QUIZAM MEDIA CORP

FORM 2A LISTING STATEMENT

June 22, 2018

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1. ABOUT THIS LISTING STATEMENT

1.1 General

Unless otherwise indicated:

(i) except where otherwise indicated, all references to dollar amounts and “$” are to Canadian currency;

(ii) any statements in this Listing Statement made by or on behalf of management are made in such persons’ capacities as officers of the Issuer and not in their personal capacities; and

(iii) all information in this Listing Statement is stated as at May 30, 2018, unless otherwise indicated.

1.2 Cautionary Statement Regarding Forward-Looking Statements

The information provided in this Listing Statement, including schedules and information incorporated by reference, may contain “forward-looking statements” about the Issuer. In addition, the Issuer may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Issuer that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Issuer that address activities, events or developments that the Issuer expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on the then current expectations of the Issuer and/or the Issuer and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the available funds of the Issuer and the anticipated use of such funds;
- investments which may be made by the Issuer;
- the availability of financing opportunities, legal and regulatory risks inherent in the Issuer’s industry, risks associated with economic conditions, dependence on management and currency risk; and
- other risks described in this Listing Statement and described from time to time in documents filed by the Issuer with Canadian securities regulatory authorities.

Consequently, all forward-looking statements made in this Listing Statement and other documents of the Issuer are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Issuer.

The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Issuer and/or persons acting on its behalf may issue. The Issuer undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation. See "*17 –RISK FACTORS"*.

1.3 Market and Industry Data

This Listing Statement includes market and industry data relevant to the Issuer and business that has been obtained from third party sources, including industry publications. The Issuer believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Issuer has not independently verified any of the data from third party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

The Company's head office and registered and records office is located at Suite 650, 609 Granville Street, Vancouver, British Columbia V7Y 1G6.

2.2 Jurisdiction of Incorporation

The Company was incorporated pursuant to the Business Corporations Act (British Columbia) on September 15, 2000. The Company is a reporting issuer in British Columbia and Alberta. The Company is a listed issuer on the TSX-V under the symbol "QQ".

Intercorporate Relationships

The Company has two wholly owned (100%) subsidiaries; On-Track Computer Training Ltd., ("On-Track") incorporated in British Columbia and Quizam Entertainment LLC, ("Quizam LLC") incorporated in Delaware in the United States.

The Company acquired On-Track by way of reverse takeover in January, 2003 and incorporated Quizam LLC in November, 2015. See "*General Development of the Business*"

2.3 Issuer's requalifying following a fundamental change

This section 2.4 is not applicable to the Issuer.

2.5 Non-Corporate Issuers or Issuers Outside of Canada

This section 2.5 is not applicable to the Issuer.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development

The Company was incorporated on September 15, 2000 as Marquette Capital Corp and is listed on the TSX Venture Exchange ("TSX-V"). The Company was classified as a Capital Pool Company as defined under the policies of the TSX-V until it completed its Qualifying Transaction.

On January 9, 2003, the Company acquired all the issued and outstanding shares of ONTRACK Computer Training Ltd. ("On-Track"), which served as the Company's Qualifying Transaction pursuant to the policies of the TSX-V. Following this transaction, the Company changed its name from Marquette Capital Corp. to On-Track Learning Systems Ltd.

Qualifying Transaction

Pursuant to share purchase agreements, the Company agreed to acquire all the issued and outstanding shares of On-Track. As consideration, the Company issued 7,763,000 common shares to the shareholders of On-Track. In addition, the Company issued 479,378 common shares to a director of On-Track to purchase his shareholder loan of $359,534. The common shares issued were held in escrow and released over a six year period. The Company also agreed to acquire all the outstanding On-Track warrants in exchange for 50,000 share purchase warrants which entitled the holder to acquire 50,000 common shares of the Company at an exercise price of $0.50 per share. The Company also paid a $25,000 non-refundable deposit and reimbursed On-Track for expenses of $75,000.

In addition, the Company acquired, from Consensus Investments Limited, a $300,000 loan bearing interest at 10% per annum due from On-Track in exchange for 660,000 common shares of the Company at a deemed price of $0.50 per share. The Company also issued 553,000 Shares at a deemed value of $275,000 to Arcas Corporate Management to settle amounts in dispute of $275,000.

Legally, the Company became the parent of the Company however, as a result of the share exchange, control of the combined companies passed to the former shareholders of On-Track, a reverse take over. Upon completion of the acquisition, the Company paid a finders fee consisting of 350,000 common shares to an arm's length party.

After completing the Qualifying Transaction, the Company's principal business activity became that of On-Track's which consisted of providing computer training and consulting services, and marketing of a computer based educational programme.

On April 19, 2004, the Company consolidated its shares on a 12 old for 1 new (12:1) basis and changed its name to Torq Media Corporation. On May 17, 2005, the Company's name was changed to Quizam Media Corporation.

On November 5, 2015, the Company completed a Share Exchange Agreement for an investment in William Sadleir's motion picture distribution company, Aviron Group, LLC. ("Aviron"), headquartered in Beverly Hills, California. The Company issued 100,000 common shares and 1,225,000 share purchase warrants to acquire the Aviron investment which consisted of a 10% equity interest, a US$1,000,000 promissory note and a further US$250,000 amount due under an earnings participation agreement. See "*Significant Acquisitions & Dispositions*" below.

On October 5, 2016 the Company consolidated its shares on a 10:1 basis.

Between the Company's fiscal years ended May 31, 2004 to May 31, 2017 the Company undertook numerous equity financings, raising an aggregate of $10,691,312 through non-brokered private placements of its Shares. In addition and more recently, during its fiscal years ended 2015, 2016 and 2017, the Company received aggregate proceeds of $494,000 through the exercise of stock options and $1,616,651 through the exercise of warrants.

During the nine months ended February 28, 2018 the Company completed additional non-brokered financings for an aggregate of $456,000 and had warrants exercised for proceeds of $320,000.

On May 31, 2018 the Company completed a non-brokered private placement of 8,500,000 units for gross proceeds of $425,000.

3.2 Significant Acquisitions and Dispositions

Aviron Group, LLC

On November 5, 2015, the Company completed a Share Exchange Agreement for an investment in Aviron Group, LLC. ("Aviron") a film distribution company located in Beverly Hills, California. The Company issued 100,000 common shares and 1,225,000 share purchase warrants to acquire the Aviron investment which consisted of a 10% equity interest, a US$1,000,000 promissory note and a further US$250,000 amount due under an earnings participation agreement. The purchase price consideration issued by the Company for the investment was 100,000 common shares with a fair value of $100,000 and 1,225,000 share purchase warrants, exercisable at $0.80 per share for a period of 5 years, with a fair value of $1,150,266.

The Company's 10% equity interest in Aviron represented an ownership of 1,000 Class A units of Aviron which was a non-dilutable interest under the terms of the agreement. The US$1,000,000 promissory note receivable from Aviron was non-interest bearing, unsecured and due on October 30, 2020. The US$250,000 amounts receivable was non-interest bearing and was due in 20 quarterly payments of US$12,500 each (US$25,000 received as at May 31, 2017), beginning 90 days following closing.

In recording the US$1,000,000 promissory note receivable the Company recognized a discount of $672,124 (US$502,823) which was to be accreted over the life of the note, the net amount reflecting an estimated amortized value. During the year ended May 31, 2016, the Company recognized accretion expense of $10,915 (US$8,242) on the promissory note receivable. In recording the US$250,000 amounts receivable the Company recognized a discount of $103,318 (US$77,293) on amounts receivable pursuant to the quarterly payments, which would be accreted over the life of the payments, reflecting estimated amortized value. During the year ended May 31, 2016, the Company recognized accretion expense of $19,346 (US$14,643) on the amounts receivable.

At May 31, 2016, the fair value of the Company's investment in Aviron was estimated at $Nil based on Aviron's financial condition. As a result, at May 31, 2016 the Company recorded an impairment write-down of the Aviron 10% equity interest in the amount of $354,832 in expenses as the impairment was determined to be other than temporary. The Company also determined that the US$1,000,000 promissory note receivable and the US$250,000 amounts receivable were impaired as at May 31, 2016 due to significant uncertainly in collectability of these amounts from Aviron. The promissory note and the amounts receivable were written-down to their estimated recoverable amount of $Nil at May 31, 2016. This resulted in a loss of write-down of the promissory note and amounts receivable from Aviron of $875,446.

During the year ended May 31, 2017, the Company terminated the agreement with Aviron and all elements of the agreement were reversed and cancelled, including the return of 100,000 common shares of the Company from Aviron. In addition, the Company received a termination fee of $66,000 from Aviron, recognized in other income.

3.2 Trends, Commitments, Events or Uncertainties

Though the Canadian economy is relatively strong much of the current global economy is unstable and uncertain. The Company competes in the global marketplace and the instability of the global economy creates a more challenging environment for the Company. The continued devalued Canadian Dollar is helping to make the Company's product more globally competitive.

There are significant uncertainties regarding the availability of equity financing and the Company typically needs more capital than it has available to it or can expect to generate through the sale of its products and services. In the past, the Company has had to raise, by way of equity financing, considerable funds to meet its capital needs. There is no guarantee that the Company will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion will limit the Company's growth. Apart from this risk, and the risk factors noted under Item 17 - *Risk Factors* we are not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on our business, financial condition or results of operations.

4 NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General

Since completing the original qualifying transaction with the reverse takeover of On-Track in 2004, the Company's business has been that of On-Track's established in 1989 specializing in the corporate computer training industry and marketing its unique quiz program Quizam to the K-12 educational sector.

Quizam

Quizam quizzing software was developed by CEO Russ Rossi to help his children study. It is a quiz tool that allows individuals, parents and teachers to create and share interactive quizzes in a flashcard format. Used in over 500 educational institutions around the world, Quizam is a tried, tested and proven method of studying.

The global increased use of cell phones and internet, together with an increased appreciation for education and training has the Company developing products for handheld devices such as iPhones and Android phones.

The Company is continuing to add quizzes to its internet library. Many of the topics are classic and timeless. 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.

On-Track Training

The Company's corporate training is delivered by qualified instructors delivering lessons in a classroom setting; course offerings and registration is through its www.on-track.com portal. More recently, in keeping with global market trends the directed its resources and efforts to transition its traditional face-to-face instruction model, and is establishing itself as one of the leading online training portals for government, law enforcement, individuals, and corporations of all sizes including numerous Fortune 500 companies through its www.ontracktv.com and through this new method of delivery brings the classroom to the desktop.

OnTrackTV

OnTrackTV is a cloud based learning platform that delivers world class video learning online while simultaneously tracking and documenting learning. Intended for corporations who need to ensure proper rollout and utilization of training, all of the learning is broken down into 3 minute vignettes delivered by an experienced instructor who delivers the learning content and enhances key points with graphics and computer generated imagery.

It's usage is best described here: Organizing and deploying training to your team (Video Assignments)

http://www.ontracktv.com/features/assignments

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.

Utilizing the latest technology in-house, the Company has developed and created the widest and most up to date range of courses with thousands of bite size video tutorials covering the most popular desktop applications. All courses are available to use 24 hours a day, 365 days a year providing the flexibility to train at a time and pace to suit any business and its staff.

OnTrackTV puts training directly into the job environment increasing proficiency and making training part of everyday rather than an event. Staff can learn a task or course, refresh their knowledge, sharpen their skills and solve problems during the work day or at their leisure as the courses are available 24/7.

A sample of the types of titles:

Computer Skills

- Microsoft (Word, Excel, Access, Project, Powerpoint)
- Adobe (ie: photoshop, dreamweaver, Illustrator)
- Web Design (PHP, HTML)

Business Skill

- Leadership
- Sales
- Marketing

Corporate Compliance

- Legal Issues
- Safety issues

OnTrackTv has a comprehensive Learning Management System (LMS) with many features including:

- In addition to tracking the LMS can also "Push" content to participants thereby keeping them on track and on time.
- The LMS allows grouping of curriculum and grouping of participants for easy deployment and administration. Once it is customized each systems learning deployment is "automatic" and seamless.
- Allows managers to assign curriculum to groups with deadlines.
- Tracks and reports on progress.

Click on the following link for a brief explanation: Coaching the team and keeping them on track with Automatic Emails:

http://www.ontracktv.com/features/autoemail

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Business Objectives

In the next 12 months of operations the Company plans to:

- list its shares on the Canadian Stock Exchange "CSE" and delist its shares from the TSX Venture Exchange;
- continue to develop OnTrackTV markets, with a focus on the UK
- add quizzing component to OnTrackTV where users are quizzed after viewing
- continue to enhance the learning management system (LMS) of the OnTrackTV website;
- continue to develop and offer courses with a priority focus on common accounting software such as Sage/Simply Accounting, Quick Books and Caseware for both face to face and OnTrackTV

Total Funds

The Company has historically relied upon sales revenues and equity financings to satisfy its capital requirements and may require further equity capital to finance its development and expansion activities moving forward. There can be no assurance that the Company will be able to continue to increase its sales revenues and/or 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.

The Company had a working capital deficit at the 9 months ended February 28, 2018, of $334,830. However, of this amount $305,451 is due to related parties with no set terms of repayment and includes deferred revenues of $55,334. Subsequent to February 28, 2018, the Company completed a private placement of 8,500,000 units at $0.05 for gross proceeds of $425,000. The Company has incurred losses as it continued to develop its software products. The Company may continue to be dependent on its sales revenues and supplemental equity financings.

Currently the Company has sufficient funds to meet its requirements for the coming year combining its current funds raised of $425,000 and anticipated sales revenues of approximately $700,000 for the upcoming year. It will continue to improve its cash positions by focusing on increasing sales, improving profitability and equity financings.

Use of Funds

The estimated use of funds for the next 12 months is set forth below:

	($)
Accounting and legal	67,000
Office & Misc	240,000
Management Fees, Wages & Benefits	210,000
Consulting	55,000
On-Track TV Development	85,000
Research & Development	75,000
Travel & Business Development	125,000
Finance & Investor Development	85,000
Total	**$942,000**

The Company intends to spend the funds available to it as stated in this Listing Statement however, where necessitated by sound business reasons, a reallocation of funds may be required.

Employees and Consultants

The Company currently employs 10 full time employees and regularly engages the services of 11 consultants on an as need basis who provide various services to the Company.

Bankruptcy

The Company nor any of its operating subsidiaries has been the subject of any bankruptcy, receivership or similar proceedings in the current fiscal year, nor within the last three most recently completed financial years.

Material Restructuring

See "3.2 – Significant Acquisitions and Dispositions"

4.2 Market Information, Trends, Commitments, Events and Uncertainties

The global e-learning market size is expected to reach $65.41 billion by 2023.

E-Learning - Overview

The introduction of technology-enabled learning that helps organizations train human resource is driving the growth of the global e-learning market. These training modules offer continuous and effective learning at an optimal cost and provide customized course content that meets the specific requirements of end-users. The advent of cloud infrastructure, peer-to-peer problem solving, and open content creation will help to expand business opportunities for service providers in the global e-learning market.

Vendors are also focusing on offering choices on the course content at competitive prices to gain the share in the global e-learning market. The exponential growth in the number of smartphone users and internet connectivity across emerging markets is driving the e-learning market in these regions. The introduction of cloud-based learning, classroom and virtual mobile-based learning is likely to revolutionize the e-learning market during the forecast period.

Major vendors are introducing technology-enabled tools that can facilitate the user engagement, motivate learners, and help in collaborations, thereby increasing the market share and attracting new consumers to the market. The growing popularity of blended learning that enhances the efficiency of learners will drive the growth of the e-learning market. The e-learning market is expected to generate revenue of $65.41 billion by 2023, with a compound annual growth rate of 7.07% during the period.

The increasing number of mobile users and the growing trend of social media learning are augmenting the growth of the global e-learning market. E-learning content developers are focusing on developing bit-sized lessons and deploying learning modules in sprints to match the daily routine of mobile users. Services providers are focusing on developing new e-learning content through continuous news feeds, peer-to-peer challenges, flashcards, and content collaboration to attract many consumers and introduce learning modules.

The growth of the social media is paving the way for the emergence of new education paradigms such as hybrid and online learning. These new learning methods ensure the maximum amount of engagement levels and offer flexibility to end-users. The development of new modules will attribute to the growth of the e-learning market.

Delivery

E-learning delivery is categorized into packaged content (e-books, videos and simulations), software-as-a-service (subscription based, centrally hosted), Learning Management Systems (software applications for the administration, documentation, tracking, reporting and delivery of educational courses or training programs) and others. The delivery of packaged content, currently represents 29% of total market share. These courses are available on various digital platforms that are prepared in accordance with regulations and standards. The introduction of assessments and component questions for special kind of learning content is creating the demand for packaged learning in the global e-learning market.

Learning Model

The e-learning market is classified into self-paced and instructor-led learning. The self-paced learning mode was the largest segment in the e-learning market accounting for over 77% of the total market share in 2017 and is expected to reach $43.54 billion by 2023. North America captured approximately 50% of the total self-paced learning market share in 2017. Growing preference toward continuous learning and using technology to access content anytime and from anywhere are driving the growth of this segment in the global e-learning market. The growing demand for self-paced learning modules from the corporate sector has created new opportunities for the Company which it has spent considerable time and effort in developing.

Type

The e-learning market is segmented into two types: training and testing segments. The training segment dominated the e-learning market occupying close to 39% of the total market share in 2017 and is projected to reach revenues of $55.15 billion by 2023. The training segment functions through the interaction of the user with the courseware or learning management systems. This type of learning module includes a wide variety of audio and video content that can be streamed or stored as per the learner's requirement. The growing demand for learning management systems from professional, governmental-related, and academic sectors is propelling the growth training segment in the global e-learning market.

End-Users

The end-user segment in the e-learning market is classified into K-12, higher education, corporates, government, and vocational. The corporate segment was the fastest growing end-user segment in the global e-learning market generating revenue of $12.85 billion in 2017. The shift toward cloud-based learning that is cost-effective, efficient, and time-saving will boost the growth of the corporate sector in the e-learning market. The growing demand for training programs and content covers compliance and IT management and industry related courses is driving the market for e-learning in the corporate sector.

Geography

The geographical segment in the e-learning market is classified into North America, APAC, Europe, MEA, and Latin America. The US and Canada are the largest revenue generators in the e-learning market in North America. The increasing availability of internet infrastructure and the high penetration of smartphones and tablets in North America are driving the growth of the e-learning market in these areas. Advantages such as extensive access to innovative learning and training solutions are propelling the demand for e-learning modules in the North American market. Vendors are focusing on offering learning modules with high engagement levels, degree of customization, and the quality of content to gain the market share in the e-learning market in North America.

Market Dynamics

Growth Enablers

- Increase in Penetration of Internet and Internet-enabled Devices
- Global Workforce and Migration of Skilled Labors
- Digitization Initiatives in Learning and Training Avenues
- Perennial Private Investments in Digital Language Learning

Growth Restraints

- Need for Continuous Product Innovation
- Variability in Hardware and Software
- Limited Access to Closed Markets and Platforms
- Inadequate Internet Bandwidth in Developing Countries
- Lack of Viable Revenue and Monetization Models

Market Opportunities & trends

- Increase in Going Mobile and Going Social Trend
- Blended Learning to Emerge as a Norm in Education Technology
- Increased Applications of virtual and classroom environments in E-learning

Competitive Conditions

The e-learning market is primarily driven by the leading vendors that occupy major market shares, companies such as Oracle, Mcgraw-Hill, Pearson to name a few. Service providers, such as the Company, are focusing on offering customized learning modules that match requirements of consumers, thereby increasing market share in the global e-learning market. The introduction of the Company's Learning Management System, packaged content, and amplified learning courses will help the Company attract a wide customer base from different end-user segments. The launch of offerings with attractive short-term subscription pricing and having spent time and resources for these products development have opened new opportunities for the Company in the global e-learning market. The Company is fortunate that it has been in operation for a number of years and has established itself as a premier corporate training company and online learning platform. However, to stay ahead of competitors the Company must continue, utilizing its own resources, to develop new learning programs to attract new users as well as staying abreast of new software continually being introduced to the marketplace. The Company in designing its programs is constantly aware of the 'free and seemingly unlimited' resources available on the internet and strives to create products that are cost effective, informative and user friendly. Competition also exists for the recruitment of qualified personnel and equipment.

4.3 Asset-backed Securities

The Company has no asset backed securities.

4.4 Mineral Properties

The Company has no mineral properties.

4.5 Oil and Gas Operations

The Company has no oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

The following table provides a brief summary of the financial information of the Company as at and for the fiscal years ended May 31, 2015, 2016 and 2017, and includes the interim nine months ended February 28, 2018.

Item	Nine Months Ended February 28, 2018	**Fiscal Year Ended May 31, 2017**	**Fiscal Year Ended May 31, 2016**	**Fiscal Year Ended May 31, 2015**
Total Revenues	$442,802	$546,850	$549,899	$549,541
Total Expenses	$1,329,786	$2,443,944	$2,007,774	$1,538,080
Net Loss	$886,973	$1,859,077	$2,737,337	$988,099
Total Assets	$204,230	$442,333	$151,604	$166,338
Current Liabilities & Long term debt[1]	$453,023	$642,041	$273,036	$471,919
Basic & Diluted loss per share	($0.06)	($0.17)	($0.48)	($0.30)
Dividends declared	$Nil	$Nil	$Nil	$Nil

Revenues have remained relatively consistent year over year. Loss before other items increased to $1,897,094 (2016 - $1,457,875; 2015 - $988,539) during the year ended May 31, 2017. Operating expenses increased from $2,007,774 during the year ended May 31, 2016, to $2,443,944 during the year ended May 31, 2017. The increase of $436,170 was mainly as a result of an aggressive increase in Vignette Production to increase the learning library, an increase in accounting and legal fees, office and miscellaneous, On-Track TV development costs, research and development, and subcontractors. However, net loss decreased by $878,260 mainly as a result of the recognition of an impairment of investment in Aviron Group, LLC and impairment of promissory note and receivable from Aviron Group, LLC during the year ended May 31, 2016.

Quarterly Information – The following table summarizes certain amounts for each of the eight most recently completed quarters ending at the end of the most recently completed financial year:

Three Months Ended	Revenue	Net Loss(Gain)	Loss per Share	Total Assets
February 28, 2018	$125,427	($418,488)	$0.02	$204,230
November 30, 2017	$178,431	($300,059)	$0.02	$197,456
May 31, 2017	$164,006	($127,598)	$0.01	$442,332
February 28, 2017	$132,116	($377,969)	$0.03	$139,662
November 30, 2016	$134,108	($783,443)	$0.08	$133,729
August 31, 2016	$116,620	($545,400)	$0.07	$127,515
May 31, 2016	$187,677	($1,637,700)	$0.30	$151,604
February 28, 2016	$125,884	($410,395)	$0.10	1,472,091

Fluctuations in Assets are mostly due to the Company's acquisition of Aviron (November 2015-February 2016) the large fluctuation in Net Loss during the 3 months ended May 31, 2016 was due to the impairment of this investment. See *"Significant Acquisitions & Dispositions"*. Over the last eight quarters operational expenses fluctuated largely due to non-cash stock-based compensation and Finance charges, research and development spending as well as attempts to reduce cash spending on general and administrative.

5.2 Dividends

The Company does not intend, and is not required, to pay any dividends on the Shares. Any decision to pay dividends will be made on the basis of the Company's earnings, financial requirements and other conditions existing at the time. See "17. RISK FACTORS".

5.3 Foreign GAAP

The financial statements included in this Listing Statements have been, and the future financial statements of the Company shall be, prepared in accordance with IFRS.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Please refer to Appendix "C" for the Company's MD&A for the most recently completed fiscal year ended May 31, 2017; and to Appendix "D" for the nine months ended February 28, 2018.

7. MARKET FOR SECURITIES

The Shares are currently listed on the TSX Venture Exchange under the symbol QQ, however the Company intends to delist its shares upon its Shares being listed on the CSE.

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the expected capitalization of the Company, as at June 22, 2018.

Designation of Security	Amount Issued as of May 22, 2018	Amount Issued as of February 28, 2018	Amount Outstanding as of May 31, 2017
Common Shares	30,937,044	21,939,444	13,930,611
Warrants	15,580,000	10,813,313	5,858,023
Stock Options granted	1,505,000	2,005,000	480,000
Fully Diluted Common Shares	**48,022,044**	**34,757,777**	**20,268,634**

9. OPTIONS TO PURCHASE SECURITIES

9.1 Stock Option Plan

The Company has a 10% rolling stock option plan (the "Plan") last approved by its shareholders on December 6, 2016. As of the date of this Listing Statement the Company is able to grant up to 2,193,944 incentive stock options of which, there are 1,505,000 currently granted. Current outstanding options are as follows:

Position	Number of options	Date of grant	Exercise price	Closing price on date of grant	Closing price February 28, 2018	Expiry date
Employee	175,000	November 2, 2016	$0.50	$0.38	$0.18	November 2, 2018
Director/ Officer[1]	675,000	December 29, 2017	$0.20	$0.06	$0.18	December 28, 2019
Employee	600,000	December 29, 2017	$0.20	$0.06	$0.18	December 28, 2019
Employee	30,000	February 5, 2018	$0.15	$0.12	$0.18	August 5, 2021
Employee	25,000	February 5, 2018	$0.20	$0.12	$0.18	August 5, 2020

1. There are 2 non-executive directors and two directors who are also officers of the Company who hold an aggregate of 675,000 stock options to acquire Shares.

Summary of the Stock Option Plan

The Board and shareholders of the Company adopted a stock option plan on April 16, 2015 (the "**Plan**") and shareholders reapproved the plan on December 14, 2016. The purpose of the Option Plan is to allow the

Company to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders.

The Plan is consistent with the requirements of the TSX Venture Exchange and provides the following:

- the maximum aggregate number of common shares that can be issued pursuant to the exercise of options granted under the Plan, is 10% of the Company's current issued and outstanding share capital (on a non-diluted basis);

- stock options granted under the Plan will have an expiry date not to exceed five years from the date of grant;

- any stock options granted that expire or terminate for any reason without having been exercised will again be available under the Plan;

- stock options will vest as required by regulators and/or as may be determined by the administrator of the Plan, or in the absence of such body, the Board;

- the minimum exercise price of any stock options issued under the Plan will be determined by the Board at the time of grant, subject to the requirements of the Exchange if any;

- stock options granted will expire 90 days after an optionee ceases to be involved with the Company, or for any options granted to an individual providing investor relations services, 30 days after the optionee ceases to be involved with the Company;

- the Company cannot grant options to any one consultant in any 12 month period which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding common shares of the Company;

- the Company cannot grant options in any 12 month period to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of common shares exceeding, in aggregate, 2% of the issued and outstanding shares of the Company and options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vested in any three month period;

- in connection with the exercise of an option, as a condition to such exercise the Company may require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Option; and

- if a change of control, as described in the Plan, occurs, the vesting of all Options and the time for the fulfilment of any conditions or restrictions on such vesting shall be accelerated to a date or time immediately prior to the Effective Time of the Change of Control Event, subject to any required approval of the Exchange.

10. DESCRIPTION OF THE SECURITIES

10.1 General

The Company's authorized share capital consists of 100,000,000 common shares (the "Shares") without par value. As at the date of this Listing Statement, 30,937,044 Shares are issued and outstanding.

Common Shares

The holders of Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Shares are entitled to receive such dividends in any financial year as the board of directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Shares are entitled to receive the remaining property and assets of the Company. The Shares do not carry any pre-emptive rights, conversion or exchange rights, or redemption, retraction, purchase for cancellation or surrender rights. The Articles of the Company do not have any sinking or purchase fund provisions and do not have provisions permitting or restricting the issuance of additional securities and any other material restrictions. The Articles of the Company also do not have any provisions requiring a securityholder to contribute additional capital.

10.2 Debt Securities

This item is not applicable

10.4 Other Securities

This item is not applicable.

10.5 Modification of Terms*:*

The rights of Shareholders may be modified only in accordance with the provisions attached to thereto in the Company's Articles or the provisions of the BC Business Corporations Act.

10.6 Other attributes

As there are no preferred shares outstanding, there are no rights attaching to any other securities of the Company that could materially limit or qualify the rights applicable to the Shares

10.7 Prior Sales

The following table summarizes the sales of common shares by the Company for the 12 months prior to the date of this Listing Statement.

Allotment Date	Price (Deemed) per share	Number of Shares	Reason for Issuance
May 31, 2018	$0.05	8,500,000	Private Placement
May 31, 2018	$0.05	497,600	Finder's Fee
February 2, 2018	$0.06	4,600,000	Private Placement
February 2, 2018	$0.06	319,666	Finder's Fee
December 19, 2017	$0.30	429,667	Warrant Exercise
December 8, 2017	$0.30	337,000	Warrant Exercise
December 3, 2017	$0.30	300,000	Warrant Exercise
October 31, 2017	$0.09	2,000,000	Private Placement
October 31, 2017	$0.09	22,500	Finder's Fee
February 3, 2017	$0.70	90,000	Warrant Exercise
February 1, 2017	$0.25	480,000	Private Placement
February 1, 2017	$0.25	37,500	Finder's Fee

Total as at the date of this Listing Statement	**17,613,933**	

10.8 Stock Exchange Price

The following table provides the trading data of the Company's shares which currently trade on the TSX Venture Exchange.

Date	High	Low	Volume
May 2018	$0.065	$0.04	329,181
April 2018	$0.06	$0.055	1,275,940
January – March 2018	$0.235	$0.065	3,372,242
October – December 2017	$0.11	$0.055	3,092,854
July – September 2017	$0.25	$0.09	913,132
April – June 2017	$0.17	$0.07	1,114,505
January – March 2017	$0.36	$0.14	1,694,057
October – December 2016[1]	$0.74	$0.02	792,000
July – September 2016	$0.03	$0.01	18,249,489
April – June 2016	$0.05	$0.02	19,628,419
January – March 2016	$0.05	$0.025	21,643,248

1. Adjusted for 10:1 share consolidation October 2016

11. ESCROWED SECURITIES

This item is not applicable

12. PRINCIPAL HOLDERS

To the knowledge of the Company's directors and officers, there are no persons or companies who or which beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the Company's.

13 DIRECTORS AND OFFICERS

13.1 – 13.5 Directors and Officers

The following table sets forth the name of all directors and officers of the Company, their municipalities of residence, their current positions with the Company, their principal occupations during the past five years and the number and percentage of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised as at the date of this Listing Statement:

Name, Municipality of Residence[1] Position with the	Principal Occupation or Employment	Date Appointed	Number and Percentage of Shares held

Russ Rossi 3,4 British Columbia, Canada ***President, Chief Executive Officer, & Director***	CEO and President of Quizam Media Corp. Jan 2003 to present; President of On-Track Computer Training Ltd.., Nov 1991 to present.	June 15, 2003	2,443,596 Common Shares 7.89%
James Rosevear 2 British Columbia, Canada ***Chief Financial Officer, Secretary & Director***	Accountant, Intrepid Accounting & Associates Inc., (a private company wholly owned by James Rosevear), Sep 2007 to present.	June 15, 2003	18,000 Common Shares
Stephen Alexander 2,3,4 Hertfordshire, United Kingdom ***Director***	Corporate Solicitor, London, England	June 7, 2016	Nil Common Shares
Michael Skellern2,3,4 California, USA ***Director***	Chief Executive Officer, Pacific International Capital, Mar 2010 to present.	October 23, 2013 *previously a director from June 27, 2005 to March 27, 2008*	Nil Common Shares

Notes:

1. The information as to common shares beneficially owned or controlled has been provided by the directors and officers themselves
1. A member of the Audit Committee
2. A member of the Compensation Committee
3. A member of the Corporate Governance Committee

The Company currently has established three committees, being its Audit Committee, the members of which are Messrs: Rosevear, Alexander and Skellern; the Compensation and Corporate Governance Committees have similar members which are Messers: Rossi, Alexander and Skellern. The composition and mandates of the Company's committees is determined by the Company's Board.

Each Director stands for re-election at the Annual General Meeting of shareholders.

13.6 Corporate Cease Trade Orders

No director, officer or promoter of the Company has, within the last ten years, been a director, officer or promoter of any company that,

(a) was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than 30 consecutive; or

(b) was subject to an order that was issued after he or she ceased to act in that capacity, which resulted from an event that occurred while that person was acting as director, officer or promoter.

13.7 Bankruptcies

Other than as described below, no director, officer, or promoter of the Company or any shareholder anticipated to hold a sufficient amount of securities of the Company,

(a) is, as at the date hereof, or has been within the last 10 years, a director or executive officer of any company that, while acting in that capacity, or within a year of ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Mr. Rosevear, pursuant to subsection 168.2(1) of the Act became a discharged bankrupt on October 19th, 2013.

13.8 Penalties or Sanctions

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

13.9 Conflicts of Interest

To the best knowledge of the Company and other than as disclosed herein, there are no known existing or potential material conflicts of interest between the Company and a director, officer or promoter of the Company except that certain of the directors, officers and promoters of the Company serve as directors, officers and promoters of other companies and therefore it is possible that a conflict may arise between their duties as a director, officer or promoter of the Company and their duties as a director, officer and promoter of such other companies. See “17 – RISK FACTORS”.

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

13.10 Management

The following summarizes certain information concerning the Company's directors and officers:

Russ Rossi, CEO and Director, Age 57

Mr. Rossi, B.Ed is the CEO and Founder of Quizam Media Corporation. At the early age of 28 Rossi founded On-Track Corporate Training Ltd. On-Track quickly grew into a multi-national corporate computer training organization and is the only Canadian corporate computer training company to achieve international stature. Rossi's vision, educational background and leadership will provide organizational and strategic direction for the company. Mr. Rossi is multi-lingual, a world traveler and inventor of Quizam software. He is a graduate from University of British Columbia with concentrations in Economics and Computer Science.

Mr. Rossi, in his capacity as the Chief Executive Officer of the Company, is an independent contractor, providing his services on a full-time basis, is not subject to the terms of a formal engagement agreement with the Company, and is not subject to any non-competition or non-disclosure agreement.

James Rosevear, CFO and Director, Age 57

James Rosevear holds a diploma in Hospitality and Tourism Administration from the British Columbia Institute of Technology. Mr. Rosevear has experience in private practice accounting and financial management in the hospitality industry. He has been an accountant for On-Track Computer Training Ltd., a subsidiary of the Company, since 1994.

Mr. Rosevear, in his capacity as the Chief Financial Officer of the Company, is an independent contractor, providing his services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Company, and is not subject to any non-competition or non-disclosure agreement.

Stephen Alexander, Director, Age 56

Mr. Alexander graduated from the College of Law in London, admitted as solicitor in 1975. Founder of Class Law Solicitors, London UK. Mr. Alexander is widely experienced in all aspects of corporate, commercial and international work with a special interest in protecting shareholder's rights in public companies. In addition, Mr. Alexander works as a consultant with a well established international law firm, Lee Lanes Solicitors. Mr. Alexander provides legal counsel in corporate finance, loans and investments and assists with strategically positioning the Company in the European market while forming alliances with foreign governments.

Mr. Alexander, in his capacity as a director of the Company, is an independent contractor, providing his services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Company, and is not subject to any non-competition or non-disclosure agreement.

Michael Skellern, Director, Age 70

Mr. Skellern currently serves as Chief Executive Officer of Pacific International Capital, a Newport Beach, CA based merchant banking and strategic advisory firm that provides retained merger, acquisition, divestiture and advisory services for multinational financial institutions and governments. Mr. Skellern also has past experience in public and private companies as both an executive officer and director.

Mr. Skellern, in his capacity as a director of the Company, is an independent contractor, providing his services on a part-time basis, is not subject to the terms of a formal engagement agreement with the Company, and is not subject to any non-competition or non-disclosure agreement.

14 CAPITALIZATION

The following tables provide information about our capitalization as of the date of this Listing Statement, each with reference to our outstanding Common Shares:

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)[1]	30,937,044	40,022,044	100.00%	100.00%
Held by Related Persons[2](B)	4,419,136	7,059,136	14.28%	17.64%
Total Public Float (A-B)	26,517,908	32,962,908	85.72%	82.36%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions (C)	8,997,600	Nil	29.08%	Nil%
Total Tradeable Float (A-C)	17,520,308	32,962,908	70.92%	100%

1. Includes the following share issuances which are subject to hold period trading restrictions: 8,500,000 shares hold period expiry October 1, 2018 and 497,600 shares, hold period expiring October 1, 2018;

2. Related Persons or employees of the Company, or persons or companies who beneficially own or control, directly or indirectly, more than a 10% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 10% voting position in the Company upon exercise or conversion of other securities held). See below.

The following securities are held by Related Persons and or 10% holders:

Name	Common Shares	Options	Warrants
Russ Rossi	2,444,136[1]	75,000	1,765,000
James Rosevear	18,000	200,000	nil
Stephen Alexander	nil	200,000	nil
Michael Skellern	Nil	200,000	nil
Serge Beausoleil[2]	1,947,000	nil	1,000,000
TOTALS	**4,419,136**	**675,000**	**2,765,000**

1. Mr. Rossi holds 358,603 common shares directly and 2,085,533 indirectly; and 25,000 warrants directly and 1,740,000 warrants indirectly.
2. Mr. Beausoleil is not a director, officer or employee of the Company, he is deemed an insider for reporting purposes by virtue of his more than 10% holdings on a fully diluted basis.

Public Security-holders (Registered)

For the purposes of this table, "public security-holders" are registered Shareholders other than related persons enumerated in section (B) of the previous chart.

Size of Holding	**Number of holders**	**Total number of Shares**
1 – 99 securities	101	1,139
100 – 499 securities	7	1,913
500 – 999 securities	4	3,263
1,000 – 1,999 securities	4	4,966
2,000 – 2,999 securities	3	6,500
3,000 – 3,999 securities	3	10,166
4,000 – 4,999 securities	0	0
5,000 or more securities	45	12,974,694
Totals	**167**	**13,002,641**

Public Security-holders (Beneficial)

The following table includes (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Company has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Size of Holding	**Number of holders**	**Total number of Shares**
1 – 99 securities	150	3,178
100 – 499 securities	77	17,552
500 – 999 securities	32	21,042
1,000 – 1,999 securities	40	55,251
2,000 – 2,999 securities	18	43,847
3,000 – 3,999 securities	16	53,356
4,000 – 4,999 securities	14	62,702
5,000 or more securities	150	13,258,339
Totals	**497**	**13,515,267**

Non-Public Security-holders (Registered)

The following table includes "non-public securityholders", being those related persons enumerated in section (B) of the issued capital chart.

Size of Holding	**Number of holders**	**Total number of Shares**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	3	4,419,136
Totals	**3**	**4,419,136**

14.2 The following table details securities convertible or exchangeable into Shares.

Description of Security (include conversion / exercise terms, including conversion / exercise price)	**Number of convertible / exchangeable securities outstanding**	**Number of Common Shares upon conversion / exercise**
Warrants Exercisable at $0.50 Expiry – August 2, 2018	480,000	480,000
Warrants Exercisable at $0.30 yr/1 and $0.50 yr/2 Expiry – March 3, 2020	2,000,000	2,000,000
Warrants Exercisable at $0.15 yr/1 and $0.25 yr/2 Expiry – February 3, 2021	4,600,000	4,600,000
Warrants Exercisable at $$0.08 until December 1, 2019 and thereafter at $0.10 until expiry June 1, 2021	8,500,000	8,500,000
Stock Options Exercisable at $0.50 Expiry – November 2, 2018	175,000	175,000
Stock Options Exercisable at $0.20 Expiry – December 29, 2019	1,275,000	1,275,000
Stock Options Exercisable at $0.15 Expiry – February 5, 2021	30,000	30,000
Stock Options Exercisable at $0.20 Expiry – February 5, 2020	25,000	25,000
TOTAL	**17,085,000**	**17,085,000**

14.3 There are no other Shares reserved for issuance that are not included in section 14.2. However the Company has a 10% rolling stock option plan allowing it to grant up to 10% of its issued and outstanding shares as incentive stock options.

15. EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The objectives, criteria and analysis of the compensation of the executive officers of the Company will be determined by the Board and are expected to be substantially similar to how the Company compensated its executive officers. See the Company's "Statement of Executive Compensation" attached as Appendix "E" to this Listing Statement.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer or senior officer the Company, or any associates of such persons, is indebted to the Company and no indebtedness of such persons is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Company.

17. RISK FACTORS

An investment in the Company is speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development of its products and services. The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company. Investors should carefully consider the following risk factors along with the other matters set out or incorporated by reference in this Listing Statement.

No Assurance of Future Revenues.

The Company has no long-term contracts that provide an assurance of future revenue. While this is not unusual given the nature of the Company's industry, recurring business from its customers is not assured and the Company must continuously endeavor to attract new business, more so than companies in industries where long-term supply contracts are the norm.

Competition is Intense and is Expected to Increase.

The information technology education and training industry is highly competitive in both the post-secondary education market and in the corporate training market, where the Company competes. In the post-secondary education market, the Company competes for students and faculty with traditional public colleges, private colleges, universities and other proprietary schools. Certain public and private colleges, as well as other private career-oriented schools, may offer programs similar to those of the Company, as well as programs not currently offered by the Company. Some of the Company's competitors in both the public and private sectors have greater financial resources than the Company. There can be no assurance that competitive factors will not have a material impact on the Company's ability to attract students, on tuition prices or recruitment costs and, as a result, affect its revenue growth or operating margins. Competition in the corporate training market is from a relatively small number of both large and small training companies. The strongest competitors are the large computer hardware and services companies with training divisions. Certain competitors in this market have substantially greater financial resources than the Company and also have greater name recognition along with a larger customer base providing them certain economies of scale in class size, curriculum development, and instructional staff not yet achieved by the Company.

Unable to Keep Pace with Constant Technological Developments.

Rapidly changing technologies and training requirements characterize the information technology training and education market. New technologies may require the Company to make substantial expenditures to develop new programs and services and to acquire new staff, equipment, and facilities. If the Company is unable, for financial, regulatory or other reasons to develop new programs and courses in a timely manner, or if programs and courses offered by the Company do not gain commercial acceptance, the Company's business may be adversely affected. The Company's ability to develop and offer new programs and services is subject to provincial regulations and accrediting requirements. New courses offered in the post-secondary education division require approval of the applicable provincial government before students who take these new courses can receive government financial aid. There is a risk that government approvals could get delayed and reduce the marketability of the new courses.

Regulatory Environment

Changes in the regulatory environment in recent years have tightened standards for educational content, established stricter standards for student loan default rates, increased scrutiny by provincial ministries of education, and have created more stringent standards for the evaluation of an institution's financial responsibility and administrative capability. As a result, smaller private-for-profit post-secondary institutions, such as On-Track, have come under increased financial pressure due to the burden of complying with increased regulation

Risk of Failure to Maintain Licenses.

Each Canadian province that the Company operates or plans to operate in has a provincial ministry of education responsible for registering or licensing and regulating private-for-profit educational institutions. The applicable private vocational schools legislation in each of the regulating provinces stipulates that an educational provider such as the Company must register or license each of its diploma-granting programs as well as each of its campuses, with the requisite ministry of education. Licenses or registrations must be renewed by the college and institute campuses for each of the diploma-granting programs offered at each campus annually, except in Saskatchewan and Quebec which provide for multiple year renewal periods, two and three years, respectively. Each regulating province has the statutory power to deny, refuse to renew, suspend or revoke a license or registration where the Company is in breach of a term of condition of the registration found in the applicable statute. Any failure to maintain a license or registration and therefore diploma-granting status in British Columbia or other province where the Company may expand, would have a material adverse effect on the Company's ability to attract qualified students to attend its programs.

Dependence on a Key Person.

The Company's financial growth is dependent on the services of Mr. Russell Rossi, the loss of which could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek a satisfactory replacement but there can be no guarantee that appropriate personnel may be found, as the competition for such personnel is intense. The Company does not maintain key man life insurance on the life of Mr. Rossi.

Limited Brand Awareness

Market knowledge of the Company's name is virtually unknown outside of the areas it operates in. The Company will need to continue to devote considerable resources to educate new markets about the products and services it offers. In establishing new instructor led training centers beyond the current locations, the Company will be competing with companies that are potentially already entrenched in such markets or that may be better funded than the Company.

Risks Associated with New Locations.

The Company plans to open new locations as part of its growth strategy. While the Company has experienced opening locations, there is no assurance that any new locations will achieve the revenue and profitability expected. Establishing additional locations requires the Company to make investments in staff, capital expenditures, marketing expenses and senior management time. The Company uses certain criteria to evaluate the site for new locations and the estimated operating period before profitability is achieved. There is no assurance that new geographic locations will have similar market characteristics to existing locations and the time before profitability is reached may be longer than expected.

Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company's current operating cash flow is insufficient to meet all of its operating needs and no assurance that additional funding will be available to it for further development of its products when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, 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, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further research and development of its saleable products.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of accounts receivable. 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.

The following table provides information regarding the aging of financial assets that are past due but which are not impaired as at May 31, 2017:

		Neither past due nor impaired	31-60 days	61-90 days	91 days and over	Carrying value
Trade accounts Receivable	$	30,324	–	–	–	30,324

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to meet its financial obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company cautions that there are insufficient funds to meet its short-term business requirements, taking into account that cash flows and the Company's and its holdings of cash is inadequate to meet its anticipated obligations.

Historically, the Company's main source of funding has been the issuance of equity securities for cash, through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. As at May 31, 2017, the Company had cash and cash equivalents of $409,830 (2016 - $77,671) to settle current liabilities of $642,041 (2016 - $273,036). The Company does not have sufficient working capital to and must secure additional financing during fiscal 2018 and 2019 to avoid disruption in planned expenditures.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company has no material exposure at March 31, 2017 to interest rate risk through its financial instruments.

b) Foreign currency risk

As the Company generates a portion of its revenues in the U.K., and a portion is in the U.S. (movie sales), the Company's foreign exchange risk arises with respect to the U.K. pound sterling and U.S. dollar. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable. Approximately 7% of the Company's 2017 revenues are denominated in the U.K. pound sterling (2016 – 4%), and 0% in U.S. dollars (2016 – 0%) while a significant amount of the Company's expenses are denominated in Canadian dollars. In management's opinion the Company is not exposed to significant foreign exchange rate risk.

Uncertainty of Use of Proceeds

Although the Company has set out in this Listing Statement its intended use of funds, these are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

The Company has up to 100,000,000 of common shares that may be issued by the board of directors without further action or approval of the Company's shareholders. While the board is required to fulfil its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, British Columbia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Dividends

The Company has not declared or paid any dividends on its common shares and does not currently have a policy on the payment of dividends. For the foreseeable future, the Company anticipates that it will retain future earnings and other cash resources for the operation and developments of its business. The payment of any future dividends will depend upon earnings and the Company's financial condition, current and anticipated cash needs and such other factors as the directors of the Company consider appropriate.

Estimates and Assumptions

Preparation of its financial statements requires the Company to use estimates and assumptions. Accounting for estimates requires the Company to use its judgment to determine the amount to be recorded on its financial statements in connection with these estimates. If the estimates and assumptions are inaccurate, the Company could be required to write down its recorded values. On an ongoing basis, the Company re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

Costs and Compliance Risks

Legal, accounting and other expenses associated with public company reporting requirements are significant. The Company anticipates that costs may increase with corporate governance related requirements, including, without limitation, requirements under National Instrument 52- 109 – *Certification of Disclosure in Issuers' Annual and Interim Filings,* National Instrument 52- 110 – *Audit Committees* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices.*

The Company also expects these rules and regulations may make it more difficult and more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Company to attract and retain qualified individuals to serve on its board of directors or as executive officers.

18. PROMOTERS

Mr. Russ Rossi, CEO and Director of the Company may be considered to be a promoter of the Company, as that term is defined in the *Securities Act* (British Columbia). Information about Mr. Rossi is disclosed elsewhere in this Listing Statement in connection with his role as an officer and director of the Company. See "*Directors and Officers*" and "*Executive Compensation*" for details.

Mr. Rossi (i) holds directly and/or indirectly an aggregate of 2,443,596 Shares (representing 7.89% of our current issued and outstanding Shares); (ii) holds an aggregate of 1,765,000 warrants and 75,000 stock options entitling him to purchase up to an aggregate of 1,840,000 additional common shares; and (iii) is entitled to receive annual compensation of $144,000 per year in his capacity as CEO.

Mr. Rossi will also be entitled to receive additional stock options under the Stock Option Plan. See "*Options and Other Rights to Purchase Securities of the Company*"; "*Directors and Executive Officers – Cease Trade Orders or Bankruptcies, Penalties or Sanctions*"; and "*Interest of Management and Others in Material*

Transactions" for disclosure regarding Mr. Rossi.

19. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

As of the date of this Listing Statement, there are no legal proceedings material, and no contemplated legal proceedings known to be material, to the Company or its expected subsidiaries, to which the Company or its expected subsidiaries is a party or of which any of the Company or its expected subsidiaries' respective property is the subject matter.

As of the date of this Listing Statement, the Company has not been subject to any penalties or sanctions imposed by any court or regulatory authority relating to provincial and territorial securities legislation or by a securities regulatory authority, within the three years immediately preceding the date hereof, nor has any party entered into a settlement agreement with a securities regulatory authority within the three years immediately preceding the date hereof, or been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that are necessary to provide full, true and plain disclosure of all material facts relating to the Company's securities or would be likely to be considered important to a reasonable investor making an investment decision.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer, insider or promoter of the Company or any associate or affiliate of any such person or company has or had any material interest, direct or indirect, in any transaction that has materially affected or will materially affect the Company.

Other than services as directors, executive officers and employees of the Company, the Company has not acquired any assets or other than as described below, been provided any services in any material transaction, or in any proposed material transaction, from any director, executive officer, insider or promoter of the Company.

During the year ended May 31, 2017, an amount of $1,476,372 (2016 - $1,011,782) was included in expenses for services provided by companies owned by a significant shareholder, who is also a director and officer, and immediate family of the significant shareholder. The breakdown of expenses included in the consolidated statement of operations and comprehensive loss is as follows:

The breakdown of expenses

	2017	2016
	$	$
Accounting and legal	335,448	242,940
Interest on related party debt	-	21,190
Investor and finance development	164,070	-
Management fees	154,400	154,600
Office and miscellaneous	138,752	16,549

On-Track TV development costs	153,635	40,200
Research and development	242,928	187,637
Software development costs	75,945	11,700
Subcontractors	160,426	26,952
Travel and business development	6,500	126,972
Wages and benefits	44,268	183,042
Total	1,476,372	1,011,782

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

The Company's auditor is Manning Elliot LLP, 11th Floor, 1050 West Pender Vancouver, British Columbia Canada V6E 3S7.

The Company's transfer agent is Computershare, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9. Manager: Chester Wlodarczyk.

22. MATERIAL CONTRACTS

Except for contracts entered into by the Company in the ordinary course of business, the only commitment the Company has is a rental agreement entered into during the year ended May 31, 2017 and is effective until August 31, 2022. The Company has committed to pay rent, taxes and operating costs. Minimum lease payments are as follows:

Fiscal Year	$
2018	85,590
2019	101,460
2020	105,732
2021	110,004
2022	114,276
Thereafter	28,836
Total	545,838

22.1 Special Agreements

Not applicable.

22.2 Co-tenancy, Unitholders or Limited Partnership Agreements

Not applicable.

23. INTEREST OF EXPERTS

The Company's auditor has not and is not entitled to receive, any registered or beneficial interest, direct or indirect, in the property of the Company and is not expected to own any securities of the Company or any associate, affiliate or Related Person of the Company.

24. OTHER MATERIAL FACTS

There are no other material facts about the Company or Shares that are not disclosed under any other Item of this Listing Statement and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company or Shares.

25. FINANCIAL STATEMENTS

Please refer to Appendix "A" for the Company's annual audited financial statements for the fiscal years ended May, 2017, 2016 and 2015 and to Appendix "B" for the Company's interim financial statements for the nine months ended February 28, 2018.

CERTIFICATE OF THE ISSUER

The foregoing contains full, true and plain disclosure of all material information relating to the Issuer. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 22nd day of June, 20178.

Chief Executive Officer	**Chief Financial Officer**
Director	**Director**

APPENDIX "A"

AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2017, 2016 AND 2015

QUIZAM MEDIA CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

MAY 31, 2017 AND 2016

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Quizam Media Corporation

We have audited the accompanying consolidated financial statements of Quizam Media Corporation which comprise the consolidated statements of financial position as at May 31, 2017 and 2016 and the consolidated statements of operations and comprehensive loss, cash flows and changes in equity (deficit) for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Quizam Media Corporation as at May 31, 2017 and 2016, and its financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Quizam Media Corporation to continue as a going concern.

/S/ Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
September 28, 2017

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

	As at May 31, 2017 $	As at May 31, 2016 $
ASSETS		
Current		
Cash and cash equivalents	324,911	29,328
Accounts receivable	30,324	19,151
Prepaid expenses and deposits	27,492	16,538
Sales taxes recoverable	27,103	12,654
Total current assets	409,830	77,671
Property and equipment (Note 3)	32,503	44,669
Film distribution rights (Note 4)	–	29,264
Total assets	442,333	151,604
LIABILITIES		
Current		
Accounts payable and accrued liabilities	110,477	136,704
Deferred revenue	56,656	12,890
Due to related parties (Note 12)	474,908	–
Promissory notes payable (Note 6)	–	123,442
Total liabilities	642,041	273,036
EQUITY (DEFICIT)		
Share capital (Note 7)	16,947,446	15,337,285
Contributed surplus	2,359,322	2,173,682
Share subscriptions received	–	15,000
Deficit	(19,506,476)	(17,647,399)
Total equity (deficit)	(199,708)	(121,432)
Total liabilities and equity (deficit)	442,333	151,604

Nature and continuance of operations (Note 1)
Commitments (Note 16)

APPROVED ON BEHALF OF THE BOARD ON SEPTEMBER 27, 2017

/s/ "Russ Rossi"	/s/ "Jim Rosevear"
Russ Rossi, Director	Jim Rosevear, Director

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

	Year Ending May 31, 2017	Year Ending May 31, 2016
	$	$
REVENUES		
Training services and software sales	522,547	546,080
Film distribution licences (Note 4)	8,553	3,819
Custom app development	15,750	–
	546,850	549,899
EXPENSES		
Accounting and legal (Note 12)	399,810	296,940
Automobile	11,920	23,324
Bank charges and finance fees	10,889	4,120
Depreciation	22,810	14,216
Interest on related party debt (Note 6)	–	21,190
Investor and finance development (Note 12)	242,815	187,334
Management fees (Note 12)	154,400	154,641
Office and miscellaneous (Note 12)	188,406	86,412
On-Track TV development costs (Notes 11, 12)	155,549	81,210
Regulatory fees	29,365	12,335
Rent	154,059	154,059
Research and development (Note 12)	244,606	212,548
Software development costs (Note 12)	81,195	36,692
Share-based compensation (Note 8)	139,575	124,036
Subcontractors (Note 12)	263,116	101,337
Telephone and internet	16,832	19,861
Travel and business development (Note 12)	143,165	250,587
Wages and benefits (Note 12)	185,432	226,932
	2,443,944	2,007,774
LOSS BEFORE OTHER ITEMS	(1,897,094)	(1,457,875)
OTHER ITEMS		
Accretion of promissory note and amounts receivable from Aviron Group, LLC (Note 5)	–	30,261
Amortization and impairment write-down of film distribution rights (Note 4)	(29,264)	(80,736)
Foreign exchange	757	
Impairment of investment in Aviron Group, LLC (Note 5)	–	(354,832)
Impairment of promissory note and receivable from Aviron Group, LLC (Note 5)	–	(875,446)
Interest income	524	1,291
Termination fee received from Aviron Group, LLC (Note 5)	66,000	–
NET LOSS AND COMPREHENSIVE LOSS	(1,859,077)	(2,737,337)
LOSS PER SHARE BASIC AND DILUTED	(0.17)	(0.48)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	11,407,147	5,729,035

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian dollars)

	Year Ending May 31, 2017 $	Year Ending May 31, 2016 $
OPERATING ACTIVITIES		
Net loss	(1,859,077)	(2,737,337)
Add back non-cash items:		
Accretion of promissory note and amounts receivable from Aviron Group, LLC	–	(30,261)
Amortization and impairment of film distribution rights	29,264	80,736
Depreciation	22,810	14,216
Foreign currency translation	–	16,903
Impairment of investment in Aviron Group, LLC	–	354,832
Impairment of promissory note and receivable from Aviron Group, LLC	–	875,445
Share-based compensation	139,575	124,036
	(1,667,428)	(1,301,430)
Changes in non-cash working capital items:		
Accounts receivable	(11,173)	(6,864)
Prepaid expenses and deposits	(10,954)	15,374
Taxes recoverable	(14,449)	6,927
Accounts payable and accrued liabilities	(26,229)	7,030
Due to related parties	351,468	(144,519)
Deferred revenue	43,766	(11,919)
CASH USED IN OPERATING ACTIVITIES	(1,334,999)	(1,435,401)
FINANCING ACTIVITIES		
Payments of promissory notes payable	–	(8,376)
Issuance of common shares, net	1,641,226	1,532,147
Subscriptions received	–	15,000
CASH PROVIDED BY FINANCING ACTIVITIES	1,641,226	1,538,771
INVESTING ACTIVITIES		
Acquisition of property and equipment	(10,644)	(11,325)
Investment in film production	-	(51,350)
CASH USED IN INVESTING ACTIVITIES	(10,644)	(62,675)
INCREASE IN CASH AND CASH EQUIVALENTS	295,583	40,695
CASH AND CASH EQUIVALENTS (CHEQUES ISSUED IN EXCESS OF FUNDS ON DEPOSIT) – BEGINNING OF THE YEAR	29,328	(11,367)
CASH AND CASH EQUIVALENTS – END OF THE YEAR	324,911	29,328
SUPPLEMENTAL INFORMATION		
Interest paid	–	–
Income tax paid	–	–
NON-CASH FINANCING ACTIVITIES		
Common shares issued to acquire investment in Aviron Group LLC	–	100,000
Warrants issued to acquire investment in Aviron Group LLC	–	1,150,266
Issuance of shares for finders' fees	90,124	14,700

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

FOR THE YEARS ENDED MAY 31, 2017 AND 2016

(Expressed in Canadian dollars)

	Number of Common Shares	Amount $	Contributed Surplus $	Share Subscriptions Received $	Deficit $	Total $
As at May 31, 2015	4,315,245	13,600,229	980,446	23,806	(14,910,062)	(305,581)
Common shares issued for cash	1,670,000	555,500	–	(23,806)	–	531,694
Issued as finder's fees	43,638	14,700	–	–	–	14,700
Share issuance costs	–	(21,234)	–	–	–	(21,234)
Subscriptions received	–	–	–	15,000		15,000
Warrants exercised	750,843	827,024	–	–	–	827,024
Stock options exercised	200,000	261,066	(81,066)	–	–	180,000
Common shares issued to acquire investment in Aviron Group LLC	100,000	100,000	–	–	–	100,000
Warrants issued to acquire investment in Aviron Group LLC	–	–	1,150,266	–	–	1,150,266
Share-based compensation	–	–	124,036	–	–	124,036
Net loss for the year	–	–	–	–	(2,737,337)	(2,737,337)
As at May 31, 2016	**7,079,726**	**15,337,285**	**2,173,682**	**15,000**	**(17,647,399)**	**(121,432)**
Units issued for cash	5,621,000	942,300	–	(15,000)	–	927,300
Issued as finder's fees	346,900	90,124	–	–	–	90,124
Share issuance costs	–	(113,225)	–	–	–	(113,225)
Warrants exercised	733,010	612,027	–	–	–	612,027
Stock options exercised	250,000	178,935	(53,935)	–	–	125,000
Share-based compensation	–	–	139,575	–	–	139,575
Return and cancellation of common shares from Aviron Group LLC	(100,000)	(100,000)	100,000	–	–	–
Rounding upon share consolidation	(25)	–	–	–	–	–
Net loss for the year	–	–	–	–	(1,859,077)	(1,859,077)
As at May 31, 2017	**13,930,611**	**16,947,446**	**2,359,322**	–	**(19,506,476)**	**(199,708)**

1. CORPORATE INFORMATION, NATURE AND CONTINUANCE OF OPERATIONS

Quizam Media Corporation (the “Company”) was incorporated on September 15, 2000 under the provisions of the Company Act of British Columbia and is listed on the TSX Venture Exchange (“TSX-V”). The Company’s principal business activities consist of providing computer training and consulting services, marketing of a computer based educational program and film production. The address of the Company’s corporate office and its principal place of business is 6th Floor, 609 Granville Street, Vancouver, BC, V7Y 1G6.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has a history of significant losses, sizeable accumulated deficits and working capital deficits. These factors form a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent on completing equity financings, obtaining support from related parties or generating consistent profitable operations in the future.

Effective October 5, 2016, the Company completed a 1-for-10 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

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

b) Basis of measurement, presentation, estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, 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. Significant areas requiring the use of management estimates relate to calculating an allowance for doubtful accounts, the measurement of share-based payments, assessing the recoverable amount for investments in film production, and expected lives of long-lived assets. Actual results could differ from those estimates. Significant judgements are applied by management to determine whether sales have met the Company’s revenue recognition criteria, the assessment of the Company’s ability to continue as a going concern and the assessment of the probability of realizing deferring income tax assets based on the likelihood of generating taxable income in the future. Different judgement could yield different results. These consolidated financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 2 (p). All amounts are expressed in Canadian dollars unless otherwise stated.

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Basis of consolidation

The consolidated financial statements include the accounts of the Company, On-Track Computer Training Ltd. ("On-Track") and Quizam Entertainment LLC. On-Track was acquired through a "reverse takeover" share exchange in January 2003 and is 100% owned by the Company. Quizam Entertainment LLC. was incorporated in Delaware in November 2015 and is 100% owned by the Company. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

	Principal activity	Place of incorporation and operation	Ownership interest May 31, 2017	Ownership interest May 31, 2016
On-Track	Computer training and consulting services	Canada	100%	100%
Quizam Entertainment LLC.	Inactive	United States	100%	100%

d) Foreign currency translation

Foreign currency denominated assets and liabilities of operations are translated into Canadian dollars at exchange rates prevailing at the consolidated statement of financial position date for monetary items and at exchange rates prevailing at the transaction date for non-monetary items. Revenues and expenses are converted at the average exchange rate for the reporting period. Gains or losses on translation are included in operations. The Company's functional and presentation currency is the Canadian dollar.

e) Cash and cash equivalents

The Company considers deposits with banks or highly liquid short-term interest bearing securities that are readily convertible to known amounts of cash and those that have maturities of three months or less when acquired to be cash equivalents.

f) Property and equipment

Equipment is recorded at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives as follows:

Computer hardware	3 years
Furniture and fixtures	5 years
Library	5 years

Leasehold improvements are depreciated using the straight-line method over the estimated term of the related lease.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Investment in film production and film distribution rights

Investment in film production represents the unamortized cost of film projects which are in development and in progress. Such costs are capitalized and upon commencement of production are reclassified to production costs in the consolidated statement of financial position. Projects in development are written off at the earlier of the date they are determined not to be recoverable or when abandoned, or three years from the date of initial investment.

Costs of producing film programs are capitalized and amortized using the individual film forecast method, whereby capitalized costs are amortized, and ultimate participation costs are accrued, in the proportion that current revenue bears to management's estimate of ultimate revenue expected to be recognized from the exploitation, exhibition or licensing of the film. For film programs produced by the Company, capitalized costs include all direct production, an allocation of directly attributable overhead and financing costs incurred during production that are expected to benefit future periods. Financing costs are capitalized to the costs of a film or television program until the film or television program is complete.

h) Long-lived assets and impairment

The Company evaluates, on an ongoing basis, the carrying value of property and equipment and film distribution rights, for indications of impairment at each statement of financial position date or if an indication of impairment occurs.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Loans receivable and notes payable are carried at amortized cost using the effective interest method. Any finance charges are deferred and recognized over the life of the loan. Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issuance costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred.

Share issue costs are charged to share capital when the related shares are issued. Deferred share issuance costs related to financing transactions that are not completed are charged to expenses.

j) Income taxes

The Company provides for income taxes using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are determined based on temporary differences between the accounting and tax bases of existing assets and liabilities, and are measured using enacted or substantially enacted tax rates expected to apply when these differences reverse. Deferred tax assets are recognized only to the extent that it is probable that future taxable income will be available against which deductions and tax losses can be utilized.

k) Revenue recognition

i. Training revenue

Training revenues are recorded when a customer attends a course, this is the date at which the stage of completion and costs of the transaction can be reliably measured, the amount of revenue can be measured reliably and it is probable that the economic benefits of the transaction will flow to the Company.

ii. On-Track TV revenue

On-Track TV revenues are those whereby customers sign up and pay for access to a video library. The revenues are recorded when access to the On-Track TV website has been granted and collection is probable.

iii. Software revenue

The Company records revenue from the sale of software when the customers download the software from the Company's website and collection is reasonably assured which is generally when direct payment is received.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Revenue recognition (continued)

iv. License fee revenue

License fees are recorded in the accounts when all conditions have been met under the license agreement, the licensee is satisfied with the operations of the software, and collection is probable, which is generally when payment is received.

v. Movie distribution license revenue

Movie distribution license revenues are recorded in the accounts when all conditions have been met under the license agreement, and collection is probable, which is generally when payment is received.

l) Share-based payments

The Company records all share-based payments at their fair value. The share-based compensation costs are charged to operations over the stock option vesting period and agents' options and warrants issued in connection with common share placements are recorded at their fair value on the date of issue as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options and agents' options and warrants, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus.

The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based compensation.

m) Earnings (Loss) per share

Basic earnings (loss) per share are computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted income (loss) per share.

The existence of warrants and options affects the calculation of earnings (loss) per share on a fully diluted basis. As the effect of this dilution is to increase the reported earnings per share and reduce the reported loss per share and diluted per share amounts excludes all potential common shares if their effect is anti-dilutive.

n) Development costs

Development costs are expensed as incurred, except in cases where development costs meet certain identifiable criteria for deferral. The Company has not capitalized any product development costs during the period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Financial instruments

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and, where allowed and appropriate, re-evaluates this designation at every reporting date. All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise of cash and cash equivalents, accounts receivable, accounts payable and due to related parties. 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.

At initial recognition, management has classified financial assets and liabilities as follows:

i. Financial assets

The Company has classified cash and cash and cash equivalents as FVTPL. The Company has classified accounts receivable as loans and receivables. The Company has not classified any financial assets held to maturity.

ii. Financial liabilities

The Company has recognized its accounts payable and due to related parties as other financial liabilities. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

p) New accounting standards not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for the Company's fiscal year beginning June 1, 2017, or for later years. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following amendment is effective for the Company's fiscal year beginning on June 1, 2017:

IAS 7 Statement of Cash Flows

The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

p) New accounting standards not yet adopted (continued)

The following accounting standards and amendments are effective for the Company's fiscal year beginning on June 1, 2018:

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments.

IFRS 2 Share-Based Payment

In June 2016, the Board issued the final amendments to IFRS 2 *Share-Based Payment* as follows:

(a) Effects that vesting conditions have on the measurement of a cash-settled share-based payment;

(b) Accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled;

(c) Classification of share-based payment transactions with net settlement features.

The following accounting standard is effective for the Company's fiscal year beginning on June 1, 2019:

IFRS 16 Leases

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17.

Management is currently evaluating any impact that the above standards may have on the Company's consolidated financial statements and this assessment has not yet been completed.

(Expressed in Canadian dollars)

3. PROPERTY AND EQUIPMENT

Cost	Computer Hardware	Furniture and Fixtures	Leasehold Improvements	Library	Total
As at May 31, 2015	$ 383,612	$ 76,560	$ 24,617	$4,755	$ 489,544
Additions	8,810	2,515	–	–	11,325
As at May 31, 2016	$ 392,422	$ 79,075	$ 24,617	$ 4,755	$ 500,869
Additions	10,644	–	–	–	10,644
As at May 31, 2017	$ 403,066	$ 79,075	$ 24,617	$ 4,755	$ 511,513
Accumulated Depreciation					
As at May 31, 2015	$ 357,219	$ 74,756	$ 5,730	$ 4,280	$ 441,985
Depreciation	8,838	1,464	3,692	221	14,215
As at May 31, 2016	$ 366,057	$ 76,220	$ 9,422	$ 4,501	$ 456,200
Depreciation	6,955	919	14,682	254	22,810
As at May 31, 2017	$ 373,012	$ 77,139	$ 24,104	$ 4,755	$ 479,010
Carrying Amounts					
Balance, May 31, 2016	$ 26,365	$ 2,855	$ 15,195	$ 254	$44,669
Balance, May 31, 2017	$ 30,054	$ 1,936	$ 513	$ –	$32,503

4. INVESTMENT IN FILM PRODUCTION AND FILM DISTRIBUTION RIGHTS

The total film cost of $110,000 as at May 31, 2016 was written-down to its estimated recoverable amount based on the forecasted future revenue from film distribution rights of $29,264 on May 31, 2016. The total amount expensed for amortization and loss on write-down of movie distribution rights was $80,736 for the year ended May 31, 2016. During the year ended May 31, 2017, the Company, wrote off the remaining balance of film distribution rights down to $Nil.

5. INVESTMENT IN AVIRON GROUP, LLC, PROMISSORY NOTE AND AMOUNTS RECEIVABLE FROM AVIRON GROUP, LLC

On November 5, 2015, the Company completed a Share Exchange Agreement for an investment in William Sadleir's motion picture distribution company, Aviron Group, LLC. ("Aviron"), headquartered in Beverly Hills, California. The Company issued 100,000 common shares and 1,225,000 share purchase warrants to acquire the Aviron investment which consisted of a 10% equity interest, a US$1,000,000 promissory note and a further US$250,000 amount due under an earnings participation agreement. The purchase price consideration issued by the Company for the investment was 100,000 common shares with a fair value of $100,000 and 1,225,000 share purchase warrants, exercisable at $0.80 per share for a period of 5 years, with a fair value of $1,150,266. The fair value of the warrants was determined using the Black-Scholes model with the following assumptions: Risk-free rate: 0.91%, Expected life: 5 years, Volatility: 162%, Expected forfeitures: 0%, Dividend yield: 0%.

5. INVESTMENT IN AVIRON GROUP, LLC, PROMISSORY NOTE AND AMOUNTS RECEIVABLE FROM AVIRON GROUP, LLC (continued)

The Company's 10% equity interest in Aviron represents an ownership of 1,000 Class A units of Aviron which is a non-dilutable interest under the terms of the agreement. The US$1,000,000 promissory note receivable from Aviron is non-interest bearing, unsecured and due on October 30, 2020. The US$250,000 amounts receivable is non-interest bearing and is due in 20 quarterly payments of US$12,500 each (US$25,000 received as at May 31, 2017), beginning 90 days following closing.

In recording the US$1,000,000 promissory note receivable the Company recognized a discount of $672,124 (US$502,823) which will be accreted over the life of the note, the net amount reflecting an estimated amortized value. During the year ended May 31, 2016, the Company recognized accretion expense of $10,915 (US$8,242) on the promissory note receivable. In recording the US$250,000 amounts receivable the Company recognized a discount of $103,318 (US$77,293) on amounts receivable pursuant to the quarterly payments, which will be accreted over the life of the payments, reflecting estimated amortized value. During the year ended May 31, 2016, the Company recognized accretion expense of $19,346 (US$14,643) on the amounts receivable.

At May 31, 2016, the fair value of the Company's investment in Aviron was estimated at $Nil based on Aviron's financial condition. As a result, at May 31, 2016 the Company recorded an impairment write-down of the Aviron 10% equity interest in the amount of $354,832 in expenses as the impairment was determined to be other then temporary. The Company also determined that the US$1,000,000 promissory note receivable and the US$250,000 amounts receivable were impaired as at May 31, 2016 due to significant uncertainly in collectability of these amounts from Aviron. The promissory note and the amounts receivable were written-down to their estimated recoverable amount of $Nil at May 31, 2016. This resulted in a loss of write-down of the promissory note and amounts receivable from Aviron of $875,446.

During the year ended May 31, 2017, the Company terminated the agreement with Aviron and all elements of the agreement were reversed and cancelled, including the return of 100,000 common shares of the Company from Aviron. In addition, the Company received a termination fee of $66,000 from Aviron, recognized in other income.

6. PROMISSORY NOTES PAYABLE

At May 31, 2017, the promissory notes payable balance is $Nil (May 31, 2016 - $123,442) including interest and finance fees. The promissory notes were unsecured, due on demand, bore interest at 15% and were payable to a significant shareholder of the Company. The promissory notes were settled during the year ended May 31, 2017.

7. SHARE CAPITAL

The Company has authorized share capital of an unlimited number of common voting shares without par value. Disclosures on any common shares issued are also provided in the consolidated statements of changes in equity (deficit).

Effective October 5, 2016, the Company completed a 1-for-10 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

7. SHARE CAPITAL (continued)

Transactions for the year ended May 31, 2017:

On June 10, 2016, the Company closed a non-brokered private placement of 341,000 units at $0.30 per unit for gross proceeds of $102,300. A portion of proceeds totaling $15,000 was collected prior to May 31, 2016 and included in subscriptions received at May 31, 2016. Each unit consists of one common share and one share purchase warrant exercisable at $0.70 per share for 18 months. In connection with the private placement, the Company issued 5,000 shares as finders' fees with a fair value of $1,500.

On October 21, 2016, the Company closed a non-brokered private placement of 4,800,000 units at $0.15 per unit for gross proceeds of $720,000. Each unit consists of one common share and one share purchase warrant exercisable at $0.30 per share for 18 months. In connection with the private placement, the Company issued 314,900 common shares as finders' fees with a fair value of $81,874.

On February 1, 2017, the Company closed a non-brokered private placement of 480,000 units at $0.25 per unit for gross proceeds of $120,000. Each unit consists of one common share and one share purchase warrant exercisable at $0.50 per share for 18 months. In connection with the private placement, the Company issued 27,000 shares as finders' fees with a fair value of $6,750.

During the year ended May 31, 2017, the Company issued 250,000 common shares upon the exercise of stock options for gross proceeds of $125,000.

During the year ended May 31, 2017, the Company issued 733,010 common shares upon the exercise of warrants for gross proceeds of $612,027.

During the year ended May 31, 2017, the Company received 100,000 common shares, which were returned by Aviron Group, LLC, pursuant to the termination of the Share Exchange Agreement dated November 5, 2015 (Note 5). On May 8, 2017, the 100,000 common shares were cancelled.

Transactions for the year ended May 31, 2016:

On July 10, 2015, the Company completed a non-brokered private placement consisting of 300,000 units at $0.50 per unit for proceeds of $150,000. A portion of proceeds totaling $23,806 was collected prior to May 31, 2015 and included in subscriptions received at May 31, 2015. Each unit consisted of one common share and one share purchase warrant exercisable at $1.20 per share for 18 months expiring on December 11, 2016. In connection with the private placement, the Company issued 1,040 common shares as finders' fees with a fair value of $5,200.

On September 8, 2015, the Company completed a private placement consisting of 400,000 units at $0.30 per unit for proceeds of $120,000. Each unit consisted of one common share and one share purchase warrant. Each whole warrant is exercisable at $1.20 per share for 18 months expiring on March 9, 2017. In connection with the private placement, the Company issued 6,667 common shares as finders' fees with a fair value of $2,000. The Company also incurred additional share issuance costs of $5,016 related to this private placement.

On November 5, 2015, the Company issued 100,000 common shares with a fair value of $100,000 pursuant to acquire the investment in Aviron Group LLC (see Note 5).

On January 27, 2016, the Company completed a non-brokered private placement of 430,000 units at $0.35 per unit. Each unit consisted of one common share and one share purchase warrant exercisable at $1.00 per share for 18 months expiring on July 27, 2016. In connection with the private placement, the Company issued 8,571 common shares as finders' fees with a fair value of $3,000. The Company also incurred additional share issuance costs of $1,518 related to this private placement.

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

On March 14, 2016, the Company closed a non-brokered private placement of 540,000 units at $0.25 per unit. Each unit consisted of one common share and one share purchase warrant exercisable at $0.80 per share for 18 months expiring on September 14, 2017. In connection with the private placement, the Company issued 18,000 common shares as finders' fees with a fair value of $4,500.

During the year ended May 31, 2016, the Company issued 750,844 common shares upon exercise of warrants for total proceeds of $827,024.

During the year ended May 31, 2016, the Company issued 200,000 common shares upon exercise of stock options for total proceeds of $261,066.

8. STOCK OPTIONS

The Company grants stock options to directors, officers, employees and consultants as compensation for services, pursuant to its Incentive Share Option Plan (the "Plan"). Under the Plan, the option price must not be less than the closing price of the common shares of the Company on the TSX-V on the day immediately preceding the date of grant less the applicable discount if any. The number of options that may be issued under the plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Options vest immediately. Vesting restrictions may also be applied to certain other options grants, at the discretion of the directors.

The following table summarizes the continuity of the Company's stock options:

	Number of Underlying Shares	Weighted Average Exercise Price
Outstanding, May 31, 2015	232,000	$ 1.40
Granted	355,000	0.70
Exercised	(200,000)	0.90
Expired	(99,000)	1.50
Outstanding, May 31, 2016	288,000	0.90
Granted	590,000	0.50
Exercised	(250,000)	0.50
Expired/Cancelled	(148,000)	1.04
Outstanding, May 31, 2017	480,000	$ 0.56

All of the options outstanding at May 31, 2017, were fully vested.

(Expressed in Canadian dollars)

8. STOCK OPTIONS (continued)

The fair value for stock options granted during the years ended May 31, 2017 and 2016, was estimated using the Black- Scholes option pricing model using the following weighted average assumptions:

	May 31, 2017	May 31, 2016
Risk-free interest rate	0.56%	0.49%
Expected life (in years)	1.91	2.00
Expected volatility	163%	178%
Expected forfeitures	0%	0%
Dividend yield	0%	0%

Total share-based compensation expense recognized for stock options granted during the year ended May 31, 2017, to employees and consultants of the Company was $139,575 (2016 - $124,036) and was charged to operations.

The weighted average grant date fair value of stock options granted during the period was $0.26 (2016 - $0.35) per option. The weighted average remaining contractual life of the stock options outstanding as at May 31, 2017 was 0.87 years (2016 – 1.22 years).

9. SHARE PURCHASE WARRANTS

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of Underlying Shares	Weighted Average Exercise Price
Balance, May 31, 2015	1,466,838	$ 1.30
Issued	2,895,000	0.90
Exercised	(750,844)	1.10
Expired/Cancelled	(440,942)	1.90
Balance, May 31, 2016	3,170,052	0.90
Issued	5,621,000	0.34
Exercised	(733,010)	0.83
Forfeited	(1,225,000)	0.80
Expired/Cancelled	(975,019)	1.07
Balance, May 31, 2017	5,858,023	$ 0.37

(Expressed in Canadian dollars)

9. SHARE PURCHASE WARRANTS (continued)

At May 31, 2017, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
180,433	$ 1.00	*July 27, 2017
301,200	$ 0.80	September 14, 2017
96,390	$0.70	December 10, 2017
4,800,000	$0.30	June 21, 2018
480,000	$0.50	August 1, 2018
5,858,023		

** Expired subsequently*

The weighted average remaining contractual life of the warrants outstanding as at May 31, 2017, was 0.85 years (2016 – 2.22 years).

10. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision making group, in deciding how to allocate resources and in assessing performance.

The Company derives sales from training services, software sales and licensing, and film distribution licenses sales.

(a) Training Services and UK On-Track TV sales and expenses for the years ended May 31, 2017 and 2016, respectively:

	2017 $	2016 $
Revenue	522,547	546,080
Expenses	(1,234,606)	(1,163,542)
Loss	(712,059)	(617,462)

(b) Software and Licensing sales and expenses for the years ended May 31, 2017 and 2016, respectively:

	2017 $	2016 $
Revenue	15,750	–
Expenses	(36,851)	(842,942)
Loss	(21,101)	(842,942)

(Expressed in Canadian dollars)

10. SEGMENTED INFORMATION (continued)

(c) Film Distribution Licenses sales and expenses for the years ended May 31, 2017 and 2016, respectively:

	2017 $	2016 $
Revenue	8,553	3,819
Expenses	(29,263)	(80,737)
Accretion of promissory note and amounts receivable from Aviron Group, LLC	–	30,261
Impairment of investment in Aviron Group, LLC.	–	(354,832)
Impairment of promissory note and receivable from Aviron Group,	–	(875,446)
Loss	(20,710)	(1,276,935)

The Company's operations are centralized whereby the Company's head office is responsible for the operational results. All of the Company's assets are in Canada. The Company's revenues include sales generated in Canada and in Europe as follows:

	2017 $	2016 $
Canada	523,316	522,833
Europe	23,534	27,066
	546,850	549,899

11. PRODUCT DEVELOPMENT COSTS

(a) On-Track TV

During fiscal 2017 and 2016, the Company finished a complete set of on-line curriculum for its training division called On-Track TV. The costs associated with development of the On-Track TV, which are included in expenses for the years ended May 31, 2017 and 2016, are as follows:

	2017 $	2016 $
Salary, wages and fees (management, programming and marketing)	–	212,548
Marketing, advertising and promotion	–	46,810
Materials	56,525	22,700
Production costs	99,024	11,700
	155,549	293,758

(Expressed in Canadian dollars)

11. PRODUCT DEVELOPMENT COSTS (continued)

(b) Quizam software

The costs associated with development of the Quizam educational software, which are included in the consolidated statement of operations, and comprehensive loss for the years ended May 31, 2017 and 2016, are as follows:

	2017 $	2016 $
Salary, wages and fees (management, programming and marketing)	3,500	36,692

12. RELATED PARTY TRANSACTIONS

(a) Key management compensation

The Company has identified its Directors, President and Chief Executive Officer, and Chief Financial Officer as its key management personnel and the compensation costs and fees related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	2017 $	2016 $
Management fees	154,400	154,640

For the years ended May 31, 2017 and 2016, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

(b) Amounts due to related parties

At May 31, 2017, $474,908 (2016 – $Nil) was owed to a significant shareholder and companies owned by a significant shareholder, who is also a director and officer, and to a company owned by his relative.

(c) Related party transactions

During the year ended May 31, 2017, an amount of $1,476,372 (2016 - $1,011,782) was included in expenses for services provided by companies owned by a significant shareholder, who is also a director and officer, and immediate family of the significant shareholder. The breakdown of expenses included in the consolidated statement of operations and comprehensive loss is as follows:

(Expressed in Canadian dollars)

12. RELATED PARTY TRANSACTIONS (continued)

(c) Related party transactions (continued)

The breakdown of expenses

	2017 $	2016 $
Accounting and legal	335,448	242,940
Interest on related party debt	-	21,190
Investor and finance development	164,070	-
Management fees	154,400	154,600
Office and miscellaneous	138,752	16,549
On-Track TV development costs	153,635	40,200
Research and development	242,928	187,637
Software development costs	75,945	11,700
Subcontractors	160,426	26,952
Travel and business development	6,500	126,972
Wages and benefits	44,268	183,042
Total	1,476,372	1,011,782

13. CAPITAL MANAGEMENT

The Company's capital currently consists of common shares and contributed surplus for a total amount of $19,306,768 at May 31, 2017 (2016 – $17,525,967). The Company's principal source of capital is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital funding to be able to meet the Company's educational software development, internet training development and film production to ensure the growth of activities.

14. LINE OF CREDIT

As at May 31, 2017, the Company has a line of credit of $5,000 bearing interest at the bank's prime rate plus five percent. The line of credit is guaranteed by the assets of the Company. There was no outstanding balance as of May 31, 2017 and 2016.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable, and due to related parties. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

(Expressed in Canadian dollars)

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The following table summarizes information regarding the carrying values of the Company's financial instruments:

	May 31, 2017 $	May 31, 2016 $
FVTPL (i)	324,911	29,328
Loans and receivables (ii)	30,324	19,151
Other financial liabilities (iii)	(585,385)	(244,386)

(i) Cash and cash equivalents
(ii) Accounts receivable
(iii) Accounts payable, amounts due to related parties and promissory notes payable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly
(i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy:

	Level	May 31, 2017 $	May 31, 2016 $
Cash and cash equivalents	1	324,911	29,328

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of accounts receivable. 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.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The following table provides information regarding the aging of financial assets that are past due but which are not impaired as at May 31, 2017:

	Neither past due nor impaired	31-60 days	61-90 days	91 days and over	Carrying value
Trade accounts receivable	$ 30,324	–	–	–	30,324

Liquidity Risk

The Company manages its ability to meet its short-term obligations through the capital management described in Note 13. The Company has a working capital deficit and requires additional financing to fund operations.

Foreign Exchange Risk

As the Company generates a portion of its revenues in the U.K., and a portion is in the U.S. (movie sales), the Company's foreign exchange risk arises with respect to the U.K. pound sterling and U.S. dollar. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable. Approximately 7% of the Company's revenues are denominated in the U.K. pound sterling (2016 – 4%), and 2% in U.S. dollars (2016 – 0%) while a significant amount of the Company's expenses are denominated in Canadian dollars. In management's opinion, the Company is not exposed to significant foreign exchange rate risk.

Interest Rate Risk

In management's opinion, the Company is not exposed to significant interest rate risk.

16. COMMITMENTS

During the year ended May 31, 2017, the Company has signed a new rental agreement effective until August 31, 2022. The Company has committed to pay rent, taxes and operating costs. Minimum lease payments are as follows:

Fiscal Year	**$**
2018	85,590
2019	101,460
2020	105,732
2021	110,004
2022	114,276
Thereafter	28,836
Total	545,838

(Expressed in Canadian dollars)

17. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2017 $	2016 $
Canadian statutory income tax rate	26%	26%
Net loss before tax per financial statements	(1,859,077)	(2,737,337)
Income tax recoverable at statutory rates	483,361	711,708
Permanent differences and other	(313,240)	(69,096)
Expiry of losses	–	–
Unrecognized tax assets	(170,121)	(642,612)
Income tax recoverable	–	–

The tax effects of temporary differences that give rise to significant portions of the potential deferred tax assets are as follows:

	2017 $	2016 $
Future effective tax rate	26%	26%
Deferred income tax assets		
Non-capital losses	3,360,820	2,925,881
Property, equipment and other	72,555	66,166
Investment in Aviron, promissory note and amounts receivable from Aviron	–	273,744
Share issuance costs	9,410	6,873
Unrecognized deferred tax assets	(3,442,785)	(3,272,664)
Net deferred income tax assets	–	–

(Expressed in Canadian dollars)

17. INCOME TAXES (continued)

The Company has approximately $12,926,278 (2016 – $11,253,412) in Canadian non-capital losses for tax purposes which may be used to reduce income taxes of future years and will expire as follows:

	$
2026	834,329
2027	1,065,796
2028	1,255,435
2029	1,159,201
2030	980,292
2031	1,069,816
2032	1,039,129
2033	680,374
2034	885,536
2035	955,232
2036	1,328,272
2037	1,672,866
	12,926,278

In assessing the realizability of deferred tax assets, management considers whether it is probable that some portion of all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.

QUIZAM MEDIA CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

May 31, 2016 and 2015

DRAFT

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Quizam Media Corporation

We have audited the accompanying consolidated financial statements of Quizam Media Corporation which comprise the consolidated statements of financial position as at May 31, 2016 and 2015 and the consolidated statements of operations and comprehensive loss, cash flows and changes in equity (deficiency) for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

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

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Quizam Media Corporation as at May 31, 2016 and 2015, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Quizam Media Corporation to continue as a going concern.

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
September 28, 2016

DRAFT

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

	As at May 31, 2016 $	As at May 31, 2015 $
ASSETS		
Current		
Cash and cash equivalents	29,328	–
Accounts receivable	19,151	12,287
Due from Related Parties (Note 12)	14,566	–
Prepaid expenses and deposits	16,538	31,912
Sales taxes recoverable	12,653	19,580
	92,236	63,779
Property and equipment (Note 3)	44,669	47,559
Investment in film production (Note 4)	–	55,000
Film distribution rights (Note 4)	29,264	–
	166,169	166,338
LIABILITIES		
Current		
Cheques written in excess of funds on deposit	–	11,367
Accounts payable and accrued liabilities	136,704	126,022
Deferred revenue	12,890	24,809
Due to related parties (Note 12)	-	177,904
Promissory notes payable (Note 6)	153,007	131,817
	302,601	471,919
EQUITY (DEFICIENCY)		
Share capital (Note 7)	15,322,285	13,600,229
Contributed surplus	2,173,682	980,446
Share subscriptions received (Note 7)	15,000	23,806
Deficit	(17,647,399)	(14,910,062)
	(136,432)	(305,581)
	166,169	166,338

Nature and continuance of operations (Note 1)
Commitment (Note 16)
Subsequent events (Note 18)

APPROVED ON BEHALF OF THE BOARD ON SEPTEMBER 27, 2016:

/s/ "Russ Rossi"
Russ Rossi, Director

/s/ "Jim Rosevear"
Jim Rosevear, Director

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

	Year Ending May 31, 2016	Year Ending May 31, 2015
	$	$
REVENUES		
Training services and software sales	522,833	480,650
On-Track TV sales	23,247	68,891
Film distribution licenses (Note 4)	3,819	-
	549,899	549,541
EXPENSES		
Accounting and legal	296,940	228,320
Automobile	23,324	21,841
Bank charges and interest	4,120	7,728
Depreciation	14,216	12,779
Interest on related party debt (Note 6)	21,190	8,968
Investor and finance development	187,334	95,262
Management fees	154,641	144,000
Office and miscellaneous	86,412	61,618
On-Track TV development costs (Note 11)	293,758	181,957
Regulatory fees	12,335	19,677
Rent	154,059	158,884
Software development costs (Note 11)	36,692	44,478
Share-based compensation (Note 8)	124,036	42,211
Subcontractors	101,337	61,511
Telephone and internet	19,861	57,021
Travel and business development	250,587	206,651
Wages and benefits (Note 12)	226,932	185,174
	2,007,774	1,538,080
LOSS BEFORE OTHER ITEMS	(1,457,875)	(988,539)
OTHER ITEMS		
Accretion of promissory note and amounts receivable from Aviron Group, LLC. (Note 5)	30,261	–
Amortization and impairment write-down of film distribution rights (Note 4)	(80,736)	–
Interest income	1,291	440
Impairment of investment in Aviron Group, LLC. (Note 5)	(354,832)	–
Impairment of promissory note and receivable from Aviron Group, LLC. (Note 5)	(875,446)	–
	(1,279,462)	440
NET LOSS AND COMPREHENSIVE LOSS	(2,737,337)	(988,099)
LOSS PER SHARE BASIC AND DILUTED	(0.05)	(0.03)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	57,290,349	30,864,430

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian dollars)

	Year Ending May 31, 2016 $	Year Ending May 31, 2015 $
OPERATING ACTIVITIES		
Net loss	(2,737,337)	(988,099)
Items not affecting cash:		
Accretion of promissory note and amounts receivable from Aviron Group, LLC.	(30,261)	–
Depreciation	14,216	12,779
Foreign currency translation	16,903	–
Amortization and impairment of film distribution rights (Note 4)	80,736	–
Impairment of investment in Aviron Group, LLC. (note 5)	354,832	–
Impairment of promissory note and receivable from Aviron Group, LLC. (Note 5)	875,445	–
Share-based compensation (Note 8)	124,036	42,211
	(1,301,430)	(933,109)
Changes in non-cash working capital items:		
Accounts receivable	(6,864)	9,016
Prepaid expenses and deposits	15,374	(13,821)
Taxes recoverable	6,927	(4,626)
Accounts payable and accrued liabilities	10,680	(23,205)
Due to related parties	(159,085)	101,008
Deferred revenue	(11,919)	(11,421)
CASH USED IN OPERATING ACTIVITIES	(1,446,317)	(876,158)
FINANCING ACTIVITIES		
Issuance of promissory notes payable, net	21,190	108,724
Issuance of common shares, net	1,517,147	821,523
Subscriptions received	15,000	23,806
CASH PROVIDED BY FINANCING ACTIVITIES	1,553,337	954,053
INVESTING ACTIVITIES		
Acquisition of equipment	(11,325)	(26,506)
Investment in film production	(55,000)	(55,000)
Payments received on loans receivable	–	3,425
CASH USED IN INVESTING ACTIVITIES	(66,325)	(78,081)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	40,695	(186)
CASH AND CASH EQUIVALENTS (CHEQUES ISSUED IN EXCESS OF FUNDS ON DEPOSIT) – BEGINNING OF THE YEAR	(11,367)	(11,181)
CASH AND CASH EQUIVALENTS (CHEQUES ISSUED IN EXCESS OF FUNDS ON DEPOSIT) – END OF THE YEAR	29,328	(11,367)
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Common shares issued for finders' fees	14,700	19,430
Common shares issued to acquire investment in Aviron Group, LLC.	100,000	–
Warrants issued to acquire investment in Aviron Group, LLC.	1,150,266	–

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)

FOR THE YEARS ENDED MAY 31, 2016 AND 2015

(Expressed in Canadian dollars)

	Number of Common Shares	Amount $	Contributed Surplus $	Share Subscriptions Received $	Deficit $	Total $
As at May 31, 2014	23,280,662	12,754,706	962,235	–	(13,921,963)	(205,022)
Common shares issued for cash	17,757,142	627,000	–	–	–	627,000
Issued as finder's fees	630,642	19,430	–	–	–	19,430
Share issuance costs	–	(32,507)	–	–	–	(32,507)
Warrants exercised	1,284,000	177,600	–	–	–	177,600
Stock options exercised	200,000	54,000	(24,000)	–	–	30,000
Subscriptions received	–	–	–	23,806	–	23,806
Share-based compensation	–	–	42,211	–	–	42,211
Net loss for the year	–	–	–	–	(988,099)	(988,099)
As at May 31, 2015	**43,152,446**	**13,600,229**	**980,446**	**23,806**	**(14,910,062)**	**(305,581)**
Common shares issued for cash(Note 7)	16,700,000	540,500	–	(23,806)	–	516,694
Issued as finder's fees	436,381	14,700	–	–	–	14,700
Share issuance costs	–	(21,234)	–	–	–	(21,234)
Subscriptions received	–	–	–	15,000	-	15,000
Warrants exercised	7,508,436	827,024	–	–	–	827,024
Stock options exercised	2,000,000	261,066	(81,066)	–	–	180,000
Common shares issued to acquire investment in Aviron Group LLC	1,000,000	100,000	–	–	–	100,000
Warrants issued to acquire investment in Aviron Group LLC	–	–	1,150,266	–	–	1,150,266
Share-based compensation	–	–	124,036	–	–	124,036
Net loss for the year	–	–	–	–	(2,737,337)	(2,737,337)
As at May 31, 2016	**70,797,263**	**15,322,285**	**2,173,682**	**15,000**	**(17,647,399)**	**(136,432)**

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements

1. CORPORATE INFORMATION, NATURE AND CONTINUANCE OF OPERATIONS

Quizam Media Corporation (the "Company") was incorporated on September 15, 2000 under the provisions of the Company Act of British Columbia and is listed on the TSX Venture Exchange ("TSX-V"). The Company's principal business activities consist of providing computer training and consulting services, marketing of a computer based educational program and film production. The address of the Company's corporate office and its principal place of business is 4th Floor, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has a history of significant losses, sizeable accumulated deficits and working capital deficits. These factors form a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on completing equity financings, obtaining support from related parties or generating consistent profitable operations in the future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

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

b) Basis of measurement, presentation, estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, 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. Significant areas requiring the use of management estimates relate to calculating an allowance for doubtful accounts, the measurement of share-based payments, assessing the discount rate used to discount the long-term promissory note and amounts receivable, assessing the recoverable amount for loans, notes and other amounts receivable, assessing the recoverable amount for investments in film production, estimation of the fair value of share investment in Aviron Group, LLC. (Note 5) and expected lives of long-lived assets. Actual results could differ from those estimates. Significant judgements are applied by management to determine whether sales have met the Company's revenue recognition criteria, and to assess the probability of realizing deferring income tax assets based on the likelihood of generating taxable income in the future. Different judgement could yield different results. These consolidated financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 2 (p). All amounts are expressed in Canadian dollars unless otherwise stated.

(Expressed in Canadian dollars)

c) Basis of consolidation

The consolidated financial statements include the accounts of the Company, On-Track Computer Training Ltd. ("On-Track") and Quizam Entertainment LLC. On- Track was acquired through a "reverse takeover" share exchange in January 2003 and is 100% owned by the Company. Quizam Entertainment LLC. was incorporated in Delaware in November 2015 and is 100% owned by the Company. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

	Principal activity	Place of incorporation and operation	Ownership interest	
			May 31, 2016	May 31, 2015
On-Track	Computer training and consulting services	Canada	100%	100%
Quizam Entertainment LLC.	Inactive	United States	100%	N/A

d) Foreign currency translation

Foreign currency denominated assets and liabilities of operations are translated into Canadian dollars at exchange rates prevailing at the consolidated statement of financial position date for monetary items and at exchange rates prevailing at the transaction date for non-monetary items. Revenues and expenses are converted at the average exchange rate for the reporting period. Gains or losses on translation are included in operations. The Company's functional and presentation currency is the Canadian dollar.

e) Cash and cash equivalents

The Company considers deposits with banks or highly liquid short-term interest bearing securities that are readily convertible to known amounts of cash and those that have maturities of three months or less when acquired to be cash equivalents.

f) Property and equipment

Equipment is recorded at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives as follows:

Computer hardware	3 years
Furniture and fixtures	5 years
Library	5 years

Leasehold improvements are depreciated using the straight-line method over the estimated term of the related lease.

g) Investment in film production and film distribution rights

Investment in film productions represents the unamortized cost of film projects which are in development and in progress. Such costs are capitalized and upon commencement of production are reclassified to production costs in the consolidated statement of financial position. Projects in development are written off at the earlier of the date they are determined not to be recoverable or when abandoned, or three years from the date of initial investment.

Costs of producing film programs are capitalized and amortized using the individual film forecast method, whereby capitalized costs are amortized, and ultimate participation costs are accrued, in the proportion that current revenue bears to management's estimate of ultimate revenue expected to be recognized from the exploitation, exhibition or licensing of the film. For film programs produced by the Company, capitalized costs include all direct production, an allocation of directly attributable overhead and financing costs incurred during production that are expected to benefit future periods. Financing costs are capitalized to the costs of a film or television program until the film or television program is complete.

h) Long-lived assets and impairment

The Company evaluates, on an ongoing basis, the carrying value of property and equipment and film distribution rights, for indications of impairment at each statement of financial position date or if an indication of impairment occurs.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

i) Loans receivable and notes payable

Loans receivable and notes payable are carried at amortized cost using the effective interest method. Any finance charges are deferred and recognized over the life of the loan.

j) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issuance costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred.

Share issue costs are charged to share capital when the related shares are issued. Deferred share issuance costs related to financing transactions that are not completed are charged to expenses.

k) Income taxes

The Company provides for income taxes using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are determined based on temporary differences between the accounting and tax bases of existing assets and liabilities, and are measured using enacted or substantially enacted tax rates expected to apply when these differences reverse. Deferred tax assets are recognized only to the extent that it is probable that future taxable income will be available against which deductions and tax losses can be utilized.

l) Revenue recognition

i. Training revenue

Training revenues are recorded when a customer attends a course, this is the date at which the stage of completion and costs of the transaction can be reliably measured, the amount of revenue can be measured reliably and it is probable that the economic benefits of the transaction will flow to the Company.

ii. On-Track TV revenue

On-Track TV revenues are those whereby customers sign up and pay for access to a video library. The revenues are recorded when access to the On-Track TV website has been granted and collection is probable.

iii. Software revenue

The Company records revenue from the sale of software when the customers download the software from the Company's website and collection is reasonably assured which is generally when direct payment is received.

iv. License fee revenue

License fees are recorded in the accounts when all conditions have been met under the license agreement, the licensee is satisfied with the operations of the software, and collection is probable, which is generally when payment is received.

v. Movie distribution license revenue

Movie distribution license revenues are recorded in the accounts when all conditions have been met under the license agreement, and collection is probable, which is generally when payment is received.

m) Share-based payments

The Company records all share-based payments at their fair value. The share-based compensation costs are charged to operations over the stock option vesting period and agents' options and warrants issued in connection with common share placements are recorded at their fair value on the date of issue as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options and agents' options and warrants, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus.

The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based compensation.

n) Earnings(Loss) per share

Basic earnings (loss) per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted income (loss) per share.

The existence of warrants and options affects the calculation of earnings (loss) per share on a fully diluted basis. As the effect of this dilution is to increase the reported earnings per share and reduce the reported loss per share and diluted per share amounts excludes all potential common shares if their effect is anti-dilutive.

o) Development costs

Development costs are expensed as incurred, except in cases where development costs meet certain identifiable criteria for deferral. The Company has not capitalized any product development costs during the period.

p) Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise of cheques written in excess of funds on deposit, accounts receivable, amounts receivable, promissory note receivable, accounts payable, due to related parties and promissory notes payable. 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.

At initial recognition management has classified financial assets and liabilities as follows:

i. Financial assets

The Company has no assets recognized at FVTPL. The Company has classified its investment in Aviron Group LLC as available for sale. The Company has classified accounts receivable, amounts receivable and promissory note receivable as loans and receivables. The Company has not classified any financial assets held to maturity.

ii. Financial liabilities

The Company has recognized its accounts payable, due to related parties and promissory notes payable as other financial liabilities. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

q) New accounting standards not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for the Company's accounting periods beginning after June 1, 2016, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets
In May 2014, the IASB issued amendments to IAS 16 and IAS 38. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The standard is effective for annual periods beginning on or after January 1, 2016.

Annual Improvements to IFRSs 2012-2014 Cycle
In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2014 cycle, effective for annual periods beginning on or after July 1, 2016. These annual improvements made necessary but non-urgent amendments to existing IFRSs.

IAS 7 Statement of Cash Flows
The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. The standard is effective for annual periods beginning on or after January 1, 2017.

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 7 Financial Instruments: Disclosure
IFRS 7 was amended to required additional disclosures on transition from IAS 39 to IFRS 9. The amendment is effective for annual periods beginning on or after January 1, 2018.

IFRS 2 *Share-Based Payment*

(Expressed in Canadian dollars)

In June 2016 the Board issued the final amendments to IFRS 2 *Share-Based Payment* as follows:

(a) Effects that vesting conditions have on the measurement of a cash-settled share-based payment;
(b) Accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled;
(c) Classification of share-based payment transactions with net settlement features.

The amendments are effective for annual periods beginning on or after January 1, 2018.

IFRS 16 *Leases*

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

Management is currently evaluating any impact that the above standards may have on the Company's consolidated financial statements and this assessment has not yet been finished.

3. PROPERTY AND EQUIPMENT

Cost	**Computer Hardware**	**Furniture and Fixtures**	**Leasehold Improvements**	**Library**	**Total**
As at May 31, 2014	$ 357,581	$ 76,560	$ 24,617	$4,280	$ 463,038
Additions	26,031	–	–	475	26,506
As at May 31, 2015	$ 383,612	$ 76,560	$ 24,617	$4,755	$ 489,544
Additions	8,810	2,515	–	–	11,325
As at May 31, 2016	$ 392,422	$ 79,075	$ 24,617	$ 4,755	$ 500,869
Accumulated Depreciation					
As at May 31, 2014	$ 350,175	$ 73,291	$ 1,799	$3,941	$ 429,206
Additions	7,044	1,465	3,931	339	12,779
As at May 31, 2015	$ 357,219	$ 74,756	$ 5,730	$ 4,280	$ 441,985
Depreciation	8,838	1,464	3,692	221	14,215
As at May 31, 2016	$ 366,057	$ 76,220	$ 9,422	$ 4,501	$ 456,200
Carrying Amounts					
Balance, May 31, 2015	$ 26,393	$ 1,804	$ 18,887	$ 475	$47,559
Balance, May 31, 2016	$ 26,365	$ 2,855	$ 15,195	$ 254	$44,669

4. INVESTMENT IN FILM PRODUCTION AND FILM DISTRIBUTION RIGHTS

During the year ended May 31, 2015, the Company invested $55,000 in a film production project. These costs were capitalized as an intangible asset under development at May 31, 2015. No depreciation was recorded in 2015 because the production was still in progress and had not been completed yet. The Company committed to pay another $55,000 upon completion of the project.

The Company then paid another $51,350 upon successful completion of the project in May 2016. The remaining amount of $3,650 was paid in June 2016.

The total film cost of $110,000 as at May 31, 2016 was written-down to its estimated recoverable amount based on the forecasted future revenue from film distribution rights of $29,264 on May 31, 2016. The total amount expensed for amortization and loss on write-down of movie distribution rights was $80,736 for the year ended May 31, 2016.

5. INVESTMENT IN AVIRON GROUP, LLC., PROMISSORY NOTE AND AMOUNTS RECEIVABLE FROM AVIRON GROUP, LLC.

In June 2015, the Company entered into a letter of intent to acquire a 10% non-dilutable equity interest in William Sadleir's new motion picture distribution company, Aviron Group, LLC. ("Aviron"), headquartered in Beverly Hills, California.
On November 5, 2015, the Company completed a Share Exchange Agreement pursuant to which the Company acquired 1,000 Class A units of Aviron, representing a 10% non-dilutable interest, in consideration for 1,000,000 common shares with a fair value of $100,000 and 12,250,000 share purchase warrants, exercisable at $0.08 per share for a period of 5 years, with a fair value of $1,150,266. The fair value of the warrants was determined using the Black-Scholes model with the following assumptions: Risk-free rate: 0.91%, Expected life: 5 years, Volatility: 162%, Expected forfeitures: 0%, Dividend yield: 0%.

In connection with the Share Exchange Agreement, Aviron granted the Company a net earnings participation interest consisting of 20 quarterly payments of US$12,500 each (US$25,000 received at May 31, 2016), beginning 90 days following closing, and US$1,000,000 as payment of a promissory note within 5 years of closing. The promissory note is non-interest bearing, unsecured and due on October 30, 2020. In addition, the Company will receive 10% of Aviron's net annual revenues, if any, which will accrue and be payable on or prior to 5 years from closing, and annually thereafter, and 10% of all proceeds for value received at the time of a liquidity event, including a public or private sale of Aviron.

Upon closing of the Share Exchange Agreement, the Company recognized a discount of $103,318 (US$77,293) on amounts receivable pursuant to the quarterly payments, which will be accreted over the life of the payments. During the year ended May 31, 2016, the Company recognized accretion expense of $19,346 (US$14,643) on the amounts receivable.

Upon issuance of the promissory note receivable, the Company recognized a discount of $672,124 (US$502,823), which will be accreted over the life of the note. During the year ended May 31, 2016, the Company recognized accretion expense of $10,915 (US$8,242) on the promissory note receivable.
At May 31, 2016, the fair value of the Company's investment in Aviron could not be reliably measured and was estimated at $Nil. As a result, at May 31, 2016 the Company recorded an impairment write-down of this investment in the amount of $354,832.

Subsequent to May 31, 2016, Aviron failed to make a payment of US$12,500 scheduled for August 2016.

As of the date of these consolidated financial statements, the Company and Aviron have not reached an agreement on the new terms of the repayment of the net earnings participation interest, and the existing agreement was considered to be in default. Due to the uncertainly over recoverability of the amount of promissory note and other amounts receivable from Aviron, the promissory note and the amounts receivable were written-down to their estimated recoverable amount of $Nil at May 31, 2016. This resulted in a loss of write-down of the promissory note and amounts receivable from Aviron of $875,446.

6. PROMISSORY NOTES PAYABLE

At May 31, 2016, the promissory notes payable balance is $153,007 (2015 - $131,817) including interest and finance fees. The promissory notes are unsecured, due on demand, bear interest at 15% and are payable to a significant shareholder of the Company.

7. SHARE CAPITAL

The Company has authorized share capital of an unlimited number of common voting shares without par value. Disclosures on any common shares issued are also provided in the consolidated statements of changes in equity (deficiency).

Transactions for the year ended May 31, 2016:

On July 10, 2015, the Company completed a non-brokered private placement consisting of 3,000,000 units at $0.05 per unit for proceeds of $150,000. A portion of proceeds totaling $23,806 was collected prior to May 31, 2015 and included in subscriptions received at May 31, 2015. Each unit consisted of one common share and one share purchase warrant exercisable at $0.12 per share for 18 months expiring on December 11, 2016. In connection with the private placement, the Company issued 104,000 common shares as finders' fees with a fair value of $5,200.

On September 8, 2015, the Company completed a private placement consisting of 4,000,000 units at $0.03 per unit for proceeds of $120,000. Each unit consisted of one common share and one share purchase warrant. Each whole warrant is exercisable at $0.12 per share for 18 months expiring on March 9, 2017. In connection with the private placement, the Company issued 66,667 common shares as finders' fees with a fair value of $2,000. The Company also incurred additional share issuance costs of $5,016 related to this private placement.

On November 5, 2015, the Company issued 1,000,000 common shares with a fair value of $100,000 pursuant to a Share Exchange Agreement with Aviron Group LLC.

On January 27, 2016, the Company completed a non-brokered private placement of 4,300,000 units at $0.035 per unit. Each unit consisted of one common share and one share purchase warrant exercisable at $0.10 per share for 18 months expiring on July 27, 2016. In connection with the private placement, the Company issued 85,714 common shares as finders' fees with a fair value of $3,000. The Company also incurred additional share issuance costs of $1,518 related to this private placement.

On March 14, 2016, the Company closed a non-brokered private placement of 5,400,000 units at $0.025 per unit. Each unit consists of one common share and one share purchase warrant exercisable at $0.08 per share for 18 months expiring on September 14, 2017. In connection with the private placement, the Company issued 180,000 common shares as finders' fees with a fair value of $4,500.

During the year ended May 31, 2016, the Company issued 7,508,436 common shares upon exercise of warrants for total proceeds of $827,024.

During the year ended May 31, 2016, the Company issued 2,000,000 common shares upon exercise of stock options for total proceeds of $261,066.

As of May 31, 2016, $15,000 (2015 - $23,806) subscription was received for non-brokered private placement occurred after year end.

(Expressed in Canadian dollars)

Transactions for the year ended May 31, 2015:

In September 2014, the Company completed a private placement consisting of 4,233,333 common shares at $0.03 per share for proceeds of $127,000. In connection with the private placement, the Company issued 256,667 common shares as finders' fees with a fair value of $7,700.

In November 2014, the Company completed a private placement consisting of 4,000,000 units at a price of $0.05 per unit for proceeds of $200,000. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant is exercisable for 18 months at $0.10 per share.

In February 2015, the Company completed a private placement consisting of 6,666,667 units at a price of $0.03 per unit for proceeds of $200,000. Each unit consisted of one common share and one share purchase warrant. Each whole warrant is exercisable for 18 months at $0.10 per share. The Company issued 271,833 common shares as finders' fees with a fair value of $8,155.

In April 2015, the Company completed a private placement consisting of 2,857,142 units at a price of $0.035 per unit for proceeds of $100,000. Each unit consisted of one common share and one share purchase warrant. Each whole warrant is exercisable for 18 months at $0.10 per share. The Company issued 102,142 common shares as finders' fees with a fair value of $3,575.

During the year ended May 31, 2015, the Company issued 1,284,000 common shares upon exercise of warrants for total proceeds of $177,600.

During the year ended May 31, 2015, the Company issued 200,000 common shares upon exercise of stock options for total proceeds of $54,000.

8. STOCK OPTIONS

Stock option plan and stock options issued:

The Company grants stock options to directors, officers, employees and consultants as compensation for services, pursuant to its Incentive Share Option Plan (the "Plan"). Under the Plan, the option price must not be less than the closing price of the common shares of the Company on the TSX-V on the day immediately preceding the date of grant less the applicable discount if any. The number of options that may be issued under the plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Options vest immediately. Vesting restrictions may also be applied to certain other options grants, at the discretion of the directors.

The following table summarizes the continuity of the Company's stock options:

	Number of Underlying Shares	Weighted Average Exercise Price
Outstanding, May 31, 2014	1,983,333	$ 0.21
Granted	1,330,000	0.13
Exercised	(200,000)	0.15
Cancelled/Expired	(793,333)	0.30
Outstanding, May 31, 2015	2,320,000	$ 0.14
Granted	3,550,000	0.07

(Expressed in Canadian dollars)

Exercised	(2,000,000)	0.09
Expired	(990,000)	0.15
Outstanding, May 31, 2016	2,880,000	$ 0.09

All of the options outstanding at May 31, 2016 were fully vested.

The fair value for stock options granted during the years ended May 31, 2016, and 2015, was estimated using the Black- Scholes option pricing model using the following weighted average assumptions:

	May 31, 2016	May 31, 2015
Risk-free interest rate	0.49%	1.07%
Expected life (in years)	2.00	2.00
Expected volatility	178%	179%
Expected forfeitures	0%	0%
Dividend yield	0%	0%

Total share-based compensation expense recognized for stock options granted during the year ended May 31, 2016, to directors, officers and consultants of the Company was $124,036 (2015 - $42,211) and was charged to operations.

The weighted average grant date fair value of stock options granted during the year was $0.03 (2015 - $0.03) per option. The weighted average remaining contractual life of the stock options outstanding as at May 31, 2016 was 1.22 years (2015 - 1.17 years).

9. SHARE PURCHASE WARRANTS

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of Underlying Shares	Weighted Average Exercise Price
Balance, May 31, 2014	6,665,238	$ 0.31
Issued	11,523,809	0.10
Exercised	(1,284,000)	0.14
Expired	(2,236,667)	0.51
Balance, May 31, 2015	14,668,380	$ 0.13
Issued	28,950,000	0.09
Exercised	(7,508,436)	0.11
Expired	(4,409,421)	0.19
Balance, May 31, 2016	31,700,523	$ 0.09

At May 31, 2016, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
5,166,667	$ 0.10	September 5, 2016
1,392,856	$ 0.10	October 22, 2016
1,540,333	$ 0.12	January 2, 2017
1,650,667	$ 0.12	March 9, 2017
12,250,000	$ 0.08	November 6, 2020
4,300,000	$ 0.10	July 27, 2017

(Expressed in Canadian dollars)

5,400,000	$ 0.08	September 14, 2017
31,700,523		

The weighted average remaining contractual life of the warrants outstanding as at May 31, 2016 was 2.22 years (2015 – 1.04 years).

10. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision making group, in deciding how to allocate resources and in assessing performance.

The Company derives sales from training services, software sales and licensing, and film distribution licenses sales.

(a) Training Services and UK On-Track TV sales and expenses for the years ended May 31, 2016, and 2015, respectively:

	2016 $	2015 $
Revenue	546,080	549,541
Expenses	(1,163,542)	(935,113)
Profit (loss)	(617,462)	(385,572)

(b) Software and Licensing sales and expenses for the years ended May 31, 2016, and 2015, respectively:

	2016 $	2015 $
Revenue	–	–
Expenses	(808,338)	(602,527)
Profit (loss)	(808,338)	(602,527)

(c) Film Distribution Licenses sales and expenses for the years ended May 31, 2016, and 2015, respectively:

	2016 $	2015 $
Revenue	3,819	–
Expenses	(100,725)	–
Impairment of investment in Aviron Group, LLC.	(354,832)	–
Impairment of promissory note and receivable from Aviron Group,	(875,446)	–
Profit (loss)	(1,327,184)	–

The Company's operations are centralized whereby the Company's head office is responsible for the operational results. All of the Company’s assets are in Canada. The Company’s revenues include sales generated in Canada and in Europe as follows:

(Expressed in Canadian dollars)

	2016 $	2015 $
Canada	522,833	486,739
Europe	27,066	62,802

11. PRODUCT DEVELOPMENT COSTS

(a) On-Track TV

During fiscal 2016 and 2015, the Company finished a complete set of on-line curriculum for its training division called On-Track TV. The costs associated with development of the On-Track TV, which are included in expenses for the years ended May 31, 2016 and 2015, are as follows:

	2016 $	2015 $
Salary, wages and fees (management, programming and marketing)	212,548	111,951
Marketing, advertising and promotion	46,810	66,911
Materials	22,700	3,095
Production costs	11,700	–
	293,758	181,957

(b) Quizam software

The costs associated with development of the Quizam educational software, which are included in the consolidated statement of operations, and comprehensive loss for the years ended May 31, 2016 and 2015, are as follows:

	2016 $	2015 $
Salary, wages and fees (management, programming and marketing)	36,692	44,478

12. RELATED PARTY TRANSACTIONS

(a) Key management compensation

The Company has identified its Directors, President and Chief Executive Officer, and Chief Financial Officer as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	2016 $	2015 $
Wages and benefits, and fees	325,633	276,060
	325,633	276,060

For the year ended May 31, 2016, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

(b) Amounts due from /to related parties

At May 31, 2016, $10,697 was owed from (2015 – $137,853 owed to) a significant shareholder and companies owned by a significant shareholder, who is also a director and officer, and to a company owned by his relative.

(c) Amounts to be received from related parties

For the years ended May 31, 2016, $15,000 share subscriptions remained receivable from a company owned by a significant shareholder who is also a director and officer of the Company

(d) Related party transactions

Accounting, investor and finance development, product development, moving, office and other miscellaneous expenses are provided by a company owned by a significant shareholder who is also a director and officer. An amount of $483,049 (2015 - $385,077) was included in expenses for these services during the years ended May 31, 2016.

During the year ended May 31, 2016, marketing and publicity, investor and finance development, product development fees, and moving expenses totaling $169,901 (2015 - $50,968) were included in expenses to a company owned by a relative of one of the directors.

13. CAPITAL MANAGEMENT

The Company's capital currently consists of common shares, options and warrants for a total amount of $17,510,967 at May 31, 2016 (2015 – $14,604,481). The Company's principal source of capital is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital funding to be able to meet the Company's educational software development, internet training development and film production to ensure the growth of activities.

14. LINE OF CREDIT

As at May 31, 2016, the Company has a line of credit of $5,000 bearing interest at the bank's prime rate plus five percent. The line of credit is guaranteed by the assets of the Company. There was no outstanding balance as of May 31, 2016 and 2015.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments include cash and cash equivalents, accounts receivable, amounts receivable, promissory note receivable, accounts payable, and due to related parties. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(Expressed in Canadian dollars)

The following table summarizes information regarding the carrying values of the Company's financial instruments:

	May 31, 2016 $	May 31, 2015 $
FVTPL (i)	29,328	–
Loans and receivables (ii)	19,151	12,287
Other financial liabilities (iii)	(273,951)	(422,110)

(i) Cash and cash equivalents
(ii) Accounts receivable
(iii) Accounts payable, cheques written in excess of funds on deposit, amounts due to related parties and promissory notes payable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy:

	Level	**2016** $	**2015** $
Cash and cash equivalents	1	29,328	–

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of accounts receivable. 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.

The following table provides information regarding the aging of financial assets that are past due but which are not impaired as at May 31, 2016:

		Neither past due nor impaired	31-60 days	61-90 days	91 days and over	Carrying value
Trade accounts receivable	$	10,872	4,829	-	3,450	19,151

Liquidity Risk

The Company manages its ability to meet its short-term obligations through the capital management described in Note 13. The Company has a working capital deficit and requires additional financing to fund operations.

Foreign Exchange Risk

As the Company generates a portion of its revenues in the U.K., the Company's foreign exchange risk arises primarily with respect to the U.K. pound sterling. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable. Approximately 4% of the Company's revenues are denominated in the U.K. pound sterling (2015 – 5%), while a significant amount of the Company's expenses are denominated in Canadian dollars. In management's opinion the Company is not exposed to significant foreign exchange rate risk.

Interest Rate Risk

In management's opinion the Company is not exposed to significant interest rate risk.

16. COMMITMENT

The Company has signed a rental agreement effective until June 29, 2017, and has committed to rental payments as follows:

	$
May 31, 2017	142,059
May 31, 2018	11,839
Total	153,898

(Expressed in Canadian dollars)

17. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2016 $	2015 $
Canadian statutory income tax rate	26.0%	26.0%
Net loss before tax per financial statements	(xx,xxx)	(988,099)
Income tax recoverable at statutory rates	xx,xxx	256,906
Permanent differences and other	(x,xxx)	(5,967)
Change in enacted rates	–	–
Expiry of losses	(xx,xxx)	(172,226)
Unrecognized tax assets	(xx,xxx)	(78,713)
Income tax recoverable	–	–

The tax effects of temporary differences that give rise to significant portions of the potential deferred tax assets are as follows:

	2016 $	2015 $
Future effective tax rate	26.0%	26.0%
Deferred income tax assets		
Non-capital losses carried forward	xx,xxx	2,580,536
Capital assets and other	xx,xxx	41,478
Share issuance costs	xx,xxx	8,038
Unrecognized deferred tax assets	(xx,xxx)	(2,630,052)
Net deferred income tax assets	–	–

(Expressed in Canadian dollars)

17. INCOME TAXES (continued)

The Company has approximately $xx,xxx (2015 – $9,925,140) of losses for tax purposes which may be used to reduce income taxes of future years and will expire as follows:

	$
2026	834,329
2027	1,065,796
2028	1,255,435
2029	1,159,201
2030	980,292
2031	1,069,816
2032	1,039,129
2033	680,374
2034	885,536
2035	955,232
2036	xx,xxx
	xx,xx,xxx

In assessing the realizability of deferred tax assets, management considers whether it is probable that some portion of all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.

18. SUBSEQUENT EVENTS

(a) On June 1, 2016, the Company granted 1,300,000 stock options exercisable at $0.05 per share until June 1, 2018.

(b) On June 1, 2016, the Company granted 550,000 stock options exercisable at $0.05 per share until November 5, 2020.

(c) On June 10, 2016, the Company closed a non-brokered private placement of 3,410,000 units at $0.03 per unit. Each unit consists of one common share and one share purchase warrant exercisable at $0.07 per share for 18 months. In connection with the private placement, the Company issued 50,000 common shares as finders' fees.

(d) Subsequent to May 31, 2016, the Company issued 1,200,000 shares upon exercise of options for gross proceeds of $60,000.

(e) Subsequent to May 31, 2016, the Company issued 3,984,000 shares upon exercise of warrants for gross proceeds of $350,900.

APPENDIX "B"

UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED FEBRUARY 28, 2018

QUIZAM MEDIA CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

FEBRUARY 28, 2018 AND 2017

(Unaudited)

The accompanying unaudited interim financial statements have been prepared by Management of Quizam Media Corporation and have not been reviewed by the Company’s auditors

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	As at February 28, 2018 $	As at May 31, 2017 $
ASSETS		
Current		
Cash and cash equivalents	–	324,911
Accounts receivable	92,804	30,324
Prepaid expenses and deposits	25,379	27,492
Sales taxes recoverable	438	27,103
Total current assets	118,621	409,830
Property and equipment (Note 3)	85,609	32,503
Total assets	204,230	442,333
LIABILITIES		
Current		
Bank indebtedness	308	–
Accounts payable and accrued liabilities	91,930	110,477
Deferred revenue	55,334	56,656
Due to related parties (Note 9)	305,451	474,908
Total liabilities	453,023	642,041
EQUITY (DEFICIENCY)		
Share capital (Note 4)	17,718,316	16,947,446
Contributed surplus	2,426,340	2,359,322
Deficit	(20,393,449)	(19,506,476)
Total equity (deficiency)	(248,793)	(199,708)
Total liabilities and equity (deficiency)	204,231	442,333

Nature and continuance of operations (Note 1)
Commitments (Note 13)

APPROVED ON BEHALF OF THE BOARD ON APRIL 30, 2018

/s/ "Russ Rossi"
Russ Rossi, Director

/s/ "Jim Rosevear"
Jim Rosevear, Director

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Three Months Ending February 28, 2018	Three Months Ending February 28, 2017	Nine Months Ending February 28, 2018	Nine Months Ending February 28, 2017
	$	$	$	$
REVENUES				
Training services and software sales	125,427	132,116	442,802	362,109
Film distribution licences	–	–	–	4,985
Custom app development	–	–	–	15,750
	125,427	132,116	442,802	382,844
EXPENSES				
Accounting and legal (Note 9)	35,760	94,458	130,727	358,375
Automobile	5,709	3,071	13,482	8,801
Bank charges and finance fees	6,449	11,142	17,944	21,083
Depreciation	6,641	3,662	16,244	19,148
Investor and finance development (Note 9)	25,056	40,020	71,829	162,175
Management fees (Note 9)	36,000	46,400	108,000	118,400
Office and miscellaneous (Note 9)	29,933	32,656	79,439	114,305
On-Track TV development costs (Note 8 and 9)	29,650	29,400	92,050	229,420
Regulatory fees	6,907	6,021	11,051	14,653
Rent	51,339	35,515	109,924	106,545
Research and development (Note 9)	52,200	102,428	133,775	222,051
Software development costs (Note 9)	3,500	17,300	6,000	68,151
Share-based compensation (Note 5)	67,018	–	67,018	176,924
Subcontractors (Note 9)	33,170	46,492	96,016	196,749
Telephone and internet	8,530	3,372	25,564	13,865
Travel and business development (Note 9)	89,606	56,830	200,858	181,529
Wages and benefits (Note 9)	56,449	47,680	149,865	140,166
	543,917	576,447	1,329,786	2,152,340
LOSS BEFORE OTHER ITEMS	(418,490)	(444,331)	(886,984)	(1,769,496)
OTHER ITEMS				
Impairment of film distribution rights	–	–	–	(3,650)
Share Exchange Agreement	–	66,000	–	66,000
Interest income	2	362	11	334
NET LOSS AND COMPREHENSIVE LOSS	(418,488)	(377,969)	(886,973)	(1,706,812)
LOSS PER SHARE BASIC AND DILUTED	(0.02)	(0.03)	(0.06)	(0.16)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	18,307,018	13,600,677	15,573,410	10,531,475

The Accompanying Notes are an Integral Part of the Consolidated Financial Statements

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Nine Months Ending February 28, 2018 $	Nine Months Ending February 28, 2017 $
OPERATING ACTIVITIES		
Net loss	(886,973)	(1,706,812)
Add back non-cash items:		
Depreciation	16,244	19,148
Impairment of film distribution rights	–	3,650
Share-based compensation	67,018	176,924
	(803,711)	(1,507,090)
Changes in non-cash working capital items:		
Accounts receivable	(62,480)	(37,573)
Prepaid expenses and deposits	2,113	6,300
Taxes recoverable	26,665	5,324
Accounts payable and accrued liabilities	(18,547)	(66,718)
Due to related parties	(169,457)	(105,121)
Deferred revenue	(1,322)	25,458
CASH USED IN OPERATING ACTIVITIES	(1,026,739)	(1,679,420)
FINANCING ACTIVITIES		
Bank indebtedness	308	–
Issuance of common shares, net	770,870	1,664,327
CASH PROVIDED BY FINANCING ACTIVITIES	771,178	1,664,327
INVESTING ACTIVITIES		
Acquisition of property and equipment	(69,350)	(9,178)
Investment in film production	–	(3,650)
CASH USED IN INVESTING ACTIVITIES	(69,350)	(12,828)
DECREASE IN CASH AND CASH EQUIVALENTS	(324,911)	(27,921)
CASH AND CASH EQUIVALENTS – BEGINNING OF THE PERIOD	324,911	29,328
CASH AND CASH EQUIVALENTS – END OF THE PERIOD	–	1,407
SUPPLEMENTAL INFORMATION		
Interest paid	–	–
Income tax paid	–	–
NON-CASH FINANCING ACTIVITIES		
Issuance of shares for finders' fees	21,205	55,485

QUIZAM MEDIA CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)

FOR THE NINE MONTHS ENDED FEBRUARY 28, 2018 AND 2017

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Number of Common Shares	Amount $	Contributed Surplus $	Share Subscriptions Received $	Deficit $	Total $
As at May 31, 2016	7,079,726	15,337,285	2,173,682	15,000	(17,647,399)	(121,432)
Units issued for cash	5,621,000	942,300	–	(15,000)	–	927,300
Issued as finder's fees	346,900	55,485	–	–	–	55,485
Share issuance costs	–	(55,485)	–	–	–	(55,485)
Warrants exercised	733,010	612,027	–	–	–	612,027
Stock options exercised	250,000	173,614	(48,614)	–	–	125,000
Share-based compensation	–	–	176,924	–	–	176,924
Rounding upon share consolidation	(25)	–	–	–	–	–
Net loss for the period	–	–	–	–	(1,706,812)	(1,706,812)
As at February 28, 2017	14,030,611	17,065,226	2,301,992	–	(19,354,211)	13,007
As at May 31, 2017	13,930,611	16,947,446	2,359,322	–	(19,506,476)	(199,708)
Units issued for cash	6,600,000	456,000	–	–	–	456,000
Issued as finder's fees	342,166	21,205	–	–	–	21,205
Share issuance costs	–	(26,335)	–	–	–	(26,335)
Warrants exercised	1,066,667	320,000	–	–	–	320,000
Share-based compensation	–	–	67,018	–	–	67,018
Net loss for the period	–	–	–	–	(886,973)	(886,973)
As at February 28, 2018	21,939,444	17,718,316	2,426,340	–	(20,393,449)	(248,793)

1. CORPORATE INFORMATION, NATURE AND CONTINUANCE OF OPERATIONS

Quizam Media Corporation (the "Company") was incorporated on September 15, 2000 under the provisions of the Company Act of British Columbia and is listed on the TSX Venture Exchange ("TSX-V"). The Company's principal business activities consist of providing computer training and consulting services, marketing of a computer based educational program and film production. The address of the Company's corporate office and its principal place of business is Suite 650 – 609 Granville Street, Vancouver, BC, V7Y 1G6.

These interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has a history of significant losses, sizeable accumulated deficits and working capital deficits. These factors form a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on completing equity financings, obtaining support from related parties or generating consistent profitable operations in the future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance and Basis of Presentation

These interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

These interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, On-Track Computer Training Ltd. and Quizam Entertainment LLC. All inter-company balances and transactions have been eliminated on consolidation.

The consolidated financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars, which is the Company's functional currency.

b) New accounting standards not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for the Company's accounting periods beginning after June 1, 2018, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The following accounting standards and amendments are effective for the Company's fiscal year beginning on June 1, 2018:

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 – *Revenue from Contracts with Customers* ("IFRS 15") which supersedes IAS 11 – *Construction Contracts*, IAS 18 – *Revenue*, IFRIC 13 – *Customer Loyalty Programmes*, IFRIC 15 – *Agreements for the Construction of Real Estate*, IFRIC 18 – *Transfers of Assets from Customers*, and SIC 31 – *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

(Expressed in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) New accounting standards not yet adopted (continued)

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 – *Financial Instruments* ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments.

IFRS 2 Share-Based Payment

In June 2016, the Board issued the final amendments to IFRS 2 *Share-Based Payment* as follows:

(a) Effects that vesting conditions have on the measurement of a cash-settled share-based payment;

(b) Accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled;

(c) Classification of share-based payment transactions with net settlement features.

The following accounting standard is effective for the Company's fiscal year beginning on June 1, 2019:

IFRS 16 Leases

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17.

Management is currently evaluating any impact that the above standards may have on the Company's consolidated financial statements and this assessment has not yet been completed.

3. PROPERTY AND EQUIPMENT

Cost	Computer Hardware	Furniture and Fixtures	Leasehold Improvements	Library	Total
As at May 31, 2017	$ 403,066	$ 79,075	$ 24,617	$ 4,755	$ 511,513
Additions	12,294	14,291	43,765	–	70,350
As at February 28, 2018	$ 415,360	$ 93,366	$ 68,382	$ 4,755	$ 581,863
Accumulated Depreciation					
As at May 31, 2017	$ 373,012	$ 77,139	$ 24,104	$ 4,755	$ 479,010
Depreciation	9,136	2,062	5,046	–	16,244
As at February 28, 2018	$ 382,148	$ 79,201	$ 29,150	$ 4,755	$ 495,254
Carrying Amounts					
Balance, May 31, 2017	$ 30,054	$ 1,936	$ 513	$ –	$ 32,503
Balance, February 28, 2018	$ 33,212	$ 13,165	$ 39,232	$ –	$ 85,609

(Expressed in Canadian dollars)

4. SHARE CAPITAL

The Company has authorized share capital of an unlimited number of common voting shares without par value. Disclosures on any common shares issued are also provided in the interim consolidated statements of changes in equity (deficiency).

Transactions during the nine months ended February 28, 2018:

On November 3, 2017, the Company closed a non-brokered private placement of 2,000,000 units at $0.09 per unit for gross proceeds of $180,000. Each unit consisted of one common share and one share purchase warrant exercisable at $0.30 per share for the first 12 months and at $0.50 per share for an additional 12 months. In connection with the private placement, the Company issued 22,500 shares as finders' fees with a fair value of $2,025. The Company also incurred other share issuance costs of $1,727.

On February 2, 2018, the Company closed a non-brokered private placement of 4,600,000 units at $0.06 per unit for gross proceeds of $276,000. Each unit consisted of one common share and one share purchase warrant exercisable at $0.15 per share for the first 12 months and at $0.25 per share for an additional 24 months. In connection with the private placement, the Company issued 319,666 shares as finders' fees with a fair value of $19,180. The Company also incurred other share issuance costs of $3,403.

During the nine months ended February 28, 2018, the Company issued 1,066,667 shares upon the exercise of warrants at $0.30 per share for gross proceeds of $320,000.

5. STOCK OPTIONS

Stock option plan and stock options issued:

The Company grants stock options to directors, officers, employees and consultants as compensation for services, pursuant to its Incentive Share Option Plan (the "Plan"). Under the Plan, the option price must not be less than the closing price of the common shares of the Company on the TSX-V on the day immediately preceding the date of grant less the applicable discount if any. The number of options that may be issued under the plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Options vest immediately. Vesting restrictions may also be applied to certain other options grants, at the discretion of the directors.

The following table summarizes the continuity of the Company's stock options:

	Number of Underlying Shares	Weighted Average Exercise Price
Outstanding, May 31, 2017	480,000	$ 0.56
Granted	1,830,000	0.19
Expired/Cancelled	(285,000)	0.60
Outstanding, February 28, 2018	2,025,000	$ 0.22

All of the options outstanding at February 28, 2018 were fully vested.

(Expressed in Canadian dollars)

5. STOCK OPTIONS (continued)

The fair value for stock options granted during the nine months ended February 28, 2018 and 2017, was estimated using the Black- Scholes option pricing model using the following weighted average assumptions:

	February 28, 2018	February 28, 2017
Risk-free interest rate	1.69%	0.60%
Expected life (in years)	1.88	2.51
Expected volatility	227%	186%
Expected forfeitures	0%	0%
Dividend yield	73%	0%

Total share-based compensation expense recognized for stock options granted during the nine months ended February 28, 2018, to directors, officers and consultants of the Company was $67,018 (2016 - $176,924) and was charged to operations.

The weighted average grant date fair value of stock options granted during the period was $0.06 (2016 - $0.30) per option. The weighted average remaining contractual life of the stock options outstanding as at February 28, 2018, was 1.63 years (May 31, 2017 – 0.87 years).

6. SHARE PURCHASE WARRANTS

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of Underlying Shares	Weighted Average Exercise Price
Balance, May 31, 2017	5,858,023	$ 0.37
Issued	6,600,000	0.20
Exercised	(1,066,667)	0.30
Expired	(578,023)	0.85
Balance, February 28, 2018	10,813,333	$ 0.25

At February 28, 2018, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
3,733,333	$0.30	April 21, 2018
480,000	$0.50	August 1, 2018
2,000,000	$0.30*	October 28, 2019
4,600,000	$0.15**	February 3, 2021
10,183,333		

* Exercise price increases to $0.50 per share on October 28, 2018
** Exercise price increases to $0.25 per share on February 3, 2019

The weighted average remaining contractual life of the warrants outstanding as at February 28, 2018, was 1.62 years (May 31, 2017 – 0.85 years).

(Expressed in Canadian dollars)

7. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision making group, in deciding how to allocate resources and in assessing performance.

The Company derives sales from training services, software sales and licensing, and film distribution licenses sales.

(a) Training Services and UK On-Track TV sales and expenses for the nine months ended February 28, 2018 and 2017, respectively:

	2018 $	2017 $
Revenue	442,802	362,109
Expenses	(713,197)	(1,858,474)
Profit (loss)	(340,395)	(1,496,365)

(b) Software and Licensing sales and expenses for the nine months ended February 28, 2018 and 2017, respectively:

	2018 $	2017 $
Revenue	–	15,750
Expenses	(98,050)	(68,151)
Profit (loss)	(98,050)	(52,401)

The Company's operations are centralized whereby the Company's head office is responsible for the operational results. All of the Company’s assets are in Canada. The Company’s revenues include sales generated in Canada and in Europe as follows:

	2018 $	2017 $
Canada	439,902	382,844
Europe	2,900	–
	442,802	382,844

8. PRODUCT DEVELOPMENT COSTS

(a) On-Track TV

The costs associated with development of the On-Track TV, which are included in expenses for the nine months ended February 28, 2018 and 2017, are as follows:

	2018 $	2017 $
Salary, wages and fees	89,725	172,895
Production costs	80,350	56,525
	170,075	229,420

(Expressed in Canadian dollars)

8. PRODUCT DEVELOPMENT COSTS (continued

(b) Quizam software

The costs associated with development of the Quizam educational software, which are included in the interim consolidated statement of operations, and comprehensive loss for the nine months ended February 28, 2018 and 2017, are as follows:

	2018 $	2017 $
Salary, wages and fees (management, programming and marketing)	61,750	68,151

9. RELATED PARTY TRANSACTIONS

(a) Key management compensation

The Company has identified its Directors, President and Chief Executive Officer, and Chief Financial Officer as its key management personnel and the compensation costs and fees related to them were recorded at their exchange amounts as agreed upon by transacting parties. During the nine months ended February 28, 2018, the Company incurred management fees of $108,000 (2017 - $118,400). For the nine months ended February 28, 2018 and 2017, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

(b) Amounts due to related parties

At February 28, 2018, $305,451 (May 31, 2017 – $474,908) was owed to a significant shareholder and companies owned by a significant shareholder, who is also a director and officer, and to a company owned by his relative.

(c) Related party transactions

During the nine months ended February 28, 2018, an amount of $587,362 (2017 - $1,317,664) was included in expenses for services provided by companies owned by a significant shareholder, who is also a director and officer, and immediate family of the significant shareholder. The breakdown of expenses included in the interim consolidated statement of operations and comprehensive loss is as follows:

	2018 $	2017 $
Accounting and legal	86,950	287,148
Investor and finance development	57,950	158,120
Management fees	108,000	118,400
Office and miscellaneous	56,661	127,920
On-Track TV development costs	81,250	144,425
Research and development	133,775	220,373
Software development costs	2,500	75,945
Subcontractors	–	152,426
Travel and business development	32,250	6,500
Wages and benefits	28,026	26,407
	587,362	1,317,664

(Expressed in Canadian dollars)

10. CAPITAL MANAGEMENT

The Company's capital currently consists of common shares, options and warrants for a total amount of $20,144,656 at February 28, 2018 (May 31, 2017 – $19,306,768). The Company's principal source of capital is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital funding to be able to meet the Company's educational software development, internet training development and film production to ensure the growth of activities.

11. LINE OF CREDIT

As at February 28, 2018, the Company has a line of credit of $5,000 bearing interest at the bank's prime rate plus five percent. The line of credit is guaranteed by the assets of the Company. There was no outstanding balance as of February 28, 2018, and 2017.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments include accounts receivable, bank indebtedness, accounts payable, and due to related parties. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

The following table summarizes information regarding the carrying values of the Company's financial instruments:

	February 28, 2018 $	May 31, 2017 $
FVTPL (i)	–	324,911
Loans and receivables (ii)	92,804	30,324
Other financial liabilities (iii)	(397,689)	(585,385)

(i) Cash and cash equivalents
(ii) Accounts receivable
(iii) Bank indebtedness, accounts payable, amounts due to related parties and promissory notes payable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market data.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy:

	Level	February 28, 2018 $	May 31, 2017 $
Cash and cash equivalents	1	–	324,911
Bank indebtedness	1	308	–

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of accounts receivable. 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.

The following table provides information regarding the aging of financial assets that are past due but which are not impaired as at February 28, 2018:

	Neither past due nor impaired	31-60 days	61-90 days	91 days and over	Carrying value
Trade accounts receivable	$ 92,804	92,804	–	–	92,804

Liquidity Risk

The Company manages its ability to meet its short-term obligations through the capital management described in Note 10. The Company has a working capital deficit and requires additional financing to fund operations.

Foreign Exchange Risk

As the Company generates a portion of its revenues in the U.K., and a portion is in the U.S. (movie sales), the Company's foreign exchange risk arises with respect to the U.K. pound sterling and U.S. dollar. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable. Approximately 1% of the Company's revenues are denominated in the U.K. pound sterling (2017 – 5%), and 0% in U.S. dollars (2017 – 2%) while a significant amount of the Company's expenses are denominated in Canadian dollars. In management's opinion, the Company is not exposed to significant foreign exchange rate risk.

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest Rate Risk

In management's opinion, the Company is not exposed to significant interest rate risk.

13. COMMITMENTS

During the year ended May 31, 2017, the Company signed a new rental agreement effective until August 31, 2022. The Company has committed to pay rent, taxes and operating costs. Minimum lease payments are as follows:

2018	24,564
2019	101,460
2020	105,732
2021	110,004
2022	114,276
Thereafter	28,836
Total	484,872

14. SUBSEQUENT EVENTS

Subsequent to February 28, 2018, a total of 20,000 stock options exercisable at $0.50 per share expired unexercised, and a total of 3,733,333 warrants exercisable at $0.30 per share expired unexercised.

Subsequent to February 28, 2018, the Company cancelled 250,000 stock options exercisable at $0.15 per share and 250,000 stock options exercisable at $0.20 per share.

APPENDIX "C"

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2017

Form 51-102F2
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, 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. In addition, Quizam Media has opened up a "Movie" division. We are producing our own feature length movies.
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 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; a decline in market liquidity, and the volatility of global markets. Events and circumstances that occurred during the year ended May 31, 2017, 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. Changes in the Entertainment industry could also affect results. Currently the movie business is going through major changes as the Internet and On-Demand usage increases.

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

1.1 Date of Information

September 28, 2017

1.2 Overall Performance

We are pleased with development of On-Track TV as it has received a great deal of attention in Canada, the United Kingdom. More recently, we have entered in discussions with groups from India and China with regards to our learning platform and library. On-Track TV 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-Track TV site and using the training. Our continued increase in On-Track TV Web-Hits supports this.

We continue to enhance On-Track TV. Our two main areas of On-Track TV development include the LMS (learning management system) and content. More recently we have invested much time and effort to ensure our content is of the highest quality. As software companies continue to release new versions we continue to develop On-Track TV content for these new versions.

Though the Canadian economy is strong much of the current global economy is unstable and uncertain. The company competes in the global marketplace and the instability of the global economy creates a more challenging environment for the company. The continued devalued Canadian Dollar is helping to make our product more competitive globally.

The page hits and Video view/downloads from the On-Track TV website continues to increase quarter by quarter. It appears that trends in the marketplace are favoring Quizam's On-Track TV 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.

Our usage and page hits worldwide for the each of the last eight quarters are as follows

Fiscal quarter ended:	Page Hits	Video Downloads
May 31, 2017	244,823	189,578
February 28, 2017	238,103	187,533
November 30, 2016	189,601	150,400
August 31, 2016	158,470	122,518
May 31, 2016	151,016	121,487
February 29, 2016	117,211	89,095
November 30, 2015	114,724	91,777
August 31, 2015	71,532	48,979

We continue to transition 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 has altered its “Exclusivity” agreement with Central Media in the UK. The agreement is now non-exclusive and permits Quizam to work with other partners in the UK 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, Human Resource (HR) training, and Management Leadership Training.

On-TrackTV continues to diversify its offering to include far more than just software training.

Our UK partner is continuing to forge new clients for us in the UK market. Sales have been down this year in Europe, but we are currently working on some significant deals that are taking longer than expected. Management feels European sales will increase this year.

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 are continuing to do presentations, but to date the results have been disappointing.

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 has two teams familiar with both markets working in Canada and the United Kingdom. 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. More recently we have developed some Quizzing tools for National Companies to test their employees. We see this market as having large and complimentary potential to On-Track TV.

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 Android phones.

The Company is continuing to add 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.

The Company has the equipment and experience in producing non-fiction learning vignettes. Management decided to expand its content to include some "Fiction" based filming such as Movies for Entertainment. In October, 2014, the Company announced the opening of a new Entertainment Division. The Company will be a producer/aggregator of family entertainment. In October, 2014 the Company also announced the appointment of Lewis Schoenburn, Jacquie Wechselberger and Uwe Boll as members of the Company's Advisory Board.

In January 2015 the Company signed a deal with Event Film for film distribution and management believes that overall performance is improving. The Company is working toward producing content both for education and for entertainment. Thus far Event Film has introduced our films to new markets and we are making sales.

In February 2015, the Company signed a deal with Extreme Video in Italy to produce a horror thriller movie entitled "The Blind King". The movie was completed in February 2016 and has made some modest sales. We have earned some revenues as seen in the income statement. We expect sales and royalties to continue for this film.

In March 2015, the Company signed a deal with Clarius Entertainment in Los Angeles whereby the Company will guarantee loans of up to US$6.25Million to assist with theatrical releases in the North American market. In May 2015 both parties agreed to have the deal expire and work on new improved deal whereby Quizam could have equity position (see below). We signed the new improved deal in October 2015 whereby for shares and warrants we acquired a 10% non-dilutive share of Aviron Pictures and a US$1million promissory note payable to Quizam Media (see below).

In May 2015, the Company through Event Film entered into a licensing agreement with Koch Media whereby Koch will purchase 4 feature films from Event Film for the Italian speaking European market. The films are titled “Gifted”, “Gifted 2”, “Primal Shift” and “The Blind King”. Koch is to pay US$20,000 for “The Blind King” owned by the Company (received) and US$15,000 for the other three movies distributed by Quizam Media as an agent for a 15% distribution commission, plus 50% of all gross receipts from the exploitation of the film. A 20% commission is to be paid by Quizam Media to Event Film (waived for “The Blind King”).

In June 2015, the Company entered into a letter of intent to acquire a 10% non-dilutable equity interest in William Sadleir’s new motion picture distribution company, Aviron Group, LLC, (“Aviron”) headquartered in Beverly Hills, California.

The Company subsequently entered into a Share Exchange Agreement which closed on November 5, 2015 (the “Agreement”). Under the terms of the Agreement, the Company issued 100,000 common shares and 1,225,000 share purchase warrants to acquire 1,000 Class A units of Aviron, representing a 10% non-dilutable equity interest. Each warrant entitles the holder to acquire one common share at a price of $0.08 for a period of 60 months following closing. Aviron granted the Company a Net Earnings Participation interest consisting of (i) US$50,000 per year for five years, paid quarterly (US$24,500 received in fiscal 2016) (ii) the issuance of a non-interest bearing promissory note of US$1,000,000 due and payable on or before October 30, 2020 (iii) 10% of Aviron’s net annual revenues (no payments were received as of May 31, 2016 and this clause is under dispute) (iv) and 10% of all proceeds or value received at the time of a liquidity event, including a public or private sale of Aviron, or winding up of the company. In January 2017 after determining that Aviron was not performing as expected Quizam terminated its relationship with Aviron. All terms of the transaction were reversed and Aviron paid a $66,000 fee to Quizam.

Effective October 5, 2016, the Company completed a 1-for-10 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

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

a) Strict focus on increasing gross sales in each month compared to the same month in previous year;

b) Increase of pricing in all areas;

c) Huge expansion of course offerings beyond IT and computer training. Some of the new course offerings include customer service, conflict resolution, minute note-taking, and project management;

d) Special marketing team devoted to gaining Fortune 500 companies as clients for On-Track TV;

e) Continue to develop On-Track TV markets in the UK, North America, and Bahrain (Middle East);

f) Add quizzing component to On-Track TV where users are quizzed after viewing content;

g) Offering web development services under the name On-Track Web Development. This enables us to leverage our in house team and increase revenue;

h) Continue to enhance the LMS (learning management system) of the On-Track TV website;

i) Further development of the UK market;

j) Full scale animation and film productions in the areas of non-fiction and education;

k) Production of 3 – 4 Independent films per year;

l) Develop and offer courses in common accounting software such as Simply Accounting, Quick Books and Caseware. This would be for both Face to Face and OntrackTV.

1.3 Selected Annual Information

	Year-Ended May 31, 2017 $	Year-Ended May 31, 2016 $	Year-Ended May 31, 2015 $
a) Total revenue	546,850	549,899	549,541
b) Net loss before other items	(1,897,094)	(1,457,875)	(988,539)
c) Net loss	(1,859,077)	(2,737,337)	(988,099)
c) Net loss (per share)	(0.16)	(0.48)	(0.30)
d) Total assets	442,333	151,604	166,338
e) Long-term liabilities	0	0	0
f) Cash dividends	0	0	0

1.4 Discussion of Operations

Revenue for the year ended May 31, 2017, remained consistent at $546,850 compared to $549,899 during the year ended May 31, 2016. Loss before other items increased to $1,897,094 (2016 - $1,457,875) during the year ended May 31, 2017. Operating expenses increased from $2,007,774 during the year ended May 31, 2016, to $2,443,944 during the year ended May 31, 2017. The increase of $436,170 was mainly as a result of an aggressive increase in Vignette Production to increase the learning library, an increase in accounting and legal fees, office and miscellaneous, On-Track TV development costs, research and development, and subcontractors. However, net loss decreased by $878,260 mainly as a result of the recognition of an impairment of investment in Aviron Group, LLC and impairment of promissory note and receivable from Aviron Group, LLC during the year ended May 31, 2016.

The significant changes were as follows:

- Accounting and legal costs increased to $399,810 for the year ended May 31, 2017 (2016 - $296,940). The increase is mainly as a result of increased work related to the agreements entered into during the year.
- Office and miscellaneous costs increased to $188,406 for the year ended May 31, 2017 (2016 - $86,412). The increase is mainly as a result of increased production of in house manuals and more computer accessory gear.
- On-Track TV development costs increased to $155,549 for the year ended May 31, 2017 (2016 – $81,210). The increase is a result of significant development in Quizam's new Quizing software for employee testing.
- Research and development costs increased to $244,606 for the year ended May 31, 2017 (2016 - $212,548), as a result of significant developments in the mobile AP for both Quizam and OntrackTV.
- Share-based compensation costs increased to $139,575 for the year ended May 31, 2017 (2016 – $124,036). The increase is a result of the granting of 185,000 stock options exercisable at $0.50 per share in June 2016, and 405,000 stock options exercisable at $0.50 per share in November 2016. The weighted average grant date fair value of stock options granted during the year ended May 31, 2017, was $0.24 per option.
- Subcontractors costs increased to $263,116 for the year ended May 31, 2017 (2016 - $101,337). The increase is mainly as a result of the increased use of contractors rather than full time employees.

Our training division continues to improve its performance and management feels we are gaining more market share every quarter. We are blending out On-TrackTV with our face to face offerings to attract more large clients.

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.

The quarterly periods in the table below are presented under International Financial Reporting Standards in Canadian dollars.

Description	May 31, 2017	February 28, 2017	November 30, 2016	August 31, 2016	May 31, 2016	February 28, 2016	November 30, 2015	August 31, 2015
Total Revenue	$164,006	$132,116	$134,108	$116,620	$187,677	$125,884	$121,050	$115,228
Income or (loss) before other items	$(127,598)	$(444,331)	$(783,414)	$(541,751)	$(348,010)	$(415,799)	$(436,261)	$(257,805)
Net Income or (loss) for the period	$(152,265)	$(377,969)	$(783,443)	$(545,400)	$(1,637,700)	$(410,395)	$(431,866)	$(257,376)
Net income (Loss) before other items per share basic and diluted	$(0.01)	$(0.03)	$(0.08)	$(0.07)	$(0.30)	$(0.10)	$(0.10)	$(0.05)
Income (Loss) per share basic and diluted	$(0.01)	$(0.03)	$(0.08)	$(0.07)	$(0.30)	$(0.10)	$(0.10)	$(0.05)

Revenue increased during three months ended November 30, 2015. Net loss increased during the second quarter ended November 30, 2015 as a result of decreased revenue and increased operating expenses.

Revenue and net loss during three months ended February 29, 2016, was consistent with the previous quarter.

Revenue increased during the three months ended May 31, 2016. Net loss increased during the fourth quarter ended May 31, 2016, largely due to the impairment losses of investment in Aviron and the promissory note and receivable from Aviron.

Revenue decreased during three months ended August 31, 2016. Net loss decreased during the first quarter ended August 31, 2016, as a result of the impairment losses recognized during the three months ended May 31, 2016.

Revenue increased during three months ended November 30, 2016. Net loss increased during the second quarter ended November 30, 2016, as a result of the share-based compensation and an increase in professional fees, share-based compensation and travel and business development.

Revenue remained consistent during three months ended February 28, 2017. Net loss decreased during the third quarter ended February 28, 2017, as a result of a decrease accounting and legal costs, share-based compensation and travel and business development.

Revenue increased during the three months ended May 31, 2017. Net loss decreased during the fourth quarter ended May 31, 2017, as a result of a decrease accounting and legal costs, investor and finance development, office and miscellaneous, and research and development.

1.6 Liquidity

The Company's liquidity has increased at May 31, 2017 since May 31, 2016.

	May 31, 2017	May 31, 2016
Cash and cash equivalents	$324,911	$29,328
Accounts receivable & prepaid expenses	$57,816	$48,343
Accounts payable and accrued liabilities	$110,477	$136,704
Due to related parties	$474,908	$ -
Promissory notes payable	$ -	$123,442

As at May 31, 2017, the Company had cash and cash equivalents of $324,911 and a working capital deficiency of $232,211 compared to cash and cash equivalents of $29,328 and a working capital deficiency of $195,365 as May 31, 2016. The Company's decrease in working capital is attributable to the increase in amounts due to related parties.

During the year ended May 31, 2017, the Company used $1,211,559 of cash for operating activities compared to $1,435,401 in the comparative period. The Company incurred $10,644 (2016 - $11,325) in acquisition of equipment during the period ended May 31 2017. The Company has financed its operations for the last two years mainly through the issuance of share capital. The Company has raised $1,641,228 (2016 - $1,547,147) through subscription of share capital during the year ended May 31, 2017. 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.

1.7Capital Resources

The Company's capital currently consists of common shares, options and warrants. The Company's principal source of funds is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to meet the Company's educational software development, internet training development and film production to ensure the growth of activities.

During the year ended May 31, 2017, the Company has signed a new rental agreement effective until August 31, 2022. The Company has committed to pay rent, taxes and operating costs. Minimum lease payments are as follows:

Fiscal Year	$
2018	85,590
2019	101,460
2020	105,732
2021	110,004
2022	114,276
Thereafter	28,836
Total	545,838

1.8Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

1.9 Transactions Between Related Parties

The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	May 31, 2017	May 31, 2016
Management fees	$ 154,400	$ 154,641

For the year ended May 31, 2017 and 2016, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

At May 31, 2017, $474,908 (2016 – $Nil) was owed to a significant shareholder and companies owned by a significant shareholder, who is also a director and officer, and to a company owned by his relative.

Accounting and legal, investor and finance development, office and miscellaneous, On-Track TV development, research and development, software development, subcontractors, travel and business development, and wages and benefit expenses are provided by related parties and significant shareholders of the Company.

These expenses were incurred from a company owned by a significant shareholder who is also a director and officer. An amount of $593,719 (2016 - $644,006) was included in expenses for these services during the years ended May 31, 2016.

During the year ended May 31, 2017, $578,732 (2016 - $376,045) of these expenses were included in expenses to a company controlled by a significant shareholder who is also a director and officer.

During the year ended May 31, 2017, $259,653 (2016 - $182,477) of these expenses were included in expenses to a company owned by a relative of a director of the Company.

During the year ended May 31, 2017, $44,268 (2016 - $9,509) of these expenses were included in expenses to immediate family of a director.

1.11 Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, 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. Significant areas requiring the use of management estimates relate to estimation of an allowance for doubtful accounts, the measurement of share-based compensation, assessing the recoverable amount for investments in film production, expected lives of long-lived assets, and the recognition of deferred income tax assets. Actual results could differ from those estimates. Significant judgements are applied by management to determine whether sales have met the Company's revenue recognition criteria, whether investments in film production are recoverable, and to assess the probability of realizing deferring income tax assets based on the likelihood of generating taxable income in the future. Different judgement could yield different results.

1.12 Changes in Accounting Policies including Initial Adoption

Future Accounting Changes:

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for the Company's fiscal year beginning June 1, 2017, or for later years. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following amendment is effective for the Company's fiscal year beginning on June 1, 2017:

IAS 7 Statement of Cash Flows

The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes.

The following accounting standards and amendments are effective for the Company's fiscal year beginning on June 1, 2018:

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments.

IFRS 2 Share-Based Payment

In June 2016, the Board issued the final amendments to IFRS 2 *Share-Based Payment* as follows:

(a) Effects that vesting conditions have on the measurement of a cash-settled share-based payment;

(b) Accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled;

(c) Classification of share-based payment transactions with net settlement features.

The following accounting standard is effective for the Company's fiscal year beginning on June 1, 2019:

IFRS 16 Leases

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17.

Management is currently evaluating any impact that the above standards may have on the Company's consolidated financial statements and this assessment has not yet been completed.

1.13Financial Instruments and Other Instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss (“FVTPL”). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash and cash equivalents, accounts receivable, accounts payable, and due to related parties. 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.

At initial recognition management has classified financial assets and liabilities as follows:

a) Financial assets

The Company has no assets other than cash classified as FVTPL at May 31, 2017. The Company has classified accounts receivable as loans and receivables. The Company has not classified any financial assets held to maturity or available for sale.

b) Financial liabilities

The Company has recognized its accounts payable, due to related parties and promissory notes payable as other financial liabilities. The Company derecognizes a financial liability when it its contractual obligations are discharged, cancelled or expire.

The following table summarizes information regarding the carrying values of the Company’s financial instruments:

	May 31, 2017 $	**May 31, 2016** $
FVTPL (i)	324,911	29,328
Loans and receivables (ii)	30,324	19,151
Other financial liabilities (iii)	(585,385)	(244,386)

(i) Cash and cash equivalents
(ii) Accounts receivable
(iii) Accounts payable, amounts due to related parties and promissory notes payable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market date.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy:

	Level	**May 31, 2017** $	**May 31, 2016** $
Cash and cash equivalents	1	324,911	29,328

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of accounts receivable. 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.

The following table provides information regarding the aging of financial assets that are past due but which are not impaired as at May 31, 2017:

	Neither past due nor impaired	31-60 days	61-90 days	91 days and over	Carrying value
Trade accounts Receivable	$ 30,324	–	–	–	30,324

Liquidity Risk

The Company manages its ability to meet its short-term obligations through the capital management described in Note 13 to the consolidated financial statements. The Company has a working capital deficit and requires additional financing to fund operations.

Foreign Exchange Risk

As the Company generates a portion of its revenues in the U.K., and a portion is in the U.S. (movie sales), the Company's foreign exchange risk arises with respect to the U.K. pound sterling and U.S. dollar. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable. Approximately 7% of the Company's revenues are denominated in the U.K. pound sterling (2016 – 4%), and 2% in U.S. dollars (2016 – 0%) while a significant amount of the Company's expenses are denominated in Canadian dollars. In management's opinion the Company is not exposed to significant foreign exchange rate risk.

Interest Rate Risk

In management's opinion the Company is not exposed to significant interest rate risk.

1.14 Additional Information

Additional information about the Company is available on SEDAR (Website: www.sedar.com)

Outstanding Share Data

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

	Number of shares issued or issuable as at May 31, 2017	Number of shares issued or issuable as at September 28, 2017
Common shares	13,930,611	13,930,611
Stock options	480,000	425,000
Warrants	5,858,023	5,367,390

APPENDIX “D”

MANAGEMENT DISCUSSION AND ANALYSES FOR THE NINE MONTHS ENDED FEBRUARY 28, 2018

Form 51-102F2
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, 1.5, 1.6, and 1.9. 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. In addition, Quizam Media has opened up a "Movie" division. We are producing our own feature length movies.

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 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; a decline in market liquidity, and the volatility of global markets. Events and circumstances that occurred during the nine months ended February 28, 2018, 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. Changes in the Entertainment industry could also affect results. Currently the movie business is going through major changes as the Internet and On-Demand usage increases.

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

1.1 Date of Information

April 30, 2018

1.2 Overall Performance

We are pleased with development of On-Track TV as it's library of current software topics has become very comprehensive. More recently, we have entered into several discussions with top industry players who are interested in using On-Track TV to train their teams. In addition, we have many individual users that use On-Track TV for learning. The business model is based on self-service through a website with residual subscriptions. People are going to the On-Track TV site and using the training. Our continued increase in On-Track TV Web-Hits supports this.

We continue to enhance On-Track TV. Our two main areas of On-Track TV development include the LMS (learning management system) and content. More recently we have invested much time and effort to ensure our content is of the highest quality. As software companies continue to release new versions we continue to develop On-Track TV content for these new versions.

The company competes in the global marketplace and the continued devalued Canadian Dollar is helping to make our product more competitive globally.

The page hits and Video view/downloads from the On-Track TV website continues to increase quarter by quarter. It appears that trends in the marketplace are favoring Quizam's On-Track TV 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.

Our usage and page hits worldwide for the each of the last eight quarters are as follows

Fiscal quarter ended:	Page Hits	Video Downloads
February 28, 2018	748,947	666,289
November 30, 2017	336,383	272,764
August 31, 2017	257,378	193,940
May 31, 2017	244,823	189,578
February 28, 2017	238,103	187,533
November 30, 2016	189,601	150,400
August 31, 2016	158,470	122,518
May 31, 2016	151,016	121,487

We continue to transition 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 has altered its “Exclusivity” agreement with Central Media in the UK. The agreement is now non-exclusive and permits Quizam to work with other partners in the UK 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, Human Resource (HR) training, and Management Leadership Training.

On-TrackTV continues to diversify its offering to include far more than just software training.

Our UK partner is continuing to forge new clients for us in the UK market. Sales have been down this year in Europe, but we are currently working on some significant deals that are taking longer than expected. Management feels European sales will increase this year.

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 has two teams familiar with both markets working in Canada and the United Kingdom. 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. More recently we have developed some Quizzing tools for National Companies to test their employees. We see this market as having large and complimentary potential to On-Track TV.

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 Android phones.

The Company is continuing to add 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.

The Company has the equipment and experience in producing non-fiction learning vignettes. Management decided to expand its content to include some "Fiction" based filming such as Movies for Entertainment. In October, 2014, the Company announced the opening of a new Entertainment Division. The Company has been a producer/aggregator of family entertainment. In October, 2014 the Company also announced the appointment of Lewis Schoenburn, Jacquie Wechselberger and Uwe Boll as members of the Company's Advisory Board.

In January 2015 the Company signed a deal with Event Film for film distribution and management believes that overall performance is improving. The Company is working toward producing content both for education and for entertainment. Thus far Event Film has introduced our films to new markets and we are making sales.

In February 2015, the Company signed a deal with Extreme Video in Italy to produce a horror thriller movie entitled "The Blind King". The movie was completed in February 2016 and has made some modest sales. We have earned some revenues and we expect sales and royalties to continue for this film.

In March 2015, the Company signed a deal with Clarius Entertainment in Los Angeles whereby the Company will guarantee loans of up to US$6.25Million to assist with theatrical releases in the North American market. In May 2015 both parties agreed to have the deal expire and work on new improved deal whereby Quizam could have equity position (see below). We signed the new improved deal in October 2015 whereby for shares and warrants we acquired a 10% non-dilutive share of Aviron Pictures and a US$1million promissory note payable to Quizam Media (see below).

In May 2015, the Company through Event Film entered into a licensing agreement with Koch Media whereby Koch will purchase 4 feature films from Event Film for the Italian speaking European market. The films are titled "Gifted", "Gifted 2", "Primal Shift" and "The Blind King". Koch paid US$20,000 for "The Blind King" owned by the Company and is to pay US$15,000 for the other three movies distributed by Quizam Media as an agent for a 15% distribution commission, plus 50% of all gross receipts from the exploitation of the film. A 20% commission is to be paid by Quizam Media to Event Film (waived for "The Blind King"). These deals will continue to earn royalty revenue for the company.

Effective October 5, 2016, the Company completed a 1-for-10 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

In April 2018 we partnered with AC3 to market ontrackTV in the Crypto Currency marketplace. Under the terms of the agreement all revenues derived from sales of On-Track TV subscriptions go to On-Track TV in AC3 cryptocurrency.

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

a) Strict focus on increasing gross sales in each month compared to the same month in previous year;

b) Increase of pricing in all areas;

c) Huge expansion of course offerings beyond IT and computer training. Some of the new course offerings include customer service, conflict resolution, minute note-taking, and project management;

d) Special marketing team devoted to gaining Fortune 500 companies as clients for On-Track TV;

e) Continue to develop On-Track TV markets in the UK, North America, and Bahrain (Middle East);

f) Add quizzing component to On-Track TV where users are quizzed after viewing content;

g) Offering web development services under the name On-Track Web Development. This enables us to leverage our in house team and increase revenue;

h) Continue to enhance the LMS (learning management system) of the On-Track TV website;

i) Further development of the UK market;

j) Full scale animation and film productions in the areas of non-fiction and education;

k) Production of 1 – 2 Independent films per year;

l) Develop and offer courses in common accounting software such as Simply Accounting, Quick Books and Caseware. This would be for both Face to Face and OntrackTV.

1.3 Discussion of Operations

Revenue for the nine months ended February 28, 2018, increased to $442,802 compared to $362,109 during the nine months ended February 28, 2016. Loss before other items decreased to $886,984 (2017 - $1,769,812) during the nine months ended February 28, 2018. Operating expenses decreased from $2,152,340 during the nine months ended

February 28, 2017, to $1,329,786 during the nine months ended February 28, 2018. The decrease of $822,554 was mainly as a result of a decrease expense in accounting and legal fees, investor and finance development, On-Track TV development costs, research and development, software development, share-based compensation and subcontractors. Net loss decreased by $819,839 as a result of a decrease in operating expenses.

The significant changes were as follows:

- Accounting and legal costs decreased to $130,727 for the nine months ended February 28, 2018 (2017 – $358,375). The decrease is a result of finding effective ways for bookkeeping and maintaining files.
- Investor and finance development costs decreased to $71,829 for the nine months ended February 28, 2018 (2017 – $162,175). The decrease is a result of more investor relations meetings done through conference calls and Skype.
- On-Track TV development costs decreased to $92,050 for the nine months ended February 28, 2018 (2017 – $229,420). The decrease is a result of far more economical and cost effective solution of On-Track TV. Much of the upgrades to Ontrack TV have been completed. Management is now working on streamlining and reducing costs.
- Research and development costs decreased to $133,775 for the nine months ended February 28, 2018 (2017 – $222,051), as much of the major goals have been met for the time being. The system is up and running and we are now enjoying increased usage and increased usage. Less research and development is required at this time.
- Software development costs decreased to $6,000 for the nine months ended February 28, 2018 (2017 – $68,151). The decrease is a result of software upgrades completeness. Much money was spent upgrading and streamlining the past quarters. The costs are now down significantly.
- Share-based compensation costs decreased to $67,018 for the nine months ended February 28, 2018 (2017 – $176,924). The decrease is a result of the Company granting 1,830,000 stock options during the nine months ended February 28, 2018 with a weighted average grant date fair value of $0.04 per option as compared to the Company granting 590,000 stock options during the nine months ended February 28, 2017 with a weighted average grant date fair value of $0.30 per option.
- Subcontractors costs decreased to $96,016 for the nine months ended February 28, 2018 (2017 - $196,749). The decrease is a result of more full time staff being used and higher average revenue per subcontractor.
- Our training division continues to improve its performance and management feels we are gaining more market share every quarter. We are blending out On-TrackTV with our face to face offerings to attract more large clients.

1.4 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.

The quarterly periods in the table below are presented under International Financial Reporting Standards in Canadian dollars.

Description	February 28, 2018	November 30, 2017	August 31, 2017	May 31, 2017	February 28, 2017	November 30, 2016	August 31, 2016	May 31, 2016
Total Revenue	$125,427	$178,431	$138,944	$164,006	$132,116	$134,108	$116,620	$187,677
Income or (loss) before other items	$(418,490)	$(300,060)	$(168,434)	$(127,598)	$(444,331)	$(783,414)	$(541,751)	$(348,010)
Net Income or (loss) for the period	$(418,488)	$(300,059)	$(168,426)	$(152,265)	$(377,969)	$(783,443)	$(545,400)	$(1,637,700)
Net income (Loss) before other items per share basic and diluted	$(0.02)	$(0.02)	$(0.01)	$(0.01)	$(0.03)	$(0.08)	$(0.07)	$(0.30)
Income (Loss) per share basic and diluted	$(0.02)	$(0.02)	$(0.01)	$(0.01)	$(0.03)	$(0.08)	$(0.07)	$(0.30)

Revenue decreased during the three months ended August 31, 2016. Net loss decreased during the first quarter ended August 31, 2016, as a result of the impairment losses recognized during the three months ended May 31, 2016.

Revenue increased during the three months ended November 30, 2016. Net loss increased during the second quarter ended November 30, 2016, as a result of the share-based compensation and an increase in professional fees, share-based compensation and travel and business development.

Revenue remained consistent during the three months ended February 28, 2017. Net loss decreased during the third quarter ended February 28, 2017, as a result of a decrease accounting and legal costs, share-based compensation and travel and business development.

Revenue increased during the three months ended May 31, 2017. Net loss decreased during the fourth quarter ended May 31, 2017, as a result of a decrease accounting and legal costs, investor and finance development, office and miscellaneous, and research and development.

Revenue decreased during the three months ended August 31, 2017. Net loss remained consistent during the first quarter ended August 31, 2017.

Revenue increased during the three months ended November 30, 2017. Net loss increased during the second quarter ended November 30, 2017, as a result of an increase in accounting and legal costs, rent, research and development and travel and business development.

Revenue decreased during the three months ended February 28, 2018. Net loss increased during the third quarter ended February 28, 2018, as a result of the reduction in revenue and an increase in share-based compensation.

1.5 Liquidity

The Company’s liquidity has decreased at February 28, 2018 since May 31, 2017.

	February 28, 2018	May 31, 2017
Cash and cash equivalents	$Nil	$324,911
Accounts receivable	$92,804	$30,324
Accounts payable and accrued liabilities	$91,930	$110,477
Due to related parties	$305,451	$474,908

As at February 28, 2018, the Company had cash and cash equivalents of $nil and a working capital deficiency of $334,402 compared to cash and cash equivalents of $324,911 and a working capital deficiency of $232,211 as at May 31, 2017. The Company's decrease in working capital is mainly attributable to the decrease in cash and cash equivalents.

During the nine months ended February 28, 2018, the Company used $1,026,739 of cash for operating activities compared to $1,679,420 in the comparative period. The Company incurred $69,350 (2017 - $9,178) in acquisition of equipment during the period ended February 28, 2018. The Company has financed its operations for the last two years mainly through the issuance of share capital. The Company has raised $770,870 (2017 - $1,664,327) through subscription of share capital during the nine months ended February 28, 2018. 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.

1.6 Capital Resources

The Company's capital currently consists of common shares, options and warrants. The Company's principal source of funds is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to meet the Company's educational software development, internet training development and film production to ensure the growth of activities.

During the year ended May 31, 2017, the Company signed a new rental agreement effective until August 31, 2022. The Company has committed to pay rent, taxes and operating costs. Minimum future lease payments are as follows:

Fiscal Year	$
2018	24,564
2019	101,460
2020	105,732
2021	110,004
2022	114,276
Thereafter	28,836
Total	484,872

1.7 Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

1.8 Transactions Between Related Parties

The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	February 28, 2018	February 28, 2017
Management fees	$ 108,000	$ 118,400

For the nine months ended February 28, 2018 and 2017, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

At February 28, 2018, $305,451 (May 31, 2017 – $474,908) was owed to a significant shareholder and companies owned by a significant shareholder, who is also a director and officer, and to a company owned by his relative.

Accounting and legal, investor and finance development, office and miscellaneous, On-Track TV development, research and development, software development, subcontractors, travel and business development, and wages and benefit expenses are provided by related parties and significant shareholders of the Company.

During the nine months ended February 28, 2018, $587,362 (2017 - $1,317,664) of these expenses were included in expenses to companies owned by a significant shareholder, who is also a director and officer, and immediate family of the significant shareholder.

1.9 Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, 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. Significant areas requiring the use of management estimates relate to estimation of an allowance for doubtful accounts, the measurement of share-based compensation, expected lives of long-lived assets, and the recognition of deferred income tax assets. Actual results could differ from those estimates. Significant judgements are applied by management to determine whether sales have met the Company's revenue recognition criteria, and to assess the probability of realizing deferring income tax assets based on the likelihood of generating taxable income in the future. Different judgement could yield different results.

1.10 Changes in Accounting Policies including Initial Adoption

Future Accounting Changes:

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for the Company's fiscal year beginning June 1, 2018, or for later years. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following accounting standards and amendments are effective for the Company's fiscal year beginning on June 1, 2018:

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments.

IFRS 2 Share-Based Payment

In June 2016, the Board issued the final amendments to IFRS 2 *Share-Based Payment* as follows:

(a) Effects that vesting conditions have on the measurement of a cash-settled share-based payment;

(b) Accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled;

(c) Classification of share-based payment transactions with net settlement features.

The following accounting standard is effective for the Company's fiscal year beginning on June 1, 2019:

IFRS 16 Leases

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17.

Management is currently evaluating any impact that the above standards may have on the Company's consolidated financial statements and this assessment has not yet been completed.

1.11 Financial Instruments and Other Instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash and cash equivalents, accounts receivable, bank indebtedness, accounts payable, and due to related parties. 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.

At initial recognition management has classified financial assets and liabilities as follows:

a) Financial assets

The Company has no assets other than cash classified as FVTPL at February 28, 2018. The Company has classified accounts receivable as loans and receivables. The Company has not classified any financial assets held to maturity or available for sale.

b) Financial liabilities

The Company has recognized its accounts payable, due to related parties and promissory notes payable as other financial liabilities. The Company derecognizes a financial liability when it its contractual obligations are discharged, cancelled or expire.

The following table summarizes information regarding the carrying values of the Company's financial instruments:

	February 28, 2018 $	**May 31, 2017** $
FVTPL (i)	–	324,911
Loans and receivables (ii)	92,804	30,324
Other financial liabilities (iii)	(397,689)	(585,385)

(i) Cash and cash equivalents
(ii) Accounts receivable
(iii) Accounts payable, amounts due to related parties and promissory notes payable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market date.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy:

	Level	**February 28, 2018** $	**May 31, 2017** $
Cash and cash equivalents	1	–	324,911
Bank indebtedness	1	308	–

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of accounts receivable. 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.

The following table provides information regarding the aging of financial assets that are past due but which are not impaired as at November 30, 2017:

		Neither past due nor impaired	31-60 days	61-90 days	91 days and over	Carrying value
Trade accounts Receivable	$	92,804	92,804	–	–	92,804

Liquidity Risk

The Company manages its ability to meet its short-term obligations through the capital management described in Note 10 to the interim consolidated financial statements. The Company has a working capital deficit and requires additional financing to fund operations.

Foreign Exchange Risk

As the Company generates a portion of its revenues in the U.K., and a portion is in the U.S. (movie sales), the Company's foreign exchange risk arises with respect to the U.K. pound sterling and U.S. dollar. Financial instruments that subject the Company to foreign currency exchange risk include cash and accounts receivable. Approximately 1% of the Company's revenues are denominated in the U.K. pound sterling (2017 – 5%), and 0% in U.S. dollars (2017 – 2%) while a significant amount of the Company's expenses are denominated in Canadian dollars. In management's opinion the Company is not exposed to significant foreign exchange rate risk.

Interest Rate Risk

In management's opinion the Company is not exposed to significant interest rate risk.

1.12 Additional Information

Additional information about the Company is available on SEDAR (Website: www.sedar.com)

Outstanding Share Data

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

	Number of shares issued or issuable as at February 28, 2018	Number of shares issued or issuable as at April 30, 2018
Common shares	21,939,444	21,939,444
Stock options	2,025,000	1,505,000
Warrants	10,183,333	7,080,000

APPENDIX "E"

STATEMENT OF EXECUTIVE COMPENSATION

EXECUTIVE COMPENSATION

As defined under applicable securities legislation, the Company had two "Named Executive Officers" during the financial year ended May 31, 2017 as set out below:

Russ Rossi:	President and Chief Executive Officer
James Rosevear:	Chief Financial Officer and Secretary

Definitions: For the purpose of this Information Circular:

"CEO" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"CFO" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"closing market price" means the price at which the Company's security was last sold, on the applicable date,

(a) in the security's principal marketplace in Canada, or

(b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"equity incentive plan" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*;

"grant date" means a date determined for financial statement reporting purposes under IFRS 2 *Share-based Payment*;

"incentive plan" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

"incentive plan award" means compensation awarded, earned, paid, or payable under an incentive plan;

"NEO" or **"named executive officer"** means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

"non-equity incentive plan" means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons; and

"share-based award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Compensation Discussion and Analysis

The purpose of this compensation discussion and analysis is to provide information about the Company's executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Company's Named Executive Officers.

The Company's policies on compensation for its Named Executive Officers are intended to provide appropriate compensation for executives that is internally equitable, externally competitive and reflects individual achievements in the context of the Company. The overriding principles in establishing executive compensation provide that compensation should:

(a) reflect fair and competitive compensation commensurate with an individual's experience and expertise in order to attract, motivate and retain highly qualified executives;

(b) reflect recognition and encouragement of leadership, entrepreneurial spirit and team work;

(c) reflect an alignment of the financial interests of the executives with the financial interest of the Company's shareholders;

(d) include stock options and, in certain circumstances, bonuses to reward individual performance and contribution to the achievement of corporate performance and objectives;

(e) reflect a contribution to enhancement of the Company's shareholder value; and

(f) provide incentive to the executives to continuously improve operations and execute on corporate strategy.

The Named Executive Officers' compensation program is, therefore, designed to reward the Named Executive Officers for increasing shareholder value, achieving corporate performance that meets pre-defined objective criteria, improving operations and executing on corporate strategy. The same approach is taken by the Company with respect to the compensation of senior management personnel other than the Named Executive Officers.

Goals and Objectives

The Board has established a compensation committee (the "**Compensation Committee**") which is currently comprised of Russell Rossi (Chair), Stephen Alexander and Michael Skellern.

The purpose of the Compensation Committee is to make recommendations to the Board regarding (a) executive compensation (including philosophy and programs); (b) management development and succession; (c) compensation of the members of the Board; and (d) broadly applicable compensation and benefit programs; however, it is the Board as a whole who is responsible for determining the final compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing the independent members of the Board with considerable input as to executive compensation.

The Company's executive compensation program focuses primarily on rewarding the efforts of its executives in increasing shareholder value and meeting the goals and objectives established by the Board for the Company as a whole and each executive on an individual basis. The Compensation Committee is responsible for reviewing executive compensation with respect to the achievement of these goals on an annual basis and making recommendations to the Board with input from the Company's Chief Executive Officer. In doing so, the Compensation Committee recognizes the importance of ensuring that overall compensation for Named Executive Officers is not only internally equitable, but also competitive within the market segment for technology issuers. Specifically, the Compensation Committee's review and evaluation includes measurement of, among others, the following areas: (a) the achievement of corporate objectives, such as financings, sales and successes, acquisitions, joint ventures and other business development, in particular having regard to budgetary constraints and other challenges facing the Company; (b) the Company's financial condition; and (c) the Company's share price, market capitalization and shareholder returns. The Compensation Committee also takes into consideration the value of similar incentive awards to executive officers at comparable companies and the awards given to executive officers in past years.

The goal of the Compensation Committee is to meet at least twice a year to assess, evaluate, monitor and make recommendations to the Board regarding appropriate executive compensation policies as well as succession planning and will meet more frequently if required.

As set out below, decisions relating to option grants are made by the Board based on input from the Compensation Committee and Chief Executive Officer, as applicable, and having regard to the intended purpose of such grants as long-term incentives.

Executive Compensation Program

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company.

Executive compensation is comprised of three principal elements: base fee or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (share options).

Base fee or salary is intended to be competitive with, but not at the high end of the range of, similar issuers in the media industry. After base fee or salary, options are considered to be long-term incentives and the most important form of long-term compensation, as they provide incentive to build shareholder value. The amount of options granted is proportional to the recipient's position in the Company. Bonuses are the least important of the three components and are determined at year-end. It is anticipated that, if granted, they will be equal to a fraction of base fee or salary.

Each element has a different function, as described in greater detail below, but all elements work together to reward the Named Executive Officers appropriately for personal and corporate performance.

Base Fee or Salary

Base fees or salaries are considered an essential element in attracting and retaining the Company's senior executives (including the Named Executive Officers) and rewarding them for corporate and individual performance. Base fees or salaries are established by taking into account level of skills, expertise and capabilities demonstrated by the senior executives, individual performance and experience, level of responsibility and competitive pay practices by comparable media companies.

Base fees or salaries are reviewed annually by the Board and are adjusted, if appropriate, to reflect performance and market changes taking into account the recommendations of the Compensation Committee.

In addition to base fee or salary, the Named Executive Officers are reimbursed by the Company for reasonable out-of-pocket expenses incurred in connection with their employment with the Company.

Short-Term Incentives

The Company provides senior executives (including the Named Executive Officers) with the opportunity to receive discretionary cash bonuses as determined by the Board based on the recommendations of the Compensation Committee and having regard to individual and corporate performance over the past financial year. Bonuses are primarily designed to align the financial interests and personal motivation of the Named Executive Officers with the interests of the Company and are intended to reward the executive officers for meeting or exceeding the individual and corporate performance objectives set by the Board.

Long-Term Incentives

The Company's long-term incentive compensation for senior executives (including the Named Executive Officers) is provided through stock option grants under the Company's incentive stock option plan (the "**Option Plan**"), which permits the granting of options to purchase up to a maximum of 10% of the then issued and outstanding Shares. Each Named Executive Officer is eligible for option grants as determined by the Board, based on the recommendation of the Compensation Committee and input from the Chief Executive Officer. Subject to the terms of the Option Plan and the rules and policies of the TSX-V, the number of options and the exercise price of all options, are dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long term contribution to the Company will be key to its long-term success. The options granted under the Option Plan may be exercisable for the period determined by the Board at the time of grant, subject to the terms of the Option Plan and the policies of the TSX-V.

Participation in the Option Plan is considered to be a critical component of compensation that provides incentive to the Named Executive Officers to create long-term growth and shareholder value, as the value of the options is directly dependent on the market valuation of the Company. As such, stock options reward overall corporate performance, as measured through the price of the Company's shares and enables executives to acquire and maintain a significant ownership position in the Company.

Stock options are normally granted by the Board when an executive officer first joins the Company based on his level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within the Company and to ensure equity and fairness in the granting process. The Board also evaluates the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant and the current policy of the Board is that options expire two years from the date of grant.

As described above, the Compensation Committee considers various factors in determining the compensation of the Named Executive Officers and share performance is one performance measure that is reviewed and taken into consideration with respect to executive compensation.

The Company's compensation policies provide a significant portion of each senior executive's compensation package in the form of stock option compensation. The options are intended to be competitive and forward-looking. See "Plan Awards – Outstanding Share-Based Awards and Option-Based Awards" below for details of current stock options granted by the Company to the Named Executive Officers.

However, the Company's share price can be directly impacted by numerous factors that are difficult to predict and beyond the Company's control including general and industry-specific economic and market conditions. Accordingly, the Compensation Committee also evaluates financial performance by reference to the Company's operating performance rather than short-term changes in share price based on its view that the Company's long-term operating performance will be reflected by stock price performance over the long-term, which is especially important when the current stock price may be temporarily depressed by short-term factors, such as recessionary economies and operating markets or temporarily increased due to market conditions or events. The movement in share price of the Company is not considered wholly representative of actions taken with respect to executive compensation.

Summary Compensation Table

The following table sets out certain information respecting the compensation paid to the CEO and CFO and the three most highly compensated executive officers, other than the CEO and CFO, whose total compensation was more than $150,000 for each of the Company's three most recently completed financial years. These individuals are referred to collectively as the "Named Executive Officers" or "NEOs".

Table of compensation excluding compensation securities							
Name and position	**Year Ended May 31**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)(1)**	**Value of all other compensation ($)(2)**	**Total compensation ($)**
Russ Rossi *President, Interim CEO & Director*	2017 2016 2015	154,400 144,000 144,000	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	144,000 144,000 144,000
James Rosevear *CFO*	2017 2016 2015	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil

(1) The value of perquisites received by each of the Named Executive Officers, including property or other personal benefits provided to the Named Executive Officers that are not generally available to all employees, were not in the aggregate greater than $50,000 or 10% of the Named Executive Officer's total compensation during each of the three most recently completed fiscal years ended May 31, 2017, 2016 and 2015.

(2) During the year ended May 31, 2017, the Company paid a total of $153,625 to a private company controlled by Mr. Rossi for services performed on behalf of On-Track TV, a division of On-Track Computer Training Ltd., a wholly-owned subsidiary of the Company. Mr. Rossi has advised the Company that the full $153,625 was used to reimburse expenses incurred by such company for, among other things, wages to employees and contractors, accounting expenses, moving expenses and computer programming expenses performed on behalf of On-Track TV and that none of such amount was paid, directly or indirectly, to Mr. Rossi.

Stock Options and Other Compensation Securities

The Company nor any subsidiary granted or issued no compensation securities to any of its directors or NEO's in the year ended May 31, 2017 for services provided, or to be provided directly or indirectly, to the Company or any subsidiary thereof:

Exercise of Compensation Securities by Directors and NEOs

No compensation Securities were exercised by Directors or NEO's or any subsidiary thereof in the year ended May 31, 2017.

Stock Option Plans and Other Incentive Plans

The Option Plan reserves a maximum aggregate of 10% of the Company's issued and outstanding common shares at the time the Option Plan was adopted. The Option Plan was approved by the Shareholders of the Company on December 14, 2016.

The Option Plan is administered by the Board of Directors and enables the Company and provides for grants of options to directors, senior officers, employees, consultants, consultant company or management company employees of the Company at the discretion of the Board. The term of any options granted under the Option Plan is fixed by the Board of Directors and may not exceed ten 5 years. The exercise price of options granted under the Option Plan will be determined by the Board of Directors, but the exercise price shall not be less than the discounted market price on the grant date. Any options granted pursuant to the Option Plan will terminate ninety (90) days (thirty (30) days if the optionee was engaged in Investor Relations Activities) after the option holder ceasing to act as a directors, senior officers, employees, consultants, consultant company or management company employees of the Company or any of its affiliates, unless such cessation is on account of death, disability or termination of employment with cause). If such cessation is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately. The Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the Company's shares. The directors of the Company may, at its discretion at the time of any grant, impose a schedule over which period of time the option will vest and become exercisable by the optionee.

Subject to the approval of any stock exchanges or any other regulatory body having authority over the Company or the Option Plan, the Board may from time to time amend the Option Plan and the terms and conditions of any Option thereafter to be granted and, without limiting the generality of the foregoing, may make such amendment for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Option Plan, any Option or the Shares or for any other purpose which may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment. Notwithstanding the foregoing, the Board may, subject to the requirements of the Exchange, amend the terms upon which each Option shall become vested with respect to Shares without further approval of the Exchange, other regulatory bodies having authority over the Company, the Option Plan or the shareholders.

Pension Plan Benefits

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

Termination and Change of Control Benefits

The Company has not entered into any compensatory plans, contracts or arrangements with any of its Named Executive Officers whereby such officers are entitled to receive compensation as a result of the resignation, retirement or any other termination of employment of the Named Executive Officer with the Company or from a change in control of the Company or a change in the Named Executive Officer's responsibilities following a change in control.

Compensation of Directors

The Board has no standard arrangement pursuant to which directors are compensated for their services in their capacity as directors except for the granting, from time to time, of incentive stock options in accordance with the Company's Option Plan and the policies of the TSX-V.

Save for the reimbursement of expenses incurred as directors, no cash compensation was paid to any director of the Company for the director's services as a director, or for committee participation, involvement in special assignments or for services as a consultant or expert during the fiscal years ended May 31, 2017.