

**Form 51-102F1**  
**Management's Discussion & Analysis (MD & A)**

## **Forward-Looking Information**

This MD&A contains “forward-looking information” that is based on management’s expectations, estimates and projections as of the date of this MD&A. Forward looking information in this MD&A can frequently be identified as incorporating such words as “plans”, “becomes”, “expects”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “may”, “could”, “would”, “might” or “will”. This forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by the forward looking information in this MD&A. Actual results may vary materially from the forward looking information contained in this MD&A. The forward-looking information contained in this MD&A is based on the information available as of the date of this MD&A and we have no intention of updating them except as required by applicable securities law. Numerous events and circumstances could occur subsequent to the date of this MD&A that could cause the actual results, performance or achievements that may be expressed or implied by the forward-looking information.

Forward-looking statements are included in sections 1.2, 1.4, 1.5, 1.6, 1.7, and 1.11. Examples of such forward looking information included in this MD&A include, but are not limited to, trends in the marketplace favoring both Quizam’s products; the demand for Corporate Computer training being fueled by the increased reliance on computers in the workplace; growing use of the internet helping to improve the awareness and consequent demand for the Quizam product; demand for Quizam’s products increasing; the large global increase in the use of cell phones and internet, together with an increased appreciation for education and training giving the company excellent strategic positioning; all future global License sales will be in Canadian dollars; there can be no assurance that the company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable; the company will continue to improve its cash positions by focusing on increasing sales, improving profitability and equity financings; broadening of On-TrackTV; increasing our On-TrackTV sales team; significant parental/family demand for study tools; inventory increasing in value; anticipating receiving deferred purchases; management anticipates more Country Licenses coming on board and increased website visits in the coming quarters.

All of the above forward looking statements are subject to significant risks and uncertainties. Certain material risk factors, that could cause actual results to differ materially from the forward-looking information contained in this MD&A include, but is not limited to changes in of the actions of competitors; fluctuations of exchange rates; the trading level of the company’s stock; the continued availability of financing on appropriate terms for future projects; the continued increase of commercial run rates; and a decline in market liquidity. Events and circumstances that occurred during the nine months ended February 28, 2011, which are reasonably likely to cause actual results to differ materially are the volatility of the global economy and increased competition which could prevent the company from improving its cash position, improving profitability, increasing Country Licenses or completing necessary financings; decreased usage of

the internet, cell phones, and PDA's which could decrease demand for Academic Quizzing software and Quizam's products; the inability to hire appropriate staff and the results of product development activities could prevent further revisions to the software and the development of new products.

The current economy increases the uncertainty of forward looking statements and information included in the MD&A.

## **1.1 Date of Information**

April 29, 2011

## **1.2 Overall Performance**

Though the Canadian economy is strong much of the current global economy is unstable and uncertain. Many other countries such as Greece, France, the United States of America, Bahrain and the United Kingdom are less stable. The company competes in the global marketplace and the instability of the global economy creates a more challenging environment for the company. In addition the strong Canadian dollars makes our product more expensive globally.

It appears that trends in the marketplace are favoring Quizam's ontrackTV product. The demand for corporate computer training is being fueled by the increased reliance on computers in the workplace coupled with the continued releases of new products from software producers like MicroSoft.

We are pleased with development of On-TrackTV as it has received a great deal of attention in Canada, the United Kingdom and Bahrain. On-TrackTV distributes on-line information technology learning over the internet. The business model is based on self-service through a website with residual subscriptions. People are going to the On-TrackTV site and using the training. Our page hits world wide is as follows: March, April and May 2010 we had over 59,000, 29,000 and 25,000 page hits respectively. In June, July and August we had 19,000, 18,000 and 19,000 page hits respectively. In September, October and November we have had 13,000, 12,000 and 17,000 page hits. In December 2010, January 2011 and February 2011 the aggregate web hits have increased significantly to 29,488, 38,058, 39,575 respectively. In addition we are getting great reviews from users.

We are currently transitioning from face to face training to online training. Our online division is growing faster than the face to face training division and the ontracktv.com website is growing much faster than the On-Track face to face training website.

Quizam signed an exclusive agreement for the sale and distribution of ontrackTV.com into the UK market under the name ontrackTV.co.uk. The ontrackTV.co.uk library of online learning videos is sold via annual subscriptions to those seeking to learn about common software packages. With educational videos, users can learn how to use programs like Microsoft Excel, Microsoft Word, Microsoft PowerPoint, Adobe InDesign, Adobe Dreamweaver and many others. Our UK partner is continuing to forge new clients for us in

the UK market. We have also been focused on website development for Australian and South African partners.

In March 2010 we established a new partner in the Middle East. We are looking forward to some success with this new territory as well. We will soon start to deliver an Arabic version of our training.

In December 2011 we signed a deal with a large training organization in Australia called Franklin Collin's Central learning International. Franklin has partnered with Quizam Media to sell ontrackTV into Australia and New Zealand. Franklin has trained thousands of corporate clients in information technology and soft skills and has a great market pipeline established for ontrackTV into these markets.

Until now On-TrackTV has focused on information technology computer training, however, due to client demands and custom training requests we are now expanding the curriculum to include soft skill training for corporations. We have added new soft skill courses such as Conflict Resolution in the Workplace, Brain Storming and Increasing Workplace Assertiveness. We have also added 500 new on-line courses in trades including apprentice programs for plumbing, electrical, pipe fitting and carpentry.

In addition to the training services described above, our global strategy with On-TrackTV has been to place our tags on partner's websites, however, revenue from this source has been minimal so far.

The company now has four teams familiar with markets in Canada, United Kingdom, Australia/New Zealand and Bahrain. Increased demand for On-TrackTV has resulted in reassigning some of the Quizam Software team and as a result, Quizam Software development and sales efforts have become secondary to On-TrackTV. However, we are still working to develop a free shared online Quizam community.

We are also adding administrative components to On-TrackTV which will broaden our corporate appeal. We are looking at broadening On-TrackTV to include other broadcasts such as CEO messages, compliance issues, and other customized corporate communication requirements for clients. We plan to increase our On-TrackTV corporate sales team and to sell the product to Fortune 500 companies.

Management feels that the growing use of the internet will help to improve the awareness and consequently demand for the Quizam product.

Management sees the demand for Quizam's products increasing. The global increased use of cell phones and internet, together with an increased appreciation for education and training will give the company excellent strategic positioning. We are currently developing products for handheld devices such as iPhones and Blackberries.

The company is continuing to add courses and quizzes to its internet library. Many of the topics are classic and timeless. As this library continues to grow it becomes a valuable asset to the company. The company is exploring ways of accelerating the growth of this library either through corporate purchases of content or perhaps a "community" sharing model where quizzes can be added by global users. In either case management sees this inventory increasing in value as time goes on.

During the nine month ended February 28, 2011, the company's working capital position increased due to a significant increase in loans from related parties. For the nine months ended February 28, 2011, the company experienced a small decrease in net loss from the nine months ended February 28, 2010.

## **1.4 Results of Operations**

Revenue for the nine months ended February 28, 2011 decreased to \$419,742 from \$474,159 for the nine months ended February 28, 2010. Revenue for the three months ended February 28, 2011 decreased to \$136,958 from \$209,163 for the three months ended February 28, 2010. During the transition from face to face training to online training revenue has decreased until online training gains more acceptance and subscriptions increase.

Net loss before other items decreased to \$800,302 (2010 - \$848,600) during the nine months ended February 28, 2011. Operating expenses for the nine months ended February 28, 2011 decreased compared to February 28, 2010 due to a decrease in automobile expense, investor and finance development, regulatory fees, software development costs, stock based compensation, and subcontractor costs. These decreases were offset by an increase in interest on related party debt, office and miscellaneous, On-Track TV development costs and wages and benefits. This also resulted in a decrease in net loss of \$47,327 from \$845,811 during the nine months ended February 28, 2010.

Net loss before other items decreased to \$250,889 (2010 - \$329,520) during the three months ended February 28, 2011. Operating expenses for the three months ended February 28, 2011 decreased compared to February 28, 2010 due to a decrease in investor and finance development, stock-based compensation, subcontractors, and wages and benefits. These decreases were as a result of increased efficiencies. This resulted in a decrease in net loss of \$77,034 from \$327,413 during the three months ended February 28, 2010.

The significant changes were as follows:

- Office and Miscellaneous expenses increased to \$58,812 for the nine months ended February 28, 2011 (2010 - \$35,773). Office and Miscellaneous expenses increased to \$16,943 for the three months ended February 28, 2011 (2010 - \$13,118). The increase in office expenses was as a result of increased manual costs, part time labour costs and hiring and recruiting costs.
- On-TrackTV costs increased to \$279,288 for the nine months ended February 28, 2011 (2010 - \$210,225) and to \$84,572 for the three months ended February 28, 2011 (2010 - \$66,354). The increase in On-TrackTV costs is as a result of additional use of softskill talent, Paypal costs for online sales, and hiring and recruitment costs for IT experts. These increased costs are as a result of the revamp and development of the On-TrackTV website and the expansion of curriculum on the website.
- Subcontractor costs decreased to \$1,550 during the nine months ended February 28, 2011 (2010 - \$23,995) and \$300 during the three months ended February 28, 2011 (2010 - \$12,055) due to decrease use of sub-contractors. We introduced new programs requiring

outside sub-contractors. We only hire sub-contractors when the revenue is profitable and guaranteed. The cost of the sub-contractor is always built into the price of the job.

- Interest on related party debt increased to \$26,523 during the nine months ended February 28, 2011 (2010 -\$6,280) and \$15,065 during the three months ended February 28, 2011 (2010 - \$532) as a result of increased amounts owing to a significant shareholder. Amounts owing to the shareholder increased due to additional loans advanced by a related party.
- Investor and finance development decreased to \$36,405 during the nine months ended February 28, 2011 (2010 -\$46,889) and \$6,017 during the three months ended February 28, 2011 (2010 - \$11,622). This is as a result of a decrease in the use of investor and finance services.
- Travel and business development increased to \$105,843 during the nine months ended February 28, 2011 (2010 - \$95,466) as a result of increased travel to meet with our Australian partner and to a trade show in Bahrain. Travel and business development decreased to \$19,927 during the three months ended February 28, 2011 (2010 - \$25,826) as less travel was done in the 3<sup>rd</sup> quarter.
- Wages and benefits expenses increased to \$212,387 during the nine months ended February 28, 2011 (2010 - \$194,400) as a result of increased developers expanding On-TrackTV and increased classroom instructors. Wages and benefits decreased to \$63,261 (2010 - \$78,321) for the three month periods ending February 28, 2011 as a result of a decreased use of classroom instructors during the 3<sup>rd</sup> quarter.
- Software development decreased to \$126,355 during the nine months ended February 28, 2011 (2010 - \$134,706). The decreases in software development costs were as a result of outsourcing Quizam development to reduce costs. Software development costs were approximately the same for the three month periods ended February 28, 2011 and 2010.
- Stock-based compensation decreased to \$13,358 during the nine months ended February 28, 2011 (2010 -\$198,978) and \$13,358 during the three months ended February 28, 2010 (2009 - \$155,462) as a result of granting fewer stock options during the three and nine month periods ended February 28, 2011 than during the three and nine month periods ended February 28, 2010.

The company's cash position has increased during the nine months ended February 28, 2011, as a result of a private placement and advances from a related party during the period. Our training division continues to improve its performance and management feels we are gaining more market share every quarter.

## 1.5 Summary of Quarterly Results

The effect of applying the treasury stock method to the company's loss per share calculation is antidilutive. Therefore basic and diluted losses per share are equal for the periods presented. For the quarters ended:

Description	February 28, 2011	November 30, 2010	August 31, 2010	May 31, 2010	February 28, 2010	November 30, 2009	August 31, 2009	May 31, 2009
Net Sales	136,958	144,756	138,028	109,869	209,163	161,871	103,125	75,843
Income or (loss) before other items	(250,889)	(259,722)	(286,296)	(376,535)	(329,520)	(299,659)	(219,421)	(372,582)
Net Income or (loss) for the period	(250,379)	(258,911)	(285,606)	(375,606)	(327,413)	(299,534)	(218,864)	(381,870)
Net income (Loss) before other items per share basic and diluted	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.02)
Income (Loss) per share basic and diluted	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.02)

During the three months ended February 28, 2010, On-Track TV UK began selling licenses, resulting in an increase in revenues during that period and the quarter ended February 28, 2010. However, the increase in revenues beginning during the three months ended August 31, 2009, and February 28, 2010 was due to an improving economy. Revenue continued to increase during the fiscal quarters ended February 28, 2010 as a result of the improving economy, restored radio advertising, On-TrackTV sales and spin off classroom training from On-TrackTV sales.

Revenue decreased during the fourth quarter ended May 31, 2010 as a result of disruptions caused by the Olympics during the last part of the third quarter and the beginning of the fourth quarter. Loss before other items and net loss during the quarter ended May 31, 2010 was comparable to the last quarter ended 2009. The increase in net loss before other items was attributable to an increase in On-TrackTV production costs, increased, wages and travel expense.

Revenues increased during the quarter ended August 31, 2010 as a result of customers responding favourably to the On-Track family of products and services. Cross marketing of On-TrackTV and On-Track computer live training is helping boost sales on both fronts. In addition, the company has started to do webcasts using GOTOMEETING. This allows our instructors to broadcast a lecture worldwide over the web to 1000's of participants concurrently. The new services have also increased revenues. The increase in revenues also decreased our net loss. Net loss and net loss before other items also decreased as a result of achieving better economies of scale as a result of increased revenue and a decrease in stock based compensation.

Revenues increased during the three months ended November 30, 2010, from the prior quarter as a result of a cross marketing effect between On-Track training and On-TrackTV as clients have opted for a blended solution. Net loss and net loss before other items also decreased as a result of increased operating efficiency, increased revenue and a decrease in stock based compensation. Also, gross margin is higher on On-TrackTV online training as opposed to classroom training and there has been a shift in focus to On-TrackTV online which has helped decrease net loss.

Revenues have decreased during the three months ended February 28, 2011, mostly due to one of our larger clients deferring their purchase to later this year. Last year for the same quarter they did over \$70,000 in training and originally had planned to do the same this year however technical challenges with their proprietary system has delayed that purchase. We are still anticipating getting that business.

## 1.6 Liquidity

The company's liquidity has increased at February 28, 2011 as compared to May 31, 2010.

	February 28, 2011	May 31, 2010
Cash and cash equivalents	273,468	46,010
Amounts receivable & prepaid expenses	67,926	50,512
Accounts payable and accrued liabilities	42,068	127,079
Due to a related party	487,718	45,602

As at February 28, 2011, the company had cash of \$273,468 and a working capital deficit of \$173,687, compared to cash of \$46,010 and a working capital deficit of \$68,128 at May 31, 2010. The company's increase in cash is attributable to completing a private placement of \$644,880 and receiving loans from a related party of \$442,116 during the nine months ended February 28, 2011.

In June 2010, the company completed a non-brokered private placement consisting of 7,777,777 units at \$0.09 per unit for proceeds of \$700,000. Each unit consists of one common share and one share purchase warrant exercisable at a price of \$0.20 for the first six months and \$0.40 for the second six month period expiring on June 23, 2011. In connection with the private placement, the company recorded 344,722 shares issued as finders' fees with a fair value of \$31,025 as share issuance costs. The company had received \$40,000 in share subscriptions as at May 31, 2010.

During the nine months ended February 28, 2011 the company used \$884,427 of cash for operating activities compared to \$742,761 in the comparative period. The company has financed its operations for the last two years mainly through the issuance of share capital. The company has raised \$684,880 and \$996,230 through the issuance and subscription of share capital during the nine months ended February 28, 2011 and 2010, respectively. The company also borrowed \$442,116 from related parties during the nine months ended February 28, 2011 and repaid \$112,590 during the nine months ended February 28, 2010.

During the three months ended February 28, 2011 the company used \$274,538 of cash for operating activities compared to \$208,442 in the comparative period. The company has raised \$nil and \$226,200 through the issuance and subscription of share capital during the three months ended February 28, 2011 and 2010, respectively. The company also repaid \$87,833 from related parties during the three months ended February 28, 2011 and \$39,646 during the three months ended February 28, 2010.

The company has incurred losses as it continues to develop its software products. The company continues to be dependent on its cash reserves and future financings.

There can be no assurance that the company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. If adequate financing is not available when required, the company may be required to delay or scale back its software development and marketing. Any equity offerings will result in dilution to the ownership interests of the company's shareholders and may result in dilution to the value of such interests.

Currently the company has insufficient funds to meet its requirements for the coming year. It will continue to improve its cash positions by focusing on increasing sales, improving profitability and equity financings.

## **1.7 Capital Resources**

The company's only capital commitment is an office lease through October 2013. The minimum lease payments over the remaining lease are \$24,889 for fiscal 2011, \$99,554 for 2012, \$101,788 for 2013 and \$43,076 for 2014.

## **1.9 Transactions with Related Parties**

The following are related party transactions incurred in the normal course of operations:

The Company owes \$487,718 (February 28, 2010 - \$5,380) to a significant shareholder, who is also a director and officer. The loan is secured by the assets of the Company, bears interest at 12% per annum and is due upon demand.

Related party transactions undertaken during the nine months ended February 28, 2011 are as follows:

- (a) Management, administration, accounting and software development are provided by a company owned by a significant shareholder. An amount of \$439,290 (2010 - \$345,905) was paid for these services during the nine months ending February 28, 2011.
- (b) Marketing and publicity fees totalling \$18,259 (2010 - \$14,286) were paid to a company owned by a relative of one of the directors.
- (c) Marketing and publicity fees totalling \$52,647 (2010 - \$62,705) were paid to relatives of one of the directors.
- (d) A significant shareholder was paid \$26,523 (2010 - \$6,280) in interest on loans to the Company. These fees were recorded at their exchange amount, which is the amount agreed upon by the transacting parties on terms and conditions similar to non-related entities.



## **1.11 Proposed Transactions**

The company plans to continue to focus on growth and profitability. The main strategies in the process include:

- a) Maintain control over expenses with a disciplined focus on overall profitability.
- b) Continue to develop On-TrackTV markets in the UK, North America, Bahrain (Middle East) and Malaysia and Australia.
- c) Expand the On-TrackTV offering to include learning vignettes other than IT, particularly soft skills and trade skills.
- d) Add quizzing component to On-TrackTV where users are quizzed after viewing content.
- e) Continue to modify and upgrade the look and feel of the On-TrackTV website.
- f) Offering Web Development Services under the name onTrack Web Development. This enables us to leverage our in house team and increase revenue.
- g) Launch Ipod/Blackberry/Android compatibility for the On-TrackTV website.
- h) Continue to enhance the LMS (learning management system) of the On-TrackTV website.

## **1.12 Critical Accounting Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses for the period reported. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to revenue recognition, the valuation allowance for future income tax assets and stock-based compensation.

## **1.13 Changes in Accounting Policies**

Future Accounting Changes:

Recent accounting pronouncements that have been announced but are not yet effective are as follows:

In January 2009, the CICA issued Section 1582, "Business Combinations", which replaces former guidance on business combinations. Section 1582 establishes principles and requirements of the acquisition method for business combination and related disclosures. The Section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 2011 with earlier adoption permitted. The Company is currently evaluating the impact of this standard on the financial statements.

Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-controlling Interests", replaces Section 1600. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting, for a non-controlling interest in a subsidiary in consolidated financial statements, subsequent to a

business combination. Section 1602 is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27, "Consolidated and Separate Financial Statements". These standards are effective for the Company for interim and annual financial statements beginning after January 1, 2011. Early adoption is permitted. The Company has not yet determined the impact of the adoption of these changes on its consolidated financial statements.

In January 2006, the CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS"). On February 13, 2008, the AcSB confirmed that the standards will become effective for all publicly accountable enterprises in interim and annual financial statements for fiscal years beginning on or after January 1, 2011. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

## 1.14 Financial Instruments

The Company has classified its financial instruments as follows:

Cash and cash equivalents	Held-for-trading
Accounts receivable	Loans and receivables
Loans receivable	Loans and receivables
Accounts payable	Other financial liabilities
Due to related parties	Other financial liabilities

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization.

Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income. The Company has elected to account for transaction costs related to the issuance of financial instruments as a reduction of the carrying value of the related financial instruments.

The Company currently does not have derivative instruments and accordingly is not affected by CICA Handbook Section 3865, Hedges.

### Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and accounts receivable. To minimize its credit risk, the Company maintains substantially all of its cash with high quality financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. Credit risk from

accounts receivable encompasses the default risk of its customers. The Company manages its exposure to credit risk by only working with reputable companies and by performing on-going credit evaluations of its customers' financial condition and requires letters of credit or other guarantees whenever deemed appropriate. The maximum exposure to loss arising from accounts receivable is equal to their carrying amounts. Three of the Company's customer accounts comprise 51% (May 31, 2010 -71%) of accounts receivable.

### Currency Risk

As the Company operates on an international basis, currency risk exposures arise from transactions and balances denominated in foreign currencies. The Company's foreign exchange risk arises primarily with respect to the United States dollar and Great Britain pound. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable.

Approximately 95% of the Company's revenues are denominated in Canadian Dollars (2010 - 96%) while substantially all of the Company's expenses are denominated in Canadian dollars. The Company does not engage in any hedging activity.

The Company has completed a sensitivity analysis to estimate the impact on net loss for the period which a change in foreign exchange rates during the year ended May 31, 2010 would have had. This sensitivity analysis includes the assumption that changes in individual foreign exchange rates do not cause foreign exchange rates in other countries to alter their rates.

### Liquidity Risk

The Company's approach to managing liquidity risk is to provide reasonable assurance that it has sufficient capital to meet short-term financial obligations after taking into account its cash on hand. The Company ensures its holding of cash is sufficient to meet its short-term general and administrative expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits. The Company will require additional equity financing to meet its administrative overhead costs and software development expenditures in fiscal 2011.

### Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company's ability to raise capital to fund operations is subject to risks associated with fluctuations in equity prices. Management closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

## Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company's cash is currently held in an interest bearing bank account, management considers the interest rate risk to be minimal.

## 1.15 Additional Information

Additional information about the company is available on SEDAR (Website: [www.sedar.com](http://www.sedar.com))

### Outstanding Share Data

The following table summarizes the outstanding share capital as of the date of the MD&A:

	<b>Number of shares Issued or issuable</b>
Common shares	33,366,209
Stock options	1,545,000
Warrants	7,777,777

### Subsequent Events

- (a) On March 5, 2011, the Company granted 150,000 options to consultants which are exercisable at \$0.10 per share until September 5, 2012.
- (b) On March 17<sup>th</sup>, 2011, the Company completed a non-brokered private placement consisting 5,750,000 units at \$0.06 per unit for proceeds of \$345,000. Each unit consists of once common share and one share purchase warrant exercisable at a price of \$0.15 for the first six months and \$0.30 for the second six-month period expiring on March 18, 2012.
- (c) On March 30<sup>th</sup>, 2011 ontrackTV signed a deal with Sainsbury in the UK to provide 4,000 licences to its staff with an option for more licences. ontrackTV has continued to sell E-Learning licences globally but the Sainsbury deal is particularly noteworthy as Sainsbury is one of the largest most recognized companies in the U.K.

(d) In March, 2011, the following options were expired unexercised.

No. of options	Exercise price \$	Expiry date
225,000	0.25	March 6, 2011
45,000	0.25	March 11, 2011
25,000	0.20	March 19, 2011
25,000	0.30	March 19, 2011

(e) On April 5, 2011, the Company granted 400,000 options to directors which are exercisable at \$0.15 per share until October 5, 2012.