	-	-
Warrants issued (Note b)	1,750,000	-	
As at August 31, 2016	1,750,000	-	CDN 1.50
Warrants expired (Note b)	(1,750,000)	-	-
As at February 28, 2017	-	-	-

a) On September 25, 2015, 11,249 and 1,799 warrants expired and the fair value measured using the Black-Scholes option pricing model of $281,210 was recorded as a gain on expiry of derivative liabilities on the consolidated statement of operations.

b) On June 22, 2016, the Company entered into a consulting agreement and issued 1,750,000 common share purchase warrants exercisable at CDN $1.50 with a cashless exercise option, vesting on October 1, 2016, January 1, 2017, April 1, 2017 and July 1, 2017 and expiring June 21, 2021. At August 31, 2016, the Company determined that it would not continue with the agreement and it was suspended and on January 15, 2017, the agreement was mutually terminated and no warrants were exercised.

The following table sets out the number of derivative warrant liabilities outstanding as at August 31, 2016:

Number of Warrants	**Exercise Price CDN ($)**	**Expiry Date**	**Weighted Average Remaining Life (Years)**	**Fair Value CDN ($)**
1,750,000	1.50	January 15, 2017	0.13	-

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

SEGMENTED INFORMATION

The Company's reportable and geographical segments are Canada and previously the United States. The accounting policies used for the reportable segments are the same as the Company's accounting policies. For the purposes of monitoring segment performance and allocating resources between segments, the Company's executive officer monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments. Effective August 31, 2015, the Company discontinued its reportable segment in the United States. The following tables show information regarding the Company's reportable segments.

	Three Months Ended			**Six Months Ended**		
February 28, 2017	**$ Canada**	**$ United States**	**$ Total**	**$ Canada**	**$ United States**	**$ Total**
Net loss, continuing operations	(81,215)	-	(81,215)	(699,462)	-	(699,462)
Net loss	(81,215)	-	(81,215)	(699,462)	-	(699,462)
February 29, 2016	**$ Canada**	**$ United States**	**$ Total**	**$ Canada**	**$ United States**	**$ Total**
Net loss, continuing operations	(525,664)	-	(525,664)	(11,566,292)	-	(11,566,292)
Net income, discontinued operations	3,324	-	3,324	8,731	(3,902)	4,829
Net loss	(522,340)	-	(522,340)	(11,557,561)	(3,902)	(11,561,463)

As at February 28 2017	**$ Canada**	**$ United States**	**$ Total**
Total Assets	121,974	-	121,974
Total Liabilities	(1,310,989)	-	(1,310,989)
As at August 31, 2016	**$ Canada**	**$ United States**	**$ Total**
Total Assets	482,582	-	482,582
Total Liabilities	(1,173,231)	-	(1,173,231)
As at February 29, 2016	**$ Canada**	**$ United States**	**$ Total**
Total Assets	56,252	-	56,252
Total Liabilities	(171,384)	-	(171,384)

RELATED PARTY TRANSACTIONS AND BALANCES

The following transactions with individuals related to the Company arose in the normal course of business have been accounted for at the amount agreed to by the related parties.

Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel during the periods set out were as follows:

	Three Months Ended		**Six Months Ended**	
	February 28, 2017	February 29, 2016	**February 28, 2017**	February 29, 2016
Short term employee benefits (1) (2)	$37,500	$15,000	$75,000	$30,000
Director/Officer stock based compensation (3)	-	-	136,291	-
	$37,500	$15,000	**$211,291**	$30,000

The following balances owing to James Cassina are included in trade and other payables and are unsecured, non-interest bearing and due on demand:

	February 28, 2017	August 31, 2016
Short term employee benefits (1)	$70,000	$40,000
	$70,000	$40,000

(1) The Company accrues management fees for James Cassina at a rate of $5,000 per month.
(2) The Company pays a base salary of $7,500 per month to the President of the Company.
(3) On April 1, 2016, the Company granted options to purchase 300,000 common shares to a director. On September 8, 2016 and November 1, 2016, the Company granted options to purchase 1,800,000 common shares to officers and directors.

As at February 28, 2017, the amount of directors' fees included in trade and other payables was $7,800 (August 31, 2016: $7,100). On February 29, 2016, Mr. Klyman, a former director of the Company agreed to convert outstanding directors' fees due to him of $7,400 into 24,667 units of the Company.

As at February 28, 2017, the Company had a promissory note payable to the former President of the Company of $Nil (August 31, 2016: $Nil). As at February 28, 2017, the Company recorded interest on the promissory note of $Nil (August 31, 2016: $496). On February 26, 2016, the former President assigned the promissory note of $10,000 and all interest due in the amount of $113,844 to an arms-length third party. The note was due on demand at a rate of 10% per annum. Effective November 18, 2015, the Company issued to the former President 1,140,090 Units in the capital of the Company pursuant to the anti-dilution provision contained in the August 30, 2014, debt conversion agreements. On February 29, 2016, the Company's Chief Financial Officer converted $38,239 in outstanding debt into 127,462 units in the capital of the Company.

During the six months ended February 29, 2017, Core Energy Enterprises Inc. ("Core"), advanced to the Company $49,872 which was recorded as an increase in shareholder loans. Effective November 18, 2015, the Company entered into a shares for debt conversion agreement and converted a note and interest due in the aggregate amount of $362,793 through the issuance 2,742,430 common shares in the capital of the Company to Core. The fair value of the common shares $1,830,983 was recorded as an increase to common shares and $1,468,190 was recorded as a loss on settlement of debt in the statement of operations. James Cassina is a major shareholder, officer and a director of Core.

On September 1, 2016, the Company entered into an agreement for a period of 12 months with Torinit Technologies Inc., ("Torinit") to provide dedicated resource augmentation to DoubleTap in an effort to optimize user experience while navigating through the http://DoubleTap.co website and drive maximum traffic growth by engaging users across all demographics (the "Torinit Services"). As consideration for the Torinit Services, the Company will compensate Torinit the sum of $8,000 per month based on 320 hours per month for a 12 month period. Dikshant Batra, a director of the Company is the President, a director and major shareholder of Torinit.

SIGNIFICANT ACCOUNTING POLICIES

The Unaudited Interim Condensed Consolidated Financial Statements were prepared using the same accounting policies and methods as those described in our Consolidated Financial Statements for the year ended August 31, 2016.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company's management made assumptions, estimates and judgments in the preparation of the Unaudited Condensed Interim Consolidated Financial Statements. Actual results may differ from those estimates, and those differences may be material. There has been no material changes in the three months ended February 28, 2017 to the critical accounting estimates and judgments.

RECENT ACCOUNTING PRONOUNCEMENTS AND RECENT ADOPTED ACCOUNTING STANDARDS

Recent Issued Accounting Pronouncements
The following standards, amendments and interpretations, which may be relevant to the Company have been introduced or revised by the IASB:

(i) In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, and 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. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The Company intends to adopt IFRS 15 effective September 1, 2018.

(ii) In July 2014, the IASB issued the final version of IFRS 9, Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39, Financial Instruments – Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Company does not intend to adopt the new standard prior to its effective date and has not yet determined the impact of this new standard on the Consolidated Financial Statements.

(iii) On January 13, 2016, the IASB issued IFRS 16 Leases ("IFRS 16") which will replace IAS 17, Leases. IFRS 16 will bring leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however, remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019. The Company is assessing the impact of this new standard on the Consolidated Financial Statements.

(iv) Amendments to IFRS 2 - Classification and measurement of Share-based payment transactions ("IFRS 2"): On June 20, 2016, the IASB issued amendments to IFRS 2, clarifying how to account for certain types of share-based payment transactions. The amendments apply for annual periods beginning on or after January 1, 2018. As a practical simplification, the amendments can be applied prospectively, retrospectively, or early application is permitted if information is available without the use of hindsight. The amendments provide requirements on the accounting for:

- The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- Share-based payment transactions with a net settlement feature for withholding tax obligations; and
- A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The Company intends to adopt the amendments to IFRS 2 in its Consolidated Financial Statements for the annual period beginning on September 1, 2018. The extent of the impact of adoption of the standard has not yet been determined.

Recent Adopted Accounting Standards

The following standards, amendments and interpretations have been adopted by the Company as of September 1, 2017. There were no material impact on the Consolidated Financial Statements as a result of the adoption of these standards, amendments and interpretations: IAS 7 – Disclosure initiative and IAS 12 – Recognition of Deferred Tax Assets for Unrealized Losses.

SHARE CAPITAL AND RESERVES

The Company filed articles of amendment effective February 1, 2016, and changed its name from Eagleford Energy Corp., to Intelligent Content Enterprises Inc., and consolidated its common shares on the basis of one (1) new share for every ten (10) old shares and the financial statements have been adjusted accordingly.

Share Capital

Authorized:

Unlimited number of common shares at no par value
Unlimited number of preferred shares issuable in series

Common Shares Issued:

The following table sets out the changes in common shares during the respective periods:

	Number	Amount $
Balance August 31, 2015	3,767,637	9,997,792
Common shares issued as debt extinguishment (Note a)	9,543,110	6,371,457
Common shares issued as private placement(Note b)	500,000	50,000
Common shares issued as anti-dilution provision (Note c)	10,329,983	5,034,157
Common shares issued as private placement (Note d)	100,000	9,044
Common shares issued as debt extinguishment (Note e)	1,505,190	638,295
Common shares issued on exercise of warrants (Note f)	518,683	986,667
Common shares issued as private placement (Note g)	236,364	133,271
Balance August 31, 2016	26,500,967	23,220,683
Common shares issued as private placement (Note h)	76,923	30,233
Balance February 28, 2017	**26,577,890**	**23,250,916**

Preferred Shares Issued:

As at February 28, 2017 and August 31, 2016, there were no preferred shares issued.

Share Purchase Warrants

The following table sets out the changes in warrants during the respective periods:

	February 28, 2017		August 31, 2016	
Warrants	**Number of Warrants**	**Weighted Average Price**	Number of Warrants	Weighted Average Price
Outstanding, beginning of period	7,225,719	$0.86	737,856	$1.00
Warrants issued (Note c)	-	-	5,164,992	$1.00
Warrants issued (Note d)	-	-	100,000	$0.35
Warrants issued (Note e)	-	-	1,505,190	$0.35
Warrants exercised (Note f)	-	-	(518,683)	$1.00
Warrants issued (Note g)	-	-	236,364	$1.25
Warrants issued (Note h)	76,923	$1.00	-	-
Balance, end of period	**7,302,642**	**$0.87**	7,225,719	$0.86

(a) Effective November 18, 2015, the Company entered into shares for debt conversion agreements and converted loans and interest due in the aggregate amount of $1,262,453 through the issuance of 9,543,110 common shares in the capital of the Company. The fair value of $6,371,457 was recorded as an increase to common shares and $5,109,004 was recorded as a loss on settlement of debt in the consolidated statement of operations.

(b) Effective November 18, 2015, the Company completed a private placement for gross proceeds of $50,000 and issued 500,000 common shares in the capital of the Company at a purchase price of $0.10 per share.

(c) Effective November 18, 2015, the Company issued 10,329,983 Units in the capital of the Company pursuant to the anti-dilution provision of the August 30, 2014, debt conversion agreements. Each unit was comprised of one (1) common share and one half of one (1/2) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of CDN$1.00 until August 30, 2017. The fair value of the units of $6,896,800 was allocated to the common shares in the amount of $5,034,157 and warrants in the amount of $1,862,643 based on their relative fair values and $6,896,800 was recognized as a loss on settlement of debt in the consolidated statement of operations.

(d) On February 29, 2016, the Company completed a private placement for gross proceeds of $30,000 and issued 100,000 units in the capital of the Company at a purchase price of $0.30 per unit. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $0.35 until March 1, 2019. The fair value of the units $30,000 was allocated to common shares $9,044and the amount allocated to warrants component using a Binomial Lattice model was $20,956. The units are subject to the terms and conditions of a Lock-up and Leak-out Agreement.

(e) On February 29, 2016, the Company entered into debt conversion agreements and converted debt in the aggregate amount of $451,557 through the issuance of 1,505,190 units in the capital of the Company. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $0.35 until March 1, 2019. The fair value of the Units $1,220,709 was allocated to common shares in the amount of $638,295 and warrants in the amount of $582,414 based on their relative fair values and $769,152 was recognized as a loss on extinguishment of debt in the consolidated statement of operations. The units are subject to the terms and conditions of a Lock-up and Leak-out Agreement.

(f) During the year ended August 31, 2016, 518,683 common share purchase warrants were exercised at $1.00 for proceeds of $518,683. The amount allocated to warrants using a Binomial Lattice model was $467,984.

(g) On August 31, 2016, the Company completed private placements for gross proceeds of $260,000 and issued 236,364 units in the capital of the Company at a purchase price of $1.10 per unit. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $1.25 until August 31, 2019. The Subscription agreements contain an anti-dilution provision such that if within 18 months of August 31, 2016, the Company issues additional common shares for a consideration per share or with an exercise or conversion price per share, less than $1.10 (the "Adjusted Price") the Holder shall be entitled to receive from the Company (for no additional consideration) additional Units in an amount such that, when added to the number of Units acquired by Holder under this agreement will equal the number of Units that the Holder would otherwise be entitled to receive had this transaction occurred at the Adjusted Price.

The fair value of the units $260,000 was allocated to common shares in the amount of $133,271 and the amount allocated to warrants using a Binomial Lattice model was $126,729. The assumptions utilized in the Binomial Lattice process for the common share purchase warrants were as follows:

	August 31, 2016
Market value on valuation date	$1.31
Contractual exercise rate	$1.25
Term	3 Years
Expected market volatility	152.78%
Risk free rate using zero coupon US Treasury Security rate	0.92%

(h) On November 30, 2016, the Company completed private placements for gross proceeds of $50,000 and issued 76,923 units in the capital of the Company at a purchase price of $0.65 per unit. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each full warrant entitles the holder to purchase one (1) common share at an exercise price of $1.00 until November 30, 2019. The fair value of the units ($50,000) was allocated to common shares $30,233 and the amount allocated to warrants component using a Binomial Lattice model was $19,767.

The following table summarizes the outstanding warrants as at February 28, 2017 and August 31, 2016, respectively:

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)	Warrant Value ($)
5,384,165	$1.00	August 30, 2017	0.50	2,195,738
1,605,190	$0.35	March 1, 2019	2.00	603,370
236,364	$1.25	August 31, 2019	2.50	126,729
76,923	$1.00	November 30, 2019	2.75	19,767
7,302,642	**$0.87**		**0.92**	**2,945,604**

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)	Warrant Value ($)
5,384,165	$1.00	August 30, 2017	1.00	2,195,738
1,605,190	$0.35	March 1, 2019	2.50	603,370
236,364	$1.25	August 31, 2019	3.00	126,729
7,225,719	**$0.86**		**1.40**	**2,935,837**

c) Weighted Average Shares Outstanding

The following table summarizes the weighted average shares outstanding:

	Three Months Ended		Six Months Ended	
	February 28, 2017	February 29, 2016	February 28, 2017	February 29, 2016
Weighted Average Shares Outstanding, basic	**26,577,890**	24,158,372	**26,539,641**	15,306,076
Weighted Average Shares Outstanding, diluted	**35,961,899**	30,188,860	**35,983,502**	19,085,797

At February 28, 2017, there are stock options and common share purchase warrants that could be exercised, however they are anti-dilutive. The effects of any potential dilutive instruments on loss per share are anti-dilutive and therefore have been excluded from the calculation of diluted loss per share.

d) Share Purchase Options

The Company has a stock option plan to provide incentives for directors, officers, employees and consultants of the Company. The maximum number of shares, which may be set aside for issuance under the stock option plan, is 20% of the issued and outstanding common shares of the Company on a rolling basis.

The following table is a summary of the status of the Company's stock options and changes during the period:

	Number of Options	Weighted Average Exercise Price
Balance, August 31, 2015	110,000	2.50
Expired	(27,000)	-
Granted	300,000	-
Balance, August 31, 2016	383,000	$2.28
Granted	2,000,000	-
Expired	(333,000)	-
Balance, February 28, 2017	**2,050,000**	**$1.20**

The following table is a summary of the Company's stock options outstanding and exercisable as at February 28, 2017 and August 31, 2016, respectively:

Options Outstanding				Options Exercisable	
Exercise Price	Number of Options	Weighted Average Remaining Life (Years)	Expiry Date	Number of Options	Weighted Average Exercise Price
$1.20	50,000	2.70	November 11, 2019	50,000	
$0.64	500,000	0.15	April 25, 2017	-	
$1.50	700,000	4.53	September 8, 2021	-	
$1.30	800,000	4.53	September 8, 2021	800,000	
	2,050,000	**3.42**		**850,000**	**$1.29**

	Options Outstanding			Options Exercisable	
Exercise Price	Number of Options	Weighted Average Remaining Life (Years)	Expiry Date	Number of Options	Weighted Average Exercise Price
$16.00	6,000	0.50	February 17, 2017	6,000	
$16.00	2,000	0.27	December 8, 2016	2,000	
$1.20	50,000	3.20	November 11, 2019	50,000	
$1.20	25,000	0.27	December 8, 2016	25,000	
$2.19	300,000	0.27	December 8, 2016	300,000	
	383,000	4.48		383,000	$2.28

e) Stock Based Compensation

Employees

On September 9, 2016, the Company granted 300,000 immediately vesting common share purchase options to shares to a director and 300,000 common share purchase options vesting February 6, 2017 to the President. These options are exercisable at $1.30 per share and expire on September 8, 2021. The Company recorded non-cash stock based compensation expense of $44,416.

On September 9, 2016, the Company granted to the President 700,000 common share purchase options exercisable at $1.50 per share and expiring on September 8, 2021. Of these options 350,000 vest on September 8, 2017 and 350,000 vest on September 8, 2018. The Company recorded non-cash stock based compensation expense of $50,897.

On November 1, 2016, the Company granted 500,000 common share purchase options vesting March 30, 2017 to the former Chief Financial Officer. These options are exercisable at $0.64 per share and expire on April 25, 2017. The Company recorded non-cash stock based compensation expense of $40,978.

Non Employees

On September 9, 2016, the Company granted 200,000 immediately vesting common share purchase options to a consultant of the Company. These options are exercisable at $1.30 per share and expire on September 8, 2021. The Company recorded non-cash stock based compensation expense of $14,805.

The fair value of the stock options granted were estimated on the date of the grant using the Black Scholes option pricing model with the following assumptions and inputs:

	November 1, 2016	September 9, 2016
Weighted average fair value per option	$0.08	$0.07
Weighted average risk free interest rate	0.68%	0.59%
Forfeiture rate	0%	0%
Weighted average expected volatility	156.70%	152.32%
Expected life (years)	5	5
Dividend yield	Nil	Nil
Stock price on the date of grant	$0.64	$1.29

SUBSEQUENT EVENTS

Subsequent to February 28, 2017, 500,000 common share purchase options exercisable at $0.64 expired.

Subsequent to February 28, 2017, the Company's Chief Financial Officer advanced the Company $37,000 and a shareholders of the Company advanced US$35,000 to the Company.

Subsequent to February 28, 2017, the Company filed Articles of Amendment to be effective May 26, 2017, and will change its name from Intelligent Content Enterprises Inc. to NOVICIUS CORP. and consolidate the issued and outstanding common shares on the basis of one (1) new common share for every ten (10) old common shares.