keek

Keek Inc.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the Three and Six Months Ended August 31, 2016

The following Management's Discussion and Analysis ("MD&A") comments on the unaudited consolidated financial condition and results of operations of Keek Inc. for the three and six months ended August 31, 2016. All data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

The information contained herein should be read in conjunction with Keek's unaudited condensed consolidated interim financial statements for the three and six months ended August 31, 2016 (the "financial statements"), and Keek's annual audited consolidated financial statements for the year ended February 29, 2016.

The financial statements have been prepared in accordance with IFRS as issued by the IASB, using International Accounting Standard ("IAS") 34, "*Interim Financial Reporting*". The Company has consistently applied the same accounting policies and methods of computation as were followed in the preparation of the annual audited consolidated financial statements of Keek for the year ended February 29, 2016.

Unless the context otherwise requires, all references to "Keek", "Corporation", "Company", "our", "us", and "we" refers to Keek Inc. as consolidated with its subsidiaries. Additional information regarding the Company is available at SEDAR at www.sedar.com.

This MD&A is dated October 28, 2016. All amounts are presented in Canadian dollars, unless otherwise noted.

Advisory Regarding Forward-Looking Statements

This MD&A contains forward-looking statements. When used in this MD&A the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. In particular, this MD&A contains forward-looking statements with respect to, among others things, our objectives, goals, strategies, intentions, plans, estimates, outlook, expected growth and business opportunities. Although Keek believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including without limitation, factors and assumptions regarding advertising revenues, platform fee revenues, operating costs and tariffs, taxes and fees, changes in market competition, governmental or regulatory developments, changes in tax legislation and general economic conditions. Actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things: Keek's ability to attract and retain users and increase the level of engagement of its users; Keek's expectations regarding its user growth rate and the usage of its web and mobile products; Keek's ability to attract advertisers and the revenue derived from these advertisers; Keek's ability to create and grow user monetization; the sufficiency of Keek's cash and cash generated from operations to meet its working capital and capital expenditure requirements; the ability of Keek to raise sufficient capital to fund operations and meet its financial obligations; and changes in accounting standards.

Keek cautions you that the foregoing list may not contain all of the forward-looking statements made in this document. Keek's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits that Keek will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. When relying upon our forward-looking statements to make decisions with respect to Keek, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. All subsequent forward-looking statements, whether written or oral, attributable to Keek or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this document are made as at the date of this document and Keek does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

GOING CONCERN ASSUMPTION

The financial statements have been prepared in accordance with 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 six months ended August 31, 2016, the Company incurred a net loss of $1,765,901 (August 31, 2015 - $6,777,895) and, as of that date, the Company had accumulated a deficit of $76,792,470 (February 29, 2016 - $75,026,569) and negative cash flows from operations of $1,352,145 (August 31, 2015 - $1,690,417). Whether and when the Company can attain profitability and positive cash flows from operations is uncertain. 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 mainly 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 through private placements of both equity and debt and will need to continue to do so to fund operations in the future. The financial statements and this MD&A 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 as a going concern. Such adjustments could be material.

ABOUT KEEK

Keek Inc. (formerly Primary Petroleum Corporation) (the "Company"), was incorporated under the provisions of the Business Corporations Act in the Province of British Columbia on May 20, 2004, and on January 10, 2008, was continued under the laws of the Province of Alberta. The Company is a publicly traded company listed on the TSX Venture Exchange (“TSX-V”) under the symbol "KEK" and on the OTCQB under the symbol “KEEKF”. The Company's principal activity is the development of social media products and services for use by consumers and businesses, with a focus on mobile (iOS and Android) products. The Company's head office is 184 Front Street East, Suite 701, Toronto, Canada, M5A 4N3.

On March 5, 2014, Primary Petroleum Corporation ("Primary") completed a reverse acquisition with Keek Inc. (“Keek”), a private company incorporated under the laws of the Province of Ontario, which was effected pursuant to an amalgamation agreement entered into between Keek, Primary, and Primary's wholly-owned subsidiary, 2400964 Ontario Limited (“Primary Subco”), formed solely for the purpose of facilitating the amalgamation. 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 “Amalgamation”). The Amalgamation was structured as a three-cornered amalgamation, resulting in the amalgamated company becoming a wholly-owned subsidiary of Primary, and former shareholders of Keek receiving common shares of Primary on a one-for-one basis (the "Transaction").

Although the Transaction resulted in Keek becoming a wholly-owned subsidiary of Primary, the Transaction constitutes a reverse acquisition of Primary by Keek in-as-much as the former shareholders of Keek received 56.25%, on a non-diluted basis, of the issued and outstanding common shares of the resulting corporation. For accounting purposes, Keek is considered the acquirer and Primary the acquiree. Accordingly, the financial statements are a continuation of the financial statements of Keek and references to the “Company” will mean the consolidated entity subsequent to the date of the transaction and to Keek prior to that date.

Following the closing of the Transaction, Primary filed articles of amendment to change its name to Keek Inc.

The financial statements include the financial position and results of Keek, Primary, and Primary Petroleum Canada Corporation ("PPCC") (a wholly-owned subsidiary of Primary).

OVERVIEW

Keek's core business is the development of social media products and services for use by consumers and businesses, with a focus on mobile (iOS and Android) products. The Company focuses on providing social commerce enabled products which allow for a monetizeable user experience to all users, consumers and businesses alike. The Company accomplishes this by offering products which are complete with enterprise grade global ecommerce infrastructure including multi-currency, multi-lingual, turnkey mobile commerce suites for users.

The Company's flagship product and core line of business to date is an online social video platform for both web and mobile with an emphasis on mobile which allows users to upload and share personal videos of themselves or events surrounding them, their "self-expression". Keek has developed a global video social network, enabled over the Internet and on mobile devices around the world. Keek's interactive video content network contains videos with up to 36 seconds of video and 111 characters of accompanying text. Since inception, Keek's community has grown to over 75 million registered users across 6 global regions: "North America", "South America", "Europe", "Middle East", "Asia/Oceania", and "Africa". This product is now being transitioned from a "social media" video platform to a "social commerce" livestreaming service. The transition to a livestreaming video platform is underway, and is expected to be completed on or about November 1, 2016.

Product innovation is being driven through a focus on entering the livestreaming social video market (please see "*Market Trends, Product Development, and Business Strategy*"). Monetization started with an initial ad model which offered different forms of advertising and digital products to Keek's audiences. The existing advertising revenue model will be discontinued in the near future as the Company will be focusing on innovative monetization strategies, based around "social commerce", for its current and future products. Social commerce is defined as a subset of electronic commerce that involves social media, online media that supports social interaction, and user contributions to assist online buying and selling of products and services. More succinctly, social commerce is the use of social network(s) in the context of e-commerce transactions.

In August 2015 the Company entered into a technology licensing agreement with Personas.com Corporation ("Personas") (a subsidiary of Riavera Corp., which is now a significant shareholder of the Company), which has given the Company access to a variety of established technologies including livestreaming technology and technology designed to facilitate monetary transactions. Pursuant to the agreement, Personas pays to Keek 30% of the gross revenue earned through the use of Keek's platforms. The Company held an AGM on March 11, 2016 to present the Company's new business plans. The shareholders voted in favor of a number of business matters including a name change. Personas has agreed to provide Keek with a permanent, irrevocable license to the "Peeks" trademarks. Keek's existing products will bear the Peeks name and logos. Certain future products are planned to use the "Peeks" trademark while others will not. The Company will be phasing out all use of the Keek trademarks on a world-wide basis.

Overview of the Business and Operational Highlights

Registration Results

The Company halted marketing efforts in April 2015 due to financial constraints. The pause of marketing activities had a negative impact on new user registration and engagement levels. Today Keek has over 75 million registered users, with 215,000 new registered users being added during the six months ended August 31, 2016. Management expects the transition to the "*Peeks*" platform (see "*Peeks Integration*" below) and planned marketing efforts surrounding the new livestreaming service to have a positive impact on new user registration beginning in November 2016.

Product

During the six months ended August 31, 2016, the core development team at Keek was primarly engaged in completing a migration of Keek's core data center to a cloud based service in order to significantly reduce monthly hosting costs and maintenance requirements, and to improve the ability to scale and increase the reliability of the platforms. The data center migration was completed in May 2016. The Keek teams were supported by development and project teams from Personas to plan and execute on the integration of a live streaming service into the Keek platform, labelled "*Peeks*" (see "*Peeks Integration*" below). As of the date of this MD&A, the integration is underway, and is set to be completed on or about November 1, 2016.

Peeks Integration

Peeks is described as "an ecommerce enabled livestreaming platform". The Peeks service allows users to livestream themselves on their own personal interactive ecommerce enabled mobile broadcast. By simply tapping their screen, viewers inside Peeks can tip broadcasters real money, buy products and services, engage in crowd funding, participate in live auctions, and much more.

Peeks differentiates itself from its competitors in several ways. Peeks provides a real-time, engaging, and monetizeable user experience to all of its members. In addition, Peeks' enterprise grade global ecommerce infrastructure provides a multi-currency, multi-lingual, turnkey mobile commerce suite for all of its users, merchants, and advertisers alike.

The Peeks technology was developed by Personas and is currently being integrated into the Keek mobile platforms. The Peeks enabled Keek app, which will adopt the name "Peeks," will replace the legacy Keek iOS and Android apps in their respective app stores. Existing Keek mobile users will receive the update directly to their already installed Keek app and will access the product using their already existing Keek profiles. Keek users will maintain all of their core Keek history, including their "followers" and who they "follow," their Keeks along with the view counts and like counts, their login methods, profile information, and more. In addition, as with the existing livestreams, historic Keeks will be able to receive likes and tips through a simple tap of the screen. All users will have their own mobile wallet inside the platform, and can start earning money for their past and future content immediately. The service charges a "platform fee" for each transaction, which can vary from anywhere from 10%-50% depending on the type of transaction and the status of the user. For example, the "tipping" function currently charges either 30%, 40%, or 50%, depending on the status level of the user.

In order to test the technology and platform in a live marketplace, Personas launched a closed beta product on both the iOS and Android platforms using the Peeks technology as a stand-alone app in July 2016. The closed beta product included teams of testers, influencers, and users, provided by each of Personas and Keek. Following the successful closed beta product, an open market beta product was launched in August 2016, being downloaded by thousands of users in over 100 countries. These tests allowed both companies to analyze the product, measure performance, estimate potential conversion and usage rates, and receive a large amount of product reviews from both broadcasters and viewers. The results exceeded management expectations.

Keek for Messenger → Peeks for Messenger

Keek for Messenger (“KFM”) is a Keek proprietary app which operates independently of the Keek platforms. KFM is a companion app to Facebook’s *Messenger* (“FM”) app, allowing FM users to send Keeks directly to their Facebook contacts inside the FM environment. Keek was invited to develop the app by Facebook in Q4 2015, and was featured as part of the FM platform launch at F8, Facebook's annual global developer conference held in San Francisco on March 25, 2015.

KFM is being renamed “Peeks for Messenger” (“PFM”) to follow the transition of the core Keek product. PFM is currently undergoing a development review and the Company is considering methods of amplifying its sharing and interaction abilities with the core Keek products, as well as the introduction of certain video filtering and editing tools, to better differentiate it from other video apps available for the FM platform.

Sales and Revenue

Keek began monetizing the platform initially through passive ad serving. The traditional ad revenue model was the source of significantly all of the revenues to August 31, 2016. This revenue model is being discontinued as the Company is currently applying innovative monetization strategies. The revenue generating social commerce tools which are being activated as part of the Peeks integration were not yet meaningfully active prior to August 31, 2016, apart from a small group of public testers introduced in August 2016.

The initial advertising model which was the source of the majority of revenues to August 31, 2016, included direct sales, ad network and programmatic selling (the buying and selling of digital ad space online and on mobile devices using technology), which includes the ability for real time bidding by advertisers on exchanges. The term “real-time bidding” refers to the means by which ad inventory is bought and sold on a per-impression basis, via programmatic instantaneous auction, similar to financial markets. With real-time bidding, advertising buyers bid on an impression and, if the bid is won, the buyer’s ad is instantly displayed on the publisher’s site.

Based on our current revenue models and considering the results of the initial advertising efforts, Keek decided to limit direct sales to the Middle East region and eliminated all global sales teams during the year ended February 29, 2016. In Q4 2016, the Company negotiated a partnership with a Middle East based advertising agency to outsource sales and ad operations directly to the Middle East region. The partnership was established on a purely commission based structure. With this partnership in place, direct sales efforts in the Middle East resumed Q4 2016, with a few initial orders being served mostly in the latter half of Q1 2017. The Company is planning to replicate this strategy inside the Peeks platform, with the same partner, and using innovative “ad” space which will be more in line with the social commerce strategy than the former traditional advertising strategy. The basic web and app based advertising units will be discontinued and replaced with the social commerce aspects of the Peeks platform (please see “*Peeks Integration*” above).

MARKET TRENDS, PRODUCT DEVELOPMENT, AND BUSINESS STRATEGY

Keek has developed a global platform for public self-expression and communication in real time. The Keek platform and community is a free service. Having demonstrated since inception through its over 75 million registered users that a global video-centric social network can attract audiences, the next milestone for Keek is to confirm that this community can sustain itself from a relevance, enhanced value creation and monetization perspective. In order to remain relevant, Keek management is of the belief that sustainability and growth must come from a product-first approach, and therefore the Company plans to focus its attention towards the transition from a pre-recorded video-centric social network to a live-streaming social commerce network.

The current business strategy is for Keek to reintroduce itself to its registered user base as a social ecommerce enabled live streaming service. The new social commerce platform will connect content providers, viewers, advertisers, brands and retailers in a seamless organic social commerce eco-system. The future product will allow content creators to monetize their popularity by sharing in advertising revenues and by being able to charge viewers for access to premium content. Additionally the platform will allow content creators to charge their viewers for goods and services and allows viewers to make instantaneous purchases on their mobile devices. Apart from premium content and enhanced product features and tools, the Keek platform and community will remain a free service for existing and future users. These efforts are the main focus of the joint initiatives under the partnership with Personas.

Live streaming in a social media context is a new phenomenon which has garnered significant market attention. In March 2015, it was announced that Twitter had acquired Periscope, a live streaming video startup app which was still in the testing stage, for nearly $100 million USD in cash and shares. Also during March 2015, Meerkat, another live streaming video startup with 100,000 users at the time, announced it had raised $14 million USD as part of a financing round with a pre-money valuation of $40 million USD.

Management believes that livestreaming is well poised to achieve extremely rapid adoption rates in the social media marketplace. Keek expects the adoption rates of live streaming video, in a social media context, will easily surpass those previously achieved by pre-recorded video and podcasts. The livestreaming space remains in its infancy with a small number of first movers in the industry, few of which are ecommerce enabled. Keek previously capitalized on the rapid adoption of social video by being amongst the first video enabled social media platforms.

The current business strategy will allow Keek to enter the livestream market with the added functionality and advantage of being interwoven into a pre-existing social media network. On release, the new livestreaming service will immediately be available to 75 million registered users on Keek. The initial launch of the livestreaming and ecommerce services is expected to be on or about November 1, 2016, with additional advancements to be phased in throughout the remainder of calendar 2016.

Significant Reduction of Expenditures

In adjusting to the current business strategy which focuses on the transition to a live streaming ecommerce enabled network, the integration of the Personas platforms, the development of and maintenance of KeekX, and the streamlining of operations and reduction of expenses, the Company took significant measures to reduce monthly costs in April 2015. As a result, operational cash expenditures are currently expected to be maintained at approximately $150,000-$175,000 per month for the near future, not including professional fees relating to litigation and corporate strategy if required, and the pay down of debt and trade payables. This was accomplished mainly through the following:

- Significant reductions in sales, marketing, administrative, technological, and development staff
- The cessation of significant marketing programs which were not meeting management's performance expectations
- The shifting of global sales forces to commission only remuneration
- The closure and salvaging of 3 secondary international data centers
- Significant renegotiations with various vendors
- The closure of the New York office

In June 2016, the Company successfully completed a migration of its core data center to a cloud based service which will significantly reduce monthly hosting costs and maintenance requirements, while improving the ability to scale and increasing the reliability of the platforms. This migration also made available a large amount of server equipment which can now be salvaged or repurposed. During the year ended February 29, 2016, the Company received proceeds of approximately $220,000 from the salvaging of equipment previously utilized at 3 secondary international data centers. The equipment at the core data center, located in Toronto, is similar in nature but of a significantly greater quantity. Management is in the process of selling portions of the equipment and is seeking buyers for the remaining portions. Management does not yet have a measureable estimate of the total potential salvage value.

The Company currently has 7 employees, a reduction from approximately 50 employees as at March 1, 2015 (being the first day of the comparative quarter). Currently, Keek is operating on an approximately $150,000-$175,000 per month cash budget which only allows for the upkeep of the platform, the continuation of financial and corporate activities which are significantly focused towards financing efforts and business development initiatives, and targeted integration and development projects in key areas as described above.

OVERALL PERFORMANCE

Summary of Financial and Operating Results

Three months ended August 31, 2016 and 2015

During the three months ended August 31, 2016, Keek reported a total of $13,850 in revenue as compared to $41,336 for the three months ended August 31, 2015. The majority of the revenue for three months ended August 31, 2016, was sourced through advertising revenues earned from direct sales performed by the Company's Middle East based sales partner and through advertising sales made through programmatic channels. The global sales teams were terminated in the first half of 2016, which was the primary reason for the decrease in revenue when compared to the prior period.

For the three months ended August 31, 2016, Keek generated interest income in the amount of $4,125 as compared to $293 for the three months ended August 31, 2015. The interest income was derived from cash on hand which is invested in daily interest bearing accounts and from a short term loan forwarded to Personas to facilitate the joint product initiative "Peeks" (see *Related Party Transactions*).

Selected financial information for the Company for the indicated periods is provided below:

	Three months ended	
	August 31, 2016	**August 31, 2015**
	$	$
Revenue	13,850	41,336
Interest income	4,125	293
Operating expenses	818,558	2,567,979
Net loss for the period	792,552	2,776,022
Net loss per share – basic and diluted	0.02	0.22

Operating expenses for the three months ended August 31, 2016, were $818,558, as compared to $2,567,979 for the three months ended August 31, 2015. The decrease of $1,749,421 was mainly due to a significant reduction in operations in April 2015 (please see "*Significant Reduction of Expenditures")*. In the comparative period until April 2015, operating expenses were focused to fund the expansion of user growth through product development, content enhancement initiatives, marketing and branding, user engagement, enhanced value creation, and to implement monetization capabilities. Starting in late April 2015, operating expenses were shifted to focus on product maintenance and enhancements with a focus on the reduction of expenditures until additional financing can be secured and planned product advancements can be completed.

The following is the breakdown of operating expenses for the three months ended August 31, 2016, and August 31, 2015. Details of the changes between periods are described in the notes to the table below.

Summary of Operating Expenses

	Three months ended August 31, 2016 $	Three months ended August 31, 2015 $
Salaries and benefits (a)	397,078	1,648,591
Internet and communications (b)	175,750	376,330
Consulting fees (c)	117,072	348,371
Amortization (d)	24,110	407,014
Occupancy costs (e)	33,913	78,509
Professional fees (f)	30,461	109,804
Advertising and marketing (g)	10,898	(335,517)
Office and general (h)	26,808	44,216
Translation and software licensing (i)	11,158	7,731
Gain on disposal of long-lived assets (d)	(10,202)	(98,121)
Foreign exchange (gain) loss (k)	1,512	(18,949)
	818,558	**2,567,979**

Notes:

(a) Salaries and benefits costs decreased by $1,251,513 as compared to the three months ended August 31, 2015. The decrease was caused by a significant decrease in share-based compensation included in salaries and benefits. Included in salaries and benefits $155,543 relating to share-based compensation for the three months ended August 31, 2016, as compared to $1,315,840 for the three months ended August 31, 2015. A lower amount of employees in the current period also contributed to the difference.

(b) Internet and communications decreased by $200,580 as compared to the three months ended August 31, 2015. The decrease is attributable to lower costs associated with Keek's international data co-locations and global content distribution network activities as a result of management sourcing different suppliers and obtaining better pricing with existing suppliers, significantly in relation to content distribution network services. Keek's international data co-locations were closed in the 2016 fiscal year, as improving global content distribution networks speeds have eliminated the need for a geographical disbursement of servers.

(c) Consulting fees decreased by $231,299 as compared to the three months ended August 31, 2015. The decrease is due to the disengagement of certain management, technological, and financial consulting services in the current year which were no longer required following a change in management in the current fiscal year and after the establishment of the relationship with Personas.

(d) Amortization decreased by $382,904 as compared to the three months ended August 31, 2015. The Company uses the straight line method of amortization which expenses the cost of property and equipment evenly over the expected useful life of a long-lived asset. Certain items of property and equipment reached their expected useful life and certain items were disposed of or written-off of during the fiscal 2016 and 2017 years, which caused a reduction in amortization expense. In the three months ended August 31, 2016, the Company disposed of $10,202 of server equipment which was no longer in use and fully amortized, resulting in a gain on disposal of long-lived assets of $10,202, as compared to $98,121 in the comparative period, which also related to the disposal of server equipment which was no longer in use.

(e) Occupancy costs decreased by $44,596 as compared to the three months ended August 31, 2015. The decrease is due to the Company subletting a former operating space in Toronto, Ontario, beginning in May 2016. Rental payments received from subtenants are netted against occupancy costs.

(f) Professional fees decreased by $79,343 as compared to the three months ended August 31, 2015. The decrease is due to a lower amount of corporate activities in the current period and to Management performing additional services in-house. In addition, certain non-recurring legal costs relating to a trademark dispute were incurred in the three months ended August 31, 2015.

(g) Advertising and marketing costs were $10,898 for the three months ended August 31, 2016, as compared to a recovery of $335,517 for the three months ended August 31, 2015. Marketing efforts were virtually eliminated by the end of April 2015 due to cost reductions at that time. The costs of the current period relate to influencer marketing expenses in preparation for the Peeks integration and to a number of small marketing campaigns used to measure the performance of a Peeks beta product and potential conversion levels of the existing Keek audience. The prior period included a one-time recovery of share based payments relating to preferred partner consultants from influencer programs no longer in use.

(h) Office and general expenses decreased by $17,408 as compared to the three months ended August 31, 2015. The decrease was largely due to lower insurance costs and a decrease in transfer agent and exchange fees. The breakdown of office and general expenses is as follows:

Summary of office and general expenses

	Three months ended August 31, 2016 $	Three months ended August 31, 2015 $
Travel, transportation, and meals	1,029	4,235
Insurance	13,389	20,119
Transfer agent and exchange fees	4,980	13,233
Office and miscellaneous	5,565	4,737
Bank charges	1,006	1,892
Shipping and moving	839	Nil
	26,808	**44,216**

(i) Translation and software expenses increased by $3,427 as compared to the three months ended August 31, 2015. The Company incurred some additional software costs in the current period relating to the optimization of the search functions in the Keek products.

(j) Foreign exchange gain decreased by $20,461, as compared to the three months ended August 31, 2015, resulting in a foreign exchange loss of $1,512. The Company has significantly reduced the number of transactions in foreign currencies however still carries a large amount of trade payables which are denominated in USD$. As at August 31, 2016, the Company carried net current liabilities of CDN$1,816,547 in USD$ (February 29, 2016 - CDN$1,784,288 in USD$). Accordingly, the Company expects continued gains or losses due to foreign exchange fluctuations between the operating currency of the Canadian Dollar and the denominated currency of certain liabilities of the United States Dollar. Please see *Financial Instruments and Risk Management – Foreign Currency Risk*.

Interest and accretion expense was $3,000 for the three months ended August 31, 2016, as compared to $249,672 for the three months ended August 31, 2015. The decrease in interest and accretion expense relates significantly to the restructuring of $5,315,000 aggregate principal amount of secured notes issued between November 2014 and February 2015. The restructuring was completed in November and December of 2015. In November 2015, $2,305,000 aggregate principal amount of the notes, along with accrued interest of $242,303, was converted into common shares of the Company at a price of $0.47 per share. In December 2015, $3,010,000 aggregate principal amount of the notes were amended to reduce the interest rate from 12% to 7%, amongst other amendments (see *Liquidity* and *Related Party Transactions*). These amended $3,010,000 aggregate principal amount notes plus $449,517 of interest ($382,210 of which was accrued to the time of the amendment) were converted into 13,838,067 common shares of the Company in March 2016 at a price of $0.25 per share (see *Liquidity, Capital Transactions, and Related Party Transactions*). Included in interest and accretion expense is $3,000 in interest and $Nil in accretion related to the secured notes for the three months ended August 31, 2016 (August 31, 2015 - $166,060 and $83,047 respectively).

The net loss per share for the three months ended August 31, 2016, was $0.02 as compared to $0.22 for the three months ended August 31, 2015. The decrease is directly attributable to the reduction in net loss as a result of significantly lower operating expenses and was amplified by a significantly higher weighted average number of common shares outstanding for the period.

Six months ended August 31, 2016 and 2015

During the six months ended August 31, 2016, Keek reported a total of $39,751 in revenue as compared to $143,185 for the six months ended August 31, 2015. Significantly all of the revenue for the six months ended August 31, 2016, was sourced through advertising revenues earned from direct sales performed by the Company's Middle East based sales partner and through advertising sales made through programmatic channels. The global sales teams were terminated in the first half of 2016, which was the primary reason for the decrease in revenue when compared to the prior period. Sales efforts were reinitiated during Q4 2016 through a partnership with a Middle East based advertising agency, resulting in minimum revenues in Q1 2017 due to advertising campaigns typically being proposed and quoted well in advance of delivery.

For the six months ended August 31, 2016, Keek generated interest income in the amount of $6,059 as compared to $639 for the six months ended August 31, 2015. The interest income was derived from cash on hand which is invested in daily interest bearing accounts and from a short term loan forwarded to Personas to facilitate the joint product initiative "Peeks" (see *Related Party Transactions*).

Selected financial information for the Company for the indicated periods is provided below:

	Six months ended	
	August 31, 2016	**August 31, 2015**
	$	$
Revenue	39,751	143,185
Interest income	6,059	639
Operating expenses	1,841,275	6,421,555
Net loss for the period	1,765,907	6,777,895
Net loss per share – basic and diluted	0.04	0.56

Operating expenses for the six months ended August 31, 2016, were $1,841,275, as compared to $6,421,555 for the six months ended August 31, 2015. The decrease of $4,580,280 was mainly due to a significant reduction in operations in April 2015 (please see "*Significant Reduction of Expenditures")*. In the comparative period until April 2015, operating expenses were focused to fund the expansion of user growth through product development, content enhancement initiatives, marketing and branding, user engagement, enhanced value creation, and to implement monetization capabilities. Starting in late April 2015, operating expenses were shifted to focus on product maintenance and enhancements with a focus on the reduction of expenditures until additional financing can be secured and planned product advancements can be completed.

The following is the breakdown of operating expenses for the six months ended August 31, 2016, and August 31, 2015. Details of the changes between periods are described in the notes to the table below.

Summary of Operating Expenses

	Six months ended August 31, 2016 $	Six months ended August 31, 2015 $
Salaries and benefits (a)	860,869	2,972,271
Internet and communications (b)	326,516	802,432
Consulting fees (c)	294,749	887,643
Amortization (d)	131,640	910,762
Occupancy costs (e)	88,549	206,310
Professional fees (f)	65,343	177,840
Advertising and marketing (g)	62,274	334,807
Office and general (h)	48,538	201,509
Translation and software licensing (i)	26,972	32,933
Gain on disposal of long-lived assets (d)	(10,202)	(98,121)
Foreign exchange (gain) loss (k)	(53,973)	(6,831)
	1,841,275	**6,421,555**

Notes:

(a) Salaries and benefits costs decreased by $2,111,402 as compared to the six months ended August 31, 2015. The Company made significant reductions in staffing levels in April 2015, resulting in the Company having 8 employees as of August 31, 2016, as compared to approximately 50 as of March 1, 2015 (the first day of the comparative period). The decrease was also significantly contributed to by a decrease in share-based compensation included in salaries and benefits. Included in salaries and benefits $371,293 relating to share-based compensation for the six months ended August 31, 2016, as compared to $1,646,608 for the six months ended August 31, 2015.

(b) Internet and communications decreased by $475,916 as compared to the six months ended August 31, 2015. The decrease is attributable to lower costs associated with Keek's international data co-locations and global content distribution network activities as a result of management sourcing different suppliers and obtaining better pricing with existing suppliers, significantly in relation to content distribution network services. Keek's international data co-locations were closed during the 2016 fiscal year, as improving global content distribution networks speeds have eliminated the need for a geographical disbursement of servers.

(c) Consulting fees decreased by $592,894 as compared to the six months ended August 31, 2015. The decrease relates to the disengagement of a number of partners for the development of branding and positioning, public relations, and investor relations in April 2015. The decrease was also due to the disengagement of certain management, technological, and financial consulting services in the current year which were no longer required following a change in management in the current fiscal year and after the establishment of the relationship with Personas.

(d) Amortization decreased by $779,122 as compared to the three months ended August 31, 2015. The Company uses the straight line method of amortization which expenses the cost of property and equipment evenly over the expected useful life of a long-lived asset. Certain items of property and equipment reached their expected useful life and certain items were disposed of or written-off of during the fiscal 2016 and 2017 years, which caused a reduction in amortization expense. In the six months ended August 31, 2016, the Company disposed of $10,202 of server equipment which was no longer in use and fully amortized, resulting in a gain on disposal of long-lived assets of $10,202, as compared to $98,121 in the comparative period, which also related to the disposal of server equipment which was no longer in use.

(e) Occupancy costs decreased by $117,761 as compared to the six months ended August 31, 2015. The decrease was due to the closure of the New York City office in Q1 2016 and due to the Company subletting a former operating space in Toronto, Ontario, beginning in May 2016. Rental payments received from subtenants are netted against occupancy costs.

(f) Office and general expenses decreased by $152,971 as compared to the six months ended August 31, 2015. The decrease is due to a reduction in operations of the Company in April 2015 which caused a significant decrease in travel, transportation, and meals expense, stopped the need for recruitment services, reduced insurance needs, and resulted in significantly less office and miscellaneous expense. The breakdown of office and general expenses is as follows:

Summary of office and general expenses

	Six months ended August 31, 2016 $	Six months ended August 31, 2015 $
Travel, transportation, and meals	6,455	94,589
Recruiting	-	24,000
Insurance	18,989	36,566
Transfer agent and exchange fees	12,567	18,177
Office and miscellaneous	6,010	23,180
Bank charges	2,868	3,839
Shipping and moving	1,649	1,158
	48,538	**201,509**

(g) Advertising and marketing costs decreased by $272,533 as compared to the six months ended August 31, 2015. Marketing efforts were virtually eliminated by the end of April 2015 due to the implementation of cost reductions. The costs of the current period relate to influencer marketing expenses in preparation for the Peeks integration and to a number of small marketing campaigns used to measure the performance of a Peeks beta product and potential conversion levels of the existing Keek audience.

(h) Professional fees decreased by $112,497 as compared to the six months ended August 31, 2015. The decrease is due to a lower amount of corporate activities in the current period and to Management performing additional services in-house. In addition, certain non-recurring legal costs relating to a trademark dispute were incurred in the six months ended August 31, 2015.

(i) Translation and software expenses decreased by $5,961 as compared to the six months ended August 31, 2015. This expense relates primarily to services for language translation of Keek's digital content, required to maintain the Keek platforms in their 36 operating languages. There was a decreased number of app releases during the six months ended August 31, 2016. The decrease was offset by slightly through software expenses relating to the optimization of the search functions in the Keek products.

(j) Foreign exchange gain increased by $47,142 as compared to the six months ended August 31, 2015. The Company has significantly reduced the number of transactions in foreign currencies however still carries a large amount of trade payables which are denominated in USD$. As at August 31, 2016, the Company carried net current liabilities of CDN$1,816,547 in USD$ (February 29, 2016 - CDN$1,784,288 in USD$). Accordingly, the

Company expects continued gains or losses due to foreign exchange fluctuations between the operating currency of the Canadian Dollar and the denominated currency of certain liabilities of the United States Dollar. Please see *Financial Instruments and Risk Management – Foreign Currency Risk*.

Interest and accretion expense was $20,632 for the six months ended August 31, 2016, as compared to $500,164 for the six months ended August 31, 2015. The decrease in interest and accretion expense relates significantly to the restructuring of $5,315,000 aggregate principal amount of secured notes issued between November 2014 and February 2015. The restructuring was completed in November and December of 2015. In November 2015, $2,305,000 aggregate principal amount of the notes, along with accrued interest of $242,303, was converted into common shares of the Company at a price of $0.47 per share. In December 2015, $3,010,000 aggregate principal amount of the notes were amended to reduce the interest rate from 12% to 7%, amongst other amendments (see *Liquidity* and *Related Party Transactions*). These amended $3,010,000 aggregate principal amount notes plus $449,517 of interest ($382,210 of which was accrued to the time of the amendment) were converted into 13,838,067 common shares of the Company in March 2016 at a price of $0.25 per share (see *Liquidity, Capital Transactions, and Related Party Transactions*). Included in interest and accretion expense is $20,632 in interest and $Nil in accretion related to the secured notes and amended secured notes (convertible debentures) for the six months ended August 31, 2016 (August 31, 2015 - $332,120 and $162,467 respectively).

The net loss per share for the six months ended August 31, 2016, was $0.04 as compared to $0.56 for the six months ended August 31, 2015. The decrease is directly attributable to the reduction in net loss as a result of significantly lower operating expenses and was amplified by a significantly higher weighted average number of common shares outstanding for the period.

QUARTERLY RESULTS OF OPERATIONS

The following table highlights selected financial information for the eight consecutive quarters ending August 31, 2016. The Company expects its operating results to vary significantly from quarter to quarter and therefore they should not be relied upon to predict future performance.

	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
	$	$	$	$	$	$	$	$
Revenue	13,850	25,901	36,944	12,228	41,336	101,849	62,732	105,852
Interest income	4,125	1,933	2,474	1,683	293	346	3,076	787
Operating expenses	818,558	1,022,717	1,737,565	2,038,971	2,567,979	3,853,576	6,407,860	5,375,877
Net loss from continuing operations	(792,522)	(973,380)	(1,780,096)	(2,268,797)	(2,776,022)	(4,002,144)	(6,572,802)	(5,319,181)
Net loss for the period	(792,522)	(973,380)	(1,780,096)	(2,268,797)	(2,776,022)	(4,002,144)	(6,785,906)	(5,363,501)
Loss per share - basic	(0.02)	(0.02)	(0.07)	(0.12)	(0.22)	(0.35)	(0.62)	(0.47)
- diluted	(0.02)	(0.02)	(0.07)	(0.12)	(0.22)	(0.35)	(0.62)	(0.47)

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash Flow for the Six months ended August 31, 2016, and August 31, 2015

Net cash used in operating activities was $1,352,145 for the six months ended August 31, 2016 as compared to $1,690,407 for the six months ended August 31, 2015. Keek collected $27,370 of accounts receivables and applied $30,600 of prepaid expenses and had a decrease in accounts payable and accrued liabilities of $214,566 (excluding certain accrued interest items which were converted or amended during the year – see *Liquidity* and *Capital Transactions*) during the six months ended August 31, 2016, which combined slightly increased the use of cash in operating activities in addition to the net loss for the period which was $1,185,231 after considering items not affecting cash (August 31, 2015 - $4,156,179 after considering items not affecting cash).

For the six months ended August 31, 2016, net cash generated from financing activities was $1,496,525 as compared $1,062,019 for the six months ended August 31, 2015. Financing activities for the six months ended August 31, 2016, included the issuance of common shares and warrants, resulting in gross proceeds of $1,500,000 (net proceeds of $1,476,525 after considering transaction costs) (August 31, 2015 – $1,066,800 with no transaction costs incurred). Financing activities for the six months ended August 31, 2016, also included a short term $200,000 loan provided to Personas to facilitate a joint product initiative, which was repaid to the Company in the same period.

For the six months ended August 31, 2016, net cash generated from investing activities was $10,202 as compared to $209,636 for the six months ended August 31, 2015. In the six months ended August 31, 2016, the Company received proceeds of $10,202 from the disposal of unused server equipment (August 31, 2015 - $245,069). In the six months ended August 31, 2015, the Company also purchased $35,433 worth of computer and server equipment.

For the six months ended August 31, 2016, Keek had a net increase in cash of $154,582 as compared to a net decrease of $418,762 for the six months ended August 31, 2015. As a result, as at August 31, 2016 and August 31, 2015, Keek had cash balances of $257,241 and $1,336,076 respectively.

Liquidity

During the six months ended August 31, 2016, Keek reported a total of $39,751 in advertising revenue, as compared to $143,185 for the six months ended August 31, 2015. Keek will likely need to continue to rely upon capital raising activities, such as private placement debt and equity financings, to fund its operations for the short term future.

Selected financial information about the Company’s financial position as at the indicated dates is provided below:

	August 31, 2016	**February 29, 2016**
	$	$
Cash	257,241	102,659
Total assets	486,960	511,400
Long term liabilities	-	3,392,210
Total liabilities	3,549,208	7,143,584
Share capital, contributed surplus, and warrants reserve	73,729,952	68,394,385
Deficit	(76,792,470)	(75,026,569)
Working capital (deficiency)	(3,062,518)	(3,465,918)

During the six months ended August 31, 2016, the Company incurred a net loss of $1,765,901 (August 31, 2015 - $6,777,895) and, as of that date, the Company had accumulated a deficit of $76,792,470 (February 29, 2016 - $75,026,569) and negative cash flows from operations of $1,352,145 (August 31, 2015 - $1,690,417).

These factors create material uncertainties that cast significant doubt upon the Company’s ability to continue as a going concern. Keek 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.

As at August 31, 2016, total liabilities decreased to $3,549,208 as compared to $7,143,584 as at February 29, 2016, a decrease of $3,594,376. During the six months ended August 31, 2016, the Company converted $3,381,000 aggregate principal amount convertible debentures and accrued interest of $67,307 into 13,838,067 common shares of the company (see *Capital Transactions*). In addition, there was a decrease in accounts payable and accrued liabilities of $214,566 (excluding certain interest accruals and accrued interest of $67,307 converted into shares – see *Capital Transactions*). Due to the shortage of cash flow, the Company is not currently paying most of its past payables but is paying its ongoing monthly operational costs.

During the six months ended August 31, 2016, the Company was able to raise funds through equity financings of $1.5 million. The funds are being used to address liabilities, to fund the Peeks integration, and to maintain operations. Since April 2015, the Company has not spent any significant funds on marketing and has devoted all its efforts in product development and care and maintenance of its platform.

In March 2016 the Company settled approximately $3.5 million additional secured notes and accrued interest, the majority of which were held by Riavera (these notes were amended to become convertible debentures in December 2015) for 13.8 million common shares (see *Capital Transactions*). The outstanding secured debt as at July 29, 2016, has been reduced to $100,000 principal amount secured notes, down from $5,415,000 principal amount secured notes as of February 28, 2015. In addition, the Company settled $21,245 in trade payable by the issuance of 32,928 common shares at a price per share of $0.25 and cash payments of $1,952 during the six months ended August 31, 2016.

On March 25, 2016, the Company completed the final tranche of a non-brokered private placement originally announced January 21, 2016. The Company issued an aggregate of 6,000,000 units at a price of $0.25 per unit, including 1,034,000 units issued to insiders of the Company, for total gross proceeds from the private placement of $1,500,000 (see *Capital Transactions*). The Company paid finder's fees of $23,475 to arm's-length parties in relation to the private placement.

Following receipt of shareholder approval for the creation of a new control person on March 11, 2016, as a result of the conversion of the note held by Riavera and following the private placements of March 2016 and an option grant in April 2016, Mark Itwaru, Chairman and Chief Executive Officer, has control and direction over an aggregate of 17,126,333 common shares (representing 38.4% of the Company's outstanding common shares on an undiluted basis), 4,034,000 warrants to acquire common shares and 1,055,000 options to acquire common shares, representing in aggregate 45.4% of the outstanding common shares of the Company on a partially diluted basis.

Between the date of this MD&A and the sourcing of additional cash flows through either revenue generation or additional financing, Riavera has agreed in principal to loan funds to Keek for working capital purposes. The terms of the loans and the amounts of the loans have not yet been agreed to but Keek believes it will require approximately an additional $600 thousand to maintain its operations for the remainder of the 2017 fiscal year, without considering any revenue generation, collection of loans and receivables, the exercise of outstanding options or warrants, or funds from the sale of server equipment. Previous working capital loans received from Riavera have been issued as unsecured promissory notes bearing simple interest at 5% per annum. Failure to source additional funds may result in the Company restructuring its current operating costs resulting in additional significant reductions of expenditures and lay-offs of employees. Such changes can have a significant effect on future operations.

Recent financing efforts have included:

Private Placements:

Date	Unit Price	Units Sold	Gross Proceeds
July 9, 2015	$0.25	1,000,000	$250,000
August 14, 2015	$0.20	4,084,000	$816,800
September 3, 2015	$0.20	1,666,000	$333,200
March 18, 2016	$0.25	3,000,000	$750,000
March 25, 2016	$0.25	3,000,000	$750,000

For further details on these transactions please see "*Capital Transactions*".

Shares for Debt:

Date	Amount Settled	Price per Share	Shares Issued
August 14, 2015	$60,000	$0.20	300,000
November 16, 2015	$12,282	$0.70	17,546
November 27, 2015	$60,000	$0.47	127,659
November 27, 2015	$2,542,303	$0.47	5,419,795
February 9, 2016	$42,515	$0.25	170,060
March 4, 2016	$8,232	$0.25	32,928
March 25, 2016	$3,459,517	$0.25	13,838,067
September 9, 2016	$12,000	$0.30	40,000

For further details on these transactions please see "*Capital Transactions*".

The Company's ability to access the debt and equity markets when required will depend upon factors beyond its control, such as economic and political conditions that may affect the capital markets generally. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future. Should Management be unable to raise sufficient capital to fund its operations and growth there would be a material adverse effect on the Company's business, financial condition, results of operations, and its ability to continue as a going concern.

Commitments

As at August 31, 2016, Keek had material commitments for cash resources of approximately $8,581,131 which are detailed below. Keek does not currently have sufficient working capital to meet these significant commitments and will be reliant on proceeds from financing activities, subleasing revenue, and any revenue to fund these commitments. There is no guarantee the Company will be able to obtain the necessary financing to meet its financial commitments and ongoing operational costs.

A breakdown of Keek's liabilities and obligations as at August 31, 2016, is as follows:

	Payments due by period $				
Liabilities and obligations	Total	Less than 1 year	1 to 3 years	4 to 5 years	After 5 years
Accounts payable and accrued liabilities	3,449,208	3,449,208	-	-	-
Secured notes (principal amount)	100,000	100,000	-	-	-
Lease commitments (operating premises)	5,031,923	874,599	1,365,668	656,860	2,134,796
	8,581,131	4,423,807	1,365,668	656,860	2,134,796

On December 1, 2014, the Company leased its premises at 1 Eglinton Avenue East, Suite 300, in Toronto, Ontario. The sublease has a term of forty-four months ending on July 30, 2018, with an option to extend the sublease until November 30, 2023, at the option of the subtenant. This sublease reduces the monthly lease obligations of the Company (shown in the table above) by approximately $50,000 per month. This reduction is not reflected in the table above.

On September 1, 2016, the Company leased its premises at 1 Eglinton Avenue East, Suites 401 and 416, in Toronto, Ontario. The sub-lease ends on December 30, 2017. These subleases reduce the monthly lease obligations of the Company (shown in the table above) by approximately $20,000 per month in addition to the sublease of December 1, 2014. This reduction is not reflected in the table above.

Legal Proceedings

In June 2015, Kik Interactive Inc. ("Kik") served the Company with a trademark infringement lawsuit in the United States District Court for the Southern District of New York. Pursuant to a confidential settlement agreement entered into with Kik, the Company has agreed to phase out all use of the Keek trademarks on a worldwide basis. All outstanding litigation and trademark oppositions have been brought to an end.

Management of Capital

The Company considers its capital to be its equity attributable to shareholders, which is comprised of share capital, contributed surplus, warrants reserve, and deficit, which as at August 31, 2016, amounted to a capital deficiency of $3,062,518 (February 29, 2016 - capital deficiency of $6,632,184).

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.

Starting in April 2015, significant reductions of expenditures were implemented to conserve cash (please see *Significant Reduction of Expenditures*). The Company is continuing to seek financing to provide additional capital. The Company is not subject to any externally imposed capital requirements.

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

The payment of cash dividends does not form part of the Company’s current capital management program and, to date, the Company has not declared any cash dividends on the Company’s common shares.

Capital Transactions

The Company filed articles of amendment effective January 15, 2015 consolidating the common shares of Keek Inc., on the basis of one (1) common share for every thirty (30) common shares. The share consolidation has been applied retrospectively for all periods presented.

On March 4, 2016, the Company issued 32,928 common shares to settle trade payables of $8,232 at a price of $0.25 per share.

On March 4, 2016, the Company issued 80,000 common shares to John Jussup, the Chairman of the Board of Directors until March 11, 2016, as compensation for director fees of $20,000 at a price of $0.25 per share.

On March 18, 2016, the Company completed a non-brokered private placement of 3,000,000 units at a price of $0.25 per unit, including 520,000 units issued to Riavera Corp., a company controlled by Keek's CEO, ("Riavera"), for gross proceeds of $750,000. Each unit is comprised of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share for a period of 12 months from the closing date. The common share purchase warrants have an ascribed value of $196,793. The Company paid $8,475 in finder's fees to arm's length parties in relation to this private placement.

On March 25, 2016, the Company completed a non-brokered private placement of 3,000,000 units at a price of $0.25 per unit, including 514,000 units issued to the Company's CEO, for gross proceeds of $750,000. Each unit is comprised of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one additional common share at a price of $0.30 per share for a period of 12 months from the closing date. The common share purchase warrants have an ascribed value of $194,569. The Company paid $15,000 in finder's fees to arm's length parties in relation to this private placement.

On March 25, 2016, as a result of the above aggregate financings and pursuant to an automatic conversion feature, $3,392,210 principal amount of 7% secured convertible debentures due March 1, 2017, ($3,381,000 of which were held by Riavera), as well as all accrued interest, automatically converted according to its terms, into common shares of the Company at a price of $0.25 per share. Principal and interest accrued on the notes to March 24, 2016, equaled $3,459,517 and resulted in the issuance of 13,838,067 common shares (of which, 13,792,333 were issued to Riavera).

Disclosure of Outstanding Share Data

The Company had the following shares and securities convertible into shares outstanding at the following dates:

	October 28, 2016	August 31, 2016	February 29, 2016
Common Shares	44,556,271	44,516,271	24,565,276
Warrants, convertible into Common Shares	13,000,000	13,000,000	7,000,000
Stock Options, convertible into Common Shares	5,243,495	5,243,495	3,385,824
Convertible debentures convertible into Common Shares*	-	-	3,450,914
Common Shares - Fully Diluted	**62,799,766**	**62,759,766**	**38,402,014**

*Based on a conversion price of $1.00 (see also *Capital Transactions*)
See "*Notes to the Consolidated Financial Statements for the Six months ended August 31, 2016 – Note 6*".

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 by and agreed to by the related parties. Related party transactions for the six months ended August 31, 2016, are as follows:

a) During the six months ended August 31, 2016, the Company paid $150,000 (2015 - $Nil) in consulting fees to Riavera in relation to management consulting and technology integration services.

b) During the six months ended August 31, 2016, the Company accrued $14,584 of interest (2015 - $Nil) on $3,381,000 aggregate principal amount convertible debentures held by Riavera (see note 9).

c) On February 18, 2016, and March 9, 2016, Riavera issued unsecured promissory notes to the Company in the amounts of $40,000 and $50,000, respectively. The loans bear interest at 5% per annum and mature on March 30, 2016. The Company repaid the aggregate principal amount of $90,000 plus interest of $231 to Riavera on March 18, 2016.

d) On March 22, 2016, the Company issued a short term loan to Personas.com Corporation, a subsidiary of Riavera ("Personas"), with a principal amount of $200,000 to facilitate a joint product initiative under a technology platform license agreement. The loan bears interest at 5% per annum. Personas repaid the principal amount of $200,000 plus interest of $4,108 to the Company on August 31, 2016.

e) On April 14, 2016, the Company issued 1,900,000 options to certain directors and officers of the Company and 405,000 options to Personas, a company controlled by Riavera, for an aggregate total of 2,305,000 options issued to insiders of the Company. The options have a contractual life of 5 years, are exercisable at $0.30, and vest as to 20% immediately and 20% every 3 months thereafter.

f) See *Capital Transactions* for information relating to shares and warrants issued to the CEO of the Company.

g) See *Capital Transactions* for information relating to shares and warrants issued to Riavera.

h) See *Capital Transactions* for information relating to the conversion of convertible debentures held by Riavera.

i) See *Capital Transactions* for information relating to shares issued to a director in compensation for director fees.

SUBSEQUENT EVENTS

The following significant transactions occurred subsequent to the six months ended August 31, 2016:

a) On September 9, 2016, the Company issued 40,000 common shares to settle trade payables of $12,000 at a price of $0.30 per share.

b) In September 2016, the Company agreed to a settlement relating to trade payables of $599,524. Pursuant to the terms of the settlement, the Company will make six payments of $10,500 each, for total consideration of $63,000, in full and final settlement of the liability, resulting in a gain on settlement of trade payables of $536,524.

c) In October 2016, the Company amended a technology platform licence agreement with Personas. The Agreement, entered into in August 2015, granted Personas a non-exclusive license to use and enhance Keek's existing technology platforms to facilitate monetary transactions between users as well as between users and merchants. Pursuant to the original Agreement, Personas was to pay Keek a licensing fee equal to 10% of the gross revenue earned through the use of Keek's platform. Following the amendment, Keek will receive 30% of the gross revenue earned through the use of Keek's platform. In addition, Keek obtained access to certain proprietary payment processing technology for use in existing and future ventures, under the same amended terms.

d) On October 28, 2016, Personas issued a short term loan to the Company with a principal amount of $100,000. The loan bears interest at 5% per annum and matures on November 28, 2016.

OFF-BALANCE SHEET ARRANGEMENTS

Keek does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

INVESTOR RELATIONS

Investor relations were performed by the Company for the six months ended August 31, 2016.

SEGMENTED INFORMATION

The management of Keek considers the business to have a single operating segment: the continued development and marketing of its mobile video social media network. Keek has a single reportable geographic segment, Canada, and the all of the Company's property and equipment are located in Canada. There were no changes in the reportable segments during the six months ended August 31, 2016.

Adoption of New or Amended Standards

The Company did not adopt any new standards, amendments to standards, or interpretations during the six months ended August 31, 2016.

Accounting Standards and Amendments Issued But Not Yet Applied

The following pronouncements have been issued by the IASB or IFRIC. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from the summary below. The following have not yet been adopted and are continuing to be evaluated to determine the resulting impact to the Company.

IFRS 9, *Financial Instruments* ("IFRS 9") was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39, Financial Instruments – Recognition and Measurement ("IAS 39") for debt instruments. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income (loss). Where such equity instruments are measured at fair value through other comprehensive income (loss), dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income (loss) indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income (loss). IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Company does not expect IFRS 9 to have a material impact on the financial statements.

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15"), was issued in May 2014, replacing IAS 11, Construction Contracts, IAS 18, Revenue Recognition, IFRIC 13, Customer Loyalty Programmes, IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers, and SIC-31, Revenue – Barter Transactions Involving Advertising Services. IFRS 15 provides a single, principles based five-step model that will apply to all contracts with customers with limited exceptions, including, but not limited to, leases within the scope of IAS 17; financial instruments and other contractual rights or obligations within the scope of IFRS 9, IFRS 10, Consolidated Financial Statements and IFRS 11, Joint Arrangements.

In addition to the five-step model, the standard specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The incremental costs of obtaining a contract must be recognized as an asset if the entity expects to recover these costs.

The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some nonfinancial assets that are not an output of the entity's ordinary activities. IFRS 15 is required for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted. The Company does not expect IFRS 15 to have a material impact on the financial statements.

IFRS 16, *Leases* ("IFRS 16"), was issued in January 2016. IFRS 16 requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019, although early adoption is permitted, provided the new revenue standard, IFRS 15, has been applied or is applied at the same time as IFRS 16. The Company is still evaluating the impact of IFRS 16 on the financial statements, the impact could be material.

The Company reviewed the new and revised standards and amendments that have been issued by the IASB as at the date of authorization of the financial statements, but are not yet effective, and expects that there will be no material impact on its financial statements from applying the requirements of these standards when they are adopted. The Company does not expect to adopt these new and amended standards before their effective date.

Financial Instruments and Risk Management

Fair Values

The carrying value of cash, accounts receivable, other receivables, and 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 values of the secured notes and convertible debentures approximate their carrying amounts as they bear terms similar to that of comparable instruments.

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 August 31, 2016, and February 29, 2016, cash was carried at Level 1 in the fair value hierarchy.

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 consolidated statements of financial position. The secured notes bear interest at a fixed rate of 12%, 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.

Foreign Currency Risk

The Company is subject to foreign exchange rate risk as it enters into 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 Statement of Financial Position date. As at August 31, 2016, the Company carried net current liabilities of CDN$1,816,547 in USD$ (February 29, 2016 - CDN$1,784,288 in USD$). Accordingly, a 5% change in the US dollar exchange rate as at August 31, 2016 would have resulted in an exchange gain or loss of CDN$90,827 (February 29, 2016 - exchange gain or loss of CDN$89,214).

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 financial statements. The Company has minimal income from operations and relies on equity and debt funding to support its development and corporate activities. Should the need for further equity or debt funding arise, there is a risk that the Company may not be able to sell new common shares at an acceptable price or debt instruments at an acceptable interest rate level.

Accounts payable and accrued liabilities and secured notes are due within the current operating period. As at August 31, 2016, the Company had total cash of $257,241 (February 29, 2016 - $102,659) to settle current liabilities of $3,549,208 (February 29, 2016 - $3,751,374) and finance future operations. As a result, the Company is exposed to significant liquidity risk.

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, accounts receivable, and other receivables. The Company's cash is on deposit with a Canadian Tier 1 chartered bank. Other receivables include input tax credits related to GST/HST filings. Accounts receivable are in the normal course of business with established entities and no material amount relates to any one specific entity. As a result, the Company's exposure to credit risk is minimal.

Other Risks and Uncertainty

- If Keek is unable to advance its product and technology, specifically in the transition to the live-streaming space, its technology may become obsolete with significant impact to its ability to raise additional capital.
- If Keek is unable to compete effectively for users and advertiser spend, its business and operating results will be harmed.
- Keek has incurred significant operating losses in the past, and it may not be able to achieve or subsequently maintain profitability.
- Keek has a limited operating history in a new and unproven market for its platform, which makes it difficult to evaluate its future prospects and may increase the risk that it will not be successful.
- If Keek fails to grow its user base, or if user engagement or ad engagement on its platform declines, its revenue, business and operating results may be harmed.
- Keek's products and services may contain undetected software errors, which could harm its business and operating results.
- Regulatory investigations and settlements could cause Keek to incur additional expenses or change its business practices in a manner materially adverse to its business.
- Privacy concerns relating to Keek's products and services could damage its reputation and deter current and potential users and advertisers from using Keek.
- Keek may face lawsuits or incur liability as a result of content published or made available through its products and services.
- Keek's intellectual property rights are valuable, and any inability to protect them could reduce the value of its products, services and brand.
- Keek requires additional capital to support its operations and the growth of its business, and it cannot be certain that this capital will be available on reasonable terms.

Investors should carefully consider the risks and uncertainties described above and in the financial statements. The risks and uncertainties described in Keek’s financial statements and MD&A are not the only ones it faces. Additional risks and uncertainties, including those that the Company does not know about now or that it currently deems immaterial, may also adversely affect its business. For a more complete discussion of the risks and uncertainties which apply to Keek’s business and its operating results, please see the Company’s Filing Statement and other filings with Canadian securities regulatory authorities on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION:

Additional information relating to the Company including the unaudited condensed consolidated interim financial statements for the three and six months ended August 31, 2016, the audited consolidated financial statements for the year end February 29, 2016, Filing Statement, Management Information Circular, and press releases issued by the Company, are available under the Company’s profile on SEDAR at www.sedar.com or at investors.keek.com.