MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE PERIOD ENDED MARCH 31, 2017 FOR QYOU Media Inc. (formerly GALLERIA OPPORTUNITIES LTD.)

May 30, 2017

The following Management's Discussion and Analysis ("**MD&A**") of QYOU Media, Inc. (the "Corporation") should be read in conjunction with the interim condensed consolidated financial statements and accompanying notes, which are prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") for the three months ended March 31st, 2017.

The interim period between June 30, 2016 and December 31, 2016 were reported upon by QYOU Media Inc. under its previous issuer name Galleria Opportunities Ltd. That report did not consolidate the activities of QYOU Media Holdings Inc. as the reverse takeover did not occur until March 2017. As additional information, this MD&A as annexed to it the audited financial statements of QYOU Media Holdings Inc. for the year ended December 31st, 2016, under its previous name (QYOU Media Inc.) which is also the new name of the reporting issuer issuing this report.

All amounts are expressed in Canadian dollars unless otherwise noted. Further information regarding the Corporation can be found on SEDAR at www.sedar.com.

This document is intended to assist the reader in better understanding operations and key financial results as of the date of this report. The interim condensed consolidated financial statements and this MD&A have been reviewed and approved by the Corporation's Board of Directors.

Forward-looking Statements

This interim MD&A contains certain information that may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by the use of terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results, and may include statements or information regarding the future financial position, business strategy and strategic goals, research and development activities, projected costs and capital expenditures, financial results, the ability to raise capital, taxes and plans and objectives of or involving the Corporation.

Without limitation, information regarding the Corporation's future cost structure, future sales and marketing activities, increased penetration into certain markets through strategic partnerships, the impact of the introduction of new products, the ability of management to leverage sales opportunities, increase in the size of certain markets, expected increases in revenue, expected revenue from certain contracts, customer rollout plans for specific products, expected increase in gross margins.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results, events or developments to be materially different from what we currently expect. These risks include, among others, product development risk, potential product liability, risks related to third party contractual performance, customer demand, competition and the risks posed by potential technological advances, risks relating to the protection of the Corporation's intellectual property, risks relating to fluctuation in foreign currency exchange rates, and exposure to increased credit and liquidity risk. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Corporation may elect to, the Corporation does not undertake to update this information at any particular time unless required by law. Unless otherwise indicated, this MD&A was prepared by management from information available up to May 30, 2017.

Overall Performance

For further information and significant accounting policies, please see Notes 2 of the 2016 audited financial statements and the Corporation's interim financial statements.

	Three months ended March 31,	
Selected Financial Information	**2017**	**2016**
Revenues	**$1,088,593**	**$461,819**
Content and production cost	741,271	1,006,412
Other Operating expenses, net	1,304,804	1,194,484
Total Expenses	**2,046,074**	**2,200,896**
Net income (loss)	**($957,481)**	**($1,739,077)**
Listing Expenses	1,477,849	
Net income after listing expenses (loss)	**($2,435,330)**	**($1,739,077)**
Loss per share (1)	**($0.02)**	**($0.03)**

(1) in Canadian dollars, rounded to the nearest cent

As at March 31st, 2017 and December 31, 2016

	2017	**2016**
Cash and Cash equivalents	$5,521,590	$256,549
Total assets	7,513,388	1,427,438
Total liabilities	2,013,566	1,267,814

For the three months ended March 31st, 2017, consolidated revenue increased by 136% primarily from new sources of revenue. The Corporation expanded its product offering to include creating content for third parties and developing influencer marketing campaigns for external clients. Additionally, the Corporation signed a long term agreement with Sinclair Broadcasting on June 15, 2016 to manage the operations of TBD channel, which officially launched on February 13, 2017. Direct content and production costs decreased by 26% due to reduced production expenses associated with the Company's linear channel. Selling and administrative expenses and non-content and production related costs (including non-cash expenses) increased by 9% as compared to the comparative quarter primarily due to increase in sales and marketing cost. The net loss for the three months ended March 31st, 2017 is $957,481 compared to net loss of $1,739,077 for the comparable quarter in 2016. Additionally, for the three month period ending March 31, 2017 the company incurred listing cost of $1,477,849 related to the RTO and financing.

The Corporation ended the three months ended March 31th, 2017 with cash and cash equivalents of $5,521,590 (December 31st, 2016 - $256,549). Cash used in operating activities forth three month period ending March 31, 2017 was $2,480,993 (December 31st, 2016 - $4,604,941). In addition, the Corporation's cash usage from investing activities was $28,992 (December 31st, 2016 – 373,928). The Corporation increased cash from financing activity $7,651,553 (December 31st, 2016 – nil).

Operating segments:

The Corporation has one operating segment which is comprised of four different products and services:

- QYOU linear channel: A 24/7 channel featuring "best of web" content and available globally via traditional broadcast (cable/satellite) providers; Over the Top ("OTT") providers and mobile carriers
- Channel Management: This relates to the services provided to the Sinclair Broadcast Group for managing their new channel which we expect to lead to other opportunities both inside and outside the US.
- Program Sales: This is the business of supplying genre specific programming to channels in territories around the world. This has been led to date by sports programming but we anticipate new strong categories to emerge as well.
- Influencer Marketing: This is the business of offering the support of talent both inside and outside of QYOU programming to promote the products and services of partners and third parties.

The Corporation's divisions, reported the following business developments in 2016 and early 2017:

QYOU Linear Channel Outlook: Linear channel growth continues in territories around the world including recent agreements in India, Latin America, and Serbia. The most significant opportunities in 2017 will likely revolve around the OTT and mobile carrier space as the need for millennial offerings continues to expand.

Channel Management Outlook: 2017 only projects the business associated with the launch of TBD with Sinclair Broadcast Group. With that said, the unique and cutting edge launch of TBD should help drive both overall Corporation sales as well as propel new opportunities with similar broadcast groups outside the US market.

Program Sales: Recent agreements with companies in Africa, Portugal and the US have helped drive program sales opportunities around the world. While sports programming continues to dominate program sales, the Corporation expects new genres to emerge in 2017.

Influencer Marketing: This is an area that has been more opportunistic to date but one which the Corporation anticipates ramping up more aggressively in 2017 and beyond. The driving force for this will be the significant "over performance" of promised results in every launch to date.

Discussion of Operations

The following discussion includes an explanation of the primary factors in changes in operations in the three months ended March 31, 2017 and the twelve months ended December 31, 2016 over the comparable periods. Additional, less significant changes are not articulated.

Revenue

	Three months ended March 31,	
	2017	**2016**
Linear Channel	$188,342	$310,992
Programming	150,834	150,827
Subscriber	**339,176**	**461,819**
Channel Management	709,706	-
Influencer Marketing	39,712	-
Content and Program	**749,418**	**-**
Total Revenue	**$1,088,593**	**$461,819**

The Corporation has four sources of revenue; *linear channel* and *programming development for 3rd parties* which appear on the Audited financial statements as Subscriber; and *channel management* and *influencer marketing* as Content and Program revenue. In 2015, the Corporation only had subscriber revenue.

For the three months period ended March 31, 2017, total revenue increased by $626,774 or 136% compared the corresponding period in 2016. During this period, the Corporation expanded operations from an organization that relied solely on the distribution of its linear channel for revenue, to a business with multiple revenue streams. For the three months period ended March 31, 2017, linear channel revenue represented approximately 17%, third party program sales 14%, channel management 65% and influencer marketing 4% of the Companies total revenue. For the same three months period in 2016, 67% of the Companies revenue were derived from its linear channel and 33% from third party program sales.

While linear channel revenue for the three months ending March 31, 2017 decreased 39%, from $310,992 to $188,342 when compared to the same period in 2016; Channel management grew by $709,706, Influencer marketing revenue grew by $39,714 and third party program revenue remained relatively flat.

The top 10 customers represented approximately 99% of sales for the three months ending March 31, 2017, with two customers representing 65% and 12% of sales, respectively in the competitive period.

Content and production costs

	Three months ended March 31,	
	2017	**2016**
Channel Delivery	255,748	186,875
Production expense	453,379	819,536
Total Cost of sales	**$709,127**	**$1,006,412**

Content and production costs represents the costs of sales of earning the Corporation's revenue and is comprised of content development, production and delivery expenses. As of March 31, 2017, The QYOU has created approximately 5,000 hours of original programming.

In 2015 the QYOU entered into an operating lease with M7 for satellite, transponder and technical services. This agreement gives QYOU the ability to distribute its content throughout all of Europe, Middle East and Africa. Additionally, the Corporation uses a third party to deliver content via Internet Protocol (IP).

For the three months ended March 31, 2017 content and production costs decreased by $297,285 or 30% over the corresponding period in 2016 as a result of reduced expenses related to the production of the Companies linear channel. As a percentage of total expenses, content and production costs was 35% for the three months ended March 31, 2017 compared with 46% for the same period in 2016.

Channel delivery costs for the quarter ending March 31, 2017 were $255,748 compared to $186,875 for the same period in 2016, representing a 37% increase. This increase is due primary to contractual increases associated with the Corporation's operating lease with M7 and other third party delivery costs.

Production cost represented 22% of the Companies total expenses for the three month ended

March 31, 2017 and 37% over the corresponding period in 2016. Production expenses for the three months ended March 31, 2017 decreased by $366,157 or 45% over the same period of 2016. The Corporation rapidly built a significant library of content for its linear channel from the Companies inception through June 30, 2016 and therefore required less production activity for the three-month period ending March 31, 2017.

Selling, general and administrative cost

	Three months ended March 31,	
	2017	**2016**
Sales and marketing	593,664	439,150
Salaries and benefits	272,538	349,248
Legal and consulting	224,079	244,673
General and administrative	195,556	156,425
Total Selling and administrative	**$1,285,837**	**$1,189,496**

Selling and Administrative expenses are comprised of sales and marketing, salaries and benefits, legal and consulting and general administrative cost.

Selling and admisitrative cost represented 63% of the companies total expenses for the first three months of 2017 and 54% for the same period in 2016. For the three months ended March 31, 2017 selling and administrative cost increased by $96,341 or 8% over the corresponding period in 2016. During this time period, sales and marketing cost increased by $154,514 or 35% and general & administrative costed increased by $39,131 or 25% over the same period in 2016. These increases in costs were offset by a $76,710 or 22% decrease in salary and benefits and legal and consulting cost decreased by $20,594 or 8% over the same period in 2016.

Intangible Assets Application Development Costs

On July 15, 2015, the Corporation acquired certain assets from Black Forest Production Services, USA, including the rights to the 'QYOU' brand and related intellectual property and assumed net liabilities of $56,454 for a cash payment of $25,000. Accordingly, a value of $81,454 has been allocated to the 'QYOU' brand.

QYOU Media, through its wholly owned Irish subsidiary QYOU International Ltd, Dublin, owns a Broadcast License granted by the Broadcast Authority of Ireland ("BAI"), to broadcast in Ireland

and the European Union.

As of March 31, 2017, the Corporation invested $574,042 related to the development of application that will facilitate the delivery of its content through non-linear channels including mobile. As of March 31, 2017, the application remains in the development phase with plans to bring it to the market as a final product in 2017.

Intangible assets and capitalized development costs are comprised of the following

	Intangible Assets	Application Development Costs	Total
Balance, as at December 31, 2016	$81,454	$545,050	$677,858
Acquisitions		28,992	28,992
Impact of foreign exchange	3,105		3,105
Balance, as at March 31, 2017	**$84,559**	**$574,042**	**$706,850**

The Corporation's intangible assets is comprised of the QYOU brand which management ahs determined to be an indefinite lived intangible asset. Amoritzation of capitalized dvelopment costs will commence upon the completion of the application. The Corporation will continued to assess the carrying value of application deveopment costs for impairment.

Depreciation, Amortization and Foreign Exchange

	Three months ended March 31,	
	2017	**2016**
Depreciation & amortization	3,730	1,959
Foreign exchange (gain) loss, net	109,407	(73,621)
Total cost of sales	**$113,137**	**($71,662)**

Other operating expenses include depreciation and amortization and foreign exchange.

Depreciation of capital assets increased as the Corporation purchased computers and office equipment in the fourth quarter of 2015.

Interest/Other expense

QYOU Media, Inc. has not incurred any long term debt since its inception. Interest/other income for the period ended March 31, 2017 was $8,500 as the result of subleasing office space to a third party.

Summary of Selected Quarterly Results

The following table shows selected financial information for each of the eight most recently completed quarters. The quarter year ending March 31, 2017 reflects the consolidated activities of QYOU Media Inc. (formerly Galleria Opportunities Limited) and QYOU Media Holdings Inc. (formerly named QYOU Media Inc.) The seven preceding quarter year periods are not consolidated, and only reflect the three-month periods ending in the dates indicated for the affairs of QYOU Media Holdings Inc., under its previous name QYOU Media Inc. Prior to the reverse takeover Galleria Opportunities Limited at no active business, consequently the business revenues and expenditures of QYOU Media Holdings Inc. are reported as they are considered more meaningful to the reader**.**

The following table shows selected financial information for each of the eight most recently completed quarters.

	2017	2016				2015	
	Mar 31, 2017	**Dec 31, 2016**	**Sept 30, 2016**	**June 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sept 30, 2015**
Linear Channel	$188,342	$212,233	$141,747	$215,426	$310,992	$359,279	$337,322
Programming	150,834	242,467	277,222	95,054	150,827		
Subscriber	**339,176**	**454,700**	**418,969**	**310,480**	**461,819**	**359,279**	**337,322**
Channel Management	709,706	335,195	339,181	-	-		
Influencer Marketing	39,712	99,732	138,907	-	-	331,500	
Content and Program	**749,418**	**434,927**	**478,088**	**-**	**-**	**331,500**	**-**
Total Revenue	**$1,088,593**	**$889,627**	**$897,057**	**$310,480**	**$461,819**	**$690,779**	**$337,322**
Operating expenses	**2,046,074**	**1,898,590**	**1,534,437**	**2,592,050**	**2,196,476**	**3,028,421**	**2,136,055**
Net loss	**($957,481)**	**($1,008,963)**	**($637,380)**	**($2,281,570)**	**($1,734,657)**	**($2,337,642)**	**($1,798,733)**

Over the past three quarters, revenue has changed for the following reasons:

QYOU Channel Management revenues began with the pre-launch revenues beginning in Q3 2016. This resulted in $339,181 of additional revenue. This growth continued in 2017 as a full year of service will be recognized.

QYOU Program sales increased with additional sales from nil in 2015 to $765,570 for the twelve months of 2016. Sales and marketing for the QYOU Program Sales will remain a priority for 2017.

QYOU revenue is expected to be driven by a global set of customers with business across all four revenue categories (Linear Channel Sales/Channel Management/Program Sales/Influencer Marketing). We continue to expect growth in all four of these categories moving forward as the depth and breadth of our customer base grows.

Liquidity and Capital Resources

	March 31, 2017	**December 31, 2016**
Current Assets	6,827,697	767,872
Current Liabilities	2,013,566	1,267,814
Working Capital (deficit)	**4,814,131**	**(499,942)**
Total assets	7,513,388	1,427,438
Total Liabilities	2,013,566	1,267,814
Total stockholders equity	5,499,822	159,624

The QYOU's capital requirements consist primarily of working capital necessary to fund operations and support a rapidly growing business. Sources of funds available to meet these requirements include existing cash balances, cash flow from operations and capital raised through equity financing. The QYOU must generate sufficient revenue from operations to attract additional investment from the capital markets; failure to do so would adversely impact on the QYOU's ability to pay current liabilities.
Working capital (deficit) is defined as current assets less current liabilities.

QYOU Media has not incurred any long-term debt or declared any cash dividend since its inception.

As of March 31, 2016 the Corporation had a positive working capital balance of $4,814,131 compared to a negative working capital balance of $499,942 for the 2016 year-end.

Cash Flow Activities

Cash used in operations in the first three months of fiscal 2017 was $2,480,993 and at March 31, 2017, the QYOU had a net cash balance of $5,521,590. This compares to a cash use from operation of $1,587,331 for the same period in 2016. For the period of January 1, 2016 to

December 31, 2016 cash used from operations was $4,604,941 and had a year-end cash balance of $256,549.

For the first three months of 2016, investing activities utilized $28,992 for the development of a proprietary TV application. For the period of January 1, 2016 to December 31, 2016 cash used from investing was $373,928.

For the first three months of 2017, financing activities generated $7,315,500 from a private placement through the issuance of 14,631,000 units at $0.50 per unit. In the fiscal year 2016, there was no financing activity.

Liquidity and Cash Resource Requirements

These interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Corporation be unable to continue as a going concern.

As at March 31, 2017, the Corporation has not yet achieved profitable operations, and has an accumulated deficit of $12.2 million and cash flow used in operating activities was $2.4 million for the three month period ended March 31, 2017. Whether, and when, the Corporation can attain profitability and positive cash flows from operations have material uncertainty, which casts significant doubt upon the Corporation's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Corporation's ability to generate future profitable operations and obtain necessary financing to do so. While the Corporation has been successful in obtaining financing to date, there can be no assurance that it will be able to do so in future on terms favourable for the Corporation. The Corporation will need to raise capital in order to fund its operations. This need may be adversely impacted by: uncertain market conditions, approval by regulatory bodies, and adverse results from operations. The Corporation believes it will be able to acquire sufficient funds to cover planned operations through the next twelve month period from anticipated revenue growth during fiscal 2017.

Commitments

The Company has one significant lease agreement which provides the Corporation with access to transponder and technical services for broadcasting purpose.

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2017	579,539
2018	131,939

Total	**711,478**

The terms of the contract is in euros and has been translated at the March 31, 2017 exchange rate of 1.4187.

Off Balance Sheet Arrangements

The Corporation did not enter into any off balance sheet arrangements during the period ended March 31st, 2017 nor has any off balance sheet arrangements as at March 31, 2017.

SUBSEQUENT EVENT – QYOU MEDIA'S REVERSE TAKE OVER ("RTO")

Subsequent to the year end, on February 22, 2017, the Company entered into a definitive agreement with Galleria Opportunities Ltd. ("Galleria") to combine QYOU Media and Galleria via the merger of a wholly owned subsidiary of Galleria Subco Inc. ("Galleria Subco") and QYOU Media which constituted a reverse takeover of Galleria by the shareholders of QYOU Media. The resulting merged company will continue as QYOU Media Holdings Inc. ("Amalco"). It is intended that the resulting company (the "Resulting Issuer") will continue to operate as QYOU Media Inc., and trade publicly on the TSX Venture Exchange ("TSXV") under the symbol "QYOU" (collectively the "Transaction").

The Agreement sets out the terms of the Transaction, including the following:

i) the property and liabilities of each of Galleria Subco and QYOU Media will become the property and liabilities of Amalco, which will own and hold all property and liabilities that each of the Galleria Subco and QYOU Media holds before the Arrangement becomes effective;
ii) each QYOU Shareholder shall be deemed to have exchanged such shareholder's QYOU Shares for fully paid and non-assessable Resulting Issuer Shares on the basis of 0.92 of a Resulting Issuer Share for each QYOU Share held;
iii) each holder of Class A Common Shares, QYOU warrants issued in 2015 Warrants, QYOU 2015 Compensation Options, QYOU Warrants comprising the QYOU Units, and QYOU Agent Compensation Options, shall be deemed to have exchanged such securities for Resulting Issuer Shares, Replacement Warrants, Replacement Compensation Options, Resulting Issuer Warrants, and Resulting Issuer Compensation Options on a one for one basis, entitling the holder thereof to acquire, Resulting Issuer Shares, on or before the applicable expiry date of the QYOU 2015 Warrants, QYOU 2015 Compensation Options, QYOU Warrants and QYOU Agent Compensation Options and shall be deemed to have exchanged such security holder's aforementioned security, as applicable, for which they were exchanged and at the same exercise price; and
iv) Galleria will become the holder of all of the outstanding securities of Amalco.

In conjunction with the RTO Transaction, immediately prior to the closing of the Transaction, Galleria completed, a short form financing ("Galleria Financing") brokered private placement of Galleria's equity units ("Galleria Unit") for $1,934,500 at a price of $0.50 per Galleria Unit resulting in 3,869,000 Galleria Units. Each Galleria Unit is comprised of one post-Consolidation Galleria share and one-half common share purchase warrant. Each whole warrant ("Galleria Warrant") provides the holder to acquire one post-Consolidation Galleria share at a price of $0.75 per share for a period of 24 months following the closing of the Galleria financing (collectively the "Galleria Financing"). Total number of Galleria common shares outstanding immediately prior to the Transaction is estimated at 6,958,150 of which 3,089,150 is outstanding prior to the Galleria Financing.

It was a condition of the Transaction that QYOU Media was also required to complete a brokered private placement of QYOU Media's equity units ("Subscription Unit") of up to $2,000,000 at a price of $0.50 per QYOU Media Unit resulting in 4,000,000 QYOU Media Units. Each Subscription Unit shall automatically be exchanged without any additional consideration or action on part of the holder into units of QYOU Media ("QYOU Media Unit"). Each QYOU Media Unit comprised of one common share of QYOU Media and one-half common share purchase warrant. Each whole warrant ("QYOU Media Warrant") provides the holder to acquire one QYOU Media share at a price of $0.75 per share for a period of 24 months following the closing of the Transaction (collectively the "QYOU Media Financing").

The fair value estimate for the common share component of the QYOU Media Units (4,000,000 Units) was estimated at $0.45 per unit totalling $1,800,000.

The estimated fair value of the common share component of the QYOU Media Units was determined using the residual method. The estimated fair value of the warrants was based on the Black-Scholes pricing model, the fair value of warrants expected to be issued under the Financing, including warrants issued as a component of the compensation QYOU Media Units was $200,000 or $0.05 per each half warrant using the following assumptions:

Grant date share price	$0.45
Exercise price	$0.75
Risk-free interest rate	0.67%
Weighted average expected life of options (years)	2
Expected annualized volatility	100%
Expected dividend yield	nil

Pursuant to the closing of the RTO:

i) Galleria issued 58,981,809 common shares of the Resulting Issuer to QYOU Media shareholders exchanged on a one (1) for one (1) basis;
ii) Galleria further issued 3,869,000 Galleria Units at a price of $0.50 per unit. Each unit is comprised of one common share and one half of one warrant. in the capital of the Resulting Issuer to holders of warrants, stock options and other rights to acquire securities and compensation options of QYOU Media on a one (1) for one (1) basis with economically equivalent terms.

On closing of the RTO, the shareholders of QYOU Media held 58,981,809 (or 89.4%) of the common shares of the Resulting Issuer, while shareholders of Galleria held 6,958,150 (or 10.6%) of the common shares of the Resulting Issuer. Since Galleria did not meet the definition of a business under IFRS 3 – *Business Combinations* ("IFRS 3"), the acquisition was accounted for as the purchase of Galleria's assets by the Company. The consideration paid was determined as equity settled share-based payment under IFRS 2 – *Share-based payments* ("IFRS 2"), at the fair value of the equity of QYOU Media retained by the shareholders of Galleria based on the fair value of the QYOU Media common shares on the date of closing of the RTO which was determined to be $0.45 as noted above.

The Company's preliminary estimate of the listing expense that the Company expects to record subsequent to the year end is $1,572,916. The amount, subject to finalization, will be expensed in the Company's consolidated statement of net loss and comprehensive loss. The details of the preliminary estimate of the listing expense are as follows:

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Fair value of consideration paid:	
6,958,150 common shares of QYOU Media at $0.45 per share	1,390,118
Fair value of net assets of Galleria acquired by QYOU Media	324,309
	1,065,809
Other transaction costs	
Professional fees (1)	337,040
Filing and listing fees (1)	75,000
RTO listing expense	1,477,849

Amounts represents management's preliminary estimate and may be subject to change.

Related Party Transactions

Key management personnel and directors include the Corporation's CEO and CFO and members of the Board of Directors. The compensation paid or payable to key management and directors comprised the following:

- The Corporation paid nil consulting fees to a director for services rendered in the three month period ended March 31, 2017 (compared to $285,000 in 2015).
- Black Forest Production Services ('BFPS') and the Corporation are considered to be related party by way of common share ownership and whereby an officer of the Corporation is also a director of BFPS.
- In 2015, the Corporation acquired the 'QYOU' brand and certain other assets and liabilities for a net payment of $25,000 and assumption of liabilities totaling $56,454 from BFPS.
- In addition, BFPS provides outsourced production services, on a cost plus basis, for the Corporation's videos under the terms of a production services contract. Total production costs incurred by the Corporation that was provided by BFPS for the three month ended March 31, 2017 was $276,301 (December 31, 2016 – $2,338,866).
- As at March 31, 2017, total amounts due to BFPS was $78,298 (2016 – $62,562) and $114,117 as at December 31, 2015. The Corporation's payment terms to BFPS is due upon receipt and is non-interest bearing.

Significant Accounting Policies and Critical Account Estimates

We describe our significant accounting policies and critical accounting estimates in Note 2 to the audited consolidated financial statements. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31st, 2015.

Future Accounting Policy Changes

The following accounting pronouncements issued by the International Accounting Standards Board ("IASB") were not effective as of September 30th, 2016. Management is currently evaluating the potential impact the adoption of these accounting pronouncements will have on the Corporation's consolidated financial statements:

IFRS 9 Financial Instruments: Classification and Measurement

International Financial Reporting Standard 9, Financial Instruments ("IFRS 9"), as issued in 2014, introduces new requirements for the classification and measurement of financial instruments, a new expected-loss impairment model that will require more timely recognition of expected credit losses and a substantially reformed model for hedge accounting, with enhanced disclosures about risk management activity. IFRS 9 also removes the volatility in profit or loss that was caused by changes in an entity's own credit risk for liabilities elected to be measured at fair value. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Corporation has not yet begun the process of evaluating the impact of this standard on its interim condensed consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, which covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The Corporation is in the process of reviewing the standard to determine the impact on the interim condensed consolidated financial statements.

IFRS 16, Leases

On January 13, 2016, the IASB published a new standard, IFRS 16, Leases. The new standard will eliminate the distinction between operating and finance leases and will bring most leases on the balance sheet for lessees. This standard is effective for annual reporting periods beginning on or after January 1, 2019 and is to be applied retrospectively. The Corporation has not yet determined the impact on its interim condensed consolidated financial statements.

IAS 7, Statement of Cash Flows ("IAS 7")

In January 2016, the IASB issued an amendment to IAS 7 in order to clarify and improve information provided to users of financial statements about an entity's financing activities. This amendment is effective for annual periods beginning on or after January 1, 2017, and is to be applied prospectively. Earlier application is permitted. The Corporation has not yet assessed the impact this standard will have on the interim condensed consolidated financial statements.

Financial Instruments and Risk Management

The Corporation's financial instruments consist of cash and cash equivalents, accounts receivable, other receivable, accounts payable and accrued expenses and their carrying value approximates fair value due to their immediate or short-term maturity.

Risks and Uncertainties

The results of operations and financial condition of the Corporation are subject to a number of risks and uncertainties, and are affected by a number of factors outside of the control of Management. For a detailed discussion regarding the relevant risks and uncertainties, see the Corporation's annual MD&A and Annual Information Form for the year ended December 31st, 2015. There have been no changes during the period ended September 30th, 2016.

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar. The Corporation is exposed to the risk that the value of its financial instruments will fluctuate due to changes in exchange rates.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Corporation believes the following movements are reasonably possible over a twelve month period:

The Corporation holds balances in foreign currencies that could give rise to exposure to foreign exchange risk. Sensitivity to a plus or minus 10% change in the Canadian dollar foreign exchange rate against the USD or Euro would affect the reported loss and comprehensive loss by approximately $24,827.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Corporation does not use credit derivatives or similar instruments to mitigate this risk and, as such, the maximum exposure is the full carrying value or face value of the financial instruments. The Corporation minimizes credit risk on cash by depositing with only reputable financial institutions. The Corporation's primary credit risk is on its bank accounts whose balance at September 30, 2016 is held with major financial institutions as follows:

	March 31, 2017	**December 31, 2016**
	$	**$**
In Canada		
- At financial institute	703,467	10,912
- In trust at legal counsel	4,124,102	180,135
In United States	406,321	38,555

In Ireland	42,928	26,947

The other credit risk is attributable to the $217,051 (December 31, 2016 - $144,501) of Harmonized sales tax and Value Added taxes receivable from the Federal Government of Canada and the Government of Ireland. Management believes that the credit risk with respect to these financial instruments is remote.

Liquidity risk

Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they become due. As at March 31, 2017 the Corporation had cash and cash equivalents of $5,521,590 (December 31, 2016 - $256,549) to settle current liabilities of $2,013,566 (December 31 - $1,267,814).

Disclosure of Outstanding Share Data

The following table summarizes each of the equity securities outstanding as of the date herof:

Equity Security	Number Outstanding
Common Shares	65,939,959
Warrants	21,397,794
Stock Options	8,735,061