Keek Inc.

Condensed Interim Financial Statements

(Expressed in Canadian Dollars)
(Unaudited)

For the Three and Nine Months Ended November 30, 2013

Keek Inc.
November 30, 2013

Contents

Keek Inc.

Notice to Reader
November 30, 2013
(Expressed in Canadian dollars)
(Unaudited)

Notice to reader pursuant to National Instruments 51-102 – Continuous Disclosure Obligations

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Keek Inc.

Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)
As at

	November 30, 2013	February 28, 2013 (Audited)
Assets		
Current assets		
Cash and cash equivalents	$ **568,007**	$ 9,114,820
HST receivable	**320,574**	87,919
Prepaid expenses	**207,141**	226,206
Other receivable (Note 5)	**538,410**	-
	1,634,132	9,428,945
Investment tax credits receivable (Note 3)	**1,410,000**	-
Property and equipment (Note 5)	**5,091,415**	3,998,546
Intangible assets (Note 4)	**45,259**	51,899
Prepaid expenses	**73,323**	73,323
Total assets	$ **8,254,129**	$ 13,552,713
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ **3,690,428**	$ 774,539
Finance lease obligations - current portion (Note 6)	**1,540,738**	1,138,455
Promissory notes payable (Note 9)	**750,000**	-
Convertible debentures to be issued (Note 16)	**645,000**	-
Convertible debentures (Note 10)	**1,197,047**	-
	7,823,213	1,912,994
Finance lease obligations (Note 6)	**219,325**	892,462
Total liabilities	**8,042,538**	2,805,456
Shareholders' Equity		
Share capital (Note 7)	**27,638,619**	22,791,839
Contributed surplus	**9,784,797**	6,356,438
Warrants reserve	**137,635**	1,452,813
Shares to be issued (Note 7)	**-**	100,000
Equity component of convertible debentures (Note 10)	**26,712**	-
Deficit	**(37,376,172)**	(19,953,833)
Total shareholders' equity	**211,591**	10,747,257
Total shareholders' equity and liabilities	$ **8,254,129**	$ 13,552,713

Nature of Operations (Note 1)
Commitments (Note 14)
Subsequent Events (Note 16)

The accompanying notes are an integral part of these condensed interim financial statements.

Keek Inc.

Statements of Operations and Comprehensive Loss
For the Three and Nine Months Ended November 30
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	November 30, 2013	November 30, 2012	**November 30, 2013**	November 30, 2012
Expenses and marketing				
Advertising and marketing (Note 8)	**$ 1,525,864**	$ 1,498,333	**$ 8,604,615**	$ 3,464,663
Salaries and benefits	**1,021,172**	1,640,169	**4,035,212**	5,065,361
Internet and communications	**646,000**	301,061	**1,744,389**	530,931
Professional fees	**229,302**	95,393	**448,291**	272,122
Occupancy costs	**176,716**	57,841	**294,065**	134,262
Consulting fees	**82,500**	60,000	**462,262**	224,717
Computers	**26,168**	9,390	**86,138**	24,685
Office and general	**17,093**	23,244	**96,230**	93,887
Foreign exchange loss	**14,712**	4,597	**51,811**	736
Insurance	**9,133**	3,035	**24,659**	8,020
Loss on disposal of long-lived assets	**-**	-	**27,025**	-
Amortization	**522,248**	130,142	**1,457,324**	276,383
	4,270,908	3,823,205	**17,332,021**	10,095,767
Finance costs				
Interest on long-term debt	**65,805**	3,985	**98,317**	6,374
Interest and bank charges	**7,071**	2,639	**12,956**	6,125
Interest Income	**(661)**	(3,062)	**(20,955)**	(7,720)
	72,215	3,562	**90,318**	4,779
Comprehensive loss for the period	**$ (4,343,123)**	$ (3,826,767)	**$(17,422,339)**	$(10,100,546)
Loss per share				
Basic	**$ (0.12)**	$ (0.11)	**$ (0.50)**	$ (0.29)
Diluted	**$ (0.03)**	$ (0.04)	**$ (0.14)**	$ (0.10)
Weighted average number of common shares outstanding				
Basic	**35,000,000**	35,000,000	**35,000,000**	35,000,000
Diluted	**131,434,250**	106,843,000	**127,209,625**	103,716,250

The accompanying notes are an integral part of these condensed interim financial statements.

Keek Inc.

Statements of Changes in Equity
For the Nine Months Ended November 30
(Expressed in Canadian Dollars)
(Unaudited)

	Common shares		Preference shares		Warrants	Contributed	Shares to	Equity component of convertible		
	Number	**Amount**	**Number**	**Amount**	**reserve**	**surplus**	**be issued**	**debentures**	**Deficit**	**Total**
Balance at February 29, 2012	**35,000,000**	**$ 350**	**64,770,000**	**$ 4,627,126**	**$ 224,486**	**$ 613,172**	**$ 1,737,500**	**$ 4,866**	**$ (4,915,211)**	**$ 2,292,289**
Net loss for the period	-	-	-	-	-	-	-	-	(10,100,546)	(10,100,546)
Issuance of preference shares	-	-	5,652,500	5,007,500	-	-	-	-	-	5,007,500
Issuance of warrants	-	-	-	(968,476)	968,476	-	-	-	-	-
Share-based payments (Note 8)	-	-	-	-	-	4,307,450	-	-	-	4,307,450
Share issuance costs	-	-	-	(485,234)	354,194	-	-	-	-	(131,040)
Funds received for shares to be issued	-	-	-	-	-	-	310,000	-	-	310,000
Shares issued for funds received in prior periods	-	-	2,240,000	1,737,500	-	-	(1,737,500)	-	-	-
Balance at November 30, 2012	**35,000,000**	**$ 350**	**72,662,500**	**$ 9,918,416**	**$ 1,547,156**	**$ 4,920,622**	**$ 310,000**	**$ 4,866**	**$ (15,015,757)**	**$ 1,685,653**
Balance at February 28, 2013	**35,000,000**	**$ 350**	**87,985,000**	**$22,791,489**	**$ 1,452,813**	**$ 6,356,438**	**$ 100,000**	**$ -**	**$ (19,953,833)**	**$ 10,747,257**
Net loss for the period	-	-	-	-	-	-	-	-	(17,422,339)	(17,422,339)
Exercise of options	-	-	4,512,000	691,500	-	-	-	-	-	691,500
Fair value of options exercised	-	-	-	267,652	-	(267,652)	-	-	-	-
Share-based payments (Note 8)	-	-	-	-	-	3,696,011	-	-	-	3,696,011
Exercise of warrants	-	-	3,237,250	2,272,450	-	-	-	-	-	2,272,450
Fair value of warrants exercised	-	-	-	672,980	(672,980)	-	-	-	-	-
Transfer of expired warrants	-	-	-	642,198	(642,198)	-	-	-	-	-
Shares issued for funds received in prior periods	-	-	500,000	100,000	-	-	(100,000)	-	-	-
Preference shares issued for services	-	-	200,000	200,000	-	-	-	-	-	200,000
Convertible debentures issued (Note 10)	-	-	-	-	-	-	-	26,712	-	26,712
Balance at November 30, 2013	**35,000,000**	**$ 350**	**96,434,250**	**$27,638,269**	**$ 137,635**	**$ 9,784,797**	**$ -**	**$ 26,712**	**$ (37,376,172)**	**$ 211,591**

The accompanying notes are an integral part of these condensed interim financial statements.

Keek Inc.

Statements of Cash Flows
For the Nine Months Ended November 30
(Expressed in Canadian Dollars)
(Unaudited)

	November 30, 2013	November 30, 2012
Cash flows used in operating activities		
Net loss for the period	**$ (17,422,339)**	$ (10,100,546)
Items not affecting cash:		
Amortization	**1,457,324**	276,383
Share-based payments (Note 8)	**3,696,011**	4,307,450
Accretion on convertible debentures (Note 10)	**23,759**	-
Loss on disposal of long-lived assets	**27,025**	-
Preference shares issued for services	**200,000**	-
	(12,018,220)	(5,516,713)
Changes in non-cash working capital items		
HST receivable	**(232,656)**	13,016
Prepaid expenses	**19,066**	11,663
Accounts payable and accrued liabilities	**2,915,889**	(77,176)
Investment tax credits receivable	**(1,410,000)**	-
	1,292,299	(52,497)
Net cash used in operating activities	**(10,725,921)**	(5,569,210)
Cash flows from financing activities		
Advances from (to) shareholder	**-**	(21,722)
Repayment of finance lease obligations	**(1,322,563)**	(180,607)
Issuance of preference shares	**-**	5,007,500
Amounts received for shares to be issued	**-**	310,000
Share issuance costs	**-**	(131,040)
Issuance of promissory notes	**750,000**	-
Issuance of convertible debentures	**1,200,000**	-
Convertible debentures to be issued	**645,000**	-
Proceeds from options exercised	**691,500**	-
Proceeds from warrants exercised	**2,272,450**	-
Net cash generated from financing activities	**4,236,387**	4,984,131
Cash flows used in investing activities		
Purchase of property and equipment	**(2,057,279)**	(300,765)
Purchase of intangible assets	**-**	(3,201)
Net cash used in investing activities	**(2,057,279)**	(303,966)
Net decrease in cash and cash equivalents	**(8,546,813)**	(889,045)
Cash and cash equivalents, beginning of period	**9,114,820**	1,841,247
Cash and cash equivalents, end of period	**$ 568,007**	$ 952,202
Supplemental cash flow information		
Cash paid for interest	**$ 29,449**	$ 6,374
Purchase of property and equipment under finance lease	**$ 1,051,709**	$ -

The accompanying notes are an integral part of these condensed interim financial statements.

1. NATURE OF OPERATIONS

Keek Inc. ("Keek" or the "Company"), was incorporated under the laws of Ontario on March 5, 2010. The Company's principal activity is the development of an online social media app which allows users to upload and share personal videos of themselves. The address of the Company's registered office is 1 Eglinton Avenue East, Suite 300, Toronto, Ontario, M4P 3A1.

The Company is in the development stage and has not been able to demonstrate that the social media app will be able to ultimately obtain profitability.

While these condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of business, there are material uncertainties related to adverse conditions and events that cast significant doubt on the Company's ability to continue as a going concern.

During the nine months ended November 30, 2013, the Company incurred a net loss of $17,422,339 (November 30, 2012, $10,100,546) and, as of that date, the Company had accumulated a deficit of $37,376,172 (February 28, 2013 - $19,953,833), a working capital deficiency of $6,189,081 (February 28, 2013, surplus - $7,515,951), and negative cash flows from operations of $10,725,921 (November 30, 2012 - $5,569,210). These factors create material uncertainties that cast significant doubt upon the Company’s ability to continue as a going concern.

The Company has not yet realized profitable operations and has relied on non-operational sources of financing to fund operations. Management has been able to raise sufficient funds to finance its operations in the past and will need to continue to do so to fund operations in the future. Subsequent to the period ended November 30, 2013 (Note 16), Keek entered into an agreement (the "Amalgamation Agreement") with Primary Petroleum Company ("Primary"), and its wholly-owned subsidiary, 2400964 Ontario Limited, ("Primary Subco"), dated December 20, 2013, pursuant to which Primary Subco will amalgamate with Keek (the "Amalgamation"). The Amalgamation is structured as a three-cornered amalgamation and, as a result, the amalgamated Company will become a wholly-owned subsidiary of Primary on closing and the former shareholders of Keek will become shareholders of Primary and receive common shares of Primary on a one-for-one basis (collectively, the "Transaction"). Under TSX Venture Exchange policy, the Amalgamation will constitute a Reverse Take-Over and a Change of Business for the Company.

Pursuant to the Amalgamation Agreement, Primary agreed to provide Keek with interim financing to fund operations until the Transaction is approved by shareholders and regulatory authorities. On November 19, 2013, Primary advanced a $600,000 secured convertible note to Keek for a term expiring April 25, 2014, bearing interest at a rate of 12% per annum. The loan is secured by all of the assets of Keek and ranks equally with or in priority to the Keek convertible notes and all other secured indebtedness of Keek. Additionally, on December 20, 2013, Primary advanced a $1,000,000 secured convertible note to Keek, and on February 3, 2014, immediately following consent of the TSXV to mail the Management Information Circular, Primary advanced a second $1,000,000 secured convertible note to Keek. Both notes were advanced on the same terms and conditions as the $600,000 secured convertible note referenced above. The Primary notes will be amended and remain as intercompany debt between Primary and Keek following completion of the Transaction.

On March 5, 2014, the Amalgamation was approved by both shareholders of Keek and Primary and Primary announced that it has completed the Transaction. Pursuant to the Amalgamation agreement, Primary acquired all of the issued and outstanding shares of Keek by way of amalgamation between Primary Subco and Keek. The amalgamated company became a wholly-owned subsidiary of Primary and the former shareholders of Keek received one share of Primary on a one-for-one basis. In addition, Primary changed its name to “Keek Inc.”.

1. NATURE OF OPERATIONS (Continued)

Upon completion of the Transaction, the former shareholders of Keek received 190,538,250 common shares of Primary, representing one Primary common share for each Keek share held and Primary options to purchase up to 20,880,000 Primary common shares at prices ranging from $0.10 to $1.00 per Primary share on or before dates to January 23, 2019.

On March 10, 2014, the TSXV issued its final exchange bulletin confirming the completion of the transaction and its final approval of the listing and the shares of Keek Inc. commenced trading on the TSXV as a Tier 1 Issuer under the ticker symbol “KEK”.

These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments would be material.

2. BASIS OF PREPARATION

Statement of Compliance

These interim financial statements are unaudited and have been prepared on a condensed basis in accordance with International Accounting Standard ("IAS") 34, "*Interim Financial Reporting*", as issued by the International Accounting Standards Board (“IASB”), using accounting policies consistent with International Financial Reporting Standards ("IFRS").

Except as described in note 3 below, the same accounting policies and methods of computation were followed in the preparation of these interim financial statements as were followed in the preparation of the annual financial statements as at and for the year ended February 28, 2013. Accordingly, these interim financial statements for the three and nine months ended November 30, 2013 and 2012, should be read together with the annual financial statements, as at and for the year ended February 28, 2013.

These condensed interim financial statements were approved and authorized for issue by the Board of Directors on March 17, 2014.

Basis of Presentation

These condensed interim financial statements are presented in Canadian dollars which is also the functional currency of the Company.

These condensed interim financial statements have been prepared using a historical cost basis except for some financial instruments which have been measured at fair value.

Use of Estimates and Judgements

The preparation of these condensed interim financial statements requires management to make estimates, judgements, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and are the same as those disclosed in the Company's February 28, 2013 audited financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Investment Tax Credits

As estimate of the refundable investment tax credits ("ITC") on scientific research and development expenditures is recorded in the period the expenditures are incurred provided there is reasonable assurance that the investments tax credits will be realized. The expenditures incurred are reduced by the amount of the estimated investment tax credits.

The Company claims research and development deductions and related investment tax credits for tax purposes based on management's interpretation of the applicable legislation in the Income Tax Act of Canada. These claims are subject to audit by the Canada Revenue Agency and any adjustments that results could affect investment tax credits recorded in the condensed interim financial statements. In the opinion of management, the treatment of research and development for income tax purposes is appropriate. During the nine months ended November 30, 2013, the Company recognized $1,648,246 of investment tax credits relating to fiscal years ended February 28, 2011, 2012 and 2013, which have been presented as a reduction of salaries and benefits expense. This amount is net of fees to be paid to the independant consultant performing the investment tax credit claim. As at November 30, 2013, $1,635,000 remains receivable.

Changes in Accounting Standards

On March 1, 2013, the Company adopted the following new standards, amendments to standards and interpretations which are effective for periods beginning on or after January 1, 2013:

IFRS 10 - Consolidated Financial Statements

IFRS 11 - Joint Arrangements

IFRS 12 - Disclosures of Interests in Other Entities

IFRS 13 - Fair Value Measurement

IAS 28 - Investments in Associates and Joint Ventures

The adoption of these accounting standards had no impact on the financial statements previously filed by the Company. As a result no reconciliations are provided for the adoption of these new standards.

(Expressed in Canadian Dollars)

4. INTANGIBLE ASSETS

For the Nine Months Ended November 30, 2013

	February 28, 2013	Additions	**November 30, 2013**
Cost			
Domain names	$ 57,856	$ -	**$ 57,856**
Trademarks & patents	5,878	-	**5,878**
Total cost	63,734	-	**63,734**
Accumulated amortization			
Domain names	(11,053)	(6,199)	**(17,252)**
Trademarks & patents	(782)	(441)	**(1,223)**
Total accumulated amortization	(11,835)	(6,640)	**(18,475)**
Carrying value			
Domain names	46,803	(6,199)	**40,604**
Trademarks & patents	5,096	(441)	**4,655**
Total carrying value	$ 51,899	$ (6,640)	**$ 45,259**

For the Year Ended February 28, 2013

	February 28, 2012	Additions	**February 28, 2013**
Cost			
Domain names	$ 55,662	$ 2,194	**$ 57,856**
Trademarks & patents	4,712	1,166	**5,878**
Total cost	60,374	3,360	**63,734**
Accumulated amortization			
Domain names	(2,868)	(8,185)	**(11,053)**
Trademarks & patents	(235)	(547)	**(782)**
Total accumulated amortization	(3,103)	(8,732)	**(11,835)**
Carrying value			
Domain names	52,794	(5,991)	**46,803**
Trademarks & patents	4,477	619	**5,096**
Total carrying value	$ 57,271	$ (5,372)	**$ 51,899**

(Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT

For the Nine Months Ended November 30, 2013

	February 28, 2013	Additions	Disposals	**November 30, 2013**
Cost				
Computers	$ 182,148	$ 83,797	$ -	**$ 265,945**
Furniture and fixtures	118,847	476,707	(127,436)	**468,118**
Leasehold improvements	11,139	516,140	(11,139)	**516,140**
Servers	4,241,120	1,475,144	-	**5,716,264**
Software	50,353	13,096	-	**63,449**
Telephones	8,672	5,694	-	**14,366**
Total cost	$ 4,612,279	$ 2,570,578	$ (138,575)	**$ 7,044,282**
Accumulated amortization				
Computers	$ (110,117)	$ (55,429)	$ -	**$ (165,546)**
Furniture and fixtures	(91,410)	(16,092)	107,502	**-**
Leasehold improvements	(3,253)	(16,623)	4,049	**(15,827)**
Servers	(374,183)	(1,337,627)	-	**(1,711,810)**
Software	(29,738)	(21,288)	-	**(51,026)**
Telephones	(5,032)	(3,626)	-	**(8,658)**
Total accumulated amortization	$ (613,733)	$ (1,450,685)	$ 111,551	**$ (1,952,867)**
Carrying value				
Computers	$ 72,031	$ 28,368	$ -	**$ 100,399**
Furniture and fixtures	27,437	460,615	(19,934)	**468,118**
Leasehold improvements	7,886	499,517	(7,090)	**500,313**
Servers	3,866,937	137,517	-	**4,004,454**
Software	20,615	(8,192)	-	**12,423**
Telephones	3,640	2,068	-	**5,708**
Total carrying value	$ 3,998,546	$ 1,119,893	$ (27,024)	**$ 5,091,415**

Leasehold improvement additions are net of $538,410 due from the lessor as a recovery of costs incurred by the Company pursuant to the terms of the lease agreement.

(Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT (Continued)

For the Year Ended February 28, 2013

	February 28, 2012	Additions	Disposals	**February 28, 2013**
Cost				
Computers	$ 126,490	$ 55,658	$ -	**$ 182,148**
Furniture and fixtures	103,610	15,237	-	**118,847**
Leasehold improvements	11,139	-	-	**11,139**
Servers	206,165	4,034,955	-	**4,241,120**
Software	32,487	17,866	-	**50,353**
Telephones	6,289	2,383	-	**8,672**
Total cost	$ 486,180	$ 4,126,099	$ -	**$ 4,612,279**
Accumulated amortization				
Computers	$ (36,785)	$ (73,332)	$ -	**$ (110,117)**
Furniture and fixtures	(34,790)	(56,620)	-	**(91,410)**
Leasehold improvements	(1,344)	(1,909)	-	**(3,253)**
Servers	(39,821)	(334,362)	-	**(374,183)**
Software	(9,859)	(19,879)	-	**(29,738)**
Telephones	(1,233)	(3,799)	-	**(5,032)**
Total accumulated amortization	$ (123,832)	$ (489,901)	$ -	**$ (613,733)**
Carrying value				
Computers	$ 89,705	$ (17,674)	$ -	**$ 72,031**
Furniture and fixtures	68,820	(41,383)	-	**27,437**
Leasehold improvements	9,795	(1,909)	-	**7,886**
Servers	166,344	3,700,593	-	**3,866,937**
Software	22,628	(2,013)	-	**20,615**
Telephones	5,056	(1,416)	-	**3,640**
Total carrying value	$ 362,348	$ 3,636,198	$ -	**$ 3,998,546**

6. FINANCE LEASE OBLIGATIONS

The Company has assumed finance lease obligations until 2015. The monthly lease payments consist of principal repayment and interest and the weighted average imputed interest rate is 3.99% (February 28, 2013, 2.42%). The minimum payment under the finance lease obligations are as follows:

	Total lease payments	**Interest**	**Present value of minimum lease payments**
Less than one year	$ 1,572,168	$ 31,430	$ 1,540,738
Between one and five years	220,186	861	219,325
More than five years	-	-	-
	$ 1,792,354	**$ 32,291**	**$ 1,760,063**

Included in property and equipment are items under finance leases with a cost of $3,994,541 (February 28, 2013 - $2,883,119). Accumulated amortization for items under finance leases is $813,894 (February 28, 2013 - $177,908).

(Expressed in Canadian Dollars)

7. SHARE CAPITAL

Authorized			**November 30, 2013**		February 28, 2013
Unlimited	Preference shares, no stated dividend, non-participating, non-voting				
Unlimited	Common shares				
Issued					
	Preference shares	**$**	**27,638,269**	$	22,791,489
	Common shares	**$**	**350**	$	350
		$	**27,638,619**	$	22,791,839

Upon the event that the Company completes a public offering of any class of shares, the preference shares are automatically converted to common shares on a one-for-one basis on that date. On March 5, 2014, the preference shares were converted to common shares on a one-for-one basis (see note 16).

During the period ended November 30, 2013, the Company issued 500,000 preference shares as consideration for $100,000 received during the year ended February 28, 2013 which was classified as shares to be issued in shareholder's equity at February 28, 2013.

During the period ended November 30, 2013, the Company issued 200,000 preference shares for services received which were valued at $200,000.

Warrants

The expected volatility of the warrants is based on comparable companies in the industry. The share price used in the determination of fair value of the warrants was based on the most recent issuance of preferred shares.

A summary of the status of the Company's warrants is presented below:

	November 30, 2013		February 28, 2013	
	Number of Warrants	**Weighted Average Exercise Price**	Number of Warrants	Weighted Average Exercise Price
Beginning balance	**5,072,940**	**$0.88**	3,072,000	$0.17
Granted	**-**	**$ -**	4,000,940	$1.00
Expired/Cancelled	**(1,574,000)**	**$0.96**	-	$ -
Exercised	**(3,237,250)**	**$0.72**	(2,000,000)	$0.02
Ending balance	**261,690**	**$1.00**	5,072,940	$0.88

The Company had the following warrants outstanding at November 30, 2013:

Number of Warrants	**Exercise Price**	**Expiry Date**
45,000	$1.00	May 17, 2014
28,500	$1.00	August 2, 2014
21,600	$1.00	August 23, 2014
26,940	$1.00	November 7, 2014
139,650	$1.00	December 20, 2014
261,690		

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (Continued)

Stock Option Plan

The Company has a stock option plan (the "Plan") which provides for the issuance of stock options to employees, consultants, preferred partners and executives which may expire as much as 10 years from the date of grant. The Plan allows for an unlimited number of options to be authorized at any exercise price determined by the Board of Directors as long as the Company remains a non-public company. The Board of Directors also determines the vesting periods to the stock options granted. Upon the Company becoming a public company listed on a recognized stock exchange, the Plan will comply with the applicable rules, regulations, and policies of the recognized stock exchange.

The following summarizes the stock option activities under the plan:

	November 30, 2013		February 28, 2013	
	Number of Options	**Weighted Average Exercise Price**	Number of Options	Weighted Average Exercise Price
Beginning balance	**31,775,000**	**$0.80**	14,040,000	$0.33
Granted	**2,582,000**	**$1.00**	18,915,000	$1.00
Expired/Cancelled	**(350,000)**	**$0.96**	(780,000)	$0.78
Exercised	**(5,012,000)**	**$0.72**	-	$ -
Forfeited	**(520,000)**	**$1.00**	(400,000)	$0.40
Ending balance	**28,475,000**	**$0.83**	31,775,000	$0.88
Exercisable	**23,374,167**	**$0.78**	16,605,833	$0.52

The Company had the following options outstanding at November 30, 2013:

Exercise Price	**Options Outstanding**	**Weighted Average Remaining Contractual Life**	**Weighted Average Exercise Price**	**Options Exercisable**	**Weighted Average Exercise Price**
$0.20	5,280,000	1.2 years	$0.20	5,280,000	$0.20
$0.50	800,000	1.7 years	$0.50	800,000	$0.50
$1.00	17,395,000	2.3 years	$1.00	16,044,167	$1.00
$1.50	5,000,000	2.9 years	$1.50	1,250,000	$1.50
	28,475,000	**2.2 years**	**$0.83**	**23,374,167**	**$0.78**

(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS

The total compensation expense relating to share-based payments granted to employees, service consultants, preferred partner consultants and executives for the nine months ended November 30, 2013, was $3,696,011 (November 30, 2012, $4,307,450) with a corresponding charge to contributed surplus. Only share-based compensation expense related to employees, service consultants and executives in the amount of $1,630,237 (November 30, 2012, $2,563,016) is included in salaries and benefits. An expense related to share-based payments granted to preferred partner consultants for the nine months ended November 30, 2013, in the amount of $2,065,774 (November 30, 2012 - $1,744,434) is classified as advertising and marketing. The Company granted a total of 2,582,000 options during the period ended November 30, 2013 (November 30, 2012, 18,915,000). The weighted average fair value of the options granted during the nine months ended November 30, 2013, was $0.68 per option (November 30, 2012, $0.66).

The fair value of the stock options was determined using the Black-Scholes option pricing model. The expected volatility is based on comparable companies in the industry. The share price used in the determination of fair value of the stock based compensation was based on the most recent issuance of preference shares.

The fair value of stock options was calculated using the following weighted average assumptions:

	November 30, 2013	November 30, 2012
Risk free interest rate (%)	**1.32**	1.31
Expected volatility (%)	**100**	100
Expected life (in years)	**3.79**	2.69
Expected dividends	**Nil**	Nil
Weighted average share price	**$1.00**	$1.00

9. PROMISSORY NOTES PAYABLE

On October 25 2013, the Company received $150,000 from Oddpot Inc., a corporation controlled by a significant shareholder, in the form of a secured convertible promissory note. The note bears interest at 8% per annum, payable on maturity, and matures on October 22, 2014. The note is secured by way of a general security agreement over the assets of the Company. Upon the event the Company closes an arm's length equity offering raising gross proceeds of $10,000,000 or greater, a conversion election is triggered at the option of the holder, to be elected within 30 days of the holder being notified of the offering and at a per-share price equal to that of the offering.

On November 19, 2013, the Company received $600,000 from Primary in the form of a secured convertible promissory note. The note bears interest at 12% per annum, is secured by way of a general security agreement over the assets of the Company, and matures on April 25, 2014.

10. CONVERTIBLE DEBENTURES

On October 25, 2013, the Company issued $1,200,000 principal amount of 17.00% convertible secured debentures (“Debentures”) maturing April 25, 2014. The Debentures are secured with a general security agreement over the assets of the Company. The Debentures are redeemable and convertible into preferred shares of the Company on the basis of a conversion price of $0.10 per share (“Conversion Price”).

(Expressed in Canadian Dollars)

10. CONVERTIBLE DEBENTURES (Continued)

For accounting purposes, the Debentures were separated into their liability and equity components using the effective interest rate method. The fair value of the liability component at the time of issue was calculated as the discounted cash flows for the Debentures assuming a 21.00% effective interest rate, which was the estimated rate for the Debentures without the conversion feature. The fair value of the equity component (the conversion feature) was determined at the time of issue as the difference between the face value of the Debentures and the fair value of the liability component.

The following tables summarize the changes in the Company's convertible debentures:

	Nine-months ended November 30, 2013	Year ended February 28, 2013
Opening balance	**$ -**	$ 45,750
Issuance of convertible debentures	**1,200,000**	-
Equity portion of convertible debentures	**(26,712)**	4,866
Accretion expense	**23,759**	-
Conversion of debentures	**-**	(50,616)
Ending balance	**$ 1,197,047**	$ -

11. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Related party transactions not disclosed elsewhere in these condensed interim financial statements are as follows:

During the three months ended November 30, 2013, advances due from a shareholder in the amount of $38,777 (February 28, 2013 - $Nil) were repaid to the Company.

12. KEY MANAGEMENT COMPENSATION

The compensation of the directors and other key management of the Company is included in the summary table below. Key management are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Company.

	November 30, 2013	November 30, 2012
Short term compensation	**$ 528,000**	$ 390,471
Share based compensation	**720,335**	1,064,732
Total	**$ 1,248,335**	$ 1,455,203

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair Values

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities approximate fair values due to the short-term maturities of these instruments. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists. The fair value of the finance lease obligations, promissory note payable, and convertible debentures approximates their carrying amounts as they bear terms similar to that of comparable instruments.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

(a) Fair Values (Continued)

The Company follows a three-tier categorization for its financial instruments as a framework for disclosing fair value based upon inputs used to value the Company's investments. The hierarchy is summarized as:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data
- Level 3 – inputs for assets and liabilities not based upon observable market data

As at November 30, 2013 and February 28, 2013 cash and cash equivalents was carried at Level 1 in the fair value hierarchy.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk is primarily related to the Company's interest bearing debts on its balance sheet. The finance lease obligations, promissory notes payable, and convertible debentures bear interest at fixed rates ranging from 2% to 17%, and as such, are not subject to cash flow interest rate risk resulting from market fluctuations thereby minimizing the Company's exposure to cash flow interest rate risk.

(c) Foreign Currency risk

The Company is subject to foreign exchange rate risk as it enters in transactions denominated in currencies other than the Company's functional currency, which is the Canadian dollar. The maximum exposure to foreign currency risk is equal to amounts held in foreign currencies at the balance sheet dates. As at November 30, 2013, the Company carried the equivalent of CDN$54,908 in USD$ (February 28, 2013 - $NIL).

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as outlined in Note 13(f) to the condensed interim financial statements. The Company has no income from operations and relies on equity funding to support its development and corporate activities. Should the need for further equity funding arise, there is a risk that the Company may not be able to sell new common or preferred shares at an acceptable price.

Accounts payable and accrued liabilities, current portion of finance lease obligations, promissory notes payable, convertible debentures to be issued, and convertible debentures are due within the current operating period. As at November 30, 2013, the Company had total cash of $568,007 (February 28, 2013 - $9,114,820) to settle current liabilities of $7,823,213 (February 28, 2013 $1,912,994). As a result, the Company is exposed to liquidity risk.

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

(e) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge their obligations. Financial instruments that potentially expose the Company to this risk consist of cash and cash equivalents. The Company's risk is minimal, since the majority of its cash are on deposit with a Canadian Tier 1 chartered bank.

(f) Capital Management

The Company considers its capital to be its equity attributable to shareholders', which is comprised of share capital, reserve accounts, contributed surplus, equity component of convertible debentures and deficit, which as at November 30, 2013, amounted to $211,591 (February 28, 2013 - $10,747,257).

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the research and development of its social media app for the benefit of its shareholders.

There were no changes in the Corporation's management of its capital during the period ended November 30, 2013. The Corporation is not subject to any externally imposed capital requirements.

In order to maintain its capital structure, the Corporation is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, comprised of common shares, preference shares, warrants, and incentive stock options. The Corporation reviews its capital management methods and requirements on an ongoing basis and makes adjustments, accordingly.

14. COMMITMENTS

The Company is committed to a lease of its operating premises at 1 Eglinton Avenue East, Suite 300, in Toronto, Ontario. The premises has an area of approximately 18,000 square feet. The lease is for a period of 10 years and 3.5 months, or 123.5 months. The lease commenced on August 15, 2013, and ends on November 30, 2023. Minimum lease payments and estimated taxes, maintenance, and insurance payments over the remaining course of the lease are as follows:

	Minimum rental payments	Taxes, Maintenance, and Insurance (estimated)	Total estimated commitment
Less than one year	$ 269,205	$ 351,761	$ 620,966
Between one and five years	1,076,820	1,407,045	2,483,865
More than five years	1,548,677	1,733,463	3,282,140
	$ 2,894,702	**$ 3,492,269**	**$ 6,386,971**

15. LEGAL PROCEEDINGS

On November 8, 2013, Penalta Group Ltd. filed a construction lien claim against Keek in the Ontario Superior Court of Justice followed by a statement of claim, alleging an unpaid balance owing under a contract for interior construction and renovation in the amount of $808,331. Keek is currently in negotiations with the claimant to settle the amount and has not been required to file a statement of defense. This balance is included in accounts payable and accrued liabilities as at November 30, 2013.

16. SUBSEQUENT EVENTS

The following significant transactions occurred subsequent to the period ended November 30, 2013:

a) On December 20, 2013, Keek entered into an agreement (the "Amalgamation Agreement") with Primary Petroleum Company ("Primary"), and its wholly-owned subsidiary, 2400964 Ontario Limited, ("Primary Subco"), pursuant to which Primary Subco will amalgamate with Keek (the "Amalgamation"). The Amalgamation is structured as a three-cornered amalgamation and, as a result, the amalgamated Company will become a wholly-owned subsidiary of Primary on closing and the former shareholders of Keek will become shareholders of Primary and receive common shares of Primary on a one-for-one basis (collectively, the "Transaction"). Under TSX Venture Exchange policy, the Amalgamation will constitute a Reverse Take-Over and a Change of Business for the Company. On March 5, 2014, the Amalgamation was approved by both shareholders of Keek and Primary. See Note 1.

b) On December 20, 2013, Primary advanced a $1,000,000 secured convertible note to Keek for a term expiring April 25, 2014, bearing interest at a rate of 12% per annum. The loan is secured by all of the assets of Keek and ranks equally with or in priority to all the Keek convertible notes and all other secured indebtedness of Keek. Additionally on February 3, 2014 Primary advanced a further $1,000,000 secured convertible note on the same terms as the $1,000,000 secured convertible note referenced above. The convertible notes held by Primary aggregating to $2,600,000 will be amended and remain as intercompany debt between Primary and Keek following completion of the Transaction.

c) On December 18, 2013, Keek issued convertible promissory notes in the amount of $895,000 to various arm’s length parties for a term expiring April 25, 2014. Additionally, on January 27, 2014, Keek issued convertible promissory notes in the amount of $525,000 to a non-arm’s length and two arm’s length parties for a term expiring April 25, 2014. The convertible promissory notes bear interest at 12% per annum, are secured against all of the assets of Keek and are convertible into common shares of Keek at $0.10 per share. The convertible promissory notes were converted into common shares of Keek immediately prior to completion of the Transaction.

d) On January 23, 2014, Keek issued 7,400,000 options to employees and officers of the Company to purchase common shares of the Company at an exercise price of $0.10 per share expiring five years from the date of grant on January 23, 2019.