Vogogo Inc.

Management Discussion and Analysis

For The Three Months and Year Ended December 31, 2014

MANAGEMENT'S DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("MD&A") is intended to provide readers with the information that management ("Management") of Vogogo Inc. ("Vogogo" or the "Corporation"), formerly Southtech Capital Corporation ("Southtech"), believes is required to gain an understanding of the financial results of the Corporation for the three months and years ended December 31, 2014 and 2013, and to assess the Corporation's future prospects. Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information"), as defined under applicable Canadian securities laws, which are based on current plans and expectations. See under the heading "Special Note Regarding Forward Looking Information". Additional information relating to Vogogo is available under Vogogo's profile on www.sedar.com.

This MD&A, presented and dated as of April 29, 2015, should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2014 and 2013.

The Corporation's audited consolidated financial statements have been prepared on a "going concern" basis, which presumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The operations of the Corporation have been primarily funded through private placements of equity and debt. The continued operations of the Corporation are dependent on the Corporation's ability to generate profitable operations in the future, to receive continued financial support from shareholders, and/or to complete sufficient equity and debt financings.

Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward Looking Information

Certain statements in this MD&A, other than statements of historical fact, may include Forward-Looking Information that involves various risks and uncertainties. These can include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the online payment processing industry as well as those factors set forth under the heading "*Risk Factors*" in the joint management information circular of Southtech and Redfall Technologies Inc. ("Redfall") dated July 31, 2014. These risks and uncertainties may have a material impact on future prospects and may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. Since actual events and results could differ materially, the reader is cautioned not to place undue reliance on any Forward-Looking Information. The Corporation assumes no obligation to update Forward-Looking Information should circumstances or Management's estimates or opinions change, except as required by law.

Core Business and Strategy

Vogogo is a risk management and electronic payment services business that has spent recent years developing and launching payment risk management and processing technologies ("Vogogo Technology") that enable secure transaction processing between businesses and their customers, utilizing conventional banking and payment networks. Vogogo provides automated risk management services including fraud mitigation, know your customer ("KYC"), sanctions checks and anti-money laundering - counter terrorist financing ("AML-CTF") processes and procedures, combined with a bundled suite of payment services. This unique combination gives Vogogo the security, flexibility and scalability to meet the demands of a marketplace driven by technology and seeking reliable, flexible, cost effective and compliant access to conventional banking and payment services.

Vogogo is primarily focused on servicing the new and emerging cryptocurrency market. Management believes that businesses developing and offering services based on cryptocurrencies or blockchain technologies are poised to significantly disrupt conventional financial services on a global scale. As a consequence, it is expected that the current rapid growth of the cryptocurrency sector will continue for the foreseeable future to create a market with significant size, scope and longevity. Management firmly believes that, in order for these technologies (and the businesses offering the services) to gain mass adoption and proliferate globally, they must provide end users with convenient and efficient methods of getting funds into and out of the cryptocurrency ecosystem(s). These businesses face a significant challenge in that they do not have the risk management and regulatory knowledge, technology, banking relationships, or operational experience to effectively secure access to conventional banking and payment services.

The Corporation, via Vogogo Technology, provides compliant risk management, payment and pre-paid services to the new and emerging cryptocurrency market. The Corporation has the risk management and regulatory knowledge, technology, banking relationships, and operational experience to effectively service the cryptocurrency industry. Vogogo provides the cryptocurrency industry with convenient and flexible payment options, allowing end users to conveniently get fiat currencies in and out of the cryptocurrency ecosystem(s).

Management believes that Vogogo has an early mover advantage as the Corporation has many of the central participants in the cryptocurrency industry either under contract or in negotiations. Management remains focused on first enabling the major cryptocurrency markets of the U.S., Canada and Europe.

The businesses involved in offering cryptocurrency-based services have a difficult time securing access to conventional banking and payments – very similar challenges to those faced by early online gaming operators. Similar to the cryptocurrency industry, the online gaming industry emerged and grew very rapidly; the services were considered high risk from a banking perspective and required sophisticated approaches to transactional risk management, compliance and financial crime prevention. As was the case for the gaming operators, effective access to and interoperability with conventional banking and payments are critical components for cryptocurrency-based services to be successful and gain mass adoption. A large portion of Vogogo's historical processing portfolio has been for operators in the online poker industry, where the Corporation developed its risk mitigation and payment processing expertise. Banks, merchants, and investors view this as credible validation of Vogogo's capabilities and a key competitive advantage to servicing the cryptocurrency market.

Vogogo also provides automated electronic payment processing for conventional accounts payable and accounts receivable processes. Vogogo believes the U.S. and Canada lag behind other mature economies in the adoption of electronic payments for accounts payable and accounts receivable processes. While adoption is progressing, paper cheques, featuring time-consuming manual actions, continue to be a significant component of the overall U.S. and Canadian payment landscape, with corresponding high costs and slow settlement speeds. Management believes that this situation is primarily due to the banks' slow pace in modernizing their business models to offer effective electronic transaction solutions to the market, particularly for business-to-business payables and receivables.

To effectively execute on its business plan, Vogogo is working on achieving the following milestones in Canada, Europe and the U.S.

1) ***Financial Conduct Authority ("FCA") – Electronic Money Issuer ("EMI") License ("EMI")*** – Vogogo is becoming a direct provider of compliant risk management, payment processing and stored value services in the United Kingdom and the broader European Economic Area ("EEA"). This includes meeting the application requirements in order to secure an EMI license issued by the FCA, including a security deposit estimated at approximately $500,000. An EMI license will require that Vogogo maintain comprehensive operational policies and procedures in order to maintain compliance and good standing as a regulated EMI with the FCA. Vogogo has completed the majority of the related tasks and Management expects to obtain an EMI license in the third quarter of 2015.

   Vogogo is currently working in partnership with other EMIs and Payment Institutions ('PIs") in Europe so securing an EMI license is not required for Vogogo to service the European market. Securing an EMI license will, however, help solidify Vogogo's European offering with direct European banking relationships and improved operating margins.

2) ***Payment Card Industry Data Security Standard ("PCI-DSS") Testing and Audit*** - As a payment processor, Vogogo is subject to independent annual audit and testing to demonstrate compliance with PCI-DSS as a condition of receiving PCI certification. Prior to scaling to larger processing volumes in partnership with existing European based EMIs" and PIs, the current PCI-DSS testing and audit process must be finalized to confirm that Vogogo properly handles sensitive payment-card-related data. Vogogo has previous experience with PCI-DSS compliance. Vogogo has completed the majority of the related tasks and Management is confident in being able to finalize the current annual audit and testing process.

3) ***U.S. Regulatory Oversight*** – As a service provider direct to U.S. banking partners (together, the "Bank"), Vogogo and the "Bank" need to be satisfied that the activities conducted by the Bank and Vogogo's customer(s) ("Customers") do not expose the Bank to compliance risks arising from servicing of the Customers. The Bank has a regulatory obligation to understand the risks posed and to oversee all compliance measures to ensure that the services provided are conducted in a safe, sound and compliant manner. Due to Management's belief that:

a. cryptocurrency and blockchain technologies are not yet well understood in general, and;

b. businesses developing and offering services based on cryptocurrencyand blockchain technologies are poised to significantly disrupt U.S.-based conventional financial services,

Management in coordination with the Corporation's banking partners and legal counsel has determined that educating and gaining appropriate oversight from relevant U.S. banking regulators on Vogogo's service offering are important steps in ensuring that the services are well understood, compliant and remain confidently reliable in the long term. As Vogogo provides a new service offering for a new and disruptive industry, the timing of U.S. regulatory oversight is uncertain and there are not yet any prescribed objectives that need to be achieved. It is a "feeling out" process rather than a formal process. It is expected that the Corporation will be able to start offering services in the U.S. in the second quarter of 2015.

Management continues to monitor the proposed cryptocurrency regulations introduced in New York State in July 2014 as well as in various other U.S. states. While there remains potential for proposed cryptocurrency regulations to affect the industry, to date there has been minimal resulting effect on the industry and minimal impact on Vogogo's service offering in the U.S.

4) ***American Institute of Chartered Professional Accountants ("AICPA) Service Organization Control ("SOC") Accounting Standards Control*** – As a direct provider of compliant risk management, payment processing and stored value services to U.S. banks, Vogogo has determined that securing and maintaining SOC 1 & 2 accounting standards via a third party independent audit will significantly improve the Corporation's credibility and confidence with U.S. banks and regulators. SOC requires that Vogogo implement and maintain comprehensive operational controls, policies and procedures, and regularly report on the effectiveness of the controls in place. SOC implementation is expected to be completed in 2015 and the corresponding third party audit is expected to be completed in 2016.

About Vogogo

Vogogo Inc., formerly Southtech Capital Corporation, is a risk management and electronic payment services business. Vogogo Canada Inc. was incorporated under the Business Corporations Act (Alberta) on July 26, 2010 and is a wholly owned subsidiary of the Corporation. In addition, on August 13, 2012 the Corporation incorporated Vogogo USA Inc., a wholly owned subsidiary and Delaware company, and on October 1, 2014 the Corporation incorporated Vogogo EU Ltd., a wholly owned subsidiary registered under the laws of the United Kingdom. The Corporation develops software that currently administers multiple electronic payments including card payments, pre-authorized debit, direct deposit, peer-to-peer transfers and online banking payments for both the U.S and Canadian markets. The head office is located at 400, 320 – 23rd Avenue SW, Calgary, Alberta, Canada, T2S 0J2. The registered office is located at Torys LLP, 4600, 525 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 1G1.

Southtech was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on April 21, 2011 and was classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange ("TSX Venture") Corporate Finance Manual. The principle business of Southtech was to identify and evaluate potential acquisitions or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and, if required, shareholders' approval ("Qualifying Transaction").

On September 11, 2014, Southtech completed its Qualifying Transaction, which was effected pursuant to an agreement between Southtech and Redfall. Pursuant to the agreement, Southtech and Redfall completed a business combination by way of an amalgamation. The former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five common shares held in Southtech. The new amalgamated company changed its name to Vogogo Inc.

Upon closing of the Qualifying Transaction, the shareholders of Redfall owned 95.62% of the common shares of Vogogo and, as a result, the transaction is a reverse acquisition of Southtech by Redfall. For accounting purposes, Redfall is considered the acquirer and Southtech the acquiree. Accordingly, the consolidated financial statements are in the name of Vogogo Inc. (formerly Southtech) and are a continuation of the financial statements of Redfall. Additional information on the transaction is disclosed in Note 6(i).

BASIS OF PRESENTATION

This review of the results of operations should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2014 and 2013.

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

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 29, 2015.

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation’s financial results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measures. However, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures, and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-recurring business acquisition costs and share-based compensation. These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users.

Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation’s core business activities because they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities.

Cash Flow From Operations

Cash flow from operations is defined as the cash generated or used in operating activities including working capital related to operating activities. It is calculated by adding non-cash items to the comprehensive income and then adding or deducting working capital sources or uses related to operating activities.

SUMMARY OF FINANCIAL AND OPERATIONAL RESULTS

The following tables set forth unaudited interim and audited annual financial data prepared in accordance with IFRS for the three months and years ended December 31, 2014 and 2013, respectively.

Financial Snapshot

	Three Months Ended		**Year Ended**	
($)	**Dec 31, 2014**	**Dec 31, 2013**	**Dec 31, 2014**	**Dec 31, 2013**
Revenues	**41,530**	112,481	**254,064**	159,527
Net loss and comprehensive loss	**(2,033,915)**	(124,130)	**(8,980,661)**	(1,047,980)
			As at Dec 31, 2014	**As at Dec 31, 2013**
Working capital (current assets less current liabilities)			**5,984,455**	(795,209)
Total assets			**7,459,303**	1,616,279
Total liabilities			**1,315,286**	2,242,237

Summary Results of Operations

	Three Months Ended		**Year Ended**	
($)	**Dec 31, 2014**	**Dec 31, 2013**	**Dec 31, 2014**	**Dec 31, 2013**
Loss from operating activities	**(2,024,271)**	(96,271)	**(8,651,850,)**	(997,586)
General and administrative	**955,175**	209,423	**2,620,823**	695,902
Sales and marketing	**399,264**	78,552	**1,056,021**	202,295
Research and development	**477,975**	(84,090)	**1,331,780**	239,447
Transaction costs	**-**	-	**373,304**	-
Net cash used in operating activities	**(2,091,146)**	7,104	**(4,855,839)**	(808,827)
Non-cash operating items:				
Amortization and depreciation	**2,422**	4,867	**9,689**	19,469
Accretion	**-**	4,667	**282,169**	14,737
Stock-based compensation	**227,454**	-	**2,794,934**	-
EBITDA	**(2,021,849)**	(91,404)	**(8,642,161)**	(978,117)
Adjusted EBITDA (EBITDA less share-based compensation)	**(1,794,395)**	(91,404)	**(5,847,227)**	(978,117)

The Corporation raised a net of $11.3 million through various financing activities in 2014 and became a publically listed company on the TSX Venture. With the additional capital, the Company was sufficiently financed to be able to implement and execute on its plan to service businesses operating in the new and emerging cryptocurrency market, in the key regional markets of Canada, the U.S. and Europe. These initiatives increased expenditures in all areas, the details of which are discussed in the Results of Operations section.

Selected Annual Information

	For the years ended December 31,		
($)	**2014 (audited)**	**2013 (audited)**	**2012 (audited)**
Total revenues	**254,064**	159,527	31,748
General and administrative	**2,620,823**	695,902	425,109
Sales and marketing	**1,056,021**	202,295	548,552
Research and development	**1,331,780**	239,447	893,732
Net loss and total comprehensive loss	**(8,980,661)**	(1,047,980)	(1,778,822)
Basic and diluted loss per share	**(0.33)**	(0.07)	(0.13)
Total assets	**7,459,303**	1,616,279	358,307
Total liabilities	**1,315,286**	2,242,237	427,010
Net working capital	**5,984,455**	(795,209)	(257,423)

Summary of Quarterly Results

The following table presents unaudited selected financial data for each of the last eight quarters up to December 31, 2014.

($)	**Dec 31, 2014**	**Sep 30, 2014**	**Jun 30, 2014**	**Mar 31, 2014**	**Dec 31, 2013**	**Sep 30, 2013**	**Jun 30, 2013**	**Mar 31, 2013**
Total assets	7,459,303	9,187,195	9,458,084	3,504,394	1,616,279	228,185	265,106	291,711
Net working capital	5,984,455	7,526,431	1,299,384	1,742,505	(795,209)	(732,446)	(537,680)	(584,314)
Total liabilities	1,315,286	1,497,427	7,992,940	1,595,060	2,242,237	786,513	623,801	692,173
Revenue	41,530	23,638	68,767	120,129	112,481	23,495	9,892	13,659
Net loss and comprehensive loss	(2,033,915)	(2,508,898)	(2,060,333)	(2,377,515)	(124,130)	(234,730)	(345,767)	(343,353)
Basic and diluted loss per share	(0.07)	(0.08)	(0.06)	(0.16)	(0.01)	(0.02)	(0.02)	(0.02)

Comprehensive loss for the three months ended December 31, 2014 increased to $2.0 million compared to $0.1 million for the same period in 2013. The higher quarterly loss was the result of lower revenues combined with higher general and administrative, sales and marketing, R&D, listing and stock-based compensation expenses realized in 2014 as compared to the same period in 2013. Each of these items is discussed in more detail under the Results of Operations section.

RESULTS OF OPERATIONS

Revenues

($)	December 31, 2014	December 31, 2013	December 31, 2012
Revenues	**254,064**	159,527	31,748

All of the 2,277 transactions and 100% of the revenues generated in 2012 were the result of payment processing for property managers and various conventional small businesses based in Canada. In 2013, Vogogo recorded an increase in revenues of almost $128,000 compared to 2012. The increase in revenues occurred in the second half of 2013 when Vogogo started servicing its first two customers in the cryptocurrency space. Transactions processed for those two customers accounted for a majority of the revenue in 2013 (70% from one customer), and other payment processing transactions for 272 customers accounted for the remainder of the revenue.

For the year ended December 31, 2014, the Corporation's revenues increased by $94,537 or 59% when compared to the same period in the prior year. Revenue growth remained modest for two primary reasons, as follows:

1) Revenues were negatively impacted as a result of adverse developments involving the two active cryptocurrency customers of Vogogo. The developments, in both cases, were completely outside of Vogogo's control. One of the cryptocurrency merchants lost its commercial banking for reasons that Vogogo is not aware of. It is Vogogo's understanding that the second cryptocurrency merchant may have encountered financial difficulties, specifically around cash flows, and, as a result, had to restrict operations until it sourced additional capital. As a result, volumes processed by this second merchant also significantly declined.
2) With the knowledge gained from servicing the two active customers in the cryptocurrency space, Management made the decision in the third quarter of 2013 to stop adding customers in order to adjust the Vogogo Technology. It was felt that the adjustments were necessary to more effectively handle risk management and to better scale to the specific requirements of the broader cryptocurrency industry. Vogogo completed the core adjustments to its software and started bringing on new customers in the cryptocurrency space in the fourth quarter of 2014. The software has since been undergoing quality assurance testing combined with relatively low volume processing (average of $75,000 per day) with customers in Canada. In parallel with quality assurance testing, the Corporation is also preparing for commercial service levels (in excess of $1 million in processing per day) in the key markets of Canada, the U.S. and Europe. These preparations are further discussed in the Outlook section of this document.

General and Administrative

($)	December 31, 2014	December 31, 2013	December 31, 2012
General and administrative expenses	**2,620,823**	695,902	425,109

General and administrative ("G&A") expenses consist primarily of personnel costs, processing costs and overhead expenses relating to the Corporation's human resource, finance, legal, regulatory and administrative functions. For the year ended 2014, G&A expenses increased to $2,620,823 from $695,902 in 2013.

Included in 2014 general and administrative expenses is a non-cash commission expense of $215,000 related to the issuance of 500,000 Class A common shares of Redfall at $0.09 per share, which was below the average market price. The fair value adjustment was calculated as the difference between $0.09 (issue price) and $0.52 (fair value market price) and was recorded as commission expense during the year. The other increases in G&A expenses for the year ended December 31, 2014 resulted from higher salary, consulting and legal expenses in support of the Corporation's pursuit of several strategic and regulatory options to enhance its future growth opportunities.

For the year ended December 31, 2014, 93% of G&A expenses related to personnel, consulting, professional fees and rent while, for the same period in 2013, 84% of G&A expenses related to personnel, consulting, professional fees and rent.

Sales and Marketing

($)	December 31, 2014	December 31, 2013	December 31, 2012
Sales and marketing expenses	**1,056,021**	202,295	548,552

Sales and marketing expenses consist principally of salaries, commissions, travel and other costs associated with the Corporation's sales force, marketing and commercialization activities including advertising, collateral development and printing, sales training, trade shows and pre- and post-sales technical support. Sales and marketing expenses for the year ended 2014 were higher by $853,726 or 422% compared to the previous year as a result of the Corporation being sufficiently financed and able to implement and execute on its plan to service businesses operating in the new and emerging cryptocurrency market, in the key regional markets of Canada, the U.S. and Europe.

Sales and marketing expenses are expected to increase over the next several quarters as Vogogo continues to expand its brand awareness, value proposition and market presence.

The 2012 sales and marketing focus was limited and primarily directed to attracting new customers comprising conventional small and medium sized businesses in Canada.

Research and Development

($)	December 31, 2014	December 31, 2013	December 31, 2012
Research and development expenses	**1,331,780**	239,447	893,732

Research and Development ("R&D") expenses include personnel and related equipment costs to develop and support the Corporation's products. The Corporation expenses all research costs as they are incurred. Development costs are only capitalized if they meet the criteria set out by

IFRS. While Vogogo believes that investment in R&D is required to remain competitive and will result in creating a valuable asset, Vogogo has not capitalized any development costs during 2014. Expenditures for the year ended December 31, 2014 were based on further developing the risk management and payment processing technology to service businesses operating in the new and emerging cryptocurrency market, in the key regional markets of Canada, the U.S. and Europe. The goal is to continue to differentiate from competitors in terms of relevant and superior technology.

R&D expenses for the year ended December 31, 2014 were higher by $1,092,333 or 456% compared to the previous year as a result of Management's decision to adjust the Vogogo Technology to more effectively handle risk management and to better scale to the specific requirements of the opportunity offered by servicing the cryptocurrency industry.

To maintain relevant and industry leading technology requires continual development, enhancement, upgrading and migration to new and more effective base technologies. As such, R&D expenses are expected to continue at these levels or higher over the next several quarters.

The higher expenditure in 2012 compared to 2013 was due to the Corporation dedicating resources to re-purpose its payment platform from supporting strictly gaming companies to supporting broader electronic payment applications.

For the years ended December 31, 2014 and 2013, 100% of the R&D expenses related to personnel, consulting and IT expenses.

Transaction costs

($)	December 31, 2014	December 31, 2013	December 31, 2012
Transaction costs	**373,304**	-	-

On July 31, 2014, Southtech and Redfall filed a joint information circular to obtain approval from their respective shareholders to proceed with the Qualifying Transaction, and the approval was granted at meetings held on September 10, 2014 followed by approval by the TSX Venture. In connection with this transaction, the Corporation completed a private placement and raised $8.5 million on a brokered and non-brokered basis. Expenses related to the Qualifying Transaction included transaction costs of $373,304 that were incurred during the second and third quarters of 2014.

Listing costs

($)	December 31, 2014	December 31, 2013	December 31, 2012
Listing costs	**930,852**	-	-

On September 11, 2014, the Corporation completed its Qualifying Transaction, which was effected pursuant to an agreement between Southtech and Redfall. The former shareholders of Redfall received one fully paid common share in the new amalgamated company for every one Class A common share held in Redfall and the former shareholders of Southtech received one fully paid common share in the new amalgamated company for every five common shares held in Southtech.

The transaction was a reverse acquisition of Southtech and has been accounted under IFRS 2, Share-based Payments. Accordingly, the transaction has been accounted for at the fair value of the equity instruments granted by the shareholders of Redfall to the shareholders and option holders of Southtech. The difference between the net assets acquired and the fair value of the consideration paid of $930,852 has been recognized as a listing expense in the statement of loss and comprehensive loss for the period ended September 30, 2014. Costs of the transaction of $373,304 were also expensed in the nine-month period ended September 30, 2014 and are shown separately under the "Transaction Costs" line item discussed above.

The results of operations of Southtech are included in the consolidated financial statements of Vogogo from the date of the Qualifying Transaction, September 11, 2014.

The fair values of the net assets of Southtech acquired on September 11, 2014 are as follows:

	$
Cash	47,858
Other receivables	707
	48,565
Purchase price allocation is as follows:	
Fair value of common shares (1,240,000 shares at $0.75 per share) $930,000	930,000
Fair value of stock options (120,000 options exercisable at $0.50 per share)	49,417
	979,417
Listing costs	**930,852**

Amortization

($)	**December 31, 2014**	**December 31, 2013**	**December 31, 2012**
Amortization expense	**9,689**	19,469	429,843

Amortization expense relates to the property and equipment owned by the Corporation. Specifically, the Corporation owns computer equipment, furniture and fixtures, and leasehold improvements. These assets are depreciated over their useful life and impairment, if any, is assessed at every reporting period. Expenses incurred for the years ended December 31, 2014 and 2013 are primarily the result of depreciating office equipment, furniture and fixtures. The lower expenses in 2014 reflect the fact that some of the equipment had been fully depreciated in 2013.

Stock-based Compensation

($)	December 31, 2014	December 31, 2013	December 31, 2012
Stock-based compensation	**2,579,934**	-	-

On March 17, 2014, the Corporation issued 3,333,334 stock options to certain officers and directors of the Corporation at an exercise price of $0.09. These stock options vested immediately and expired in one year on March 17, 2015. All these stock options were exercised during Q2 2014 and, as a result, $1,452,020 was transferred to share capital from contributed surplus. On April 1, 2014, the Corporation issued 400,000 stock options at an exercise price of $0.52. These stock options vested immediately and expire in three years on April 1, 2017. On April 28, 2014, the Corporation issued an additional 1,450,000 stock options at an exercise price of $0.33. 250,000 of these stock options vested immediately and the balance vests in equal tranches on the first, second and third anniversary of the grant date. These stock options expire in five years on April 28, 2019. The Corporation also issued 1,705,000 stock options on September 11, 2014 at an exercise price of $0.75. 500,000 of these stock options vested immediately and the balance vest in equal tranches on the first, second and third anniversary of the grant date. These stock options expire in five years on September 11, 2019. As part of the Qualifying Transaction, 120,000 stock options were deemed to be issued on September 11, 2014 to Southtech option holders at an exercise price of $0.50. These stock options vested immediately and expire on September 11, 2015. 122,500 stock options were exercised during Q3 2014 and as a result $59,207 was transferred to share capital from contributed surplus during Q3 2014. The Corporation also issued 200,000 stock options on November 27, 2014 at an exercise price of $3.65. These stock options vest in equal tranches on the first, second and third anniversary of the grant date. These stock options expire in five years on November 27, 2019. 20,000 stock options were exercised during Q4 2014 and as a result $8,236 was transferred to share capital from contributed surplus during Q4 2014.

The Corporation's shares did not have sufficient public trading data and, therefore, the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model until Q3 2014. From Q4 2014 the Corporation used its own trading data for the Black-Scholes Option Pricing Model. No share option transactions occurred in 2013.

Net Loss and Comprehensive Loss

($)	December 31, 2013	December 31, 2012	December 31, 2011
Loss and comprehensive income loss	**(8,980,661)**	(1,047,980)	(1,778,822)

Included in net loss and comprehensive loss for the year ended December 31, 2014 are significant non-cash charges including $2,579,934 in stock-based compensation, $282,169 in accretion expense and $215,000 in a fair value adjustment of common shares issued during Q1 2014; the latter being included in general and administrative expenses. In addition, during Q3 2014 non-cash listing costs of $930,852 related to the Qualifying Transaction. Net loss and comprehensive loss for the year ended 2014 without these non-cash items is $4,972,706, which is higher by

$3,958,932 or 371% compared to the year ended 2013. The higher loss excepting non-cash items is the result of higher G&A, R&D and sales and marketing expenses as the Corporation's operations were significantly increased post financing.

The Corporation's cash and cash equivalents at December 31, 2014 totaled $6,519,384 (December 31, 2013 - $92,222) and the positive net working capital position was $5,984,455 (December 31, 2013 - $795,209 negative net working capital position). The Corporation has an accumulated deficit of $11,105,431 (December 31, 2013 - $1,802,586). The Corporation has not yet been able to generate the transaction volumes required to sustain future operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2014 is uncertain.

Liquidity and Capital Resources

Royalty Financing Liability

In 2013, the Corporation entered into a $1 million investment agreement with AVAC Ltd. to help fund the development and commercialization of the Corporation's web-based payment service provider technology. The proceeds were available to the Corporation if and when certain pre-determined milestones were achieved. Any amount drawn pursuant to the investment agreement was repayable in the form of a 3.5% royalty based on quarterly gross revenues, beginning with the quarter ending December 31, 2014 and extending until twice the gross amount received was remitted or until the Corporation had repaid all advances received plus 20% interest compounded annually from the date each advance was received, less royalties paid. During the year ended December 31, 2013, the Corporation received $200,000 as part of this arrangement. At March 31, 2014, the liability was comprised of the $200,000 principal plus $29,699 in accrued interest. This liability was fully re-paid on April 24, 2014.

Convertible Debentures

On January 25, 2013 the Corporation issued an unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares at $0.52 per share, at any time, at the option of the holder. Unless earlier repaid, at the option of the Corporation, or demanded in the event of default, the principal was due and payable in full on January 25, 2014. Interest was due and payable quarterly on each of April 25, 2013, July 25, 2013, October 25, 2013 and January 25, 2014. The debenture was repaid in full along with interest on January 25, 2014.

On March 6, 2013 the Corporation issued a second unsecured convertible debenture with a principal amount of $100,000. The principal bore interest at a rate of 10% per annum and was convertible into common shares at $0.52 per common share, at any time, at the option of the holder. Unless earlier repaid, at the option of the Corporation, or demanded in the event of default, the principal was due and payable in full on March 6, 2014. Interest was due and payable quarterly on each of June 6, 2013, September 6, 2013, December 6, 2013 and March 6, 2014. This debenture was converted into common shares on March 5, 2014 and a total of 192,307 common shares were issued from Treasury (see note 13 (viii) of financial statements).

On February 11, 2014, the Corporation issued a $2,000,000 secured convertible debenture. On March 17, 2014, the Corporation increased the amount of the convertible debenture issued to

$3,164,345. The debenture was secured by a first charge against all of the Corporation's present and after-acquired property and was scheduled to mature August 11, 2014. The principal bore interest at a rate of 10% per annum. The debenture along with the accrued interest was convertible into Class A common shares of the Corporation at $0.33 per share at the option of the holder. On March 26, 2014, the Corporation issued 9,588,924 Class A common shares upon conversion of the full $3,164,345 convertible debenture.

Management closely monitors cash flow requirements and has sufficient cash to meet all of its current operational and financial obligations if demanded to do so. The Corporation is actively pursuing sales and commercialization efforts, including targeting currently underserved markets and expanding its offering with a focus on cryptocurrency exchange transactions.

The Corporation’s objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development and sales of its payment services and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk. However, it should be noted that the Corporation is at an early stage of its redefined commercialization program and will continue to be dependent on its ability to manage cash on hand, increase its revenues and raise additional debt or equity to meet its obligations and repay its liabilities arising from normal business operations when they become due.

The management of capital includes the components of shareholders’ equity, comprised of share capital and retained earnings (deficit).The Corporation strives to maximize the value associated with shareholders’ equity. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares, issue new debt, dispose of assets or adjust its spending, taking into account changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation manages its working capital through timely collection of receivables, controlling exposure to future commitments and securing favorable terms from suppliers.

In order to preserve cash, the Corporation does not currently pay dividends.

The Corporation is not subject to externally imposed capital requirements and the Corporation’s overall strategy with respect to managing its capital structure is:

- To safeguard the Corporation’s ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing development and operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation estimates the following major expenditures over the next eighteen months. These do not include general operating expenses and commitments (see Commitments note for details of commitments).

- $2,435,000 for software development and testing;

- $125,000 for a range of corporate consulting services provided by Business Instincts Group;

- $2,000,000 for one or more strategic acquisitions to accelerate growth; and

- $1,500,000 for security deposits and PCI-DSS testing and audits.

The Corporation plans to fund these expenditures through various financing options including equity and/or debt financing.

Related party transactions

Vogogo considers its key management personnel to be its Chief Executive Officer, Chief Operating Officer, Chief Revenue Officer, Chief Financial Officer and Chief Technology Officer. Key management compensation is comprised of payroll, stock-based compensation and consulting fees paid to companies controlled by key management. During the year ended December 31, 2014, key management compensation amounted to $1,315,830 (December 31, 2013: $56,000).

Total personnel expenses for employees, consultants, directors and Management included in expenses in the consolidated statement of loss and comprehensive loss are $2,597,493 (2013 - $578,453) for the year ended December 31, 2013, split between general and administrative, sales and marketing, and research and development expenses, based on work performed.

On April 28, 2014, the Corporation provided loans of $75,000 to each of two companies controlled by two key management personnel, for a total of $150,000. These companies provided promissory notes to the Corporation. These two loans bear interest at 3 percent per annum and are payable on maturity on April 28, 2015. Interest income of $3,000 has been accrued as at December 31, 2014 and included in the notes receivable balance.

Commitments

The Corporation is committed under a lease on its office space, expiring July 31, 2017, with future minimum rental payments exclusive of occupancy costs as follows:

2015	$ 76,934
2016	78,936
2017	46,046
	$ 201,916

Contingencies

In December 2014, a statement of claim was filed in the Alberta Court of Queen's Bench by a company controlled by the previous Chief Technology Officer of the Corporation. The claim alleges a breach of certain provisions of the *Business Corporations Act (Alberta)* by the Corporation in connection with a February 2014 repurchase of certain Class A Common shares of Redfall previously held by the company. The claim seeks damages in an amount in excess of $15,000,000.

The Corporation believes the suit is without merit and litigation counsel has been authorized and instructed to vigorously defend against these claims. As at the date of this MD&A, the claim is still pending.

Off-Balance Sheet Arrangements

At the date of this report, the Corporation had no off-balance sheet arrangements.

Outstanding share capital

Vogogo is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. As at the date of this MD&A, the Corporation had 40,500,897 common shares, 3,580,000 stock options, 2,906,182 warrants convertible into common shares, and no preferred shares outstanding.

As at December 31, 2014, a total of 9,816,347 common shares (December 31, 2013 - Nil) were held in escrow in compliance with TSX Venture requirements. The remaining shares will be released from escrow every 6 months in installments of 3,272,116 on each of March 12, 2015, September 12, 2015 and February 12, 2016.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformance with IFRS requires Management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets and liabilities at the reporting date, and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

Areas of judgment

- Long-term investment valuation

Investments in equity instruments classified as available-for-sale are measured at cost when there is no quoted price in an active market and fair value cannot be reliably measured. Judgment is required to assess whether the fair value of the equity instruments can be measured reliably. This involves an assessment of whether the variability in the range of reasonable fair value estimates is significant for the instrument or whether the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

- Impairment tests

Management exercises judgment to determine whether there are factors that would indicate that an asset or a Cash Generating Unit (“CGU”) is impaired. The identification of CGUs is also based on Management’s judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how Management monitors and makes decisions about the Corporation’s operations.

- Royalty financing liability

The royalty financing liability was measured at the present value of Management's best estimate of the future repayment at the initial date of entering the contract. Determining future repayment required estimates of the timing and amount of future revenue earned on the Corporation's products, including current and potential future products. The timing or amount of future revenue can vary from period to period based on the progress of the Corporation's development and commercialization programs. A change in the estimate of the amount or timing of such revenue would impact the valuation of the royalty financing liability.

- Going concern

Determining if the Corporation has the ability to continue as a going concern is dependent on its ability to raise additional financing and to achieve profitable operations. Certain judgments are made when determining if the Corporation will be able to continue as a going concern. Further disclosure is included in note 2(c) of the audited financial statements.

Assumptions and critical estimates

- Compound financial instruments

Certain financial instruments are comprised of a liability and an equity component. The determination of the amount allocated to the liability and equity components requires Management to estimate various components and characteristics of present value calculations used in determining the fair value of the instrument, including the market interest rates of non-convertible debentures.

- Stock-based compensation and warrants

The amounts disclosed relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period and corresponding to the expected lives of the Corporation's options and warrants.

- Impairment of property and equipment

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less disposal costs and its value in use. The fair value less disposal costs estimate is based on available data from binding arm's length sales transactions pertaining to similar assets or observable market prices less incremental costs for disposing of the asset. The value in use estimate is based on a discounted cash flow model. The cash flows are derived from the projection for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the performance of the asset or CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

- Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

CHANGES IN ACCOUNTING STANDARDS

On January 1, 2014, the Corporation adopted the following new standards and amendments which became effective for years beginning on or after January 1, 2014:

> IAS 32, Financial Instruments: Presentation, has been amended to clarify certain requirements for offsetting financial assets and liabilities. The amendment addresses the meaning and application of the concepts of legally enforceable right of set-off and simultaneous realization and settlement. This amendment had no impact on the Corporation's results or financial position.
>
> IAS 36, Impairment of Assets, has been amended to require disclosure of the recoverable amount of an asset (including goodwill) or a CGU when an impairment loss has been recognized or reversed in the period. When the recoverable amount is based on fair value less costs of disposal, the valuation techniques and key assumptions must also be disclosed. The amendment had no impact on the Corporation's results or financial position.
>
> IFRIC 21, Levies, on the accounting for levies imposed by governments clarifies the obligating event that gives rise to a liability to pay a levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The adoption of this IFRIC had no impact on the Corporation's results or financial position.

The following pronouncements will become effective for fiscal periods subsequent to December 31, 2014:

> IFRS 15, Revenue from Contracts with Customers provides a comprehensive new standard on revenue recognition. It specifies how and when to recognize revenue as well as requiring entities to provide more informative and relevant disclosure. The new standard is effective for years beginning on or after January 1, 2017. IFRS 15 is being assessed to determine its impact on the Corporation's results and financial position.

IFRS 9, Financial Instruments, addresses the classification and measurement of financial assets. IFRS 9 replaces the guidance on "classification and measurement" of financial instruments in IAS 39, Financial Instruments – Recognition and Measurement. The new standard requires a consistent approach to the classification of financial assets and replaces the numerous categories of financial assets in IAS 39 with two categories, measured at either amortized cost or at fair value. For financial liabilities, the standard retains most of the IAS 39 requirements, but where the fair value option is taken, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of operations and comprehensive loss, unless this creates an accounting mismatch. It also includes a new general hedge accounting model. IFRS 9 is effective for fiscal periods beginning on or after January 1, 2018. IFRS 9 is being assessed to determine its impact on the Corporation's results and financial position.

Financial Instruments and Risk Management

The Corporation’s risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation’s activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation’s use of financial instruments include credit risk, liquidity risk, market risk and currency risk. These risks, and the actions taken to manage them, include:

- Fair value

Due to the short-term nature of cash and cash equivalents, cash held in trust, notes receivable, trade and other payables and trust liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair values. Long-term investment consists of common shares held in a private corporation. The Corporation has determined that the fair value of these common shares cannot be reliably determined and as such the long-term investment is carried at cost.

- Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions and notes receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation’s cash and cash equivalents, cash held in trust and notes receivable.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada and the United States. The notes receivable are due from key management personnel and the Corporation minimizes the associated credit risk by monitoring the amounts receivable and the financial position of the debtors.

Approximately 73% of the Corporation’s revenue during the year ended December 31, 2014 (2013 - 70%) was generated from 2 (2013 – 1) customers.

- Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at December 31, 2014, the Corporation had cash and cash equivalents of $6,519,384 (2013 - $92,222) and had a positive net working capital position of $5,984,455 (2013 - $795,209 negative net working capital position) in order to manage liquidity risk.

- Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Corporation will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2014, the Corporation’s exposure to currency risk was limited to cash and cash equivalents denominated in U.S. dollars in the amount of US $583,064 (2013 – US $228) and trade and other payables denominated in U.S. dollars in the amount of US $36,268 (2013 – US $Nil). A 1% change in the exchange rate between the Canadian and U.S. dollar would have a $5,500 (2013 - negligible) impact on the net income and cash flows of the Corporation.

- Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation’s interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As at December 31, 2014, the Corporation’s exposure to interest rate risk was limited to cash and cash equivalents that earned interest of 1.16% per annum. A 1% change in the interest rate would have a $70,600 (2013 – negligible) impact on the net income and cash flows of the Corporation.

Risks and Uncertainties

Due to the nature of the business, the legal and economic climate in which the Corporation is operating and the present stage of development of its operations, the Corporation is subject to risks. The Corporation’s future development and actual operating results may be different from those expected as at the date of this MD&A. There can be no certainty that the Corporation will be able to successfully implement its corporate strategy. No representation is or can be made as to the future performance of the Corporation and there can be no assurance that the Corporation will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to the Corporation (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

Additional Capital Requirements

The Corporation intends to continue to make investments to support its business growth and will require additional funds to implement its business strategy, including expansion of sales and marketing activities; development of new software, products and features; enhancement of its current operating infrastructure; and acquisition of complementary businesses and technologies. The Corporation’s cash reserves may not be sufficient to fund its ongoing activities at all times. Accordingly, the Corporation may need to engage in equity or debt financings to secure additional funds. If the Corporation raises additional funds through further issuances of equity or convertible debt securities, shareholders of the Corporation could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of current shareholders. Any debt financing secured by the Corporation in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities. The Corporation can provide no assurance that sufficient debt or equity financing will be available for necessary or desirable infrastructure expenditures or acquisitions or to cover losses, and accordingly, the Corporation's ability to continue to support its business growth and to respond to business challenges could be significantly limited.

Banking & Processing

The Corporation's success depends on its ability to secure and develop banking and/or third party processing relationships that can effectively support the Vogogo service offering in target markets. The Corporation's service offering is focused on new and emerging markets that are considered high risk from a banking perspective and consequently requires sophisticated approaches to transactional risk management, compliance and financial crime prevention. Due to the high-risk nature of its target markets, the Corporation may be unable to successfully secure and retain banking partners. Failure to do so could materially reduce the Corporation's revenue potential.

Regulatory Risk

Vogogo's anticipated global operations may require it to be compliant with laws in many jurisdictions on matters such as anticorruption, trade restrictions, taxation, securities regulation, banking regulations and data privacy, amongst others. Complying with these diverse requirements in multiple jurisdictions may be a challenge and could require significant resources. Some of these laws may impose conflicting requirements; there may be restrictions on the movement of cash and other assets; or restrictions on the import and export of certain technologies; or restrictions on the repatriation of earnings, all of which may expose the Corporation to penalties for non-compliance and harm its reputation. Vogogo's relationship with its banking partners requires that it comply with complex laws and regulations relating to the banking and payment processing industry.

New Technology

The Corporation's success will depend in part on its ability to develop software and products that keep pace with continuing changes in technology, evolving industry standards and changing client preferences and requirements. The Corporation's software and products embody complex technology that may not meet those standards, changes and preferences. The Corporation may be unable to successfully address these developments on a timely basis or at all. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Corporation's revenue.

Dependence on Key Personnel and Consultants

The success of the Corporation will be largely dependent upon the performance of its Management and key employees. Failure by the Corporation to attract and retain key employees with necessary skills could have a materially adverse impact upon the Corporation's growth and profitability. The Corporation currently does not have key person insurance for its Management or other key employees. These individuals, and the contributions they will make, are important to the future operations and success of the Corporation. The unexpected loss or departure of any of the key officers, employees or consultants of the Corporation could be detrimental to the Corporation's future operations. The competition for skilled technical, management, sales and other employees is high in the Corporation's industry. There can be no assurance that the Corporation will be able to engage the services of such personnel or retain the Corporation's current personnel.

Foreign Currency, Payment Processing and Fiscal Matters

The Corporation's operations are subject to inherent market and industry risks resulting from unpredictable fluctuations in foreign currency exchange rates, failed or fraudulent financial transactions and similar credit risks. These occurrences could have a material adverse impact on the Corporation's results of operations.

Competition

The Corporation operates in a competitive industry that is constantly evolving and changing. The Corporation expects this competition to increase as new competitors enter the market. The Corporation's competitors may have greater financial, technical, sales, production and marketing resources. The Corporation may not be able to compete on the same scale as these companies. Such competition may result in reduced sales, reduced margins and / or increased operating expenses.

Customer Base and Market Acceptance

While Management believes it can grow its client base, the inability to grow such a client base could have a material adverse effect on the Corporation. Although the Corporation believes that its products offer advantages over competitive companies and products, no assurance can be given that the Corporation's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations. Since the Corporation's current revenue source is highly dependent on electronic currency exchanges (specifically, BitCoin exchanges), the regulatory and acceptance risks of such electronic currencies could have a material impact on the Corporation's business.

Consumer Privacy, Data Use and Security

The Corporation is subject to regulations related to privacy and data protection and information security in the jurisdictions in which it does business, and could be negatively impacted by these regulations. Recently, these topics have received heightened legislative and regulatory focus in jurisdictions around the world. Regulation of privacy and data protection and information security may raise concerns about and scrutiny of the Corporation's practices in regard to the collection, use, disclosure or security of personal and sensitive information. Failure to comply with the privacy and data protection and security laws and regulations to which we are subject could result in fines, sanctions or other penalties, which could materially and adversely affect the Corporation's results of operations and overall business, as well as have an impact on the Corporation's reputation. Any addition or change to regulations in these areas (as well as the manner in which such laws could be interpreted or applied) may also increase the Corporation's costs to comply with such regulations. Changes to these laws could also impact the Corporation's business operations by requiring changes to the Corporation's data practices and could impact aspects of the Corporation's business such as fraud monitoring. Any of these changes could materially and adversely affect the Corporation's overall business and results of operations.

Future Acquisitions

The Corporation may seek to expand its business and capabilities through the acquisition of compatible technology, products or businesses. There can be no assurance that suitable acquisition candidates can be identified and acquired on favorable terms, or that the acquired operations can be profitably operated or integrated in the Corporation's operations. To the extent Management is successful in identifying suitable companies or products for acquisition, the Corporation may deem it necessary or advisable to finance such acquisitions through the issuance of shares, securities convertible into shares, debt financing, or a combination thereof. In such cases, the issuance of shares or convertible securities could result in dilution to the shareholders of the Corporation at the time of such issuance or conversion. The issuance of debt to finance acquisitions may result in, among other things, the encumbrance of certain of the Corporation's assets, impeding the Corporation's ability to obtain bank financing, decreasing the Corporation's liquidity, and adversely affecting its ability to declare and pay dividends to shareholders of the Corporation.

Losses from Operations

As at December 31, 2014, the Corporation had cash and cash equivalents of $6,519,384 (2013 - $92,222) and had a positive net working capital positon of $5,984,455 (2013 - $795,209 negative net working capital position). However, the Corporation has an accumulated deficit of $11,105,431 as at December 31, 2014 (2013 – $1,802,586) and incurred a net loss of $8,980,661 during the year ended December 31, 2014 (2013 - $1,047,980). The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows or raise sufficient equity or debt financing in order to pay for its expenditures and settle its obligations as they fall due subsequent to December 31, 2014 is uncertain.

Stage of Development

The Corporation may be subject to growth-related risks, capacity constraints and pressure on its internal systems and controls, particularly given the early stage of the Corporation's development. The ability of the Corporation to manage growth effectively will require it to continue to expand its operational and financial systems and to train and manage its employee base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Transaction Processing Systems

The Corporation's payment processing systems and other key service offerings may experience interruptions as a result of a disaster including, but not limited to, technology malfunctions, fire, weather events, power outages, telecommunications disruptions, terrorism, workplace violence, accidents or other catastrophic events. A disaster that occurs at, or in the vicinity of, our primary and/or back-up facilities in any location could interrupt our services. Although the Corporation continually monitors and assesses risks and potential impacts, and develops effective response strategies, the Corporation cannot ensure that its business would be immune to these risks.

Additionally, the Corporation relies on third-party service providers for the timely transmission of information across its global data network. Inadequate infrastructure in lesser-developed markets could also result in service disruptions, which could impact the Corporation's ability to do business in those markets. If, as a result of natural disaster, one of our service providers fails to provide the communications capacity or services the Corporation requires, the failure could interrupt the Corporation's services. Because of the intrinsic importance of the Corporation's processing systems to its business, any interruption or degradation could adversely affect the perception of the reliability of products carrying the Corporation's brand and materially reduce the Corporation's results of operations.

Legal Risks

The Corporation is subject to legal risks related to operations, contracts, relationships and otherwise, which could result in the Corporation being served with legal claims. Whether or not the claims are legally valid, such claims may result in legal fees, damages, settlement and other costs as well as significant time and distraction of Management and employees.

Money Laundering and Terrorism

The Corporation is subject to regulations that affect the payments industry. In particular, many of the Corporation's customers are subject to regulations applicable to banks and other financial institutions and, consequently, the Corporation is at times affected by such regulations. Regulation of the payments industry, including regulations applicable to the Corporation and its customers, has increased significantly in the last several years. The Corporation is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its internet payment gateway. Money laundering or terrorist financing involving the Corporation's payment gateway could result in an enforcement action and/or damage the Corporation's reputation, which could result in a material adverse impact on the Corporation's business.

Operating Results and Financial Condition May Fluctuate on a Quarterly and Annual Basis

Operating results and financial condition may fluctuate from quarter to quarter and year to year, and are likely to continue to vary due to a number of factors, some of which are outside of the Corporation's control. These events could, in turn, cause the market price of the Corporation's shares to fluctuate. If operating results do not meet the expectations of securities analysts or investors, who may derive their expectations by extrapolating data from recent historical operating results, the market price of the Corporation's shares would likely decline.

Due to all of the foregoing factors and risks discussed in this "Risk and Uncertainties" section, individuals should not rely on quarter-to-quarter or year-to-year comparisons of the Corporation's operating results as an indicator of future performance.

Forward Looking Statements May Prove Inaccurate

Prospective purchasers are cautioned not to place undue reliance on forward-looking information. By its nature, forward looking information involves numerous assumptions, known and unknown risks, and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See under the heading "*Special Note Regarding Forward-Looking Information*".

Conflicts of Interest

Certain directors of the Corporation may engage in businesses similar to the Corporation and situations may arise where the directors may be in direct competition with the Corporation's business. Conflicts of interest, if any, which arise will be subject to and governed by the procedures prescribed by the Act, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his/her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the Act.

Absence of Cash Dividends

The Corporation has not paid any cash dividends to date on the common shares and there are no plans for such dividend payments in the foreseeable future.

Subsequent Events

The Corporation entered into the following agreements and transactions subsequent to the year ended December 31, 2014:

(a) On January 1, 2015, the Corporation acquired all of the issued and outstanding shares of Vanado Inc. ("Vanado"), a specialized consulting and payment services company based out of Denver, Colorado, for an aggregate deemed purchase price of approximately $610,000, comprised of the issuance of 227,273 common shares in the capital of the Corporation pursuant to a share purchase agreement ("Agreement"). The Agreement also provides for certain post-closing payments of up to $1,000,000 which shall be payable in common shares of the Corporation subject to the Corporation achieving certain performance thresholds set out in the Agreement.

(b) On February 17, 2015, the Corporation granted 100,000 options to acquire common shares for a period of five years at a price of $2.83 per common share expiring five years from the date of grant.

(c) On March 12, 2015, the Corporation granted an aggregate of 380,000 options to acquire common shares for a period of five years at a price of $2.65 per common share expiring five years from the date of grant.

(d) Subsequent to December 31, 2014, 582,500 stock options and 116,333 finders warrants were exercised for total proceeds of $320,725 and $87,250, respectively, resulting in the issuance of 698,833 common shares. Subsequent to December 31, 2014, 50,000 stock options were cancelled unexercised due to the departure of an employee.

Outlook

Vogogo remains primarily focused on servicing the new and emerging cryptocurrency market. Management believes that businesses developing and offering services based on cryptocurrencies or blockchain technologies are poised to significantly disrupt conventional financial services on a global scale. Management further believes that, in order for businesses offering services using these technologies to gain mass adoption and proliferate, they must be able to offer their end users convenient and efficient methods of getting funds into and out of the cryptocurrency ecosystem(s). These businesses face a significant challenge in that they do not have the requisite experience in risk management, regulatory compliance, technology development, banking relationships, or operating processes to effectively secure access to conventional banking and payment services.

The Corporation, via Vogogo Technology, provides compliant risk management, payment and pre-paid services to the new and emerging cryptocurrency market. The Corporation has the experience in risk management, regulatory compliance, technology development, banking relationships, and operating processes to effectively service the cryptocurrency industry with convenient and flexible payment options allowing end users to conveniently get fiat currencies in and out of the cryptocurrency ecosystem(s).

Vogogo completed the core adjustments to its software and started bringing on new customers in the cryptocurrency space in the fourth quarter of 2014. The software has since been undergoing quality assurance testing combined with relatively low volume processing (average of approximately $75,000 per day) with customers in Canada. In parallel with quality assurance testing, the Corporation is also preparing for commercial service levels (in excess of $1 million in processing per day) in the key markets of Canada, the U.S. and Europe.

Management believes that Vogogo has an early mover advantage as the Corporation has many of the key participants in the cryptocurrency industry either under contract or in negotiations. Vogogo is moving forward with its plan to commercially market its transaction risk management and electronic payment services to cryptocurrency-based clients servicing the Canadian, European and American markets, as described in more detail below.

Canada

In the first quarter of 2015, the Corporation focused on selected large international customers that are more capable of driving business than smaller Canadian customers. While the larger international customers have not historically perceived Canada as a key market, several of these customers are now integrated or in the process of integrating with Vogogo. The Corporation is now positioned to ramp revenues in Canada, noting that Canada is not as large of a market as the U.S or Europe.

Europe

No major preparations remain to offer the Corporation's services in the European market. The Corporation is now positioned to ramp revenues in Europe. As discussed more fully in the "Core Business and Strategy" section, completion of current work to secure an EMI license and to obtain PCI-DSS certification is expected to allow the Corporation to expand its service offering in Europe and increase corresponding margins.

U.S.

The Corporation expects to commence its service offering in the U.S, in 2015. As discussed more fully in the "Core Business and Strategy" section, completion of current work to establish U.S. Regulatory Oversight and to implement SOC 1 and 2 accounting standards is expected to enhance credibility and differentiation to accelerate revenue growth in the U.S.