GRAVITAS FINANCIAL INC.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2016

AS OF NOVEMBER 16, 2016

SCOPE OF THIS MANAGEMENT DISCUSSION AND ANALYSIS AND NOTICE TO INVESTORS

This management discussion and analysis of financial position and results of operations ("MD&A"), is prepared as of November 16, 2016, and complements the unaudited interim condensed consolidated financial statements of Gravitas Financial Inc. ("Gravitas" or the "Company") and its wholly owned subsidiaries, for the three and nine months ended September 30, 2016 and 2015 and December 31, 2015.

The unaudited interim condensed consolidated financial statements and related notes have been prepared in accordance with International Accounting Standard ("IAS 34"), Interim Financial Reporting, as issued by the International Accounting Standard Board. They do not contain all the information required to be disclosed in the annual financial statements. Certain information and notes usually provided in the annual financial statements have been omitted or condensed when not deemed essential to the understanding of the interim financial information of the Company. Therefore, this MD&A should be read in conjunction with the information contained in the annual audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2015 and 2014. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS"). As issued by the International Accounting Standards Board. All amounts are in Canadian dollars unless otherwise indicated.

The Company's independent auditors have not conducted a review of the interim condensed consolidated financial statements in accordance with the standard established by the Canadian Institute of Chartered Accountants regarding the review of the interim financial statements

The unaudited interim condensed consolidated financial statements and the MD&A have been reviewed by the audit committee and approved by the Company's Board of Directors on November 16, 2016. These documents and more information about the Company are available on SEDAR at www.sedar.com

FORWARD LOOKING STATEMENTS

Certain statements made in this MD&A are forward-looking statements or information. The Company is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of the Company. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results include, but are not limited to: future capital requirements; intellectual property protection and infringement risks; competition; reliance on key management personnel and the other risks factors summarized below under the heading "Risks and Uncertainties".

Further, unless otherwise noted, any forward-looking statement speaks only as of the date of this MD&A, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement.

CORPORATE OVERVIEW AND OPERATIONS

Gravitas is an integrated financial and advisory services company in financial and capital markets. Gravitas Financial Inc. also acquires significant, long-term interest in and develops businesses that have a high potential for value addition through the Company's key strategic inputs and management support. In addition, the Company operates a division that invests in meaningful ownership interests in fast growing companies in both the public and private markets.

Gravitas is focused on creating shareholder value through strategic investments in attractive, scalable businesses. Since formation of Gravitas in June 2013, we have assembled a significant array of investee/portfolio businesses. Our key investee businesses include a Mutual Fund and Exempt Market Dealer and an IIROC registered broker dealer in Canada thereby giving us a strong foothold in the financial services distribution business in Canada.

Our subsidiaries also include companies that offer a variety of services to small and mid-market public and private companies. These services include corporate services, investor exposure platform and strategic advisory services. Our comprehensive platform allows us to build long lasting relationships with promising companies in the small and mid-market space.

We have continued to expand our reach by partnering with strategic groups, both in Canada and in international markets. These partnerships allow us to explore business opportunities in fast growing places like India and China and differentiate us from other financial services firms in Canada. Through our deep understanding of international markets and strong networks, we believe we can access unique opportunities, which are generally not available to most firms in Canada.

We have developed strong domain experience in identifying unique growth opportunities in a number of sectors, including but not limited to financial services, specifically the financial technology ("Fintech") vertical with a special focus on payments. We are also building expertise within digital commerce, real estate and consumables. We take a hands-on approach to realizing value within each of these areas and look to seek out opportunities in these sectors going forward.

Gravitas believes that international markets represent attractive growth opportunities for many decades to come and has assembled attractive anchor investments into the Middle East and India through its investments in The Mint Corporation ("Mint"), a UAE payments company and Innoviti Payment Solutions Pvt Ltd, a fast growing payments company in India. Apart from India and Middle East, Gravitas is also actively seeking opportunities to establish a presence and entry into China, another attractive market that we believe has significant long term growth opportunity.

In Canada, Gravitas intends to leverage its investments in financial services distribution businesses to launch proprietary financial products that aim to offer retail investors an opportunity to earn better returns by gaining exposure to the mid-market segment which, we believe, represents an attractive risk-reward matrix. Gravitas believes the mid-market segment in Canada represents an opportunity to achieve superior return.

The Company, through its subsidiary Gravitas Financial Services Holdings Inc., continues to seek opportunities to expand into other areas of financial services sector by acquiring a significant ownership interest in well managed financial services companies that generate strong, sustainable cash flows from their operations.

To further advance the Company's strategy to be a significant player in the financial services products area, the Company continues to explore the opportunity to launch niche financial products. We successfully launched, in December 2013, a retail financial product called Gravitas Select Flow-Through Limited

Partnership I (the "Partnership"). Since then, the Company, as General Partner, has launched two additional Flow-Through Funds in 2014 and 2015 and is currently setting up a fourth Flow-Through Fund. In 2016, the Company also launched a specialized "Growth & Opportunity Fund" and a "high-yield fund", which will target investment opportunities in growth companies by investing mainly in secured convertible debentures or notes that provide attractive coupons and capital appreciation through warrants positions.

Gravitas is uniquely positioned to serve the mid-market segment and be a partner in their success. Along with providing growth capital, Gravitas will also be able to assist our investee companies in attracting top notch talent, offer corporate services and achieving international growth by giving them access to tough-to-penetrate international markets including India, China and Middle East. This capability to offer capital, market access and related advisory business will help us achieve a competitive advantage to make Gravitas a preferred partner for mid-market companies in Canada who are seeking capital, advisory or other related services.

Gravitas operates in four key segments:

1) **Services**: this group of businesses provides services for the capital markets, advisory, regulatory and compliance needs of private and publicly listed corporation. The following subsidiaries operate within this segment:
    - Ubika Corp;
    - Gravitas Corporate Services Inc.;
    - Branson Corporate Services Inc.; and
    - Global Compliance Network Inc.

2) **Financial services**: this group are operations in financial products and financial products distribution businesses and are operated independently with their own management teams and require high levels of compliance and governance. The following subsidiaries operate within this segment:
    - Gravitas Select Flow-Through GP Inc.;
    - Gravitas Financial Services Holdings Inc.;
    - Gravitas Ilium Corp. (formerly Gravitas International Corp.);
    - Gravitas Investment Inc. (formerly Foundation Investment Management Inc.);
    - Portfolio Analysts Inc.;
    - Foregrowth (formerly Gravitas Investor Platform); and
    - Foregrowth Holdco Inc.

3) **Strategic investments:** this group are operations where the company acquires a long-term interests in companies that have a high potential for value additions and where the Company provides key strategic inputs and management support either directly or through board representations. The following subsidiaries operate within this segment:
    - New India Investment Corp.;
    - Luxury Quotient International Inc.;
    - Luxury Quotient India Private Ltd.;
    - The Mint Corporation;
    - Prime City One Capital Corp;
    - Claxton Capital Management; and
    - Claxton Real Estate Company Ltd.

4) **Fast growing investments**: this group's operations acquires meaningful ownership interests in fast growing companies in both the public and private markets. This segment will offer strategic guidance and access to its strong network to investee companies to accelerate their strategic growth plans. Gravitas Venture Inc. operates in this segment.

5) **Corporate:** this group primarily represents the cost of the corporate overhead expenses not allocated to other segment and is comprised of Gravitas Financial Inc.

HIGHLIGHTS

- Restructured Mint's Series A debentures;

- Received final regulatory approvals for the acquisition of controlling interests in regulated financial services companies;

- On August 3, 2016, the Company closed a non-brokered private placement for gross proceeds of $600,000 under which 6,000,000 common shares were issued at a price of $0.10 per share; and

- Launched Foregrowth, an on-line investee platform that provides investors with exclusive access to pre-vetted institutional quality investments designed to provide security, yield and upside potential. Investors will co0invest alongside Foregrowth.

- On November XX, 2016, the Company, through its 50% owned subsidiary, Gravitas Ilium Corporation, acquired 50.99% equity interest in 2242257 Ontario Inc. ("2242257 Ontario Inc."), by converting $750,000 of the outstanding loan receivable. 2242257 Ontario Inc. is a holding company for Gravitas Securities Inc., an IIROC registered broker dealer and investment banking firm in Canada, a FINRA registered broker dealer in the United States and a wealth management firm. This transaction was effective October 1, 2016.

- On October 3, 2016, the Company, through its indirectly owned 50% subsidiary, Foregrowth Inc., issued notice to Privest Wealth Management Inc. to convert $650,000 of its outstanding convertible debentures to equity shares, resulting in acquiring 54.5% equity interest in Privest. Privest provides investment advice for alternative asset classes of exempt market opportunities designed to enhance portfolio total return.

- On July 21, 2016 Luxury Quotient India Private Limited, a 100% subsidiary of the Company, acquired on-line retail business operations, and certain assets and assumed certain liabilities form Lavida Luxe Lifestyle Solutions Private Limited for gross consideration of approximately $2 million.

ACHIEVEMENTS

On January 8, 2016, Mint restructured the outstanding Series A debentures wherein, the term of the Series A debentures was extended from May 16, 2019 to December 15, 2019 and the interest payable on the Series A debentures was reduced to 3% per annum to January 7, 2017 and 5% thereafter, payable quarterly on March 31, June 30, September 30 and December 31. In consideration, the Corporation issued additional debentures of $3,953,506, increasing the face value of the outstanding Series A debentures to $49,019,962. The debenture restructuring requires an additional payment of cash fee of 2.5% of the principal outstanding if certain "active card" target are not met during the term of the debentures. Since the terms of the Series A debentures were substantially modified, the transaction has been accounted for as an extinguishment of the original liability and the recognition of the revised liability that will be accreted to the face value of the debentures at an effective value of the debentures at an effective rate of 5.5% per annum. As a result, a debenture restructuring expense of $3,583,429 has been recorded in the consolidated statement of loss and comprehensive loss.

On June 30, 2016, the Mint Corporation issued 51,379,998 common shares for an aggregate gross proceeds of $2,568,998 as a rights offering wherein shareholders of the Mint Corporation were entitled to subscribe for one common share at $0.05 per share for each share held as of June 3, 2016. The company subscribed for 46,815,277 of additional shares for an investment of $2,340,764. Non-controlling shareholders subscribed for the remaining 4,564,721 shares for net gross proceeds of $215,389. As a result, the Company's ownership interest in the Mint Corporation increased from 63.5% to 74.9% of the issued and outstanding shares of Mint. The incremental investment in Mint resulted in a decrease in the equity deficit attributable to the non-controlling shareholders and as required under IFRS 10, Consolidated Financial Statements, an adjustment of $1,851,809 has been recorded in the consolidated statement of changes in equity to reduce the non-controlling interest.

FINANCIAL INFORMATION

RESTATEMENT

Subsequent to the issuance of the Company's consolidated financial statements for the year ended December 31, 2014, it was determined that the calculations of the accretion and interest on Mint, Series A and Series B debentures were incorrect and that the carrying value of the debentures were overstated. The effects of the restatement on the consolidated statement of loss and comprehensive loss and consolidated statement of changes in equity for the three and months ended September 30, 2015 are summarized below. The adjustments between amounts previously reported and amounts restated had no effect on the consolidated statement of cash flows.

	For the three months ended September 30, 2015		
	Previously reported $	**Adjustments $**	**Restated $**
Revenues	**870,975**	**-**	**870,975**
Expenses			
Salaries and management fees	341,286	-	341,286
Consulting and professional fees	695,852	-	695,852
General and administrative	657,797	-	657,797
Interest expense	1,681,886	711,917	2,393,803
Exchange gain	(647,554)	-	(647,554)
Loss on settlement	343,825	-	343,825
Gain on disposal of available-for-sale investments	(243,445)	-	(243,445)
Change in fair value of convertible debentures – conversion feature	(71,987)	-	(71,987)
Change in fair value of FVTPL investments	(567,118)	-	(567,118)
Impairment of investments	1,054,435	-	1,054,435
Share of results of associates	360,559	-	360,559
	3,605,536	**711,917**	**4,317,453**
Loss before income taxes	**(2,734,561)**	**(711,917)**	**(3,446,478)**
Current income taxes	-	-	-
Net loss	**(2,734,561)**	**(711,917)**	**(3,446,478)**
Other comprehensive loss	**595,862**	**-**	595,862
Net loss and comprehensive loss	**(2,138,699)**	**(711,917)**	**(2,850,616)**
Net loss attributable to:			
Shareholders of the Company	(2,149,686)	(452,067)	(2,601,753)
Non-controlling interest	(584,875)	(259,850)	(844,725)
	(2,734,561)	**(711,917)**	**(3,446,478)**
Comprehensive loss attributable to:			
Shareholders of the Company	(1,541,681)	(452,067)	(1,993,748)
Non-controlling interest	(597,018)	(259,850)	(856,868)
	(2,138,699)	**(711,917)**	**(2,850,616)**
Loss per common share, basic and diluted	**(0.041)**	**(0.011)**	**(0.030)**

	For the nine months ended September 30, 2015		
	Previously reported $	**Adjustments $**	**Restated $**
Revenues	**2,652,974**	**-**	**2,652,974**
Expenses			
Salaries and management fees	916,926	-	916,926
Consulting and professional fees	2,041,168	-	2,041,168
General and administrative	2,113,270	-	2,113,270
Interest expense	7,213,601	(700,616)	6,512,985
Exchange gain	(700,600)	-	(700,600)
Loss on settlement	353,807	-	353,807
Gain on disposal of available-for-sale investments	(633,352)	-	(633,352)
Change in fair value of convertible debentures – conversion feature	61,136	-	61,136
Change in fair value of FVTPL investments	(860,562)	-	(860,562)
Change in fair value of derivative warrant liability	(44,423)	-	(44,423)
Impairment of investments	1,503,825	-	1,503,825
Share of results of associates	971,209	-	971,209
	12,936,005	**(700,616)**	**12,235,389**
Loss before income taxes	**(10,283,031)**	**700,616**	**(9,582,415)**
Current income taxes	1,157	-	1,157
Net loss	**(10,284,188)**	**700,616**	**(9,583,572)**
Other comprehensive loss	(669,362)	-	(669,362)
Net loss and comprehensive loss	**(10,953,550)**	**700,616**	**(10,252,934)**
Net loss attributable to:			
Shareholders of the Company	(6,991,909)	254,199	(6,737,710)
Non-controlling interest	(3,292,279)	446,417	(2,845,862)
	(10,284,188)	**700,616**	**(9,583,572)**
Comprehensive loss attributable to:			
Shareholders of the Company	(7,632,732)	254,199	(7,378,533)
Non-controlling interest	(3,320,818)	446,417	(2,874,401)
	(10,953,550)	**700,616**	**(10,252,934)**
Loss per common share, basic and diluted	**(0.154)**	**0.011**	**(0.0143)**

	As at September 30, 2015		
	Previously reported $	**Adjustments $**	**Restated $**
ASSETS			
Current assets			
Cash and cash equivalents	25,211,287	-	25,211,287
Restricted cash	7,090,032	-	7,090,032
Guaranteed investment certificates	25,089,000	-	25,089,000
Trade and other receivables	2,400,259	-	2,400,259
Prepaid	296,640	-	296,640
Inventory	253,266	-	253,266
Loan receivables	2,059,090	-	2,059,090
Convertible debentures	1,367,336	-	1,367,336
Current assets	**63,766,910**	**-**	**63,766,910**
Non-current assets			
Property and equipment	6,937,655	-	6,937,655
Equity investments and other	5,623,719	-	5,623,719
Investments in associates	6,865,850	-	6,865,850
Loan receivables	4,318,855	-	4,318,855
Convertible debentures	1,079,832	-	1,079,832
Intangible assets	691,185	-	691,185
Non-current assets	**25,217,096**	**-**	**25,217,096**
Total assets	**88,984,006**	**-**	**88,984,006**
LIABILITIES			
Current			
Trade and other payables	4,107,170	(732,099)	3,375,071
Customer deposits	119,000	-	119,000
Debentures	478,910	-	478,910
Current liabilities	**4,705,080**	**(732,099)**	**3,972,981**
Non-current liabilities			
Lease inducement	25,987	-	25,987
Loan	4,586,677	-	4,586,677
Debentures	142,494,035	(2,318,398)	140,175,637
Non-current liabilities	**147,106,699**	**(2,318,398)**	**144,788,301**
Total liabilities	**151,811,779**	**(3,050,497)**	**148,761,282**
EQUITY (DEFICIENCY)			
Share capital	1,400,600	-	1,400,600
Contributed surplus	471,685	-	471,685
Deficit	(63,890,207)	2,404,485	(61,485,722)
Accumulated other comprehensive loss	965,357	-	965,357
Total equity deficiency attributable to owners of the parent company	**(61,052,565)**	**2,404,485**	**(58,648,080)**
Non-controlling interest	(1,775,208)	646,012	(1,129,196)
Total equity deficiency	**(62,827,773)**	**3,050,497**	**(59,777,276)**
Total equity deficiency and liabilities	**88,984,006**	**-**	**88,984,006**

DISCONTINUED OPERATIONS

Loss from discontinued operations

	For the three months ended September 30,		For the nine months ended September 30,	
	2016 $	**2015** $	**2016** $	**2015** $
Gain (loss) from Claxton (a)	(16,649)	-	(88,964)	-
Gain on wind-up of subsidiary (b)	-	-	295,011	-
Net gain (loss)	**(16,649)**	**-**	**206,047**	**-**

a) Subsequent to December 31, 2015, the Company commenced discussions with listing brokers to list, for sale, the Palm Valley property. The Company has listed the Palm Valley property for sale, and as a result, the operations of Claxton have been presented as "discontinued operations" in the consolidated statement of loss and comprehensive loss.

The following table shows the statement of loss and comprehensive loss for the discontinued operations for the three and nine months ended September 30, 2016:

	For the three months ended September 30, 2016 $	**For the nine months ended September 30, 2016** $
Rent revenues	82,186	599,517
Expenses		
Consulting and professional fees	3,000	29,000
Rental expenses	43,011	448,749
Change in fair value less cost to sell	-	450,000
Exchange loss	52,824	(239,268)
	98,835	**688,481**
Net income (loss)	**(16,649)**	**(88,964)**

On June 23, 2016, the Company entered into a conditional agreement for the sale of the Palm Valley property for gross proceeds of USD$5,825,000. The purchaser will also assume the mortgage loan secured against this property. The conditions on this agreement were waived on July 5, 2016 and the purchaser is in the process of completing the assumption of the mortgage loan. This transaction is expected to close in November 2016.

b) During the three months ended March 31, 2016, the Company completed the winding up of Mint Technology Inc. ("MTI"), an inactive 100% subsidiary of Mint based in the United States. Accordingly, the Company de-consolidated the operations and balance sheet of MTI. The net gain from discontinued operations of MTI was determined as follows:

	$
Foreign exchange translation differences relating to MTI	(32,791)
Carrying value of MTI liabilities	327,802
Proceeds	-
Net gain on wind-up	**295,011**

The following table shows the statement of financial position for the discontinued operations as at September 30, 2016 and December 31, 2015:

	September 30, 2016 $	**December 31, 2015 $**
ASSETS		
Cash	291,034	220,270
Trade and other receivables	273,040	240,308
Prepaid	26,052	51,703
Property and equipment	7,289,820	7,717,484
	7,879,946	**8,229,765**
LIABILITIES		
Trade and other payables	449,948	515,303
Loan payable	4,438,500	4,662,862
	4,888,448	**5,178,165**
Net assets directly associated with the discontinued operations	**2,991,498**	**3,051,600**

The following table shows the statement of cash flows for Claxton for the nine months ended September 30, 2016:

	$
Cash flows from operating activities of discontinued operations	252,171
Cash flows from investing activities of discontinued operations	-
Cash flow from financing activities of discontinued operations	(48,163)
	204,008

BUSINESS ACQUISITION

On July 21, 2016, Luxury Quotient India Private Limited, a 100% subsidiary of the Company, acquired on-line retail business operations, and certain assets and assumed certain liabilities from Lavida Luxe Lifestyle Solutions Private Limited for gross consideration of approximately $2 million ("the Elitify Acquisition").

Elitify is an on-line marketing branded luxury goods to customers in India and is a natural supplement to Luxury Quotient's business activities.

The Company accounted for this purchase using the acquisition method of accounting, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair values of the identifiable net assets allocated to goodwill. Operating results have been included in the consolidated financial statements from the date of the acquisition.

The Company recorded an allocation of the purchase price to tangible assets acquired and liabilities assumed, based on their fair values as of the July 21, 2016 acquisition date. The preliminary purchase price allocation is as follow:

	$
ASSETS	
Cash	6,822
Trade and other receivables	11,899
Inventory	1,912
Property and equipment	102,956
Assets acquired	**123,589**
Consideration paid	
Cash payment	291,000
Acquisition cost payable	782,592
Issuance of an unsecured convertible debenture ("CCD")	970,000
	2,043,592
Unallocated value representing intangible and goodwill	**1,920,003**

As at September 30, 2016, the allocation of the purchase price allocation has not been finalized and is still based on preliminary estimates in regards to the fair value of the assets acquired and consideration paid. The actual fair value of the consideration may differ from the amount disclosed in the preliminary purchase price allocation and certain intangible assets (customer lists, software infrastructure) upon completion of the valuation of the acquisition with the remaining value representing goodwill.

FINANCIAL POSITION ANALYSIS

	September 30, 2016 $	December 31, 2015 $	Variation $
Assets	82,366,064	89,623,165	(7,257,101)
Liabilities	153,287,105	148,851,946	4,435,159
Equity (deficiency)	(70,921,041)	(59,228,781)	(11,692,260)

Total assets as at September 30, 2016 were $82,366,064 compared to $89,623,165 at December 31, 2015, a decrease of $7,257,101. Total liabilities increased $4,435,159, approximately half of which was attributable to the Elitify Acquisition.

The following table present the important variations on the Company's key assets:

	September 30, 2016 $	December 31, 2015 $	Variation $
Assets of continuing operations			
Guaranteed investment certificates	11,906,624	20,089,000	(8,182,376)
Trade and other receivables	3,308,687	2,542,079	766,608
Equity investments and other	9,153,702	6,437,240	2,716,462
Loan receivable	10,636,666	6,534,011	4,102,655
Convertible debentures	3,828,780	2,610,002	1,218,778
Assets held for sale (see discontinued operations above)	7,879,946	8,229,765	(349,819)

Guaranteed investments certificates

During the nine months ended September 30, 2016, the Company redeemed a total amount of $8,182,376 of GICs to primarily make additional loans and advance and other equity investments.

Trade and other receivables

	September 30, 2016 $	December 31, 2015 $
Trade receivables	1,184,742	730,179
Less: Allowance for doubtful accounts	(308,935)	(251,697)
	875,807	**478,482**
Royalty receivables	294,091	238,686
Interest receivable	945,685	473,030
Harmonized sales tax receivables	505,440	393,233
Advances to related companies, non-interest bearing, due on demand	1,338,415	943,331
Less: Allowance for doubtful receivables	(749,641)	-
Other	48,663	15,317
	3,258,460	**2,542,079**

The advances to related companies are mainly to Gravitas Select Flow-Through LP I, II and III and the Growth and Opportunity and High Yield Funds of $555,902, which will be reimbursed when the underlying Funds sell their investments and $749,641 to a company controlled by the Chief Executive Officer ("CEO"). This advance is non-interest bearing and does not have any set repayment terms. As at September 30, 2016, this advance has been impaired and an impairment charge of $188,401 and $749,640 has been recorded in the consolidated statement of loss and comprehensive loss for the three and nine months ended September 30, 2016, respectively. See also discussion below on Related Party Transactions.

Equity investments and other

	September 30, 2016	December 31, 2015	Variation
	$	$	$
Common shares in quoted companies	4,431,121	3,528,722	902,399
Options	2,395	19,998	(17,603)
Warrants	1,289,860	1,081,775	208,085
Debentures	413,939	370,393	43,546
Common shares in private companies	210,172	218,292	(8,120)
Preferred shares in private companies	1,806,792	1,218,059	588,733
Investment fund	999,422	-	999,422
Mining property	1	1	-
	9,153,702	**6,437,240**	**2,716,462**

During the nine months ended September 30, 2016, the Company invested a total amount of $3,343,625 in new equity investments and other and sold equity investments and other for a total amount of $986,610 realizing a gain on disposal of $355,844. In addition, the fair value of equity investments and other have decreased by $194,779 which was recognized through the consolidated statement of comprehensive loss for an amount of $6,111 and through the accumulated comprehensive loss for an amount of $188,665.

Investments in associates

Portfolio Analysts Inc. ("PAI")

The Company owns 40% of the issued and outstanding shares of Portfolio Analysts Inc. ("PAI"), giving it significant influence over PAI's operations. PAI is a Canadian-controlled private corporation and is incorporated under the Alberta Business Corporations Act. PAI is a holding company for Portfolio Strategies Corporation ("PSC"), which is a dealer in mutual funds and exempt securities in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba and Ontario. PSC, a 100% owned subsidiary of PAI, is a registered member of the Mutual Fund Dealers Association of Canada ("MFDA"). Its registered offices and principal place of business is 1850 – 14 Street S.W., Calgary, Alberta, T2T 3S9. PAI fiscal year-end is September 30.

Mint UAE Operations

Through its acquisition of Mint, the company acquired a 51% interest in Mint associates in the United Arab Emirates ("UAE"). Mint Middle East comprises four entities: Mint Middle East LLC ("MME LLC"), Mint Electronic Payment Services Ltd. ("MEPS"), Mint Capital LLC ("MCO") and Mint Gateway for Electronic Payment Services ("MGEPS"). MME LLC is 51% owned by Mint. MEPS is owned 49% by MME LLC, but is a fully controlled subsidiary of MME LLC by virtue of a nominee agreement which provides for Board and management control to MME LLC as well as a 100% commercial interest in the operations of MEPS. MCO is a 100% subsidiary of Mint and MGEPS is owned 49% by MCO. The remaining ownership interest in each of these four entities is held by Global Business Systems for Multimedia ("GBS"). These four entities are together referred to as Mint UAE Operations. In June 2015, GBS and Mint entered into a Nominee Agreement under which GBS has nominated a two percent share of its ownership and commercial interest in MGEPS in favor of MCO. Accordingly, MCO beneficially owns 51% of MGEPS.

The Mint UAE Operations operate under the terms of a Management Agreement with GPS, which provides for a payment of a fixed management fee of UAE Dirham (“AED”) 120,000 per month to GBS and a variable fee of 20% of net income of Mint UAE Operations. GBS is also responsible for the day-to-day oversight of these entities. As a result, the Mint UAE Operations have been accounted for as associates, as the Company does not control them.

Mint UAE Operations operate through their registered offices at G02, CBD Building, Sheikh Zayed Road, Dubai, United Arab Emirates ("UAE"), and focus on payroll cards, merchant network solutions and microfinance products to payroll cardholders.

MME LLC manages the issuance, administration, customer support, payment processing and set-up and reporting of payroll cards and related activities. MCO provides microfinance loans to payroll card holders.

Prime City One Capital Corp.
The Company acquired 18% interest in the issued and outstanding shares of Prime City One Capital Corp. ("Prime"), giving it significant influence over Prime's operations following the finalization of a purchase and assignment of debt agreement, under which GFI assigned 50% of its rights, interests and obligation in a loan of $125,000 in exchange for 13,645,825 common shares in the capital of Prime valued at $68,229. At December 31, 2015, the Company had also advanced a loan $100,000 and held an investment in convertible debenture for $250,000 in Prime. These investments were reclassified to investments in associates and are recognized on the equity method of accounting. The Company recorded a loss on settlement of $56,771 following that transaction. Prime was incorporated under the Business Corporations Act (Ontario) on September 2, 2004 and is currently reviewing several strategic options. Prime's shares are currently listed on the NEX under the Symbol “PMO.H”. The head office, principal address and records office are located at 141 Adelaide Street West, Suite 110, Toronto, Ontario, M5H 3L5.

During 2015, the Company evaluated the recoverability of its investment in Prime and determined that as a result of the financial conditions and result of operations at Prime, the Company's entire investment value of $415,932 was impaired and recognized a loss in the statement of loss and comprehensive loss.

During the current year, the Company advanced an additional $20,000 to Prime and has recorded an impairment loss of $20,000 in the consolidated statement of loss and comprehensive loss.

A summary of the financial information of the associates is as follows:

	September 30, 2016			December 31, 2015		
All amounts in Canadian $000's	**Prime**	**Mint UAE Operations $**	**PAI $**	**Prime**	**Mint UAE Operations $**	**PAI $**
Financial position						
Current assets	4	3,203	4,009	17	2,060	3,946
Non-current assets	-	5,147	4,363	-	5,159	4,344
Current liabilities	499	3,044	3,196	446	2,306	3,299
Non-current liabilities	4	364	1,915	4	363	1,883
	For the three months ended September 30, 2016			**For the three months ended September 30, 2015**		
Statement of earnings (loss)						
Revenue	-	959	6,953	-	1,886	6,748
Expenses	26	1,814	7,033	13	3,783	6,406
Operating income (loss)	(26)	(855)	414	(13)	(1,897)	454
Net earnings (loss)	(26)	(855)	311	(13)	(1,897)	278
Cash flows						
Dividends paid	-	-	150	-	-	200
	For the nine months ended September 30, 2016			**For the nine months ended September 30, 2015**		
Statement of earnings (loss)						
Revenue	-	3,098	20,587	-	2,851	20,152
Expenses	80	5,415	20,173	13	5,593	18,737
Operating income (loss)	(80)	(2,317)	1,060	(13)	(2,742)	1,415
Net earnings (loss)	(80)	(2,317)	795	(13)	(2,742)	1,077
Cash flows						
Dividends paid	-		750	-	-	784

Loans receivable

During the nine months ended September 30, 2016, the Company advanced loans of $4,616,853, and received repayments of loans aggregating $324,070. For the three and nine months ended September 30, 2016, the Company earned total interest of $152,107 and $427,408, respectively, representing an average annual interest rate of 4.5% compared to $96,961 and $264,844 in 2015, representing an average annual interest rate of 2.0%.

	September 30, 2016 $	December 31, 2015 $
Balance, beginning of period	6,534,011	3,446,270
Additional loans advanced	4,616,853	4,815,070
Amount redeemed	(324,070)	(535,000)
Amount redeemed as part of a settlement in shares	-	(125,000)
Convertible debenture converted into a loan	-	422,520
Loans converted into a convertible debenture (a)	(150,000)	(1,052,680)
Reclassification due to acquisition of significant influence	-	(100,000)
Fair value allocated to the equity components (b)	-	(127,943)
Accretion of interest	39,634	82,364
Loss on settlement of a loan	-	(200,000)
Impairment	(20,000)	(590,415)
Foreign exchange differences	(59,762)	498,825
Balance, end of period	**10,636,666**	**6,534,011**
Less: current portion	(1,741,412)	(1,089,421)
Non-current portion	**8,895,254**	**5,444,590**

These loans bear interest from 4.5% to 12% per annum and mature from October 2016 to April 2019. As at September 30, 2016, loans for a total amount of $6,062,240 ($3,683,590 as at December 31, 2015) are secured under general security agreements.

During the nine months ended September 30, 2016, the Company advanced a further US$1,200,000 ($1,578,482) to MGEPS, an associate of the Company, for the advancement of its on-going information technology upgrades. This loan bears interest at 4.5% and matures on October 23, 2018. In addition, the Company has advanced an additional $1,990,371 to a company where a former director has an interest, this advance bears an interest at 6% and matures on October 31, 2018.

Convertible debentures

	September 30, 2016 $	December 31, 2015 $
Loan component of convertible debentures:		
Secured, with a face value ranging from $200,000 to $1,250,000 ($100,000 to $1,250,000 in 2015), maturity on July 16, 2016 to June 1, 2021 (December 17, 2015 to June 30, 2019 in 2015) and bearing interest at 6% to 10.5% (6% to 14% in 2015)	**1,779,017**	1,939,153
Secured, with a face value ranging from US$100,000 to US$400,000 (US$227,000 to US$400,000 in 2015), maturity ranging from March 17, 2017 to December 9, 2018 (January 31, 2018 to December 9, 2018 in 2015) and interest rates from 6% to 10% (6% to 8% in 2015)	**586,705**	369,359
Unsecured, with a face value ranging from $17,000 to $250,000 ($17,000 to $250,000 in 2015), maturity ranging from November 24, 2016 to August 14, 2019 (November 24, 2016 to August 14, 2019 in 2015) and interest rates from 6% to 12% (6% to 12% in 2015)	**509,636**	433,875
	2,875,358	2,742,387
Conversion feature	**2,108,700**	1,162,238
	4,984,058	3,904,625
Less: reclassification due to acquisition of significant influence	**-**	(250,000)
Less: impairment	**(1,155,278)**	(1,044,623)
Balance, end of the period	**3,828,780**	2,610,002
Less: current portion	**(2,046,412)**	(319,376)
Non-current portion	**1,782,368**	2,290,626

The fair value of the conversion feature and the carrying value of loan components are as follows:

	September 30, 2016			December 31, 2015		
	Conversion feature $	**Loan component $**	**Total $**	**Conversion feature $**	**Loan component $**	**Total $**
Fair value, beginning of period	1,162,238	1,447,764	2,610,002	215,827	2,123,484	2,339,311
Amount invested	109,004	213,407	322,411	759,561	295,266	1,054,827
Amount converted	-	-	-	-	(208,000)	(208,000)
Amount converted into a loan	-	-	-	-	(422,520)	(422,520)
Amount reimbursed	-	(239,180)	(239,180)	-	(150,000)	(150,000)
Loan converted into a convertible debenture	61,575	88,425	150,000	-	1,052,680	1,052,680
Fair value allocated to the equity components	-	(6,439)	(6,439)	-	(296,031)	(296,031)
Reclassification due to acquisition of significant influence	-	-	-	-	(250,000)	(250,000)
Accretion of interest	-	377,995	377,995	-	329,338	329,338
Change in fair value of convertible debentures – conversion feature	785,036	-	775,883	186,850	-	186,850
Exchange gain (loss)	(9,153)	1,583	(7,570)	-	18,170	18,170
Loss on settlement	-	(52,820)	(52,820)	-	-	-
Impairment	-	(110,655)	(110,655)	(47,822)	(996,801)	(1,044,623)
Balance, end of period	**2,108,700**	**1,720,080**	**3,828,780**	**1,114,410**	**1,495,586**	**2,610,002**

The initial fair value of the conversion feature of investments in convertible debentures is determined using the Black & Scholes model and reclassified to equity and other investments, with the residual value being allocated to the loan component.

The fair value of the loan component is determined by measuring the conversion feature and assigning the residual value to the loan component. The loan component is not re-measured subsequent to initial recognition.

The fair values of the conversion feature at issuance of $170,579 at September 30, 2016 (December 31, 2015 - $759,561) was estimated using the Black & Scholes option pricing model based on the following assumptions:

	September 30, 2016	**December 31, 2015**
Weighted average conversion price	$0.85	$0.65
Expected dividend yield	0%	0%
Expected average volatility	190%	188%
Risk-free average interest rate	0.54%	0.51%
Expected average life (years)	2.68	2.58
Weighted average fair value	$0.37	$0.38

The fair value of the conversion feature of $2,108,700 as at September 30, 2016 (December 31, 2015 - $1,162,238) was estimated using the Black Scholes option pricing model based on the following assumptions:

	September 30, 2016	**December 31, 2015**
Weighted average conversion price	$0.64	$0.55
Expected dividend yield	0%	0%
Expected average volatility	179%	222%
Risk-free average interest rate	0.54%	0.56%
Expected average life (years)	2.12	1.88
Weighted average fair value	$0.30	$0.23

LIABILITIES

Total liabilities as at September 30, 2016 were $15,287,105 compared to $148,851,946 at December 31, 2015, an increase of $4,435,159 mainly due to Mint's Series A debenture restructuring for a total amount of $3,583,429 and the $1,752,592 payable for the Elitify Acquisition. These increase were offset by decreases in trade payables of $642,999, interest payables of $389,213, interest payables of $438,794 and by the settlement of Mint's Series B debentures of $502,000.

EQUITY (DEFICIENCY)

The Company had an equity deficiency of $70,921,041 as at September 30, 2016 compared to $59,228,781 at December 31, 2015, an increase of $11,692,260 mainly due to the 2016 net loss from continuing operation of $12,566,057 offset by the $600,000 of equity issued on August 3, 2016 and the $215,389 of equity in Mint subscribed by non-controlling shareholders.

OPERATING RESULTS ANALYSIS

FINANCIAL INFORMATION COMPARISON FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2016 AND 2015

	For the three months ended September 30,		
	2016 **$**	**2015** **$**	**Variation** **$**
Revenues	1,241,523	870,975	370,548
Expenses	4,262,036	4,317,453	55,417
Net loss from continuing operations	(3,020,513)	(3,446,478)	**425,965**
Net loss from discontinued operations	(16,649)	-	**(16,649)**
Net loss	**(3,037,162)**	**(3,446,478)**	**409,316**

Net loss from continuing operations for the three months ended September 30, 2016 was $3,020,513 ($0.045 per share) as compared to $3,446,478 ($0.052 per share) for the same period in 2015, a decrease of $409,316.

REVENUE

For the three months ended September 30, 2016, revenues totalled $1,241,523 compared to $870,975 for the same period in 2015, an increase of $370,548, primarily from listing and research fees.

EXPENSES

For the three months ended September 30, 2016, expenses totalled $4,262,036 compared to $4,317,453 for the same period of 2015, a decrease of $425,965.

The following table shows items that have fluctuated significantly during the three months ended September 30, 2016:

	For the three months ended September 30,		
	2016	**2015**	**Variation**
	$	**$**	**$**
Salaries and management fees	**539,821**	341,286	(198,535)
Consulting and professional fees	**835,965**	695,852	(140,113)
General and administrative	**908,740**	657,797	(250,943)
Interest expense	**1,792,325**	2,393,803	601,478
Exchange loss (gain)	**(115,209)**	(647,554)	(532,345)
Loss on settlement	**11,450**	343,825	332,375
Gain on disposal of available-for-sale investments	**(174,389)**	(243,445)	(69,056)
Change in fair value of convertible debentures – conversion feature	**(116,728)**	(71,987)	44,741
Change in fair value of FVTPL investments	**47,211**	(567,118)	(614,329)
Impairment in investments	**146,402**	1,054,435	908,033
Results of associates	**386,450**	360,559	(25,891)
	4,262,038	4,317,564	55,526

Salaries and management fees and Consulting and professional fees

The increase in salaries and management fees and consulting and professional fees for the three months ended September 30, 2016 is primarily due to the general growth of the Company and consulting fees paid to Gravitas Securities Inc. (see also the discussion on related party transactions below).

General and administrative

The increase was primarily due to the general growth of the Company.

Interest expense

Interest decreased in 2016 primarily as a result of the Mint's Series A debenture restructuring that occurred on January 8, 2016 wherein the rate of interest payable on these debentures was reduced to 3% per annum to January 8, 2017 and 5% thereafter from 10% per annum previously, as well as the on-going repurchase and cancellation of the Series B debentures.

Change in fair value of convertible debentures - conversion feature

When the Company holds debentures that are convertible into the issuer's equity shares, the equity conversion feature represents an embedded option written by the issuer on its equity shares. Such equity conversion feature is classified as fair value through profit or loss ("FVTPL"). Assets in this category are measured at fair value with gains or losses recognized in profit or loss. Each reporting period, the fair value of these investments is determined using the Black & Scholes pricing model.

For the three months ended September 30, 2016, the fair value of these conversion feature increased by $116,728 compared to an increase of $71,987 for the same period in 2015, primarily due to changes in the market values of the underlying issuers.

Share in results in associates

The Company owns a 40% interest of the issued and outstanding shares of Portfolio Analysts Inc. ("PAI"), a 51% interest in Mint UAE Operations and an 18% interest in Prime City. During three months ended September 30, 2016, the Company recorded the following share in results:

	For the three months ended September 30, 2016 $	2015 $
Prime	-	2,297
PAI	(124,266)	(117,782)
Mint UAE Operations	510,716	476,044
Total share of losses at associates	**386,450**	**360,559**

OPERATING RESULTS ANALYSIS

FINANCIAL INFORMATION COMPARISON FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016 AND 2015

	For the nine months ended September 30,		
	2016 $	**2015 $**	**Variation $**
Revenues	3,279,150	2,652,974	626,176
Expenses	15,845,207	12,235,389	(3,609,818)
Net loss from continuing operations	(12,566,057)	(9,582,415)	**(2,983,642)**
Current income taxes	-	1,157	**1,157**
Net earnings from discontinued operations	(206,047)	-	**206,047**
Net loss	**(12,360,010)**	**(9,583,572)**	**(2,776,438)**

Net loss from continuing operations for the nine months ended September 30, 2016 was $12,566,057 ($0.189 per share) as compared to $9,582,415 ($0.144 per share) for the same period in 2015, an increase of $2,776,438.

REVENUE

For the nine months ended September 30, 2016, revenue were $3,279,150 compared to $2,652,974 for the same period of 2015, an increase of 626,176 primarily from listing and research fees.

EXPENSES

For the nine months ended September 30, 2016, expenses totalled $15,845,207 compared to $12,235,389 for the same period of 2015, an increase of $3,609,819.

The following table shows items that have fluctuated significantly during the nine months ended September 30, 2016:

	For the nine months ended September 30,		
	2016 **$**	**2015** **$**	**Variation** **$**
Salaries and management fees	**1,585,583**	916,926	(668,657)
Consulting and professional fees	**2,351,544**	2,041,168	(310,376)
General and administrative	**2,000,328**	2,113,270	112,942
Interest expense	**5,350,976**	6,512,985	1,162,009
Exchange loss (gain)	**466,712**	(700,600)	(1,167,312)
Loss (gain) on settlements	**(573,464)**	353,807	927,271
Gain on disposal of available-for-sale investments	**(355,844)**	(633,352)	(277,508)
Change in fair value of convertible debentures – conversion feature	**(785,036)**	61,136	846,194
Change in fair value of FVTPL investments	**6,111**	(860,562)	(866,673)
Impairment	**1,126,566**	1,503,825	377,259
Debenture restructuring fee	**3,583,429**	-	(3,583,429)
Share of losses at associates	**1,088,302**	971,209	(117,093)
	11,908,060	9,321,718	(2,586,364)

Salaries and management fees / Consulting and professional fees

The increase in salaries and management fees and consulting and professional fees for the nine months ended September 30, 2016 is primarily due to the general growth of the Company and the $225,000 paid as consulting fees to Gravitas Inc (see discussion below on related party transactions).

General and administrative

The increase in general and administrative costs was primarily due to the general growth of the Company.

Interest expense

Interest decreased in 2016 primarily as a result of the Series A restructuring that occurred on January 8, 2016 wherein the rate of interest payable on these debentures was reduced to 3% per annum to January 8, 2017 and 5% thereafter, as well as the on-going repurchase and cancellation of the Series B debentures.

Exchange loss (gain)

The increases in foreign exchange loss is related in part to the investments held in US dollars and to the cash position held in US dollars at September 30, 2016 and the movement of the exchange rate against the United States dollar during the nine months ended September 30, 2016.

Loss (gain) on settlements

During the nine months ended September 30, 2016, the Company purchased and cancelled Mint's Series B debentures of face value of $1,004,000 for a cash payment of $502,000 and recognized a gain on settlement of $615,834.

	For the nine months ended September 30, 2016 $	2015 $
Loss (gain) on settlement of receivables	(10,450)	11,931
Loss on settlement of loan	-	200,000
Gain on settlement of debenture	(615,834)	(22,895)
Loss on settlement of debenture	-	164,771
Loss on settlement of convertible debentures	52,820	-
Loss (gain) for the period	**(573,464)**	**353,807**

Gain on disposal of available-for-sale investments

During the nine months ended September 30, 2016, the Company sold common shares held in quoted companies realizing a gain of $355,844 compared to $633,352 in the same period in 2015.

Change in fair value of convertible debentures - conversion feature and debenture restructuring fee

When the Company holds debentures that are convertible into the issuer's equity shares, the equity conversion feature represents an embedded option written by the issuer on its equity shares. Such equity conversion feature is classified as fair value through profit or loss ("FVTPL"). Assets in this category are measured at fair value with gains or losses recognized in profit or loss. Each reporting period, the fair value of these investments is determined using the Black & Scholes pricing model.

For the nine months ended September 30, 2016, the fair value of these conversion feature increased by $785,036 compared to a decrease of $61,136 for the same period in 2015, primarily due to changes in the market values of the underlying issuers.

Change in fair value of FVTPL investments

Financial assets at FVTPL include financial assets that are either classified as held-for-trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The Company classifies its investments in options, warrants and common shares in private companies in this category. Each reporting period, the fair value of these investments is determined using the Black & Scholes pricing model.

For the nine months ended September 30, 2016, the fair value of these investments decreased by $6,111 as compared to an increase in fair value of $860,562 for the same period in 2015.

Impairment of investments

Given financial difficulties faced by some companies in which the Company has invested, the Company recorded the following impairments:

	For the nine months ended September 30, 2016 $	2015 $
Impairment on investments in associates	20,000	415,932
Impairment on loans	-	499,315
Impairment on convertible debenture	110,653	80,361
Reclassification of impairment to net loss	-	508,217
Impairment on brand name	246,272	-
Impairment of loan to a company controlled by the CEO	749,641	-
	1,126,566	1,503,825

(a) The impairment on investments in convertible debentures, including on the conversion features, is recorded when the Company determines that it is likely that the debentures will default based on its review of available financial information relating to the issuers or when the debentures have defaulted due to non-payment of interest due and payable. The Company estimates potential recoveries from security held and recognizes an impairment loss for the difference. During February 2016, the Company sold a non-secured convertible debenture of face value of $100,000 for a cash proceeds of $47,180 and recorded a loss on settlement of $52,820. During the nine months ended September 30, 2016, the Company also recovered $192,000 from one of its investees that had previously been impaired.

(b) During the nine months ended September 30, 2016, the Company determined that the intangible asset relating to its brand name of $246,272 had to be impaired due to the continuing losses at Gravitas and its subsidiaries.

(c) During the nine months ended September 30, 2016, the Company impaired an advance to a company controlled by the Chief Executive Officer of $749,641

Mint's Series A debentures restructuring

On January 8, 2016, Mint re-structured the outstanding Series A debentures. Subsequent to the re-restructuring, the terms of Series A debentures were extended from May 16, 2019 to December 15, 2019 and interest payable on the Series A debenture was reduced to 3% per annum to January 7, 2017 and thereafter 5%, payable quarterly on March 31, June 30, September 30 and December 31. In consideration, the Company issued additional debentures of $3,953,506, increasing the face value of the outstanding Series A debenture to $49,019,962. The debenture restructuring requires an additional payment of cash fee of 2.5% of the principal outstanding if certain "active Card" target are not met during the term of the debentures. Since the terms of the Series A debentures were substantially modified, the transaction has been accounted for as an extinguishment of the original liability and the recognition of the revised liability that will be accreted to the face value of the debentures at an effective rate of 5.5% per annum. As a result, a debenture restructuring expense of $3,583,429 has been recorded in the consolidated statement of loss and comprehensive loss.

Share in results of associates

The Company owns a 40% interest of the issued and outstanding shares of Portfolio Analysts Inc. ("PAI"), a 18% interest in Prime City One Capital Corporation and a 51% interest in Mint UAE Operations. During nine months ended September 30, 2016, the Company recorded the following share in results at these associates:

	For the nine months ended September 30,	
	2016	**2015**
	$	**$**
Prime	-	2,297
PAI	(102,579)	(437,214)
Mint UAE Operations	1,190,881	1,406,126
Total	**1,088,302**	**971,209**

CASH FLOW ANALYSIS

	For the nine months ended September 30,	
	2016	**2015**
	$	**$**
Net cash used in operating activities of continuing operations	(9,503,060)	(6,554,476)
Net cash from used in investing activities of continuing operations	55,427	2,060,915
Net cash used in financing activities of continuing operations	313,389	9,600,098

OPERATING ACTIVITIES

The Company used cash flows of $9,503,060 during the nine months ended September 30, 2016, compared to $6,554,476 for the same period in 2015, an increase in the use of cash flows of $2,948,584 primarily due to the working capital items that required cash flows of $2,470,649 in 2016 compared to generated cash flows of $203,406 in 2015. This is primarily due the payment of accrued interest on Mint Series A debentures of approximately $965,000 in January 2016 and other trade payables payments.

INVESTING ACTIVITIES

During the nine months ended September 30, 2016, the Company used $55,427 compared to generating cash flows of $2,116,342 for the same period in 2015, a decrease in cash flows generated of $2,060,915. In 2016, the use of cash flows were primarily from purchase of loan receivables of $4,707,853 and equity and other investments of $3,343,625 offset by redemption of guaranteed investment certificates of $8,182,376. In 2015, the generated cash flows were mainly due to the redemption of guaranteed investment certificates for $16,911,000 offset by an investment in restricted cash of $7,090,032, the purchase of equity investments and other of $2,503,762 and an increase in loan receivable of $4,003,470.

FINANCING ACTIVITIES

During the nine months ended September 30, 2016, Mint purchased and cancelled Series B debentures of face value of $1,004,000 for a cash payment of $502,000 and recognized a gain on settlement of $615,834.

SEGMENTED INFORMATION

The Company operates in four segments as follows:

Services
The Company objective is to build and acquire businesses that can service the capital market, advisory, regulatory, compliance and technology needs of publicly listed corporations. The services segment comprises the following entities:
- Ubika Corp;
- Gravitas Corporate Services Inc.;
- Branson Corporate Services Inc.; and
- Global Compliance Network Inc.

Financial services
Regulated financial services are operations in financial products and financial products distribution businesses. Regulated financial services are operated independently with their own management teams and require high levels of compliance and governance. Regulated financial services comprises the activities and/or operations of the following entities:
- Gravitas Select Flow-Through GP Inc.;
- Gravitas Financial Services Holdings Inc.;
- Gravitas International Corp.;
- Gravitas Investment Inc. (formerly Foundation Investment Management Inc.);
- Portfolio Analysts Inc.;
- Foregrowth Inc. (formerly Gravitas Investor Platform Inc.); and
- Foregrowth Holdco. Inc.

Strategic investments
Strategic investments are operations where the Company acquires significant long-term interests in companies that have a high potential for value addition and where the Company provides key strategic inputs and management support either directly or through Board representation. Strategic investments comprises the following entities:
- New India Investment Corporation;
- Luxury Quotient International Inc.;
- Luxury Quotient India Private Ltd.;
- The Mint Corporation;
- Claxton Capital Management;
- Claxton Real Estate Company Ltd.; and
- Prime City One Capital Corp.

Fast growing investments
Other investments are operations where the Company acquires meaningful ownership interests in fast growing companies in both public and private markets. The Company will offer strategic guidance and access to its strong network to investee companies to accelerate their strategic growth plans. Other investments comprises Gravitas Venture Inc. operations.

Corporate
Corporate results primarily represent the cost of corporate overhead expenses not allocated to a segment. It comprises Gravitas Financial Inc.
The above changes in reporting segments have been applied retrospectively therefore prior period segment information has been amended to be consistent with current period presentation and reports provided to the chief operating decision maker. There is no impact on the consolidated results of the Company and there are no changes to the Company's accounting policies.

For the three months ended September 30, 2016	Services $	Financial services $	Strategic investments $	Fast growing investments $	Corporate $	Intercompany transactions $	Total $
Revenues	496,243	152,041	80,488	188,765	371,417	(47,431)	1,241,523
Expenses							
Salaries and management fees	73,499	53,714	63,777	-	348,831	-	539,821
Consulting and professional fees	174,334	216,299	149,016	-	296,316	-	835,965
General and administrative	74,754	213,845	275,218	-	344,923	-	908,740
Interest expense	5,857	385	1,101,730	14	731,770	(47,431)	1,792,325
Exchange loss (gain)	-	920	(14,081)	(11,224)	(90,826)	-	(115,211)
Loss or (gain) on settlement	11,450	-	-	-	-	-	11,450
Gain on disposal of available for sale investments	(174,389)	-	-	-	-	-	(174,389)
Change in fair value of convertible debentures – conversion feature	10,227	-	-	(126,955)	-	-	(116,728)
Change in fair value of FVTPL	(55,066)	598	-	101,679	-	-	47,211
Impairment	-	-	-	111,242	35,160	-	146,402
Share of results in associates	-	(52,391)	438,841	-	-	-	386,450
	120,666	433,370	2,014,501	74,756	1,666,174	(47,431)	4,262,036
Net earnings (loss) from continuing operations	**375,577**	**(281,329)**	**(1,934,013)**	**114,009**	**(1,294,757)**	**-**	**(3,020,513)**
Net earnings from discontinuing operations	**-**	**-**	**(16,649)**	**-**	**-**	**-**	**(16,649)**
Net earnings (loss)	**375,577**	**(281,329)**	**(1,950,662)**	**114,009**	**(1,294,757)**	**-**	**(3,037,162)**

For the nine months ended September 30, 2016	Services $	Financial services $	Strategic investments $	Fast growing investments $	Corporate $	Intercompany transactions $	Total $
Revenues	1,393,608	246,255	129,082	509,988	1,141,387	(141,170)	3,279,150
Expenses							
Salaries and management fees	266,391	115,043	239,302	-	964,847	-	1,585,583
Consulting and professional fees	474,185	543,919	335,636	-	997,804	-	2,351,544
General and administrative	261,968	418,613	465,219	-	854,528	-	2,000,328
Interest expense	13,489	1,298	3,298,472	169	2,178,718	(141,170)	5,350,976
Exchange loss	-	920	40,088	8,136	417,568	-	466,712
Loss (gain) on settlement	42,370	-	(615,834)	-	-	-	(573,464)
Gain on disposal of available for sale investments	(355,844)	-	-	-	-	-	(355,844)
Change in fair value of convertible debentures – conversion feature	18,340	-	-	(859,671)	56,295	-	(785,036)
Change in fair value of FVTPL	(233,921)	1,741	-	238,291	-	-	6,111
Impairment	-	-	50,000	683,263	393,303	-	1,126,566
Debenture restructuring fee	-	-	3,583,429	-	-	-	3,583,429
Share of results in associates	-	(102,579)	1,190,881	-	-	-	1,088,302
	486,978	978,955	8,587,193	70,188	5,863,063	(141,170)	15,845,207
Net earnings (loss) from continuing operations	**906,630**	**(732,700)**	**(8,458,111)**	**439,800**	**(4,721,676)**	**-**	**(12,566,057)**
Net earnings from discontinuing operations	**-**	**-**	**206,047**	**-**	**-**	**-**	**206,047**
Net earnings (loss)	**906,630**	**(732,700)**	**(8,252,064)**	**439,800**	**(4,721,676)**	**-**	**(12,360,010)**

	Services $	Financial services $	Strategic investments $	Fast growing investments $	Corporate $	Intercompany transactions $	Total $
As at September 30, 2016							
Total assets	5,894,946	7,627,849	14,498,827	9,631,267	73,846,747	(29,133,572)	82,366,064
Total liabilities	6,404,286	4,420,760	75,45,476	8,578,284	84,243,132	(25,810,833)	153,287,105
Investment in associates	-	3,504,660	4,100,871	-	-	-	7,605,531

As at December 31, 2015							
Total assets	3,466,083	12,758,559	18,155,813	6,499,320	77,828,076	(29,084,686)	89,623,165
Total liabilities	5,530,913	4,997,978	69,606,971	5,317,839	84,031,181	(20,632,936)	148,851,946
Investment in associates	-	3,642,081	3,964,342	-	-	-	7,606,423

For the three months ended September 30, 2015	Services $	Financial services $	Strategic investments $	Fast growing investments $	Corporate $	Intercompany transactions $	Total $
Revenues	293,538	-	19,628	91,569	514,164	(47,924)	870,975
Expenses							
Salaries and management fees	73,985	-	44,340	-	222,961	-	341,286
Consulting and professional fees	99,274	34,172	37,450	-	524,956	-	695,852
General and administrative	(42,493)	15,000	158,019	5,151	522,120	-	657,797
Interest expense	2,148	34	1,708,811	357	730,377	(47,924)	2,393,803
Exchange loss (gain)	(14)	-	(19,974)	(21,838)	(605,728)	-	(647,554)
Gain on settlement	70,792	-	50,000	209,637	13,396	-	343,825
Gain on disposal of available for sale investments	(21,429)		812	(222,828)	-	-	(243,445)
Change in fair value of convertible debentures – conversion feature	12,432	-	-	513	(84,932)	-	(71,987)
Change in fair value of FVTPL	(60,796)	-	-	(506,322)	-	-	(567,118)
Impairment	212,037	-	-	389,541	452,857	-	1,054,435
Share of results in associates	-	(117,782)	476,044	-	2,297	-	360,559
	345,936	(68,576)	2,455,502	(145,789)	1,778,304	(47,924)	4,317,453
Net earnings (loss) before income taxes	**(52,398)**	**68,576**	**(2,435,874)**	**237,358**	**(1,264,140)**	**-**	**(3,446,478)**
Current income taxes	-	-	-	-	-	-	-
Net earnings (loss)	**(52,398)**	**68,576**	**(2,435,874)**	**237,358**	**(1,264,140)**	**-**	**(3,446,478)**

For the nine months ended September 30, 2015	Services	Financial services	Strategic investments	Fast growing investments	Corporate	Intercompany transactions	Total
	$	$	$	$	$	$	$
Revenues	936,381	-	35,961	243,911	1,566,803	(130,082)	2,652,974
Expenses							
Salaries and management fees	293,182	-	107,736	-	516,008	-	916,926
Consulting and professional fees	448,134	98,024	103,335	11,619	1,380,056	-	2,041,168
General and administrative	261,577	49,510	751,064	9,421	1,041,698	-	2,113,270
Interest expense	6,669	274	4,473,720	1,045	2,161,359	(130,082)	6,512,985
Exchange loss (gain)	65	-	(37,271)	(44,015)	(619,379)	-	(700,600)
Loss (gain) on settlement	53,669	-	27,105	209,637	63,396	-	353,807
Gain on disposal of available for sale investments	(411,336)		812	(222,828)	-	-	(633,352)
Change in fair value of convertible debentures – conversion feature	20,128	-	-	37,363	3,645	-	61,136
Change in fair value of FVTPL	(93,844)	-	-	(484,428)	(282,290)	-	(860,562)
Change in fair value of derivative warrant liability	-	-	(44,423)	-	-	-	(44,423)
Impairment	229,037	-	-	389,541	885,247	-	1,503,825
Share of results in associates	-	(437,214)	1,406,126	-	2,297	-	971,209
	807,281	(289,406)	6,788,204	(92,645)	5,152,037	(130,082)	12,235,389
Net earnings (loss) before income taxes	**129,100**	**289,406**	**(6,752,243)**	**336,556**	**(3,585,234)**	**-**	**(9,582,415)**
Current income taxes	-	-	-	1,157	-	-	1,157
Net earnings (loss)	**129,100**	**289,406**	**(6,752,243)**	**335,399**	**(3,585,234)**	**-**	**(9,583,572)**

The Company has operations in four geographical sectors. The following tables presents the Company's revenue and non-current assets by geographic areas. The allocation of revenue between geographic areas was determined by the location where the income was earned. The revenues earned in Africa are related to the net smelter return of 0.75% that the company holds on an exploration project in Gabon, Africa.

	For the three months ended September 30, 2016 $	2015 $	For the nine months ended September 30, 2016 $	2015 $
Revenues				
Canada	1,061,795	725,827	2,876,480	2,343,311
Africa	93,041	145,148	294,091	309,663
India	80,488	-	102,380	-
	1,235,324	**870,975**	**3,272,951**	**2,652,974**

	September 30, 2016 $	December 31, 2015 $
Non-current assets		
Canada	23,719,916	18,209,519
Africa	887,981	355,929
AED	4,100,871	3,964,342
India	2,035,743	-
	29,945,511	**22,529,790**

QUARTERLY RESULTS TRENDS (IN THOUSANDS OF $)

Management considers that the information presented was determined in the same way as for our audited consolidated financial statements for the year ended December 31, 2015.

	2016			2015				
					Restated [1]			
	Q3 $	Q2 $	Q1 $	Q4 $	Q3 $	Q2 $	Q1 $	Q4 [2] $
Revenue	1,242	1,018	1,020	1,001	871	818	964	1,529
Net loss from continuing operations	(3,020)	(2,788)	(6,757)	(5,019)	(3,447)	(3,840)	(2,297)	(50,694)
Basic and diluted net loss per share from continuing operations	(0.045)	(0.042)	(0,101)	(0.066)	(0.041)	(0.060)	(0.053)	(0.762)

[1] Results from fourth quarter of 2014 to third quarter of 2015 have been restated to reflect the proper calculation of the accretion and interest expense relating to Mint Series A and Series B debentures.

[2] Increase in net loss for the fourth quarter of 2014 is due to the consolidation of Mint's operations and the corresponding impairment of goodwill of $46,885,824.

LIQUIDITY, CAPITAL RESOURCES AND SOURCES OF FINANCING

As at September 30, 2016, the Company had a cash position of $25,538,101, guaranteed investment certificates for $11,906,624 and a working capital of $40,039,468.

The Company manages its capital structure and makes adjustments related to changes in the economic environment and underlying risks of its assets.

As of the date of this MD&A, the Company believes it will have sufficient liquidity to fund its operations, capital needs and future acquisitions for at least the next 12 months.

INFORMATION ON OUTSTANDING SECURITIES

The Company's authorized share capital consists in an unlimited number of common shares of which 72,601,305 are currently outstanding. Please refer to Note 20 of the unaudited interim condensed consolidated financial for more details.

RELATED PARTIES TRANSACTIONS

The Company's related parties include its key management and other related parties, as described below.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Transactions with key management personnel

Remuneration of the key management personnel, that is, the President and Chief Executive Officer ("CEO"), the Vice President of Finance and the directors, are included in the following expenses:

	For the three months ended September 30,		**For the nine months ended September 30,**	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Transactions with key management personnel				
Salaries and management fees	246,504	180,954	723,212	555,205
Consulting and professional fees	-	50,003	-	214,512
General and administrative	25,500	47,000	122,000	139,000
	272,004	277,957	**845,212**	908,717
Transactions with companies controlled by key management				
Consulting and professional fees	147,000	217,486	431,500	656,486
	147,000	217,486	**431,500**	656,486
Total	**419,004**	495,443	**1,276,712**	1,565,203

As at September 30, 2016, the Company has advanced $749,641 (December 31, 2015 - $189,425) to a company ("2474184 Ontario Inc.") controlled by the Chief Executive Officer ("CEO"). This loan is non-interest bearing and has no repayment terms. This amount is recorded in trade and other receivables in the Company's consolidated statement of financial position. This amount has been impaired and impairment charges of $188,402 and $749,641 for the three and nine months ended September 30, 2016 have been recorded in the consolidated statement of loss and comprehensive loss. Subsequent to September 30, 2016, the Company has advanced an additional $238,188 to 2474184 Ontario Inc.

On November 8, 2016, Gravitas Venture Inc., a 100% subsidiary of the Company, and 2474184 Ontario Inc. entered into a debt conversion agreement, effective October 26, 2016, wherein Gravitas Venture Inc. received an aggregate of 2,701,354 common shares of 2474184 Ontario Inc. in exchange for the previously written off loans due from 2474184 Ontario Inc. In addition, Gravitas Venture Inc. received 1,218,367 shares of 2474184 Ontario Inc. for loan and management fees of $278,000 charged to 2474184 Ontario Inc.

The Company has also assigned its previously impaired convertible debenture and loan receivable (including accrued interest) of $434,232, due from Revenue.com to 2474184 Ontario Inc. In consideration, the Company received 1,062,559 preferred shares of 2474184 Ontario Inc. These preferred shares carry the same benefits and rights as common shares.

For the three and nine months ended September 30, 2016, the Company incurred legal fees of $2,280 and $27,169 respectively (September 30, 2015 - $38,288 and $126,237, respectively) from a legal firm in which the former Chief Executive Officer ("CEO") and current director is a partner.

During the three and nine months ended September 30, 2016, management and consulting charges paid to Global Business Services ("GBS"), the owner of the remaining 49% interest in Mint UAE Operations in connection with the Management Agreement, aggregated to $119,685 (UAE Dirham 360,000) and $388,795 (UAE Dirham 1,080,000, respectively) (September 30, 2015 - $122,256 (UAE Dirham 360,000) and $370,342 (UAE Dirham 1,080,000, respectively). These amounts were incurred and recorded in Mint UAE Operations and are included in the Company's share of losses of associates on the consolidated statement of loss and comprehensive loss. As at September 30, 2016, an amount of $424,999 is payable to GBS, representing the remaining amount due under the terms of a Management agreement entered into between Mint and GBS under which GBS assumed all responsibility for the day-to-day activities of Mint UAE Operations. The Management agreement entitles GBS to a fixed monthly fee of AED 120,000 and a variable fee of 20% of the net income of Mint UAE Operations and was effective December 31, 2014. This amount is included under trade and other payables in the Company's consolidated statement of financial position.

The above transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

As at September 30, the Company has advanced $2,461,640 (US$1,900,000) ($970,830 or US$700,000 at December 31, 2015) to MGEPS. This loan bears interest at 4.5% and matures on October 23, 2018. This amount has been recorded in loan receivable in the Company's consolidated statement of financial position.

As at September 30, 2016, the Company has advanced an aggregate of $4,776,371 to a company in which a former director has an interest. This loan bears interest at 6% and matures on October 31, 2018. Interest is payable at maturity and the accrued interest receivable at September 30, 2016 aggregated to $344,324 (December 31, 2015 - $134,225). This amount is recorded in loan receivables in the Company's consolidated statement of financial position.

During the three and nine months ended September 30, 2016, the Company has paid $30,000 and $225,000, respectively to Gravitas Securities Inc., a subsidiary of 2242257 Ontario Inc. In addition, the Company also pays rent of $33,825 per month to 2242257 Ontario Inc. and for the three and nine months ended September 30, 2016 $94,227 are included in general and administrative expense relating to this rent.

During the three and nine months ended September 30, 2016, the Company and its subsidiaries paid $8,250 and $37,700 respectively (for the three and nine months ended September 30, 2015 - $10,060) to a company ("Soigne Technolgies Inc."), in which an employee has an interest.

The Company has also advanced $555,902 (December 31, 2015 - $753,905) to Limited Partnerships managed by two of the Company's subsidiaries. The amount receivable is recorded in trade and other receivables in the Company's consolidated statement of financial position.

As at September 30, 2016, the Company had dues to related companies are payables to companies in which directors are also directors of the Company of $42,837 (as at December 31, 2015 - $42,837).

During the current year, the Company advanced $85,000 to a director and officer of Gravitas International Corporation, a 50% subsidiary of the Company and $175,000 to an officer of Gravitas Securities Inc. Interest at 4% and 6%, respectively per annum on these loans aggregated to $3,849 at September 30, 2016 and is payable on maturity.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its consolidated financial statements in accordance with IFRS, which require management to make estimates and assumptions that affect the amounts of its assets and liabilities, the information provided with regard to future assets and liabilities as well as the amounts of revenues and expenses for the relevant periods.

The elements in the financial statements that require more use of estimates are describe in Note 9 of the audited consolidated financial statements for the year ended December 31, 2015. Actual results may differ from these estimates, but management believes they will not result in material changes versus the results being presented. Readers are invited to refer to the audited consolidated financial statements for the year ended December 31, 2015 for a full description of the significant accounting policies of the Company at that date.

FUTURE CHANGES IN ACCOUNTING POLICIES

At the date of authorization of these unaudited interim condensed consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published by the International Accounting Standards Board (IASB) but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Readers are invited to refer to Note 4 of the unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2016, for a full description of these new standards.

RISKS RELATED TO FINANCIAL INSTRUMENTS

Readers are invited to refer to Note 30 of the unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2016, for a full description of these risks.

RISKS AND UNCERTAINTIES

The Company is involved in an industry that is subject to various risks and uncertainties. The risks and uncertainties listed below are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, it could have a material adverse effect on the Company’s activities, results of operation and financial condition. In any such case, the market price of the common shares could decline.

COMPETITION

The Company competes with other companies offering investment research and capital market services. Increased competition could reduce the Company's operating margins and profitability and result in a loss of market share. Some of the Company's existing and potential competitors may have competitive advantages, such as significantly greater marketing or other resources, or exclusive arrangements with major clients. The Company cannot assure investors that it will be able to successfully compete against new or existing competitors.

KEY MANAGEMENT PERSONNEL

The loss of management members could have a material impact on the implementation of the Company's strategic plan. Success of the Company's business plan depends significantly on the work done by the management team. This team consists of a limited number of individuals. The Company does not carry life insurance on those individuals. The loss of a member of management could hinder the execution of the Company's strategic plan, which could have a material impact on its operations.

CHANGE MANAGEMENT RISK

The Company is currently making significant investments at some of its subsidiaries and affiliates to deploy a new technology platform and intends to migrate all of its payroll cards to this new platform. Any delay in the launch of the new platform or technical difficulties post migration to the new platform can impact the service standards that the Company has been providing to its customers. Any prolonged disruption during the migration of cards to a new platform can result in significant harm to the business and lead to customer defection.

The Company is also in the process of migrating the BIN from one of the banks to a new partner. The Company needs the cooperation of both banks and a variety of third party vendors to complete this migration smoothly. Any disruption in this migration activity can result in significant harm to the business.

MANAGEMENT OF EXPANSION

The Company plans to continue to rapidly expand its operations. These plans will continue to result, in substantial demands on the Company's management resources. To manage its growth, the Company must develop and improve its existing administrative and operational systems and, its financial and management controls and further expand, train and manage its work force. As the Company continues its effort to grow, it may incur substantial costs and expend substantial resources in connection with any such expansion due to, among other things, different technology standards, legal considerations and cultural differences. The Company may not be able to manage its current or future operations effectively and efficiently or compete effectively in such markets. The Company may also not be able to hire, retain, integrate or motivate its current or new personnel. There can be no assurance that the Company will be able to efficiently or effectively manage the growth of its operations, recruit top talent and train its personnel. Any failure to efficiently manage its expansion may materially and adversely affect the Company's business and future growth.

In addition, while Gravitas' acquisition process typically includes extensive due diligence on the business or assets to be acquired and acquisition agreements typically include detailed representations and warranties respecting the business or assets being acquired, there can be no assurance that Gravitas would not become subject to certain undisclosed liabilities associated with the acquired assets that the Company failed or has been unable to discover during the due diligence process prior to the closing of the acquisition. The discovery of any unrecoverable material liabilities could have an adverse and material effect on the Company's business, results of operations and financial condition.

NON-CONTROLLING INTEREST RISKS

As a result of Gravitas' acquisition of Mint, the Company has formed a relationship with Global Business Services ("GBS") by giving GBS a non-controlling minority interest in MME. Any adverse development in our ongoing relationship with GBS can affect the operations of the business and our ability to execute on our strategy. Any change in the financial and reputational standing of GBS in the UAE market place can also indirectly affect the Company as it may impede GBS's ability to bring new business development opportunities to the company.

LAWS AND REGULATIONS

The regulation of financial services is extensive and designed to protect consumers and the public, while providing standard guidelines for business operations. The Company's subsidiaries and their partners are subject to governmental laws and regulations relating to financial product offerings, including laws and regulations governing know-your-customer (KYC), anti-money laundering (AML), anti-terrorist financing (ATF) and the privacy of customers' personal information. Failure to comply with, or changes to, existing or future laws and regulations could result in significant unforeseen costs and limitations, and could have an adverse impact on the Company's business, results of operations and financial condition.

Changes may occur in laws and regulations, or the interpretation or enforcement thereof, that could increase Gravitas' compliance and other costs of doing business, require significant systems redevelopment, or render its products or services less profitable or obsolete, any of which could have an adverse effect on the Company's business, results of operations and financial condition.

ECONOMIC CONDITIONS

Demand for the Company's services is sensitive to changes in general economic conditions and demand typically decreases during periods of economic downturn. Customers may reduce the money they spend for a number of reasons, including (i) a general decline in economic conditions; (ii) a decision to shift expenditures to other available services; or (iii) a decline in spending in general. Decrease in demand for investment research and capital market services would materially and adversely affect the Company's ability to generate revenue, its financial condition and results of operations.

Management believes it monitors these risks very closely. It is constantly watching each of these elements and takes the necessary action to mitigate its risks.

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at www.sedar.com.

SHARE PRICE VOLATILITY

The market price for the Company's Shares cannot be assured. Securities markets have recently experienced an extreme level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

The trading price of the Gravitas Financial shares may be subject to large fluctuations and may increase or decrease in response to a number of events and factors, both known and unknown. In addition, the market price of the Company's shares will be affected by many variables not directly related to its success and will therefore not be within the Company's control, including other developments that affect the market for securities, the breadth of the public market for the common shares, and the attractiveness of alternative investments.

In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm the Company's profitability and reputation.

The market price for the Company's shares may also be affected by its ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of its shares.

REVENUE DEPENDENT ON FEES

The Company will generate cash flow and revenue by charging clients for research and investment exposure solutions and other fee based advisory and professional services. The Company's main clients are small and mid-cap public companies who pay a monthly or annual fee to access capital market and related services. If the Company's client base is reduced or does not expand, the revenue may be reduced or not increase. Additionally, unforeseen regulatory changes relating to the capital market services industry may affect the ability of the Company to charge fees.

DEBT REPAYMENT

The Company has a significant amount of debt on its financial position. No assurances can be provided that repayments for this debt will ever be made, which could subject the Company to claims in relation to the breach of obligation. No assurances can be made that the Company will be in a position to satisfy such repayment obligations when and as they become due.

Management believes it monitors these risks very closely. It is constantly watching each of these elements and takes the necessary action to mitigate its risks.

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at www.sedar.com.