iSIGN Media Solutions Inc.

Management's Discussion & Analysis
For the Year Ended April 30, 2018

This Management Discussion and Analysis ("MD&A") provides relevant information on the operations and financial condition of iSIGN Media Solutions Inc. (the "Company" or "iSIGN") for the year ended April 30, 2018. This MD&A should be read in conjunction with the audited consolidated financial statements for the years ended April 30, 2018 and 2017. This discussion contains forward-looking information that is qualified by reference to and should be read in conjunction with the Caution Regarding Forward Looking Statements below.

This MD&A provides information that the management of iSIGN believes is important to assess and understand the results of operations and financial condition of the Company. Our objective is to present readers with a view of iSIGN from management's perspective by interpreting the material trends and activities that affect the operating results, liquidity and financial position of iSIGN. All monetary amounts unless otherwise specified are expressed in Canadian dollars.

Additional information relating to iSIGN is available on SEDAR, at www.sedar.com. The common shares of the Company are listed for trading on the TSX Venture Exchange under the trading symbol ISD-V. In addition, iSIGN is also listed on the OTC under the trading symbol ISDSF. For more information on the Company, please visit our website at www.isignmedia.com.

This MD&A is current as of August 28, 2018.

iSIGN's unaudited consolidated condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Caution Regarding Forward-Looking Statements

Readers are cautioned that actual results may differ materially from the results projected in any "forward-looking" statements included in the foregoing report, which involve a number of risks or uncertainties. This MD&A contains "forward-looking statements" and "forward-looking information" within the meaning of the applicable Canadian securities legislation. Forward-looking statements are not historical facts and include statements regarding the Company's planned development activities, anticipated future profitability, losses, revenues, expected future expenditures, the Company's intention to raise new financing, sufficiency of working capital for continued operations and other statements regarding anticipated future events and Company's anticipated future performance.

Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "continue", "anticipates" or "does not anticipate", or "believes" or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All forward-looking statements are based on our beliefs and assumptions based on information available at the time the assumption was made. While iSIGN considers its assumptions to be reasonable and appropriate based on the current information available, there is a risk that they may not be accurate. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievement of iSIGN to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to the integration of acquisitions, as well as those factors discussed in the section entitled "Risk Factors" in this MD&A. Before making any investment decisions and for a detailed discussion of the risks, uncertainties and environment associated with our business, fully review the section entitled "Risk Factors" in this MD&A.

Caution Regarding Forward-Looking Statements – continued

Although management has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. iSIGN does not undertake to update any forward-looking statements that are incorporated by reference herein, except as required by law.

Background

The Company completed its Smart Antenna platform development in late February of 2012. The first delivery of units was received from its supplier in May 2012. During 2014, prototype units of our Smart Player were manufactured and passed the full testing and feature review process as conducted by our Quick Service Restaurant ("QSR") reseller for whom the units were designed.

On May 16, 2014, the United States Patent and Trademark Office granted patent status (Patent No US 8,781,887 B2) for the Company's "method and system for out-of-home proximity marketing and for delivering awareness information". The Patent was issued on July 15, 2014.

In November 2016, iSIGN received its final approval as an authorized reseller to the United States Government. Receiving this status allows the Company to sell its patented technology and hardware to US government agencies and departments, including military bases.

In March 2017, iSIGN's application to join the Canadian Association of Defence and Security Association was accepted. Membership in this organization of over 800 companies from across Canada that provide innovative world-class products and services gives us access to services and business-building opportunities that will help to showcase iSIGN and its technology, as well as connect us to the Canadian Defence and Security community.

Patent pending status for the Company's 'Assembly for Transmitting Message to Smartphone Users in a Territorially Delimited, Targeted Zone' (Push Sensor technology), a non-app and non-download method for integrating messaging and coupon solutions with Google Chrome and Apple Passbook, with additional integration for Google Wallet and Apple Pay expected when messaging/coupons drives purchasing, allowing for the seamless interaction with all mobile devices, especially Smartphones, including iPhones, was received for Canada in early June 2017. On October 16, 2017, patent pending status for the United States was received. The Company will be pursuing applications in other countries.

Completion of the Company's Security Alert Messaging ("SAM") solution, enhanced by the addition of Android and Apple apps, was completed in August 2017. SAM is a unique and exclusive proximity-based security and safety alert system for all levels of public, government and educational channels. This sophisticated software solution can be integrated onto any iSIGN Smart Antenna network or stand-alone location. The addition of SAM to any iSIGN Smart Antenna network offers a very high value-added dual function – commercial messaging by the Smart Antenna and security messaging by SAM – commerce and safety in one exclusive package. The system was initially conceived to offer immediate instruction to the public in the event of any type of natural or man-made disaster to mitigate confusion and avoid injury and potential loss of life. This is achieved by utilizing virtually all methods of messaging to mobile devices to ensure timely individual and mass receipt of security/safety notices.

iSIGN fully owns the IP for this software and is marketing this system to its resellers and their clients, as well as to other companies and market channels. These developments will help to keep iSIGN in its lead position as a mobile proximity security alert system.

Background – continued

iSIGN has successfully transitioned from a strict Software-as-a-Service ("SaaS") company to a SaaS company with a technology and hardware that allows for security and safety messaging as well as commercial messaging in proximity, with data gathering capabilities that can be monetized. The Company continues to develop new software, while improving our products with key input from our major clients and partners.

iSIGN's goal is to become the leading interactive proximity security and mobile marketing solution worldwide.

Visit our website at www.isignmedia.com to view various videos on the Company and its software.

Outlook

The Company utilizes resellers as their sales force and has resellers located in the Americas, Australia, Europe and the middle east. These resellers are promoting the Company's technology for both commercial proximity marketing messaging and for security and safety messaging to mobile devices.

Commercial messaging requires the use of iSIGN's Smart Antennas, while security and safety messaging does not necessarily require the Smart Antennas, but they would be required to deliver security messaging to those individuals who haven't registered for safety messaging but are in proximity to our hardware units.

iSIGN and its resellers are confident that the Company's proven ability to deliver messaging to mobile devices will result in contracts with end-clients for both security and commercial purposes.

These end-clients are varied and include cities in both Canada and United States who are desirous of using varied technology to become 'Smart' Cities; airports and other transportation centres; shopping malls; schools; government offices and mines to name a few channels.

The Company expects that the concerns over public safety and security will drive revenue in an assortment of channels. Public safety and security are on-going issues, especially in the United States, where numerous instances of shootings at schools, transportation hubs, concerts, etc. seem to be never ending.

iSIGN's SAM is hyper-location based, meaning the location using our technology has control over the sending of security alerts to individuals who have registered for the receipt of messaging. SAM provides for messages to be sent in many ways, based on how individuals register themselves for alerts – text messages; via downloaded apps; emails; etc. It also allows for integration into existing security systems as well as for advising first responders of issues.

SAM can also be used to deliver 'normal' messaging to its registrants, a feature that is of great interest to end-users who are looking to communicate with its employees to alert them of certain work-related matters, such as where to report to work and work-related documents to bring that day, thus increasing work-place efficiencies.

iSIGN's technology has been presented to a number of different organizations, including government agencies, schools and school boards, shopping mall management companies, commercial and residential property management companies, mining companies and casinos to name a few, in North, Central and South America.

Planned promotion of SAM and commercial messaging will drive additional sale opportunities to the Company.

Generally, the opportunities discussed under the 'Outlook' section are on a best efforts basis and there is no guarantee that any of these potential deals will be successful and result in significant future revenues.

Selected Annual Information

	For the Fiscal Year ended April 30,		
	2018	**2017**	**2016**
Total revenue	$ 18,600	$ 204,628	$ 119,711
Net loss	1,235,575	6,668,032	2,185,697
Basic and diluted loss per share	0.02	0.07	0.02
Total assets	119,610	389,146	5,527,660
Total non-current financial liabilities	360,000	289,133	-

Financial Highlights

Discussion - Financial Results

<u>*Revenues*</u>

- Sales – revenues are derived from the sale of Smart Antennas.
- Services – revenues are derived from monthly recurring data management/broadcasting/security fees.

<u>*Gross Margin*</u>

- Gross margin is impacted by revenue volumes and product mix, as well as by standard on-going monthly costs that are independent of quarterly sales volumes and product mix, such as data storage and the purchase of ancillary hardware that is directly expensed, as opposed to being carried in inventories.

<u>*Interest*</u>

- Interest increased due to the Company's increased debt levels, primarily with entities deemed to be insiders of the Company.

<u>*Impairment – intangibles and inventory*</u>

- In accordance with International Financial Reporting Standards ("IFRS") and the Company's accounting policies, a valuation allowance was taken in fiscal 2017to reduce the Company's intangible assets.
- Similarly, a valuation allowance was taken for the Company's inventory. This adjustment has made in consideration that the Company's level of sales did not support the valuation of inventory at cost.
- Under the policies of IFRS, these allowances can, at the company's option, be reversed and returned to the Consolidated Statements of Financial Position, should the Company's cash flows support such a movement.

<u>*Amortization and depreciation*</u>

- Amortization decreased due to the Company's having taken a valuation allowance on its technology, data network development costs and reacquired rights at the end of fiscal 2017.

Discussion on other financial line items is presented in the 'Results' section of the Management, Discussion and Analysis.

Summary Results

In the year ended April 30, 2018, revenues decreased by $186,028 from the comparable period in the previous fiscal year. The net loss decreased by $5,432,457 to $1,235,575 at April 30, 2018 from $6,668,032 at April 30, 2017. The loss per share at April 30, 2018 was $0.02, compared to $0.07 at April 30, 2017.

Financial Highlights - continued

Summary Results - continued

The following table details the financial highlights for the fiscal year ended April 30, 2018 and 2017:

	2018	2017	Increase/(Decrease)
Revenues			
Sales	$ 15,517	$ 194,685	$ (179,168)
Services	3,083	9,943	(6,860)
	18,600	204,628	(186,028)
Gross Margin	(15,625)	52,508	(68,133)
Expenses			
Selling and marketing	9,589	54,597	(45,008)
General and administration	722,002	1,326,484	(604,482)
Depreciation – property and equipment	4,261	6,024	(1,763)
Amortization – intangibles	3,698	871,195	(867,497)
Research and development	99,500	32,500	67,000
Bad debt allowance	161,022	-	161,022
Gain on disposal of property	-	(258)	258
Interest	169,165	94,334	74,831
Accretion interest	56,713	40,713	16,000
Impairment of inventory	-	1,162,622	(1,162,622)
Impairment of intangibles	-	3,170,829	(3,170,829)
Total expenses	1,225,950	6,759,040	(5,533,090)
Net loss before income tax	$ (1,241,575)	$ (6,706,532)	$ 5,464,957
Deferred tax recovery	(6,000)	(38,500)	32,500
Net loss and comprehensive loss for the year	$ (1,235,575)	$ (6,668,032)	$ (5,432,457)

Business, Products and Strategy

The Company's product is our technology that enables the delivery of SAM and commercial messaging to mobile devices.

The Company's Security Alert Messaging ("SAM") solution, is a sophisticated software solution for security and safety messaging system, that is hyper-location based, meaning the location using our technology has control over the sending of security alerts to individuals who have registered for the receipt of messaging. SAM can be integrated onto any iSIGN Smart Antenna network or used as a stand-alone option. The integration of SAM into an iSIGN Smart Antenna network offers a very high value-added dual function – commercial messaging by the Smart Antenna and security messaging by SAM – commerce and safety in one exclusive package. SAM can utilize virtually all methods

Business, Products and Strategy – continued

of messaging (SMS, email, push and Wi-Fi messaging, digital signage, mobile apps and phone calls) to mobile devices to ensure timely individual and mass delivery of security/safety notices. Ownership of the IP is entirely with iSIGN, who is marketing this system to the Company's resellers as well as to other companies and market channels.

Our SAM back-end system allows clients full control their own messaging – the actual message content and the sending of the message; details concerning each message, such as the importance of the message and how loud the phone alarm is; delivery method details, etc. The back-end system gathers and stores all the information related to the messaging registrants, such as names, cell phone numbers, email addresses, etc. as well as the tracking of messages that have been sent through the system, methods used and the receipt of messages by individual, etc.

iSIGN's commercial messaging, that requires the Company's Smart Antenna, is an interactive proximity-marketing technology utilizing Bluetooth® and Wi-Fi to deliver relevant and timely messaging to any screen or mobile device, within a pre-set range. iSIGN serves rich media, permission-based messages free of charge to consumers that can drive immediate brand engagement, increased customer loyalty and deliver higher Return on Investment ("ROI") on marketing dollars spent while at all time respecting the individual's privacy.

Our back-end system for commercial messaging gathers and records the interaction of mobile devices with our technology. This data is entirely anonymous with regards to shoppers' privacy, as it does not collect or store any information of a personal nature, such as mobile phone number, name, email address, etc., while collecting and storing potentially valuable information that is both preference based and predictive on a variety of interactions with shoppers' mobile devices. Information that is collected, includes, but is not limited to the make and model of the mobile device; time of entering and exiting the broadcast area of each of our devices; total dwell time; day and date of interactions with our hardware; and messages accepted and rejected. This reporting of shopper metrics delivers business intelligence and insights into emerging consumer behaviors that can help brands make better business decisions and measure their marketing efforts in real-time.

iSIGN's hardware, used in the delivery of messaging is the Smart Antenna. Additionally, iSIGN has designed and built proto-types of a device it calls the Smart Player, which utilizes iSIGN's patented technology.

Both these items have been designed and constructed to exacting commercial-grade requirements. Both are fully waterproof, all weather units capable of withstanding extreme weather temperatures, ranging from -40° to +185° Fahrenheit. Both can deliver messages to mobile devices utilizing Wi-Fi and Bluetooth® technology simultaneously, in full video with audio or, in simple static form. iSIGN can report on the interaction of consumers with the messaging in real-time. Both products communicate with Smartphones with Bluetooth® capabilities as well as with iPhones, iPads and other Wi-Fi capable devices and support wireless connectivity.

Smart Antennas and Smart Players appear as a free and open access point, a technique very familiar to mobile device users. Users simply connect to the Smart Antenna and view content, which can include coupons, product info, videos, and games, within the web browser that is available on their phone. Content can be interactive and supports user polling and loyalty membership management.

The Smart Player combines media and customer engagement tools into a single solution. iSIGN's Smart Player combines digital signage and mobile messaging with real-time measurement of shopper responses, delivered in a unique, cost-effective package that distributes marketing messages to all screens and devices – whether mobile or stationary - in proximity to a location. In addition, the Smart Player adds wireless connectivity that traditional digital players do not offer. Each Smart Player can manage two digital signs as well as content, combining network management software and wireless connectivity for easy and fast installations. The Smart Player also incorporates the messaging ability of the Smart Antenna to message all mobile devices that come within its set proximity and retrieve customer responses for real-time or future analysis.

Business, Products and Strategy – continued

iSIGN's revenue streams include: (i) data management/broadcasting of commercial messaging, including iSIGN's standard Analytic Reporting, charged monthly for the duration of each contract; (ii) data management/broadcasting of security alert messaging, including iSIGN's standard Analytic Reporting, charged monthly for the duration of each contract; (iii) the sale, by either outright purchase or lease, of our hardware; (iv) licensing agreements, for the integration of our hardware and technology into other companies' hardware; (v) data and analytic sales to our data reseller, Unacast and other third parties, as well as charges for non-standard Analytic Reporting to our clients; (vi) content creation, custom integration of customer loyalty data bases and additional API or software development; and, (vii) potentially, advertising revenue derived from hardware installations.

iSIGN's business model is currently to use selected regional resellers as its sales force to present and sell its technology and hardware. Currently, iSIGN has active resellers operating in: (i) the US; (ii) Canada; (iii) Australia (also servicing New Zealand); (iv) Europe; (v) Abu Dhabi (serving the Middle East and North Africa); and (vi) Chile.

While iSIGN believes that international markets have the potential for sizable revenues and will continue to respond to international requests for product information and possible reseller status, the Company's primary focus and efforts are directed at the Americas. iSIGN's expectations are that this is where our most immediate and largest growth potential will come from.

iSIGN now has in place: patented technology that enables both security and commercial messaging to be delivered to mobile devices; a software solution that addresses a major need in today's world – proximity-based security and safety – that is desired by many channels (airports, transportation hubs, schools and campuses; shopping malls and cities); the all-weather Smart Antenna, capable and proven of being able to deliver messages to mobile devices via Bluetooth® and Wi-Fi; and Smart Antennas currently in place and being installed.

The Company's belief is that our ability to generate security and safety messaging as well as commercial messaging will make it easier to generate interest from end-users, resulting in sales and revenues.

Opportunities in proximity marketing have emerged as the logical intersection of various trends:

The first trend is the emergence and acceptance of the Smartphone and other mobile devices. Smartphones and mobile devices are now extremely commonplace in today's society. People always have one or more of their devices with them and use them constantly as they can provide immediate access to the world via the internet. Through their mobile devices, they conduct research, connect and share with others, and in many cases, make purchasing decisions.

Secondly, there is the growing realization that there is a need to be able to provide security and safety messaging to mobile devices in proximity to any specific location to enhance public safety. Public safety and security are on-going issues, especially in the United States, due to the numerous instances of shootings at public locations - schools, transportation hubs, concerts, etc.

The third trend is the expanding commercialization of consumer data reflecting shopping behaviour linked to digital/mobile incentives.

The final trend is digital signage, which provides a dynamic opportunity for retailers to promote their brands, their products, and their services via the full power of a multimedia solution.

Business, Products and Strategy – continued

Marketing and Pricing

Revenues for the Company's SAM messaging and data management services will be generated by the charging of a registration fee for each person who registers to receive security and safety messages.

Revenues from the Company's commercial broadcasting and data management services will be generated by the charging of a daily fee per Smart Antenna.

The Company provides qualified clients two options for the acquisition of our hardware. The first option is the outright purchase; the second is the leasing of the hardware (and possibly agreed upon monthly fees), subject to credit approval by the leasing company.

Once the use of our technology and hardware expands, the volume of information that we gather from the interaction of mobile devices with our technology grows. With this information coming from a variety of locations, we will have the ability to sell our anonymous and personal and other data to our data partner, Unacast.

As estimated by Dr. J. Tanner of Baylor University/Hankamer School of Business, the minimum commercial value of our data insights is $0.20 per insight.

Experts from Baylor University/Hankamer School of Business have stated that iSIGN's data has potential commercial value ranging from $0.20 for simple mobile insights to upwards of $4 for mobile insights integrated with point-of-sale information. The Company has shared samples of data/insights with its significant business partner that packages and sells data to global marketing customers and generally, the commercial value ranges have been confirmed as realistic. iSIGN utilizes cloud storage for its data, so that as the Company's amassed data grows in the future, it can facilitate access of significantly more data to its data-partners and customers.

The true value of our data will come once the Company can link its mobile data with data from clients' POS systems. Dr. Tanner estimated that this resulting data could increase the commercial value of context-based insights to a range of $1.40 to $2.00 per linked-insight. If integrated into customers' loyalty programs, where customers' permission-based identifications are included, these insights could have a commercial value range of $3 to $4 per integrated insight.

Technology Development Strategy - Research and New Product Development

iSIGN's core patented technology, 'Method and System for Out-of-Home Proximity Marketing and for Delivering Awareness Information of General Interest' received its initial patent in the United States in July 2014. Applications have been filed for Canada and various other countries. The Company will be expanding its patent applications to other countries.

Additionally, the Company has received patent pending status from Canada and the United States for its 'Assembly for Transmitting Message to Smartphone Users in a Territorially Delimited, Targeted Zone' ("Push Sensor") solution for integrating messaging/coupon solutions with Google Chrome and Apple Passbook on a non-app, non-download basis. Additional integration with Google Wallet and Apple Pay is expected when messaging/coupons drives purchasing. This development allows for seamless interaction with all mobile devices, especially smartphones, including iPhones. Filings in other jurisdictions will follow in due course.

The Company has commenced development of the Point-of-Sale Data Acquisition ("PDAQ") software program that allows purchase data from clients' POS systems to be related to the mobile data gathered by our hardware in real time will help to bring about this potential increase in data valuation.

Business, Products and Strategy – continued

Outsourcing and Strategic Business Relationships

The Company continues to formally partner with other companies to expand its business. In addition to key players such as IBM, who have stated that our technology is their preferred source of proximity marketing content, iSIGN's business partners include Baylor University, Verizon Wireless, TELUS and Unacast. The Company will continue to pursue business relations to expand and grow its business in the North American and other markets.

Performance Drivers

External factors that exist outside management's ability to control and are significantly key to the success in our business

The technology solutions that we sell are unique in the marketplace. Neither the companies that we approach, nor their staff have had prior experience with our technology and back-end or to similar systems. As they are unique, each potential customer we deal with wants a trial period or to run a pilot project. These trials/pilots allow our potential clients and their staff time in which they can discover and work with the system; experiment with the creating and sending of messaging; see the messages being delivered and the time it takes to deliver them; view the back-end system and reports; experiment with the location of hardware units to ensure best coverage and delivery of messaging; compare revenue add per advertised brand; determine ROI, etc.

Additionally, the clients that we are approaching are large multinational companies; government bodies and agencies; and other such entities that have organizational structures that result in the need for conversations and discussions with several different layers/departments prior to reaching the decision makers over considerable periods of time.

The ability to use iSIGN's technology and Smart Antennas to send security and safety messages to mobile devices in proximity and capably of being used with virtually all methods of messaging to warn people of emergency situations is a development that addresses a growing need in today's world.

There is a growing concern over personal safety in public locations, from airports and other transportation facilities to shopping malls, schools, government offices and generally wherever people gather due to the almost daily incidents of shooting, bombings, etc. that are taking place in the world. These events are driving interest in our SAM solution from a variety of sources including airports, other transportation systems, cities, and government security agencies.

In this sphere of influence, a sudden, serial group of diverse incidents would trigger a demand from lawmakers to acquire services and technology to respond, and when it ultimately happens, iSIGN must be in position to capitalize upon the urgency of the need.

Internal factors which define the Company's performance indicators leading to revenue growth capability

Of major importance to potential clients for commercial messaging, is the ability of iSIGN's technology to gather data from the interaction of individuals' mobile devices with iSIGN's hardware and its ability to report on the various pieces of data that the Company's technology stores, relevant to each pushed advertisement or message.

iSIGN stores all its gathered raw data in cloud storage, which is virtually infinite. Data gathering will increase exponentially as our network of Smart Antenna installations expands. Examples of data includes: (i) messaging to and from mobile devices including number of unique mobile devices; (ii) dwell-time; (iii) frequency of return visits;

Performance Drivers - continued

Internal factors which define the Company's performance indicators leading to revenue growth capability – continued

(iv) messages accepted, rejected and ignored; (v) call-to-action/coupons downloaded and acted upon; and eventually point-of-sale data.

All collected data gathered from commercial messaging is completely anonymous and cannot be used to identify an individual. iSIGN is privacy respectful and our technology does not violate any privacy issues.

Resources and Capabilities

The Company must pay competitive salaries and benefits to attract and maintain key management and employees. In addition, key employees will participate in bonuses when the Company reaches profitability. No bonuses have been paid by the Company to date. The Company has a stock option plan that is approved by its shareholders, which is used to provide incentives to employees and management.

Summarized below are details of the Company's key management who are responsible for the development and implementation of the Company's strategy in marketing and technology.

Management

Chief Executive Officer
Joe Kozar assumed his position on March 1, 2017. Joe's background is in the tech field. He has been and is involved with many high-tech companies covering a broad range of solutions. His educational background is in the engineering field, with his main focus being electronic design. Joe sits on several boards and is involved with venture capital investing.

President
Alex Romanov assumed his current position on June 15, 2018. Alex is an accomplished business executive with a history of identifying opportunities and turning them into high growth and profitable enterprises. Alex has diverse experience in a variety of industries such as consumer electronics, communication, digital imaging, video gaming, and e-commerce. Alex was the CEO and President of Alpine Electronics in Canada for 17 years, building the company to over $50 million in revenue with over 50% of the Canadian market share by 1995. After Alpine, Alex became founder and CEO and major shareholder of Royal Oak Marketing and was responsible for over 100 employees and $120 million in revenue. Royal Oak Marketing was sold for $29 million to an American concern. Alex then co-founded Spherex Inc., which developed and marketed an Xbox gaming audio system. Spherex was then sold to another U.S. concern in 2005. Alex has been a senior iSIGN executive since November 2007 and has successfully structured the Company, positioning it for rapid growth worldwide.

Chief Financial Officer
Bruce Reilly assumed his current role with iSIGN in December 2013. Bruce is a graduate of the University of Toronto with a Bachelor of Commerce degree and is a Chartered Accountant (1985) and an Arthur Anderson & Co. alumnus (1986). For the past twenty plus years Bruce has successfully developed and managed a chartered accounting firm operating in the Greater Toronto Area. During that time, he has acquired a broad range of experience with a primary focus on public companies.

Resources and Capabilities - continued

Management - continued

Technology

Chief Technology Officer
Mark Janke is a graduate of the Alberta Institute of Technology and the University of Alberta with a Bachelor of Science in Electrical Engineering. He has a wealth of experience in developing solutions within a variety of verticals including biomedical, automation and mobile advertising. Prior to 2000, Mark managed a team at Universal Dynamics that was responsible for development of sophisticated model-based control software for limekilns, breweries and other cost sensitive systems. After 2000, Mark managed the Field Applications group at Intrinsyc Software. Mark's team at Intrinsyc was responsible for system architecture, development, testing and customer support for mobile applications including biomedical devices, gaming systems and a variety of other platforms. Mark left Intrinsyc in 2005 and continued supporting mobile device development projects as a private consultant and as the founder of Deviceworx Engineering Inc. Mark joined iSIGN in 2009 and leads a team in improving iSIGN's ground breaking Interactive Marketing Solution ("IMS").

Head Developer
Chris Losari is a graduate of the University of British Columbia with a Bachelor of Applied Science in Electrical Engineering. After graduating, Chris worked for Research In Motion in Waterloo, Ontario. From there, he joined Polycom Canada, based in Vancouver, British Columbia. Chris has been with iSIGN since its inception and developed the first version of iSIGN's IMS software system. Chris has over 7 years of experience in development of marketing solutions that leverage the Bluetooth Object Push Profile and Object Exchange protocol.

Liquidity and Capital Resources

Private Placements

The Company requires additional capital to continue its operations, and to continue to pursue specific opportunities, until it can sustain itself by revenues.

Cash Resources

The Company's cash resources increased by $2,444 in the fiscal year ended April 30, 2018 compared with a decrease of $6,466 in the comparable period of the prior year.

	For the years ended April 30, 2018	2017
Net cash used in operating activities	$ (780,556)	$ (697,039)
Net cash provided by financing activities	807,000	690,573
Cash increase/(decrease)	$ 2,444	$ (6,466)

Net cash used in operating activities - the variances reflect the various non-cash items recorded during the year ended April 30 of both fiscal years, as well as reduced costs in fiscal 2018 vs. fiscal 2017.

Resources and Capabilities - continued

Cash Resources - continued

Net cash provided by financing activities - reflects the timing of the proceeds of loans, advances, convertible notes and the exercise of stock options and warrants.

Cash and Working Capital

	April 30, 2018	April 30, 2017	Increase (decrease) in working capital
Cash and cash equivalents	$ 7,736	$ 5,292	$ 2,444
Current assets	$ 51,359	$ 312,936	$ (261,577)
Current liabilities	3,966,972	3,332,508	(634,464)
Working capital deficit	$ (3,915,613)	$ (3,019,572)	$ (896,041)

Cash and Working Capital - continued

The Company's cash balances increased to $7,736 from the April 30, 2017 year-end of $5,292 mainly due to the receipt of funds from convertible debentures and notes payable. The decrease in current assets to $51,359 from the April 30, 2017 year-end of $312,936 is primarily the decrease in Accounts receivable, Other receivables and Sale taxes recoverable, partially offset by an increase in Cash and Prepaid expenses. The increase in current liabilities to $3,966,972 from the April 30, 2017 year-end of $3,261,641 primarily reflects the receipt of Convertible notes and Notes payable, partially offset by the reduction in Accounts payable and accrued liabilities, Bank indebtedness and Advances.

The working capital deficit at April 30, 2018 increased by $896,041 to $3,915,613 from the April 30, 2017, year-end deficit of $3,019,572.

The Company continues to expend cash over and above its revenues. This will continue until the Company achieves breakeven. The Company continues to depend heavily on debt and equity financing to fund its operating losses.

The Company will be consuming its cash resources at approximately $180,000 - $200,000 per fiscal quarter for its operating activities. The Company's cash reserves and funding received subsequent to the year-end will enable the Company to operate into the Company's second quarter of fiscal 2019.

The table below details the Company's current liabilities and long-term contractual commitments on a cash basis, as of April 30, 2018:

	Total	Under 1 Year	1 – 3 Years	After 3 Years
				$
Trade accounts payable and accrued liabilities	$ 2,300,443	$ 2,300,443	$ -	-
Advances	98,000	98,000	-	-
Note payable	660,700	660,700	-	-
Convertible notes	1,213,000	853,000	360,000	-
Operating leases	77,090	31,461	45,629	-
Total	$ 4,349,233	$ 3,943,604	$ 405,629	$ -

Results

Expenses for the Fiscal Years Ended April 30, 2018 and 2017

The following tables and discussions provide more in-depth detail on the Company's expenses as required by National Instrument 51-102 for venture exchange companies with minimal revenues.

	For the Fiscal Years ended April 30, 2018			2017		Increase (decrease)
Hardware	$ 14,611	42.7%	$ 145,366	95.6%	$	(130,755)
Contractual services	17,706	51.7%	5,390	3.5%		12,316
Shipping and packaging	1,908	5.6%	1,364	0.9%		544
Total - Cost of Sales	$ 34,225	100.0%	$ 152,120	100.0%	$	(117,695)

Hardware costs in fiscal 2017 included the cost of Smart Antennas being sold and the purchase of ancillary equipment, which is directly expensed, as opposed to being carried in inventory. With the valuation allowance taken in fiscal 2017, hardware costs in fiscal 2018 is the cost on non-inventoried ancillary equipment, Contractual services consist of third party costs for the storage of data gathered by our Smart Antennas as well as costs to program and provision Smart Antennas prior to their shipment.

	For the Fiscal Years ended April 30, 2018			2017		Increase (decrease)
Travel, tradeshows and promotional	$ 5,536	57.7%	$ 1,190	2.2%	$	4,346
Salaries	-	-%	34,230	62.7%		(34,230)
Benefits	3,728	38.9%	5,018	9.2%		(1,290)
Contractual services	-	-%	9,167	16.8%		(9,167)
Other	325	3.4%	4,992	9.1%		(4,667)
Total - Selling and marketing	$ 9,589	100.0%	$ 54,597	100.0%	$	(45,008)

Travel, tradeshows and promotional costs is a function of timing. Benefit costs represents the final costs related to the staff of the Florida office, which was closed in fiscal 2017.

Results - continued

Expenses for the Fiscal Years Ended April 30, 2018 and 2017 - continued

	For the Fiscal Years ended April 30, 2018		2017		Increase (decrease)
Salaries	$ 69,935	9.7%	$ 68,538	5.1%	$ 1,397
Benefits	6,018	0.8%	3,933	0.3%	2,085
Contractual services	230,557	31.9%	377,093	28.2%	(146,536)
Share-based compensation	11,475	1.6%	174,667	12.2%	(163,192)
Travel and auto	20,805	2.9%	25,684	1.9%	(4,879)
Office costs	175,018	24.2%	250,109	20.3%	(75,091)
Occupancy and operating costs	69,350	9.6%	86,743	6.5%	(17,393)
Professional	126,800	17.6%	173,405	13.0%	(46,605)
Consulting	27,134	3.8%	25,000	1.9%	2,134
Directors' fees	78,000	10.8%	77,692	5.8%	308
Other (income)/expense	(93,090)	(12.9)%	63,620	4.8%	(156,710)
Total - General and administration	$ 722,002	100.0%	$1,326,484	100.0%	$ (604,482)

Contractual services reflect reductions in hours worked by our tech staff as well as a full year of the salary reduction taken by the Company's President. Share-based compensation is a function of the timing of the granting of stock options and their related vesting periods. Office costs reflects the closing of the Company's Florida office in the fall of 2016 and the timing of the incurrence of various expenses, partially offset by increased charges of late payment fees. Professional costs decreased predominantly due to reduced legal, audit, transfer agent and TSX filing fee costs, partially offset by increased patent/trademark costs. Other (income) expense is a function of fluctuating exchange rates during the comparable periods.

Results – continued

Rolling Eight Quarters Analysis

The following table details the last eight consecutive quarters, revenues, gross profit (loss) gross margin percentage, and major expense categories.

Quarters ending (unaudited)	Q4 F2018 30-Apr 2018 $	31-Jan 2018 $	31-Oct 2017 $	31-July 2017 $	Q4 F2017 30-Apr 2017 $	31-Jan 2017 $	31-Oct 2016 $	31-July 2016 $
Revenue - sales	2,694	8,769	768	3,286	169,572	-	11,372	13,741
Revenue - service	-	-	2,964	119	97	-	-	9,846
Total revenue	2,694	8,769	3,732	3,405	169,669	-	11,372	23,587
Cost of sales	13,995	5,427	8,900	5,903	136,209	-	7,391	8,520
Gross profit (loss)	(11,301)	3,342	(5,168)	(2,498)	33,460	-	3,981	15,067
Gross margin	(419.5)%	38.1%	(138.5)%	((73.4)%	19.7%	-	35.0%	63.9%
Selling and marketing	(185)	72	8,572	1,130	53,842	255	251	249
General and administration	256,132	101,745	158,863	205,262	480,318	184,536	230,377	431,253
Bad debt (recovery)	161,022	-	-	-	-	-	-	-
Depreciation	412	563	2,314	972	1,109	1,672	1,622	1,621
Amortization	(348,167)	924	292,450	58,491	203,737	222,485	222,488	222,485
Research and development	-	-	21,555	77,945	32,500	-	-	-
Loss/(Gain) on disposal of property	-	-	-	-	(258)	-	-	-
Valuation allowance:								
- intangibles	-				3,170,829	-	-	-
- inventory	-				1,162,622	-	-	-
Accretion interest	56,713				40,713	-	-	-
Interest	21,721	58,107	52,402	36,935	47,426	22,894	13,597	10,417
Total operating expense	147,648	161,411	536,156	380,735	5,192,838	431,842	468,335	666,025
Net Loss	(158,949)	(158,069)	(541,324)	(383,233)	(5,159,378)	(431,842)	(464,354)	(650,958)
Deferred tax recovery	6,000	-	-	-	38,500	-	-	-
Net loss and comprehensive loss	(152,949))	(158,069)	(541,324)	(383,233)	(5,120,878)	(431,842)	(464,354)	(650,958)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.05)	(0.01)	(0.01)	(0.01)

Revenue for all periods relates to the sale of Smart Antennas and ancillary hardware and related commercial broadcasting/data management fees.

Results – continued

Rolling Eight Quarters Analysis - continued

Gross Profit (Loss) for the July 2016 through April 2018 quarters reflect the mix of sales and service revenues during each quarter, revenue volumes and fixed costs relating to data storage. The quarters from July 2016 through January 2017 were also impacted by the transfer of costs into Intangible Assets for Data Network Development. The April 30, 2017 quarter reflects the movement of these transfers into Intangible Assets during the previous fiscal 2017 quarters back into expenses.

Selling and marketing fluctuations in all quarters from July 2016 through April 2018 are impacted by the timing of the incurrence of various costs. Additionally, fluctuations in the quarters from July 2016 through January 2017 are impacted by the transfer of costs into Intangible Assets for Data Network Development. The April 2017 quarter reflects the movement of these transfers into Intangible Assets during the previous fiscal 2017 quarters back into expenses and was also impacted by the timing of the incurrence of various costs. The October 2017 quarter reflects the recording of one-time only costs.

The General and administrative costs in all quarters from July 2016 through January 2017 are impacted by the transfer of costs into Intangible Assets for Data Network Development. The April 2017 quarter reflects the movement of these transfers into Intangible Assets back into expenses. The July 2016 quarter was impacted by share-based compensation and by increased exchange losses. The October 2016 quarter was impacted by costs for the Company's AGM as well as by suppliers' late payment charges. The January 2017 quarter was impacted by suppliers' late payment charges and the recording of exchange loss. The July 2017 through April 2018 quarters were impacted by the fluctuations in the exchange rate of the Canadian dollar vs the US dollar.

In the April 2016 quarter, the Company collected upon amounts previously set-up as a bad debt allowance related to the Company's digital signage resellers. In the April 2018 quarter, the Company set up allowance related to its year-end receivables.

Research and development costs during the April, July and October 2017 quarters reflect costs incurred in the development of the Company's Security Alert Messaging software and Push Sensor development.

Interest recorded in all quarters is impacted by the various interest bearing fundings that the Company entered into during these periods.

In accordance with the Company's accounting policies, in April 2017 a valuation allowance to reduce the Company's non-patent intangible assets was recorded. A valuation allowance was also taken for the Company's inventory. These allowances can, at the option of the Company, be adjusted in future periods should the Company's cash flows support such a movement.

Results – continued

Common shares - outstanding share data

	As at August 28, 2018	As at April 30, 2018	As at April 30, 2017
Basic common shares	118,329,372	111,468,952	108,390,169
Convertible securities:			
Issue warrants	20,743,870	20,743,870	23,443,870
Issued stock options	3,824,000	4,325,000	5,666,667
Convertible notes – potential share issuance	16,477,010	12,756,523	8,685,095
Convertible notes – potential warrant issuance	16,477,010	12,756,523	8,685,095
Fully diluted common shares	175,852,262	162,050,868	154,870,896

Significant ownership concentration at April 30, 2018:

	Number of Shares	Percentage of Issued Shares
Korona Group	13,152,750	11.8%
Alex Romanov	11,747,674	10.5%
Cancore Enterprise Inc.	6,775,152	6.1%
Ron Leman	4,307,692	3.9%
Tesar Inc.	4,700,000	4.2%
	40,683,268	36.5%

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Management's Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant management estimates include allowance for doubtful accounts, useful lives of capital and intangible assets, impairment of assets and share-based payments. Actual results could differ materially from those estimates. There have been no changes to critical accounting estimates in the current reporting period.

Transactions with Related Parties

All related party transactions are recorded at the exchange amount, which is the amount of consideration established and agreed to by both parties. In the fiscal years 2018 and 2017, the Company entered into the following related party transactions.

Results – continued

Transactions with Related Parties - continued

- Recorded the fees of the President to a company owned by him. During the year ended April 30, 2018, the Company expensed fees totaling $120,000 (April 30, 2017 - $165,000) and fixed allowance of $17,760 (April 30, 2017 – $17,760). The amount outstanding in trade accounts payable at April 30, 2018 was $197,603 (April 30, 2017 - $232,790). In the event of termination of this agreement for any reason other than just cause, a penalty of $180,000 would be owed. In addition, in fiscal 2018 the Company accrued a salary directly to the President for his services in connection with its US operations based out of the Company's office in Florida USA of $Nil (April 30, 2017 - $70,719). At April 30, 2018, $253,006 (April 30, 2017 - $278,935) is unpaid and included in accounts payable and accrued liabilities.

- Recorded the fees of the Chief Financial Officer to a company controlled by him. During the year ended April 30, 2018, the Company expensed fees totaling $36,000 (April 30, 2017 - $36,000). The amount outstanding in trade accounts payable at April 30, 2018 was $63,777 (April 30, 2017 - $88,140).

- On March 13, 2015, the Company entered into a secured $100,000 note with Korona Group Ltd., a company controlled by the Company's Chief Executive Officer, at an interest rate of 8% compounded monthly, due and payable July 30, 2015. On June 15, 2015, the Company repaid $40,000 to the note holder. The Company and the note holder agreed to extend the $60,000 Note to December 31, 2018. Total interest expense on the Note for the year ended April 30, 2018 amounted to $5,992 (April 30, 2017 - $5,530) and the accrued interest payable included in accounts payable at April 30, 2018 was $18,159 (April 30, 2017 - $12,167).

  On May 7, 2015, the Company issued a secured convertible promissory note in the amount of $360,000, due May 7, 2016 and bearing an interest rate of 10% to 1454602 Ontario Inc., a company controlled by two shareholders both of whom are considered to be insiders of the Company due to ownership in excess of 10% of the common shares of the Company.

- Effective May 7, 2016, this note was replaced with a new convertible promissory note for the same amount and interest rate, due May 7, 2019. Total interest expense for these Notes for the year ended April 30, 2018 amounted to $36,000 (April 30, 2017 - $36,000) and the accrued interest payable included in accounts payable at April 30, 2018 was $71,408 (April 30, 2017 – $35,408).

- During the year ended April 30, 2018, the Company recorded directors' fees of $78,000 (April 30, 2017 – $77,692). Included in accounts payable and accrued liabilities are unpaid directors' fees at April 30, 2018 of $168,313 (April 30, 2017 – $130,592).

- Contracted with QDAC Inc., a company under the significant influence of the Company's Chief Executive Officer and insider of the Company, to undertake the manufacture of the Company's hardware. The amount outstanding in trade accounts payable at April 30, 2018 was $743,388 (April 30, 2017 - $672,871). Included in trade accounts payable at April 30, 2018 are late payment fees of $328,359 (April 30, 2017 - $223,791), of which late payments charges of $110,562 (April 30, 2017 - $99,667) are recorded in Office costs under General and Administration.

- Incurred share-based compensation relating to stock options granted to Directors and Officers, based upon the vesting of stock options granted. During the year ended April 30, 2018, the Company expensed non-cash costs of $3,125 (April 30, 2017 - $104,375).

Results – continued

Transactions with Related Parties - continued

- On August 2, 2016, the Company completed a shares for debt transaction of $40,000 with its Vice President, Sales and Operations, by issuing 307,692 common shares at a price of $0.13 per share in payment of fees and expenses.

- On August 5, 2016, the Company completed a shares for debt transaction for payment of the $36,000 in interest owing on a convertible note (Note 17.iv) by issuing 276,922 common shares at a price of $0.13 per share to 1454602 Ontario Inc., a company controlled by two shareholders both of whom are considered to be insiders of the Company due to diluted ownership in excess of 10% of the common shares of the Company.

- On September 22, 2016, the Company entered into a $79,000 secured convertible promissory note, with 1454602 Ontario Inc., a company controlled by two shareholders. both of whom are considered to be insiders of the Company due to diluted ownership in excess of 10% of the common shares of the Company. The note, due September 27, 2017, bears an interest rate of 10%, is convertible at $0.095 per share, with a warrant priced at $0.15 exercisable for a period of two years from date of conversion. Total interest expense on the Note for the year ended April 30, 2018 amounted to $7,900 (April 30, 2017 - $5,355) and the accrued interest payable included in accounts payable at April 30, 2018 was $13,255 (April 30, 2017 - $5,355).

- On October 13, 2016, the Company entered into 2 secured convertible promissory notes, totaling $139,000 due October 13, 2017 bearing an interest rate of 10%, is convertible at $0.10 per share, with a warrant priced at $0.15 exercisable for a period of two years from date of conversion. One of the note holders, 1454602 Ontario Inc., is a company controlled by two shareholders both of whom are considered to be insiders of the Company due to diluted ownership in excess of 10% of the common shares of the Company. The other note holder, Unicare Inc., is a company partially controlled by a shareholder, who is considered to be an insider of the Company due to undiluted ownership in excess of 10% of the common shares of the Company. Total interest expense on these Notes for the year ended April 30, 2018 amounted to $13,900 (April 30, 2017 - $7,522) and the accrued interest payable included in accounts payable at April 30, 2018 was $21,422 (April 30, 2017 - $7,522).

- On October 24, 2016, the Company entered into a $75,000 secured convertible promissory with Cancore Enterprise, a company controlled by a shareholder, who is considered to be an insider of the Company due to diluted ownership in excess of 10% of the common shares of the Company. The note due October 31, 2017, bears an interest rate of 10% per annum, is convertible at $0.12 per share, with a warrant priced at $0.18 exercisable for a period of two years from date of conversion. Total interest expense on the Note for the year ended April 30, 2018 amounted to $7,500 (April 30, 2017 - $58) and the accrued interest payable included in accounts payable at April 30, 2018 was $7,558 (April 30, 2017 - $58).

- On January 25, 2017, the Company completed a shares for debt transaction of $80,000 by issuing 800,000 common shares at a price of $0.10 to Directors of the Company in payment of Directors' fees totaling $80,000 .

- During February and March 2017, the Company received advances of $198,700 from Korona Group Ltd., a company controlled by the Company's Chief Executive Officer. These advances were replaced by a convertible debenture on September 7, 2017.

Results – continued

Transactions with Related Parties - continued

- On September 5, 2017, the Company completed a shares for debt transaction by issuing 1,456,966 common shares at a price of $0.08 to Directors, Officers and employees of the Company in payment of fees and salaries totaling $116,557.

- On September 5, 2017, the Company converted advances received during the period of February to August 2017 into a promissory note with Korona Group Ltd., a company controlled by the Company's Chief Executive Officer, in the amount of $600,700. The note matures on August 31, 2018. A share bonus of 1,126,312 common shares was issued by the Company in lieu of interest payments. The bonus was calculated as being 15% of the note and was converted into shares at a conversion rate of $0.08.

- On February 28, 2018, the Company converted advances received during the period of August 2017 to January 2018 into a convertible promissory note with Korona Group Ltd., a company controlled by the Company's Chief Executive Officer, in the amount of $285,000. The note matures on February 26, 2019, is convertible at $0.07 a share, with a warrant priced at $0.105 for two years from the date of conversion and the accrued interest payable included in accounts payable at April 30, 2018 was $15,667 (April 30, 2017 - $Nil).

- During March 2018, the Company received advances of $60,000 from Korona Group Ltd., a company controlled by the Company's Chief Executive Officer. Total interest expensed and carried in accounts payable at April 30, 2018 was $789 (April 30, 2017 - $Nil).

New Accounting Policies Adopted During the Fiscal Year

During fiscal 2018, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These included IFRS 12, IAS 7 and IAS 12. These new standards and changes did not have any material impact on the Company's consolidated financial statements.

Financial Instrument Risk Factors

Fair value

The Company uses the following methods and assumptions to estimate the fair value of each class of financial instruments:

> The carrying amounts of cash, restricted cash, accounts receivable, other receivables, bank indebtedness, accounts payable and accrued liabilities, note payable, convertible note payable (current portion) and advances approximate fair value due to the short-term maturity of these financial instruments. The non-current portion of convertible notes payable approximates its fair value due to the short time that has passed since its issuance.
>
> The Company had no financial instruments to classify within the fair value hierarchy as at April 30, 2018 and 2017.

Financial Instrument Risk Factors -continued

Interest rate risk

The Company has cash and restricted cash balances with rates that fluctuate with the prevailing market rate. The Company's current policy is to invest excess cash in cash accounts or short-term interest-bearing securities issued by Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company's notes payable and convertible notes payable bear interest at fixed interest rates.

Credit risk

Credit risk is the risk of financial loss associated with the counterparty's inability to fulfill its payment obligations in accordance with the terms and conditions of its contract with the Company. Credit risk arises from cash and deposits with banks as well as credit exposure to outstanding receivables.

The Company's credit risk arises primarily from the Company's trade receivable. The carrying amount of financial assets represents the maximum credit exposure to the Company. The Company's exposure to trade credit risk as at April 30, 2018 was $Nil (April 30, 2017 - $177,778) net of allowances.

The Company may also have credit risk relating to cash and restricted cash, of $7,736 and $10,000 (April 30, 2017 - $5,292 and $10,000), respectively, which it manages by dealing with highly rated financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will experience difficulty in meeting its obligations that are associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet financial obligations when they fall due, from its funding sources, such as equity and debt issuances. The Company continues to actively pursue new equity financing to ensure that it will have funds available to meet liabilities when they fall due.

Risks and Uncertainties

Any investment in the Company's securities is speculative due to the nature of its business and its general stage of development. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

In addition to the usual risks associated with investment in a business, investors should carefully consider the following risk factors:

- No History of Profits

  iSIGN has not earned profits to date and there is no assurance that iSIGN will earn profits in the future, or that profitability, if achieved, will be sustained. The success of iSIGN ultimately depends upon its abilities to generate significant revenues to finance operations as opposed to external funding. There is no assurance that future revenues will be sufficient to generate the funds required to continue operations without external funding. If the Company does not have sufficient capital to fund its operations, it may be required to forego certain business opportunities.

Risks and Uncertainties - continued

- Future Capital Requirements

  iSIGN will require additional financing to grow and expand its operations. Additional financing could include the incurrence of debt and the issuance of additional equity securities, which could result in substantial dilution to existing shareholders. It is possible that required future financing will not be available, or if available, will not be available on favourable terms. If adequate funds are not available, or are not available on acceptable terms, iSIGN may not be able to take advantage of opportunities or otherwise respond to competitive pressures and remain in business. There can be no assurances that iSIGN will be able to raise additional capital if its capital resources are exhausted.

- Management of Growth

  Any expansion of iSIGN's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Company will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner to manage any growth it experiences. There can be no assurances that iSIGN will be able to manage growth successfully. Any inability of iSIGN to manage growth successfully could have a material adverse effect on the Company's business, financial condition and operational results.

- Our sales efforts require significant time and effort and could hinder our ability to expand our customer base and increase revenue

  Attracting new customers requires substantial time and expense and the Company cannot assure that it will be successful in establishing new relationships or maintaining or advancing our current relationships. For example, it may be difficult to identify, engage and market to customers who do not currently perform mobile marketing or advertising or are unfamiliar with our current services or platform. Further, many of our potential customers typically require input from one or more internal levels of approval. As a result, during our sales effort, iSIGN must identify multiple people involved in the purchasing decision and devote a sufficient amount of time to presenting our products and services to those individuals. The newness and complexity of our services, including our software as a service model, often requires us to spend substantial time and effort assisting potential customers in evaluating our products and services, including providing demonstrations and benchmarking against other available technologies, as well as trial periods. This process can be costly and time consuming. The Company expects that our sales process will become less burdensome as our products and services become more widely known and used. However, if this change does not occur, the Company will not be able to expand its sales effort as quickly as anticipated and our sales will be adversely affected.

- Proximity Advertising Medium

  Although there is a large and growing amount of interest in this field from both the advertising community and digital sign companies, it is still new and relatively untested. There can be no assurances that advertisers will accept proximity messaging as an acceptable advertising medium or that they will increase their advertising spending to include this medium or divert some of their existing advertising budget to this medium.

Risks and Uncertainties - continued

- Technology

  iSIGN currently holds patent pending applications in Canada, China, Singapore and Malaysia, and its cored technology is patented in the United States. Despite precautions that iSIGN may take to protect its rights, third parties may copy or obtain and use our intellectual property and other proprietary information without our authorization or they may develop similar or superior technologies. iSIGN enters into confidentiality agreements with its employees, clients, prospective clients and others. However, these agreements may not provide meaningful protection of our technologies in the event of unauthorized use or disclosure. Policing unauthorized use of intellectual property is difficult and the cost of enforcing our rights by way of litigation may be prohibitive. iSIGN's success will partially depend upon its ability to obtain, enforce and maintain patent protection for its intellectual property worldwide.

- Competition

  iSIGN's competition for advertising dollars, are the more traditional forms of advertising - television, the print mediums (magazines and newspapers), radio and out-of-home advertising – that advertisers immediately consider when they think of communicating with potential consumers. Additionally, the Company has competition in the proximity-marketing field itself, from the iBeacon. As stated in the Background section, there are many differences between our products and the iBeacon, with the chief difference being that our product operates without the need for an app to be downloaded and activated to receive messaging. As there is no app download, the individual does not have to give us any personal information about themselves. The Company encourages you to visit our website at www.isignmedia.com, for comparison of our Smart Antenna to the iBeacon, found under About Us/Reports and Info graphics, as well as our white paper on privacy, found under About Us/White Papers.

- Creating New Product Features

  iSIGN's ability to grow its revenue and client base will be impacted to a degree, by its ability to create and/or to react to the desire for additional features and functions for its technology.

- Dependence on Key/Qualified Personnel

  The Company's success is dependent on the abilities, experience and efforts of its senior staff. The experience of these individuals, as well as new employees that iSIGN attracts to our organization, will be an important factor contributing to iSIGN's continued success and growth. While iSIGN has entered into employment agreements with its senior management and staff, should these persons be unable or unwilling to continue their employment with the Company, the loss of one or more of these individuals could have an adverse effect upon iSIGN's operations and business prospects. In particular, the loss of our Vice President, Operations and Sales would severely affect business prospects. There can be no assurance that iSIGN will not experience employee turnover in the future, or that iSIGN's staffing costs will not increase. There is no assurance that the Company will be able to continue to hire and retain a sufficient number of qualified personnel. The Company does not presently carry "key man" insurance policies on any of its officers, directors or employees.

- Vulnerability to Economic Conditions

  iSIGN is dependent upon the economic environments in which it operates. Demand for iSIGN's product could be adversely affected by economic conditions in the countries in which iSIGN's clients operate. iSIGN's business may be sensitive to external factors such as events that may adversely affect the economy and consumer spending. There can be no assurance that such factors may not have an adverse effect upon iSIGN's business.

Subsequent Events

On July 11, 2018, the TSX Venture Exchange approved the Company's $297,639 convertible promissory note with Korona Group Ltd., a company controlled by the Company's current Chief Executive Officer and significant insider, of which $60,000 was received during the fiscal year ended April 30, 2018 and is recorded in Advances. The convertible note matures on June 27, 2019 and bears interest at 10% per annum, payable at maturity. The note converts into shares priced at $0.08, with warrants priced at $0.12, exercisable for two years from the date of conversion.

On July 12, 2018 the TSX Venture Exchange approved the Company's shares for debt transaction to issue 6,860,420 shares at a deemed share price of $0.10 to pay $686,042 owed to Directors, Officers and employees of the Company for fees and salary. Of this amount, $90,200 is owed to Directors.

Subsequent to April 30, 2018, the Company received additional advances of $150,000 from Korona Group Ltd. These advances are unsecured, non-interest bearing with no fixed terms of repayment.

Approval

The Audit Committee and the Directors of iSIGN Media Solutions Inc. have approved the disclosures in this MD&A and the accompanying audited consolidated financial statements for the year ended April 30, 2018.