Management's Discussion and Analysis of Financial Condition and Results of Operations for the Three and Nine Months Ended November 30, 2017

The following Management's Discussion and Analysis ("MD&A") comments on the unaudited condensed consolidated interim financial condition and results of operations of Peeks Social Ltd. for the three and nine months ended November 30, 2017. 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 Peeks Social's condensed consolidated interim financial statements for the three and nine months ended November 30, 2017 (the "financial statements") and the annual audited consolidated financial statements for the years ended February 28, 2017, and February 29, 2016.

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

This MD&A is dated January 26, 2018. 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 the Company 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: the Company's ability to attract and retain users and increase the level of engagement of its users; the Company's expectations regarding its user growth rate and the usage of its web and mobile products; the Company's ability to attract advertisers and the revenue derived from these advertisers; the Company's ability to grow user monetization; the sufficiency of The Company's cash and cash generated from operations to meet its working capital and capital expenditure requirements; the ability of the Company to raise sufficient capital to fund operations and meet its financial obligations; and changes in accounting standards.

The Company cautions you that the foregoing list may not contain all of the forward-looking statements made in this document. The Company'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 the Company 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 the Company, 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 the Company 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 Peeks Social Ltd. 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

While 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 nine months ended November 30, 2017, the Company incurred a net loss of $5,381,041 (November 30, 2016 - $2,741,144) and, as of that date, the Company had accumulated a deficit of $84,666,789 (February 28, 2017 - $79,285,748) and negative cash flows from operations of $6,677,215 (November 30, 2016 - $1,893,443). 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 PEEKS SOCIAL LTD.

Peeks Social Ltd. (formerly Keek Inc. and formerly Primary Petroleum Corporation) ("Peeks" or 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 "PEEK". The Company's principal activity is the offering 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 181 University Avenue, Suite 2000, Toronto, Canada, M5H 3M7.

On March 5, 2014, Primary Petroleum Corporation ("Primary") completed a reverse acquisition (the "Transaction") with Keek Inc., a private company incorporated under the laws of the Province of Ontario ("Keek Ontario"), which was effected pursuant to an amalgamation agreement entered into between Keek Ontario, Primary, and Primary's wholly-owned subsidiary, 2400964 Ontario Limited ("Primary Subco"), formed solely for the purpose of facilitating the amalgamation. Although the Transaction resulted in Keek Ontario becoming a wholly-owned subsidiary of Primary, the Transaction constitutes a reverse acquisition of Primary by Keek Ontario in-as-much as the former shareholders of Keek Ontario received 56.25%, on a non-diluted basis, of the issued and outstanding common shares of the resulting corporation. For accounting purposes, Keek Ontario was considered the acquirer and Primary the acquiree. Accordingly, the consolidated financial statements are a continuation of the financial statements of Keek Ontario and references to the "Company" will mean the consolidated entity subsequent to the date of the Transaction and to Keek Ontario prior to that date.

Following the closing of the Transaction, Primary filed articles of amendment to change its name to Keek Inc. In March 2017, Keek Inc. filed additional articles of amendment to change its name to Peeks Social Ltd. following the retirement of the legacy "Keek" branded products and the release of a new product line known as "Peeks Social".

OVERVIEW

Peeks Social Ltd.'s core business is the offering 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.

Until 2016, the Company's flagship product and core line of business had been 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". This product was known as "Keek". The Keek product developed a global video social network, enabled over the Internet and on mobile devices around the world. Its interactive video content network contained videos with up to 36 seconds of video and 111 characters of accompanying text. During its five year life, the Keek product's community had grown to over 75 million registered users across 6 global regions: "North America", "South America", "Europe", "Middle East", "Asia/Oceania", and "Africa".

In August 2015 the Company entered into a technology licensing agreement with Personas.com Corporation ("Personas"), which has given the Company access to a variety of established technologies including livestreaming technology and technology designed to facilitate monetary transactions. Personas is now a related party by nature of it being a subsidiary of Riavera Corp. ("Riavera") (a significant shareholder of the Company and a corporation controlled by Mark Itwaru, Chairman and CEO of Peeks Social Ltd.) Pursuant to the original agreement, Personas was to pay the Company 10% of the gross profit earned through the use of the Company's platforms. Following an amendment of the agreement in October 2016, Personas now pays the Company 30% of the gross profit earned through the use of the Company's platforms. The technology licensing agreement formed the basis of a product revitalization for the Company, where the social video "Keek" platform was ultimately replaced with an all new livestreaming social commerce platform branded as "Peeks Social".

In November 2016 the legacy Keek mobile apps were transitioned from a "social media" video platform to a "social commerce" livestreaming service, at which time they were rebranded under the product name "Peeks Social", and are now being jointly developed and operated pursuant to the technology licensing agreement between the Company and Personas. The core web product remains available to former Keek community members and the public as an interactive video content network and is now operating under the product name "Peeks Video".

Peeks Social is described as "an ecommerce enabled livestreaming platform." The Peeks Social service allows users to livestream themselves on their own personal interactive ecommerce enabled mobile broadcast. By simply tapping their screen, viewers inside Peeks Social can send "likes", tip broadcasters real money, chat, and interact, all in real-time. The Product differentiates itself from its competitors in several ways. Peeks Social provides a real-time, engaging, and monetizeable user experience to all of its members. In addition, its enterprise grade global ecommerce infrastructure is a multi-currency, multi-lingual, turnkey mobile commerce suite for all of its broadcasters and viewers, complete with an individual e-wallet for every user.

In July 2017 the Company announced that it had established an independent special committee of its Board of Directors to explore and seek to negotiate the potential acquisition of certain assets of Personas pertaining to the Peeks Social service which are currently governed by the technology licensing agreement. The Company's goal and the mandate of the independent special committee is to pursue the acquisition of the underlying intellectual property and technology assets relating to the Peeks Social product in consideration for a compensation package to be negotiated between the Company and Personas. If successful, the acquisition of the licensed technology supporting the Peeks Social product would result in the Company having an up to 100% interest in the Peeks Social product.

In November 2017, the Company entered into a binding Letter of Intent ("LOI") with Personas and Riavera for the acquisition of the technology assets of the Peeks Social livestreaming product. The LOI contemplates the Company acquiring the technology in exchange for the issuance of 175,150,520 common shares at a negotiated price of $0.7308 per common share, an acquisition cost of $128,000,000. It is anticipated that following the transaction there will be 237,126,791 issued and outstanding common shares of the Company.

It is anticipated that Personas and the Company will effect the transaction by entering into a definitive agreement to complete an amalgamation, plan of arrangement, reorganization, or similar transaction, and subsequently carry on business as “Peeks Social Ltd.” The principal components of the transaction are anticipated to be as follows:

a. Immediately prior to the transaction, the technology will reside in Personas;
b. Immediately prior to the transaction, the Company will be continued as a corporation under the Business Corporations Act of Ontario (from Alberta);
c. The parties will have received a final independent valuation report that confirms that the value of the technology is at least $130,000,000; and
d. Personas will use its good faith efforts to require its shareholders not to sell, transfer, or encumber their respective shares of the Company for a period of four months following the completion of the transaction.

The transaction is subject to requisite regulatory approvals, including the approval of the TSX Venture Exchange, shareholder approval and standard closing conditions, including the approval of a definitive agreement by the boards of the respective companies and completion of due diligence investigations to the satisfaction of each of the parties.

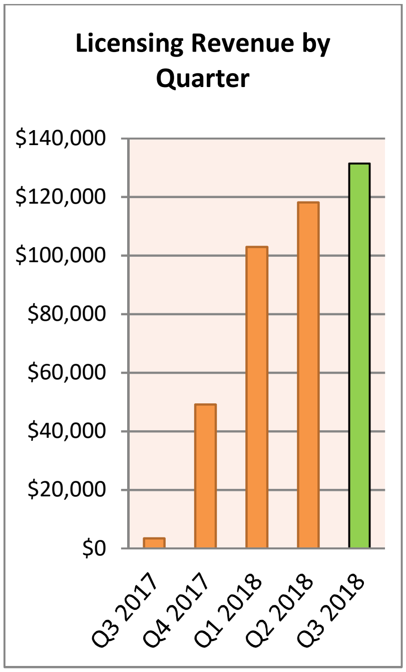
Personas is a private company controlled by Mr. Mark Itwaru, Chairman & CEO of the Company, and a subsidiary of Riavera, which collectively own an aggregate of 15,602,388 common shares of the Company, representing 24.0% of the issued and outstanding shares of the Company. As a transaction between the Company and Personas may be considered to be a "related-party transaction" pursuant to the rules of the TSX Venture Exchange and Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, any such agreement between the Company and Personas for the Company to acquire assets relating to the Peeks Social product may be subject to minority shareholder approval, as well as TSX Venture Exchange approval. Mr. Itwaru has recused himself from the negotiations as a result of his interest in Personas.

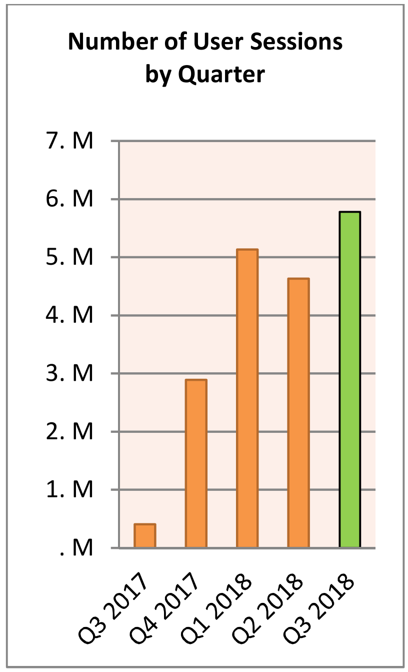
There can be no assurance that this exploration process between the Company and Personas will result in any transaction. However, Management expects a definitive agreement to be reached imminently reflecting the above terms.

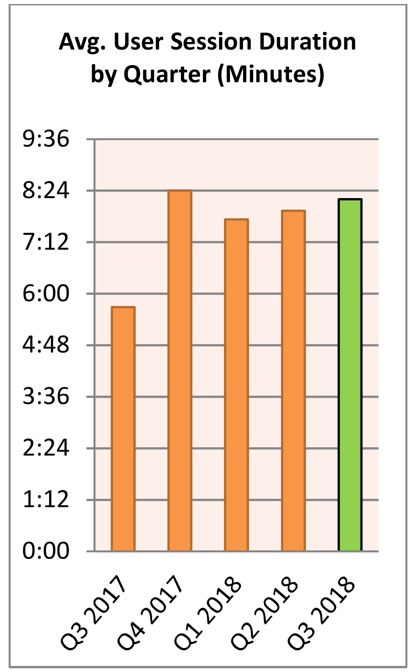
Overview of the Business and Operational Highlights

Product Performance (KPIs)

The Company routinely monitors certain KPIs that it has identified as important in understanding the performance of the Peeks Social product. The charts below present select KPIs on a quarterly basis and the table below provides a summary of select recent monthly KPIs for the Peeks Social app. KPIs are published quarterly. The Company earns licensing revenue based on the gross revenue earned by the Peeks Social product (see “*Overview*”).







Key Performance Indicator	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sept 2017	Oct 2017	Nov 2017
# of User Sessions (1)	1,325,500	1,797,700	1,983,500	1,538,136	1,485,917	1,606,621	1,734,842	1,953,768	2,045,332
Avg. User Session Duration (1)	7min 17sec	8min 04sec	7min 44sec	7min 31sec	8min 02sec	8min 15sec	8min 25sec	8min 19sec	7min 57sec
Licensing Revenue by Month(2)	$22,556	$31,012	$49,346	$38,911	$39,387	$39,847	$40,624	$44,698	$46,108

1. These two KPIs represent the number of times the Peeks Social app was accessed by users and the average duration of use, respectively. Data was provided through Google Analytics. For additional information on Google Analytics' definition of "session" and the methods of calculating "sessions", please refer to https://support.google.com/analytics .
2. The Company earns licensing revenue based on the gross profit earned by the Peeks Social product (see "*Overview*").

Product Development

During the nine months ended November 30, 2017, the core development team at the Company was primarily engaged in the continued advancement of the Peeks Social product. A high-level timeline relating to the Peeks Social service integration is provided below:

- July 2016 – Peeks Social service undergoes live testing inside a closed beta environment on both the iOS and Android platforms. The closed beta included teams of testers, content creators, social influencers, and consumers.

- August 2016 – Peeks Social beta product launched as a stand-alone app for live testing, made available to the public on both iOS and Android platforms.

- November 2016 – Peeks Social service successfully deployed in replacement of the legacy Keek apps. Keek users who update their apps maintain all of their core Keek history, including their "followers" and who they "follow," their existing videos along with the associated view counts and like counts, their login methods, profile information, etc. Keek users who have not yet updated to Peeks Social do not appear in the Peeks

Social service, nor do their videos, profile information, follows and followers, etc.

- January 2017 – Significant improvements to the user interface "UI" successfully deployed to the Peeks Android app. New UI provides users with a variety of new features and improvements including: improved content categorization; easy access to professionally produced content; dedicated specialty channel for livestreaming gamers; streaming community comments on pre-recorded videos; improved navigation; easier access to follow, block and report other users and objectionable content; and content controls to include/exclude specific content categories along with many other improvements.

- February 2017 – Crowdfunding tool successfully deployed to the Peeks Social service. The crowdfunding tool allows Peeks broadcasters to raise funds from their viewing audience for a number of reasons including: charitable donations, the purchasing of products or services, supporting community projects, or a variety of other causes or initiatives as determined by the broadcaster. Peeks broadcasters create over 400 crowdfunding campaigns in the first week.

- April 2017 – Initial "OfferBox" functionality successfully deployed to the Peeks Social service. OfferBox allows users to create actionable incentives that can be distributed to viewers of livestreams and archived videos. All users have the ability to connect products or services from their own e-commerce websites or those of their affiliates or sponsoring brands. Digital products are planned to be directly deliverable inside the Peeks app in future versions.

- April 2017 – Direct Messenger feature deployed to the Peeks Social service. The feature was designed and implemented to heighten daily usage by allowing users to interact outside of the livestream environment. Direct Messenger allows users to message each other to ask questions about products or services being sold, enquire about content, or simply to interact.

- May 2017 – The Peeks Social app is named a finalist in the 2017 Appy Awards. The Appy Awards, produced by MediaPost Communications, acknowledge creativity and excellence in app design. Prior Appy Award finalists include distinguished apps such as Tango, Shazam, Match.com, and Bitstrips.

- September 2017 – The Peeks Social App rises to the 15th top grossing social app on the Google Play Store in the United States. The app also rapidly approaches the top 100 overall grossing apps on the Google Play Store out of approximately 3 million apps available for download in the United States.

- October 2017 – The Company announced the addition of the "Get Popular" service. The "Get Popular" service is a user focused self-promotion tool which will allow users to purchase advertising units for themselves or for their content to be featured in certain positions in the Peeks Social app's Popular Channel, Live Channels, and similar pages. The "Get Popular" feature provides another revenue stream for the Peeks Social platform in addition to the platform fees charged on user generated tipping.

- November 2017 – The Company executes a binding LOI with Personas to acquire 100% of the Peeks Social Technology (see "*Overview*").

- January 2018 – The Company announced the launch of the AdShare Program as the full deployment of the final OfferBox. Olay, Roses Only, TV Online Store, Yves Rocher, zChocolat, Betty's Attic, AMC Networks: Shudder and Sundance Channel, Eye Buy Direct, Cooking Light Diet, Xcoser, BookVIP, Chicnico, SpaFinder, SwimSpot and Matel TM are among 40 initial brands that are available as sponsors to streamers on the Peeks Social platform. Upon starting a livestream, Peeks Social streamers are able to select brands to promote through the OfferBox on their streams. Streamers are then be able to earn on a Cost-Per-Action or Cost-Per-Impression basis.

Keek for Messenger → Peeks for Messenger

Keek for Messenger ("KFM") is a Keek proprietary app which operates independently of the Peeks Social platforms. KFM is a companion app to Facebook's *Messenger* ("FM") app, allowing FM users to send videos directly to their Facebook contacts inside the FM environment. The Company 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 has been renamed "Peeks for Messenger" ("PFM") to follow the transition of the core product lines to the "Peeks Social" brand. PFM is currently undergoing a development review and the Company is considering methods of amplifying its sharing and interaction abilities with the core Peeks Social 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.

Monetization, Sales, and Revenue

The Company currently generates licensing revenue from Peeks Social equal to 30% of the gross profit generated from the service, which resulted in licensing revenue of $352,488 being generated during the nine months ended November 30, 2017. The Company intends to pursue the acquisition of all underlying intellectual property and technology assets relating to the Peeks Social product in order to acquire an up to 100% interest in the Peeks Social product (for details please see "*Overview*"). The Peeks Social service generated gross platform fees of $1,174,960 during the nine months ended November 30, 2017, of which the Company is entitled to 30%.

The Peeks Social service is monetized through the charging of "platform fees" on user transactions inside the service. Users can currently transact in three ways inside Peeks: by "tipping" a broadcaster; by contributing to a broadcaster's crowdfunding campaign; and by paying to access a "paid broadcast". Each user has a "wallet" inside the app to which they can deposit funds via a number of methods including credit card and in-app purchase (depending on their device), or withdraw funds via a variety of options depending on their geographical location. Users may utilize the funds inside their wallet to send tips to broadcasters or to purchase access to the paid streams of other users. Wallets may contain USD, CAD, or a digital currency referred to as "coins". A "coin" has a value which approximates $0.05USD. Coins may be purchased on both the iOS and Android platforms, or on the web at www.peeks.com.

Tipping

The tipping mechanism is available to viewers inside a stream and allows a viewer to send tips to a broadcaster in either real-time or on a previously recorded livestream or uploaded video. Tips amounts currently available on the Android platform are $0.25, $0.50, $1.00, $5.00, $10.00. On the iOS platform, tips may currently be sent in the amounts of 5, 10, 20, 100, or 200 coins. Once sent, the tip(s) are then withdrawn from the sender's wallet and deposited to the broadcaster's wallet.

Paid Broadcasts

A paid broadcast is a livestream (or previously recorded livestream) where the broadcaster has selected to charge a fee for access to that piece of content. The amount of the fee is determined by the broadcaster and currently from $0.50-$50.00 (in either USD or CAD) for Android broadcasters and 10-1,000 coins for iOS broadcasters. Should a viewer choose to purchase access to the content, the fee is withdrawn from their wallet and deposited to the broadcaster's wallet.

Crowdfunding

Crowdfunding transactions function similar to tipping. On the Android platform, users may contribute to a crowdfunding campaign in amounts of $0.25, $0.50, $1.00, $5.00, $10.00, in either USD or CAD. On iOS platforms users may contribute to a crowdfunding campaign by inputting an amount ranging from $0.05 - $300, in either USD or CAD.

Platform fees

Upon receipt of a tip (either directly or through crowdfunding) or payment for a paid stream, a broadcaster is charged a platform fee. The current platform fees are as follows:

Stars (Broadcaster's "Rating")	Platform Fee
0.0 - 0.9	70%
1.0 - 1.9	60%
2.0 - 2.9	50%
3.0 - 4.4	39.9%
4.5 - 5.0	24.9%

Currently the average platform fee on transactions in the Peeks Social service is approximately 35%, of which the Company receives licensing revenue of 30%. In other words, the Company is generating licensing revenue averaging approximately 10.5% of each user transaction on the Peeks service. There were nearly $3,500,000 of transactions between Peeks Social users in the first thirteen months alone (being November 2016 through November 2017), more than one-third of which occurred in the three months ended November 30, 2017.

Get Popular

The Get Popular service is a user focused self-promotion tool which will allow users to purchase advertising units for themselves or for their content to be featured in certain positions in the Peeks Social app's Popular Channel, Live Channels, and similar pages. The feature was launched in October 2017. The current pricing for the Get Popular service is as follows:

Impression Package (# of impressions)	Fee (USD)
5,000	79 coins ($3.95)
10,000	139 coins ($6.95)
50,000	499 coins ($24.95)

MARKET TRENDS, PRODUCT DEVELOPMENT, AND BUSINESS STRATEGY

Peeks Social Ltd. has deployed a global platform for public self-expression, communication, and transaction in real time. The Company's platforms and communities are free services. Having demonstrated through its legacy products that a global video-centric social network can attract audiences (the legacy Keek product attracted 75 million registered users over 5 years), the next milestone for the Company is to confirm that this community can sustain itself from a relevance, enhanced value creation and monetization perspective. In order to do so, 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 growth of the Peeks Social live-streaming commerce network.

As a social commerce platform, Peeks Social will connect content providers, viewers, advertisers, brands and retailers in a seamless organic social commerce ecosystem. The 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 will allow viewers to make instantaneous purchases on their mobile devices through the OfferBox technology. Apart from premium content and enhanced product features and tools, the Peeks Social platform and community will remain a free service for existing and future users. These efforts are the main focus of the Company and are the main focus of the joint initiatives under the partnership with Personas.

Livestreaming in a social media context is a new phenomenon which has garnered significant market attention, and social video continues to flourish similarly. 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. Snapchat, a video and image messaging mobile application, has a current valuation of approximately $17 Billion USD. Twitch.tv, a livestreaming network focused on video gaming and broadcasts of eSports, was purchased by Amazon in 2014 for nearly $1 billion USD, and is now rumoured to be worth a multiple of that acquisition valuation. After approximately one year since launch, Peeks Social is already establishing itself as a contender in the lucrative livestreaming and social video space.

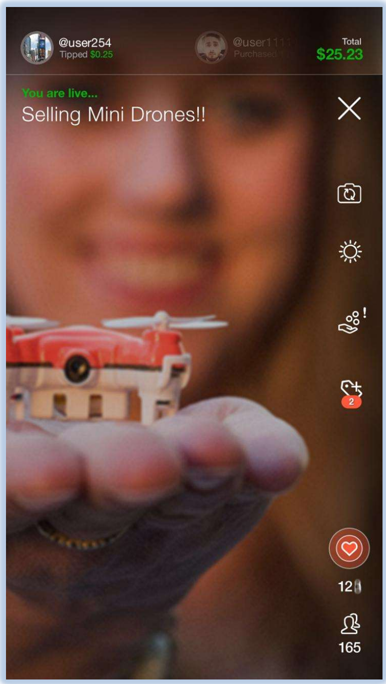
Management believes that livestreaming is well poised to achieve extremely rapid adoption rates in the social media marketplace. The Company expects the adoption rates of livestreaming video, in a social media context, will easily surpass those previously achieved by pre-recorded video and podcasts. The livestreaming space remains in its infancy with a small number of first movers in the industry, few of which are ecommerce enabled. The Company previously capitalized on the rapid adoption of social video by being amongst the first video enabled social media platforms. Over its history, the Company has been enormously successful in driving vast amounts of users to its products. Management is planning to replicate very similar user growth strategies for Peeks Social as were used on the legacy Keek apps. This user driven business strategy can now be paired with a fresh new product and an innovative monetization strategy, such as the existing tipping, paid broadcast, and crowdfunding features, as described above (see *Monetization, Sales, and Revenue*), as well as monetization features such as the OfferBox, described below.

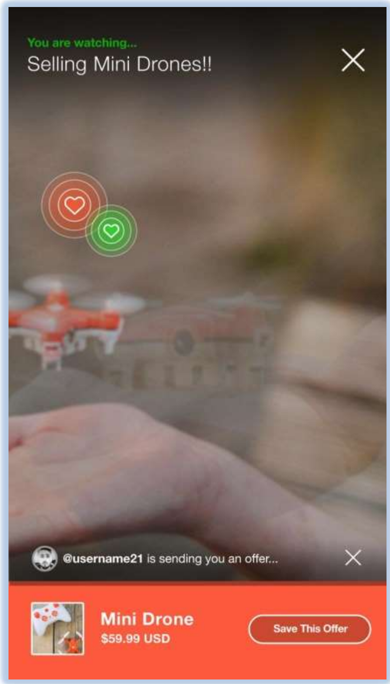
The user driven business strategy will be focused on performance metrics which the Company has identified as being key to the performance of the Peeks Social product and the growth of the business (see *Product Performance (KPIs)*). These metrics are: the percentage of spending users; the average spend per user; and the activity levels of the users. In its early stages, the Peeks Social product has already proven its ability to monetize users in a social network.

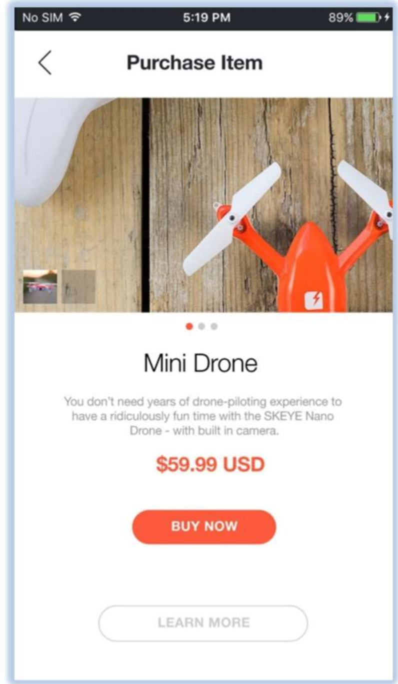
OfferBox

The OfferBox is the first merchant tool to be added to the Peeks Social service. Using the OfferBox technology, users such as brands, influencers, and consumers, can create actionable incentives which can be distributed to their live audiences. This allows users to create individual live home shopping channels with a global reach. Using the OfferBox technology, a broadcaster can deliver a call to action to their viewers inside a live stream which can allow for the instant purchase of the product or service being advertised. The offer may include information such as pictures, product or service descriptions, geographical availability, quantity, pricing, and terms of sale.

The function of OfferBox is illustrated in the images below:







From Left to Right:

- A broadcaster selling "Mini Drones" inside a livestream on the Peeks Social service.
- A viewer receives an offer to purchase a "Mini Drone" for $59.99 USD while watching a livestream.
- A viewer reviews the details of the offer to purchase a "Mini Drone".

AdShare Program

The AdShare Program was launched in January 2018 and was purpose built to facilitate the sale of all ad units available for sale on broadcast television and on digital platforms. Specifically, the AdShare Program facilitates the sale of product placement ads, CPI ads, CPA ads, onscreen overlays and affiliate marketing programs.

The AdShare Program interacts with the OfferBox so that ads can result in direct sales. The AdShare Program allows advertisers to target advertisements based on a wide variety of viewer demographics including location, age, gender and individual tastes.

Olay, Roses Only, TV Online Store, Yves Rocher, zChocolat, Betty's Attic, AMC Networks: Shudder and Sundance Channel, Eye Buy Direct, Cooking Light Diet, Xcoser, BookVIP, Chicnico, SpaFinder, SwimSpot and Matel ™ are among 40 brands that were available upon launch as sponsors to streamers on the Peeks Social platform. Upon starting a livestream Peeks Social streamers are able to select brands to promote through the OfferBox on their streams. Streamers are then able to earn on a CPA or CPI basis. The CPA or CPI earnings are split between the streamer and the Peeks Social platform.

OVERALL PERFORMANCE

Summary of Financial and Operating Results

Three months ended November 30, 2017 and 2016

During the three months ended November 30, 2017, the Company reported a total of $131,430 in revenue, all of which relates to licensing revenue pursuant to the new Peeks Social platform launched in November 2016. This is compared to $6,810 reported for the three months ended November 30, 2016, $3,343 of which related to licensing revenue, and $3,376 of which related to advertising revenue on the legacy Keek products, which have now been retired.

For the three months ended November 30, 2017, the Company generated interest income in the amount of $11,377 as compared to $11 for the three months ended November 30, 2016. Interest income is derived from cash on hand which is invested in daily interest-bearing accounts, and from short-term loans issued to Personas (see *Related Party Transactions*).

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

	Three Months Ended	
	November 30, 2017	November 30, 2016
	$	$
Licensing revenue	131,430	3,434
Advertising revenue	Nil	3,376
Total revenue	131,430	6,810
Interest income	11,377	11
Operating expenses	1,861,604	1,520,160
Net loss for the period	1,721,910	975,241
Net loss per share – basic and diluted	0.03	0.02

Operating expenses for the three months ended November 30, 2017, were $1,861,604, as compared to $1,520,160 for the three months ended November 30, 2016. The increase of $341,444 was mainly due to an increase in consulting fees and marketing expenses, as discussed below.

The following is the breakdown of operating expenses for the three months ended November 30, 2017 and 2016. Details of the changes between periods are described in the notes to the table below.

Summary of Operating Expenses

	Three months ended November 30, 2017 $	Three months ended November 30, 2016 $
Advertising and marketing (a)	416,458	40,612
Salaries and benefits (b)	500,670	1,051,220
Consulting fees (c)	496,022	129,536
Professional fees (d)	66,714	58,513
Office and general (e)	85,517	32,449
Internet and communications (f)	139,388	200,384
Occupancy costs (g)	133,130	9,826
Amortization (h)	19,697	20,078
Translation and software licensing (i)	1,637	19,153
Gain on disposal of long-lived assets (j)	(10,000)	(67,293)
Foreign exchange loss (k)	12,371	25,682
	1,861,604	**1,520,160**

Notes:

(a) Advertising and marketing increased by $375,846 as compared to the three months ended November 30, 2016. The increase is due to significantly increased marketing activities relating to the Peeks Social product, specifically the securing of celebrity influencers and brand ambassadors. The comparative period included marketing expenses relating to product initiatives which are no longer being pursued.

(b) Salaries and benefits costs decreased by $550,550 as compared to the three months ended November 30, 2016. Included in salaries and benefits is $192,532 relating to share-based compensation for the three months ended November 30, 2017, (November 30, 2016 – $850,186). Without considering share-based payments, salaries and benefits costs were $308,138 for the three months ended November 30, 2017, as compared to $201,034 for the three months ended November 30, 2016. The increase is due to the hiring of certain technical and customer service staff.

(c) Consulting fees increased by $366,486 as compared to the three months ended November 30, 2016. The increase is directly related to increased consulting fees relating to capital market exposure and investor relations services, prepaid card integration for the Peeks Social platform, the proposed transaction with Personas (see "*Overview*"), and certain marketing and business development services. Management expects many of these expenses to be non-recurring.

(d) Professional fees increased by $8,201 as compared to the three months ended November 30, 2016. Professional fees are substantially comprised of legal fees for corporate, trademark, and litigation matters.

(e) Office and general expenses increased by $53,068 as compared to the three months ended November 30, 2016. The increase was primarily due to recruitment costs relating to the hiring of certain technical staff. The breakdown of office and general expenses is as follows:

Summary of office and general expenses

	Three months ended November 30, 2017 $	Three months ended November 30, 2016 $
Transfer agent and exchange fees	2,648	4,893
Travel, transportation, and meals	7,938	2,576
Insurance	13,111	13,389
Office and miscellaneous	8,819	5,120
Bank charges	2,282	632
Shipping and moving	19,124	5,839
Recruiting	31,595	Nil
	85,517	**32,449**

(f) Internet and communications decreased by $60,996 as compared to the three months ended November 30, 2016. The decrease is attributable to the Company moving to a different provider for its core data centre located in Canada, which resulted in a significant decrease in internet and communications costs beginning in December 2016. The decrease is also a result of management sourcing different suppliers and obtaining better pricing with existing suppliers for ongoing technical costs, significantly in relation to content distribution network services.

(g) Occupancy costs increased by $123,304 as compared to the three months ended November 30, 2016. The increase was the result of the company occupying a new operating premise at 181 University Avenue in Toronto, Ontario. The lease commenced September 1, 2017.

(h) Amortization decreased by $381 as compared to the three months ended November 30, 2016. 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. Significantly all remaining items included in property and equipment reached their expected useful life and certain items were disposed of during the fiscal 2017 year, which caused a reduction in amortization expense. This was offset by an increase in capitalized assets due to leasehold improvements and the purchase of office furnishings for the Company's lease at 181 University Avenue in Toronto, Ontario.

(i) Translation and software expenses decreased by $17,516 as compared to the three months ended November

30, 2016. Translation expense is incurred as new versions of the Company's apps are released, and software expense is incurred on an as-needed basis.

(j) Gain on disposal of long-lived assets decreased $57,293 as compared to the three months ended November 30, 2016. The Company disposed of server equipment with a book value of $Nil for proceeds of $10,000 during the three months ended November 30, 2017. During the three months ended November 30, 2016 the Company disposed of server equipment with a book value of $Nil for proceeds of $67,293.

(k) Foreign exchange loss decreased by $13,311, resulting in a foreign exchange loss of $12,371 for the three months ended November 30, 2017. The Company has significantly reduced the number of transactions in foreign currencies, however still carries a large amount of trade payables which are denominated in USD$. As at November 30, 2017, the Company carried net current liabilities of CDN$418,178 in USD$ (February 28, 2017 - CDN$876,147 in USD$). 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 $3,113 for the three months ended November 30, 2017, as compared to $3,555 for the three months ended November 30, 2016. The Company accrued $3,000 of interest on $100,000 principal amount secured notes which bear simple interest at 12%.

The net loss per share for the three months ended November 30, 2017, was $0.03 as compared to $0.02 for the three months ended November 30, 2016. The increase in loss per share is directly attributable to the increase in net loss as a result of significantly higher advertising and marketing expenditures and consulting fees. The increase in net loss was offset by increased revenues. The impact of the higher net loss on the loss per share was offset by a higher weighted average number of common shares outstanding for the period. The weighted average number of shares outstanding for the three months ended November 30, 2017, was 61,976,271, as compared to 45,335,903 for the three months ended November 30, 2016.

Nine months ended November 30, 2017 and 2016

During the nine months ended November 30, 2017, the Company reported a total of $352,863 in revenue, of which $352,488 relates to licensing revenue pursuant to the new Peeks Social platform launched in November 2016, and $375 relates to advertising revenue on the legacy Keek products. This is compared to $46,560 reported for the nine months ended November 30, 2016, of which $3,434 related to licensing revenue generated from the Peeks Social platform, as well as $43,126 of advertising revenue on the legacy Keek products, which have now been retired.

For the nine months ended November 30, 2017, the Company generated interest income in the amount of $21,647 as compared to $6,069 for the nine months ended November 30, 2016. Interest income is derived from cash on hand which is invested in daily interest-bearing accounts, and from short-term loans issued to Personas (see *Related Party Transactions*).

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

	Nine Months Ended	
	November 30, 2017	**November 30, 2016**
	$	$
Licensing revenue	352,488	3,434
Advertising revenue	375	43,126
Total revenue	352,863	46,560
Interest income	21,647	6,069
Operating expenses	6,052,413	3,361,435
Net loss for the period	5,381,041	2,741,144
Net loss per share – basic and diluted	0.09	0.06

Operating expenses for the nine months ended November 30, 2017, were $6,052,413, as compared to $3,361,435 for the nine months ended November 30, 2016. The increase of $2,690,978 was mainly due to an increase in advertising and marketing expenses, and consulting fees, as discussed below.

The following is the breakdown of operating expenses for the nine months ended November 30, 2017 and 2016. Details of the changes between periods are described in the notes to the table below.

Summary of Operating Expenses

	Nine months ended November 30, 2017 $	**Nine months ended November 30, 2016 $**
Advertising and marketing (a)	2,293,855	102,886
Salaries and benefits (b)	1,883,384	1,912,089
Consulting fees (c)	976,792	424,285
Professional fees (d)	248,213	123,856
Office and general (e)	248,458	80,987
Internet and communications (f)	243,015	526,900
Occupancy costs (g)	183,321	98,374
Amortization (h)	27,239	151,718
Translation and software licensing (i)	8,566	46,125
Gain on disposal of long-lived assets (j)	(10,000)	(77,494)
Foreign exchange gain (k)	(50,430)	(28,291)
	6,052,413	**3,361,435**

Notes:

(a) Advertising and marketing increased by $2,190,969 as compared to the nine months ended November 30, 2016. The increase is due to significantly increased marketing activities relating to the Peeks Social product, specifically the securing of celebrity influencers and brand ambassadors and the sponsorship of the "Peeks Toronto Caribbean Carnival" and related costs. The "Peeks Toronto Caribbean Carnival" is a major cultural event in Toronto with an on-site attendance of approximately 1 million people. While significant expenses have been recognized in the current period, Management believes both the celebrity influencer campaigns and the "Peeks Toronto Caribbean Carnival" sponsorship will produce long-term economic benefit for the Company. The comparative period included marketing expenses relating to product initiatives which are no longer being pursued.

(b) Salaries and benefits costs decreased by $28,705 as compared to the nine months ended November 30, 2016. The majority of the current period's salaries and benefits costs are attributable to share-based payments. Included in salaries and benefits is $1,110,067 relating to share-based compensation for the nine months ended November 30, 2017, (November 30, 2016 - $1,221,479). Without considering share-based payments, salaries and benefits costs were $773,317 for the nine months ended November 30, 2017, as compared to $690,610 for the nine months ended November 30, 2016.

(c) Consulting fees increased by $552,507 as compared to the nine months ended November 30, 2016. The increase is directly related to increased consulting fees relating to capital market exposure and investor relations services, prepaid card integration for the Peeks Social platform, the proposed transaction with Personas (see "*Overview*"), and certain marketing and business development services. The increase was also contributed to by the temporary engagement of an outsourced development team for certain technical initiatives relating to the Peeks Social product, which is non-recurring. Management expects many of these expenses to be non-recurring.

(d) Professional fees increased by $124,357 as compared to the nine months ended November 30, 2016. Professional fees are substantially comprised of legal fees for corporate, trademark, and litigation matters.

(e) Office and general expenses increased by $167,471 as compared to the nine months ended November 30, 2016. The increase is due to certain costs and fees associated with corporate initiatives including a $6.5 Million private placement completed in April 2017, as well as recruiting costs for the hiring of certain technical staff.

The breakdown of office and general expenses is as follows:

Summary of office and general expenses

	Nine months ended November 30, 2017 $	Nine months ended November 30, 2016 $
Transfer agent and exchange fees	77,639	17,460
Travel, transportation, and meals	60,496	9,031
Insurance	28,669	32,378
Office and miscellaneous	24,343	11,130
Bank charges	5,797	3,500
Shipping and moving	19,919	7,488
Recruiting	31,595	Nil
	248,458	**80,987**

(f) Internet and communications decreased by $283,885 as compared to the nine months ended November 30, 2016. The decrease is attributable to the Company moving to a different provider for its core data centre located in Canada, which resulted in a significant decrease in internet and communications costs beginning in December 2016. The decrease is also a result of management sourcing different suppliers and obtaining better pricing with existing suppliers for ongoing technical costs, significantly in relation to content distribution network services.

(g) Occupancy costs increased by $84,947 as compared to the nine months ended November 30, 2016. The increase was the result of the Company occupying a new operating premises at 181 University Avenue in Toronto, Ontario. The lease commenced September 1, 2017.

(h) Amortization decreased by $124,479 as compared to the nine months ended November 30, 2016. 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. Significantly all remaining items included in property and equipment reached their expected useful life and certain items were disposed of during the fiscal 2017 year, which caused a reduction in amortization expense. This was offset by an increase in capitalized assets due to leasehold improvements and the purchase of office furnishings for the Company's lease at 181 University Avenue in Toronto, Ontario.

(i) Translation and software expenses decreased by $37,559 as compared to the nine months ended November 30, 2016. Translation expense is incurred as new versions of the Company's apps are released, and software expense is incurred on an as-needed basis.

(j) Gain on disposal of long-lived assets decreased $67,494 as compared to the nine months ended November 30, 2016. During the nine months ended November 30, 2017, the Company disposed of server equipment with a book value of a $Nil for proceeds of $10,000. During the nine months ended November 30, 2016, the Company disposed of server equipment with a book value of $Nil for proceeds of $77,494.

(k) Foreign exchange gain increased by $22,139, resulting in a foreign exchange gain of $50,430 for the nine months ended November 30, 2017. The Company has significantly reduced the number of transactions in foreign currencies, however still carries a large amount of trade payables which are denominated in USD$. As at November 30, 2017, the Company carried net current liabilities of CDN$418,178 in USD$ (February 28, 2017 - CDN$876,147 in USD$). 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 $9,113 for the nine months ended November 30, 2017, as compared to $24,187 for the nine months ended November 30, 2016. The Company accrued $9,000 of interest on $100,000 principal amount secured notes which bear simple interest at 12%.

The net loss per share for the nine months ended November 30, 2017, was $0.09 as compared to $0.06 for the nine months ended November 30, 2016. The increase in loss per share is directly attributable to the increase in net loss as a result of significantly higher expenses, predominantly stemming from increased advertising and marketing expenditures and consulting fees. The increase in net loss was offset by increased revenue. The impact of the higher net loss on the loss per share was offset by a higher weighted average number of common shares outstanding for the period. The weighted average number of shares outstanding for the nine months ended November 30, 2017, was 60,094,048, as compared to 43,058,755 for the nine months ended November 30, 2016.

QUARTERLY RESULTS OF OPERATIONS

The following table highlights selected financial information for the eight consecutive quarters ending November 30, 2017. 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.

	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
	$	$	$	$	$	$	$	$
Revenue	131,430	118,290	103,144	49,361	6,810	13,850	25,901	36,944
Interest income	11,377	8,298	1,973	96	11	4,125	1,933	2,474
Operating expenses	1,861,604	1,893,391	2,297,419	1,682,677	1,520,160	818,558	1,022,717	1,737,565
Net loss for the period	(1,721,910)	(1,769,803)	(1,889,327)	(1,518,035)	(975,241)	(792,522)	(973,380)	(1,780,096)
Loss per share - basic	(0.03)	(0.03)	(0.03)	(0.03)	(0.02)	(0.02)	(0.02)	(0.07)
- diluted	(0.03)	(0.03)	(0.03)	(0.03)	(0.02)	(0.02)	(0.02)	(0.07)

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash Flow for the Nine months ended November 30, 2017 and 2016

Net cash used in operating activities was $6,677,215 for the nine months ended November 30, 2017, as compared to $1,893,443 for the nine months ended November 30, 2016. During this period the Company had an increase of $299,904 of accounts receivables, an increase of $1,082,542 of other receivables, an increase of $527,715 of prepaid expenses, and a decrease of $208,522 of accounts payable and accrued liabilities (excluding non-cash gains on settlement of debts of $305,975 and $9,000 of accrued interest). Combined, these items significantly increased the use of cash in operating activities following the net loss for the period which was $4,558,532 after considering items not affecting cash (November 30, 2016 - $1,946,351 after considering items not affecting cash).

For the nine months ended November 30, 2017, net cash generated from financing activities was $7,257,380 as compared to $3,225,125 for the nine months ended November 30, 2016. Financing activities for the nine months ended November 30, 2017, included the issuance of common shares and warrants, resulting in gross proceeds of $6,480,000 (net proceeds of $6,421,680 after considering transaction costs) (November 30, 2016 - $1,476,525 net of costs). Financing activities also included proceeds from warrants exercised of $1,315,600 (November 30, 2016 – $1,046,300) and proceeds from options exercised of $20,100 (November 30, 2016 – $682,300). For more information on these financing activities please see "*Capital Transactions*". The increase in capital as a result of these financing activities was partially offset by the issuance of a short-term loan of $500,000 (see "*Related Party Transactions*"), which was issued to facilitate a joint product initiative.

For the nine months ended November 30, 2017, net cash used in investing activities was $158,141, as compared to $77,494 generated from investing activities during the nine months ended November 30, 2016. Cash used in investing activities for the nine months ended November 30, 2017 was comprised of $168,141 (November 30, 2016 – $Nil) used to purchase property and equipment, which was slightly offset by $10,000 generated from proceeds from disposal of property and equipment (November 30, 2016 - $77,494).

For the nine months ended November 30, 2017, the Company had a net increase in cash of $422,024 as compared to a net increase of $1,409,176 for the nine months ended November 30, 2016. As a result, as at November 30, 2017 and 2016, the Company had cash balances of $1,365,247 and $1,511,835 respectively.

Liquidity

During the nine months ended November 30, 2017, the Company reported a total of $352,863 in revenue, as compared to $46,560 for the nine months ended November 30, 2016. The Company may need to continue to rely upon capital raising activities, such as private placement debt and equity financings, to fund its future operations.

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

	November 30, 2017	February 28, 2017
	$	$
Cash	1,365,247	943,223
Total assets	4,217,204	1,236,297
Long-term liabilities	-	-
Total liabilities	2,461,161	2,966,660
Share capital, contributed surplus, and warrants reserve	86,422,832	77,555,385
Deficit	(84,666,789)	(79,285,748)
Working capital (deficiency)	1,376,726	(1,801,030)

During the nine months ended November 30, 2017, the Company incurred a net loss of $5,381,041 (November 30, 2016 - $2,741,144) and, as of that date, the Company had accumulated a deficit of $84,666,789 (February 28, 2017 - $79,285,748) and negative cash flows from operations of $6,677,215 (November 30, 2016 - $1,893,443). 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.

As at November 30, 2017, total liabilities decreased to $2,461,161 as compared to $2,966,660 as at February 28, 2017, a decrease of $505,499. During the nine months ended November 30, 2017, the Company successfully negotiated certain trade payables, resulting in gains on settlement of debts of $305,975. The Company is not currently paying most of its past payables relating to the now retired Keek products, but is paying its ongoing monthly operational costs. The Company continues to negotiate its past payables.

During the nine months ended November 30, 2017, the Company was able to raise funds through equity financings of $6.5 million, and received additional funds of approximately $1.3 million through the exercising of options and warrants. The funds are being used to finance the Peeks Social product initiative, to maintain operations, and address liabilities on an as-needed basis.

In April 2017 the Company completed a non-brokered private placement, pursuant to which it issued 7,200,000 units at a price of $0.90 per unit, including 555,000 units issued to Mark Itwaru, the CEO of the Company, for total gross proceeds of $6,480,000 (see *Capital Transactions*). The Company paid aggregate finder's fees of $58,320 to eligible arm's length parties in connection with 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 April 2017, option grants in April 2016 and November 2016, open market purchases of common shares, and the exercising of warrants and the private disposition of common shares by Personas, Mark Itwaru, Chairman and Chief Executive Officer, has control and direction over an aggregate of 15,602,388 common shares (representing 24.0% of the Company's outstanding common shares on an undiluted basis), 555,555 warrants to acquire common shares and 1,205,000 options to acquire common shares, representing in aggregate 26.0% of the outstanding common shares of the Company on a partially diluted basis.

Recent financing efforts have included:

Private Placements:

Date	Unit Price	Units Sold	Gross Consideration
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
April 12, 2017	$0.90	3,338,498	$3,004,650
April 28, 2017	$0.90	3,861,502	$3,475,350

For further details on the April 2017 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	$2,547,303	$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

In addition to the above financing efforts, during the nine months ended November 30, 2017, the Company settled trade payables with a fair value of $558,505 for cash payments of $252,530, resulting in a gain on settlement of trade payables of $305,975. During the year ended February 28, 2017, the Company settled trade payables with a fair value of $862,773 through the issuance of 72,928 common shares at a weighted average price of $0.28 per share, and cash payments of $176,278, resulting in a gain on settlement of trade payables of $666,263. In addition, the Company recognized a gain on the extinguishment of previously accrued interest of $43,804, resulting in a total gain on settlement of debt of $710,067 for the year ended February 28, 2017.

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 may 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 November 30, 2017, the Company had material commitments for cash resources of approximately $6,399,605 which are detailed below. The Company does not currently have sufficient working capital to meet these significant commitments and will be reliant on proceeds from revenues, financing activities, and subleasing revenue to fund these commitments.

A breakdown of the Company's liabilities and obligations as at November 30, 2017, 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	2,361,161	2,361,161	-	-	-
Secured notes (principal amount)	100,000	100,000	-	-	-
Lease commitments (operating premises)	3,938,444	654,144	1,313,720	1,313,720	656,860
	6,399,605	3,115,305	1,313,720	1,313,720	656,860

On December 1, 2014, the Company subleased 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 subleased its premises at 1 Eglinton Avenue East, Suites 401 and 416, in Toronto, Ontario. The sublease ended 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.

The Company is also committed to a lease of a premises at 181 University Ave, Suite 2000, in Toronto, Ontario. The lease commenced on September 1, 2017, and ends on May 30, 2019. The Company prepaid $587,122 of rent in relation to this lease in July 2017. As at November 30, 2017, $503,247 of this is included in prepaid expenses and classified between current and long-term portions as $335,498 and $167,749, respectively. There are no future minimum lease payments over the course of the lease.

Legal Proceedings

The Company, in the course of its normal operations, is subject to claims, lawsuits, and contingencies. Accruals are made in instances where it is probable that liabilities may be incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may be incurred in instances for which no accruals have been made, the Company has no reason to believe that the ultimate outcome of these matters would have a significant impact on its consolidated financial position.

During the year ended February 28, 2017, a claim was initiated against the Company regarding finder's fees for brokering investments and business partnerships. The Plaintiff claimed damages in the amount of $15,650,000. The Company is defending the lawsuit and believes the claim is completely without merit. Although the outcome of the claim is not determinable, Management strongly believes the financial impact is insignificant and has accrued the estimated financial effect. The claim remains outstanding as at November 30, 2017.

During the year ended February 28, 2017, the Company was named as a co-defendant in a claim regarding the use of certain intellectual property in the European Union. The Company negotiated co-existence arrangements with the claimants resulting in the claim being settled during the three months ended November 30, 2017.

During the nine months ended November 30, 2017, a claim was initiated which names the Company as a co-defendant and alternate remedy for unspecified damages. The claim is in relation to a dispute over the ownership of shares and warrants of the Company between two arm's length parties. Although the outcome of the claim is not determinable, management believes the financial impact to the Company is insignificant. The claim remains outstanding as at November 30, 2017, however the proceedings were stayed as of the date of this MD&A.

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 November 30, 2017, amounted to $1,756,043 (February 28, 2017 - capital deficiency of $1,730,363).

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 development and operations of its social media products and technologies for the benefit of its shareholders.

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, preference 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 Peeks Social Ltd., 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.

In March 2017 3,302,000 warrants with an exercise price of $0.30 were exercised into common shares of the Company on a one-for-one basis, including 434,000 exercised by Mark Itwaru, the CEO of the Company, resulting in gross proceeds of $990,600 being received by the Company. The initial fair value assigned to these warrants of $348,969 was reallocated from warrant reserve to share capital upon exercise.

Between March 21, 2017, and May 9, 2017, 1,300,000 warrants with an exercise price of $0.25 were exercised into common shares of the Company on a one-for-one basis, resulting in gross proceeds of $325,000 being received by the Company. The initial fair value assigned to these warrants of $100,495 was reallocated from warrant reserve to share capital upon exercise.

On April 12, 2017, the Company completed a non-brokered private placement of 3,338,498 units at a price of $0.90 per unit, including 555,000 units issued to Mark Itwaru, the CEO of the Company, for gross proceeds of $3,004,648. 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 $1.10 per share for a period of 12 months from the closing date. The common share purchase warrants have an ascribed value of $902,848. The Company paid $44,820 in finder's fees to eligible arm's length parties in relation to this private placement.

On April 28, 2017, the Company completed a non-brokered private placement of 3,861,502 units at a price of $0.90 per unit, for gross proceeds of $3,475,352. 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 $1.10 per share for a period of 12 months from the closing date. The common share purchase warrants have an ascribed value of $1,092,919. The Company paid $13,500 in finder's fees to eligible arm's length parties in relation to this private placement.

On May 3, 2017, 7,000 options were exercised into common shares of the Company on a one-for-one basis. The options had an exercise price of $0.30 per share, resulting in gross proceeds of $2,100 being received by the Company. The initial fair value assigned to these options of $1,225 was reallocated from contributed surplus to share capital upon exercise.

On June 6, 2017, 60,000 options were exercised into common shares of the Company on a one-for-one basis. The options had an exercise price of $0.30 per share, resulting in gross proceeds of $18,000 being received by the Company. The initial fair value assigned to these options of $10,502 was reallocated from contributed surplus to share capital upon exercise.

Disclosure of Outstanding Share Data

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

	January 26, 2018	November 30, 2017	February 28, 2017
Common Shares	64,976,271	61,976,271	50,107,271
Warrants, convertible into Common Shares	7,900,000	10,900,000	8,302,000
Stock Options, convertible into Common Shares	7,200,329	7,200,329	6,731,495
Common Shares - Fully Diluted	**80,076,600**	**80,076,600**	**65,140,766**

See "*Notes to the Unaudited Condensed Consolidated Interim Financial Statements for the Three and Nine months ended November 30, 2017 – 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 nine months ended November 30, 2017, are as follows:

a) During the nine months ended November 30, 2017, the Company paid $225,000 (November 30, 2016 - $222,043) in consulting fees to Riavera Corp., a significant shareholder ("Riavera"), in relation to management consulting and technology integration services.

b) During the nine months ended November 30, 2017, the Company accrued $352,488 (November 30, 2016 - $3,434), of licensing revenue due from Personas.com Corporation ("Personas"), a subsidiary of Riavera, which is included in accounts receivable. During the nine months ended November 30, 2017, the Company collected $52,584 of licensing revenue from Personas relating to the year ended February 28, 2017. Personas has a non-exclusive license to use, enhance, and monetize the Company's technology platforms. Pursuant to the licensing agreement, Personas pays to the Company 30% of the gross profit earned through the use of the Company's platforms.

c) During the nine months ended November 30, 2017, the Company paid $48,225 of rent to Personas (November 30, 2016 - $15,000). The Company ceased paying rent to Personas on September 1, 2017.

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

e) See *Capital Transactions* for information relating to warrants exercised by the CEO of the Company.

f) On July 4, 2017, and August 1, 2017, the Company issued short-term loans to Personas with a principal amount of $200,000 and $300,000, respectively, to facilitate a joint product initiative and fund broadcaster payouts relating to the "Peeks Social" livestreaming mobile product. The loans bear interest at 5% per annum and were due on December 31, 2017. The due date was subsequently extended to February 28, 2018. The Company accrued $7,822 of interest on the loans during the nine months ended November 30, 2017, which is included in accounts receivable as at November 30, 2017.

g) During the nine months ended November 30, 2017, the Company incurred $591,081 in costs relating to the establishment and defense of certain intellectual property rights pertaining to the "Peeks" brand and product. The technology platform licensing agreement between the Company and Personas provides the Company with indemnities relating to the use of certain intellectual property rights and costs associated with defense of its use, and therefore the Company has included this amount as part of other receivables and deposits, being due and receivable from Personas.

h) During the nine months ended November 30, 2017, the Company paid broadcasters on the "Peeks Social" platform a net amount of $134,735, which are amounts due from Personas and included in other receivables as at November 30, 2017.

SUBSEQUENT EVENTS

The following significant transactions occurred subsequent to the nine months ended November 30, 2017:

a) On December 27, 2017, 3,000,000 warrants with an exercise price of $0.25 were exercised into common shares of the Company on a one-for-one basis by Personas, resulting in gross proceeds of $750,000 being received by the Company.

b) The Company collected $160,000 of accounts receivable from Personas.

OFF-BALANCE SHEET ARRANGEMENTS

The company 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 nine months ended November 30, 2017.

SEGMENTED INFORMATION

The management of the Company considers the business to have a single operating segment: the continued development and marketing of its mobile video and livestreaming social media products. The Company has a single reportable geographic segment, Canada, and all of the Company's property and equipment are located in Canada. There were no changes in the reportable segments during the nine months ended November 30, 2017.

Adoption of New or Amended Standards

The Company did not adopt any new standards or interpretations during the nine months ended November 30, 2017. The Company adopted certain amendments to standards which resulted in no impact to the financial statements.

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 is assessing the impact IFRS 15 will have 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 deposits, 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 loans receivable 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 November 30, 2017, and February 28, 2017, 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 November 30, 2017, the Company carried net current liabilities of CDN$418,178 in USD$ (February 28, 2017 - CDN$876,147 in USD$). Accordingly, a 5% change in the US dollar exchange rate as at November 30, 2017, would have resulted in an exchange gain or loss of CDN$20,909 (February 28, 2017 - exchange gain or loss of CDN$43,807).

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 12(f) to the condensed consolidated interim financial statements. The Company has minimal revenue 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 November 30, 2017, the Company had total cash of $1,365,247 (February 28, 2017 - $943,223) to settle current liabilities of $2,461,161 (February 28, 2017 - $2,966,660) and finance future operations. As a result, the Company is exposed to 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, loans receivable, and other receivables and deposits. The Company's cash is on deposit with Canadian Tier 1 chartered banks therefore the associated credit risk is low. Accounts receivable are in the normal course of business. Other receivables and deposits includes sales taxes receivable and receivables from related parties which the Company has ongoing joint product initiatives. Loans receivable and the majority of accounts receivable and other receivables and deposits are concentrated insofar as they are all receivable from Personas. This concentration with one entity inherently increases the credit risk associated with these financial instruments.

Other Risks and Uncertainty

- If the Company 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 the Company is unable to compete effectively for users and advertiser spend, its business and operating results will be harmed.
- The Company has incurred significant operating losses in the past, and it may not be able to achieve or subsequently maintain profitability.
- The Company 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 the Company 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.
- The Company's products and services may contain undetected software errors, which could harm its business and operating results.
- Regulatory investigations and settlements could cause the Company to incur additional expenses or change its business practices in a manner materially adverse to its business.
- Privacy concerns relating to the Company's products and services could damage its reputation and deter current and potential users and advertisers from using the products and services.
- The Company may face lawsuits or incur liability as a result of content published or made available through its products and services.
- The Company's intellectual property rights are valuable, and any inability to protect them could reduce the value of its products, services and brand.
- The Company 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 the Company'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 the Company'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 condensed consolidated interim financial statements for the three and nine months ended November 30, 2017, the audited consolidated annual financial statements for the years ended February 28, 2017 and 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.k.to.