

ZOOMAWAY TRAVEL INC.

Quarterly Report to Shareholders for the quarter ending September 30, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

(Dated November 26, 2018)

Description of Business

ZoomAway Travel Inc. (“ZMA” or the “Company”) leads the way in providing technology and marketing platforms for: hotels, golf courses, ski resorts and other lodging and activity providers that increase revenue, reduce cost, and improve their ability to accommodate today’s active traveler. ZMA has roots in travel technology beginning in 1999 in the Reno/Lake Tahoe tourism industry. In late 2016 and early 2017, the Company expanded its marketing footprint to Las Vegas, with 9 major hotel-casinos and several golf courses and into Northern California, including the Monterey Peninsula luxury hotel and golf market.

Multivision Communications Corp., which was renamed ZoomAway Travel Inc. on September 30, 2016, has company roots dating back 25+ years, and as a result has a large Capital Stock balance of \$23.8 million along with a large deficit of \$25.0 million, most of which pre-dates 2016.

It is important to note that in Q2 and Q3 of 2017, ZoomAway, Inc. (“ZoomAway”), the company’s Nevada wholly owned subsidiary under the direction of previous management, began taking on high interest loan debt to finance the firm’s increasing expansion overhead costs. The short-term poor sales efforts in 2017 did not materialize as expected to continue the expansion at its current rate. The high interest loans taken on by the Nevada Company management added an additional financial burden to the company. In addition to these loans, the company had secured capital (in the form of credit card payments directly to the company vendors) from an individual to make sure it met its obligations for customer deliverables in August and September. As a result of these decisions, the Company’s financial position was greatly harmed, prompting drastic changes being implemented in Q4 of 2017.

Included in the changes was the parting of ways with the subsidiary company management and the majority of the staff. Overhead was decreased significantly and strategically the company began to change the core business model. Rather than continue with the labor-intensive model, the company adopted a focus on building new software concepts and more profitable systems that required less labor.

Towards the end Q3 2017, the CEO and Board decided to terminate all of the ZoomAway salaried employees and retained a few key individuals as contract workers, thus, ending the company’s independent status. The company reduced overhead by more than 60% at this time and decided to shift the business focus to its less labor-intensive, higher margin products such as the RMS (Registration Management System) and continued planning of its Patent Pending APP based game.

These plans to reduce overhead and losses have been very effective. Net loss from operations for the three quarters ended September 30, 2018 were reduced 89% to (\$91,024) USD compared to (\$865,822) USD loss for the first 3 quarters of 2017. The company is also reporting income from operations for the third quarter of \$137,007 USD, a 59% increase over income of \$86,357 USD reported for the third quarter 2017.

To handle the high interest loans, a consolidator was retained, whose sole purpose is to renegotiate and term out the repayment of the loans. Additionally, the company received financial assistance from a third party by way of using his personal credit cards to more effectively manage payments to vendors.

The company also added a new Board Member, Mr. Kyle Scott ESQ. in September of 2017. Mr. Scott is also acting as the Company’s legal counsel. In November 2017, Ms. Christa Jones joined the Board of Directors, followed by Mr. Mark Riden joining the Board in April 2018. Mr. Scott left the Board in June 2018 but continues to serve as legal counsel.

In December of 2017, the Company announced and filled a Private Placement with gross proceeds of CAD \$267,000. This non-brokered deal involved the issuance of 5,340,000 units at a price of CAD \$0.05 with each unit receiving one common share and one half of a non-transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase an additional common share of the Company at an exercise price of CAD \$0.10 per common share for a period of 12 months from the closing date. In connection with the Private Placement, an aggregate of \$1,875 of share issuance costs were incurred.

In August 2018, the Company completed a private placement of 5,000,000 Units sold at CAD \$0.05 per Unit, for total gross proceeds of CAD \$250,000. Each Unit consisted of one (1) common shares and one-half (1/2) of a warrant, each full warrant entitling the holder to purchase an additional common share at a price of \$0.065 per share for two years following

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closing (to August 17, 2020). No fees were paid on this placement. Mr. Mark Riden, a Director (and insider) purchased 200,000 of these Units.

In Q3 2018, the Company received a commitment letter from an Ontario based investment management firm to undertake a previously announced proposed financing which would involve issuance by the company of senior secured, collateralized convertible notes for a maximum of USD \$1,500,000 (a proposed initial USD \$750,000 investment with an additional USD \$750,000 that may be invested if the Company achieves certain milestones (conditional). The exempt market dealer involved in this proposed financing has been paid a due diligence fee of CDN \$200,000 and a facility fee of USD \$75,000 at the completion of due diligence. The Company has agreed that a break fee of up to \$225,000 payable to the Investment Firm if, for any reason, the Company decides not to proceed with the funding. An entity affiliated with this firm purchased 3,800,000 Units in the private placement which closed in August 2018.

A significant portion of the proceeds from the proposed issuance of notes are expected to be used for the continued development of the Company's revolutionary new gamified platform "ZoomedOUT" (www.zoomedout.io) designed around its beta launch city, Las Vegas, NV. Las Vegas was chosen due to its high volume of tourism, its intrinsic need for more entertainment, as well as the teams' vast experience in the casino & hospitality industries. In addition, the company will be using the proceeds for growth capital and is researching several acquisition targets that it believes can further its stated goals.

In Q2, the company continued to focus on creating more licensing opportunities and continued to distance itself from the high cost and labor-intensive model of 2017. The company continues to create new opportunities that require less hours of labor and has been working hard to get its main focus for 2018 ready for build out. This focus is now to bring ZoomedOUT to the marketplace. The patent pending project can be seen at www.zoomedout.io. The company and its games consultant, Zero 8 Studio's executed phase one of the plan to get the project built. Included in Phase 1 were the technical aspects of the game, budgets and revenue projections. Based on the information provided to the company with the help of its consultants, the Company believes that the revenue projections for this project make it the top priority for 2018 and may provide the Company with the quickest route to profitability, and to clean up its balance sheet, which is also a top focus for 2018. The project is a unique blend of Travel, Social Media and Digital Based Gaming.

The Company launched a new corporate website in Q1, with an emphasis on a "family" of companies all related to technology in the hospitality industry. Our three main technology products are the "White Label" interfaces that the company is continuing to work on to license to resorts and hospitality based companies, the Registration Management System (RMS) which has subsequently been named "Zoomaway Events" and can be seen at www.zoomawayevents.com. And the third product being the Zoomedout digital based hospitality game.

Management believes the future of the Company lies in the current and publicly announced strategic plans and is focused on reversing the trends of 2017 and improve the Company's balance sheet moving forward. The Company believes that its RMS and Travel Based Game/App are the best course to initiate corrective measures to reverse the downward trend of 2017.

The Company consists of a parent company, ZoomAway Travel Inc. incorporated in British Columbia, which has a number of wholly-owned subsidiaries, one being ZoomAway Inc., incorporated in Nevada, and the other being, Travel Game Block Chain Inc. incorporated in Alberta, Canada. The Nevada subsidiary company is a cash generating operating subsidiary.

The consensus of the authoritative accounting standards is that the presentation of revenue, given our facts and circumstances, is to recognize and report revenues at Net Revenue, or Gross Billings less Cost of Sales. Gross Billings are payments made by our retail customers and Cost of Sales is what our costs are incurred from activities from our hotel owners and suppliers. For our internal decision making, both Gross Billings and Cost of Sales are of primary importance to the Operating Metrics. For our MD&A, we present and discuss Gross Billings and Cost of Sales. This is similar to Expedia and other competitors with similar circumstances.

The Company trades on the TSX Venture exchange under the symbol ZMA.

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OVERALL PERFORMANCE

Reseller Agreement with Zero8

On April 25, 2017, the company entered into a Reseller Agreement with Zero8 Studios, Inc. (“Zero8”) to develop and market gaming products. The terms of the five-year agreement provide for exclusive, worldwide reseller rights and revenue sharing based on an initial 70%/30% split of adjusted net revenues. ZoomAway will undertake the sales and marketing activities associated with the Zero8 social gaming platform, SpinRUSH™ and their customer acquisition and retention system, Promotional Entertainment System (PES). The Company was unable to fund the remainder of the installment payments and considers the agreement to be in default. Therefore, the Company has written-off the \$100,000 deposit as of June 30, 2017. The Company has retained its relationship with Zero8 Studios, Inc. They are currently a consultant on the ZoomedOut project.

Short-Term Financing

Acquisition of ZoomAway Inc. – September 30, 2016

The Company acquired ZoomAway Inc. on September 30, 2016, and changed its name from Multivision Communications Corp to ZoomAway Travel Inc. The Transaction resulted in the issuance of 6,201,001 common shares of ZMA to the shareholders of ZoomAway Inc, with 2.0 million of those shares held back pursuant to the plan of exchange, with anticipated release of 1.0 million intervals in 2017 and 2018. In addition, ZMA will pay approximately \$150,000, at present value, in post-closing payments to former shareholders of ZoomAway Inc over a period of 36 months, for the assumption of certain ZoomAway Inc liabilities.

On September 30, 2016, the Company closed a non-brokered private placement of 23,540,660 units (“Units”) at a subscription price of \$0.10 per Unit, for aggregate gross proceeds of \$1,777,527 CDN.

On December 21, 2017, the Company closed a non-brokered private placement of 5,340,000 units at a price of CAD \$0.05 per unit for aggregate gross proceeds of CAD \$208,838, of which USD \$46,930 is included in subscription recorded. Each Unit is comprised of one common share in the capital of the Company and one half non-transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase an additional common share of the Company at an exercise price of CAD \$.10 per common share for a period of 12 months from the closing date (January 2nd, 2018). In connection with the private placement, an aggregate of \$1875.00 of share issuance costs were incurred in 2017.

In August of 2018, the company announced and filled a Private Placement with proceeds of approximately \$250,000 CDN. The Company sold the units at a price of \$0.05 per unit, with each unit consisting of one (1) common voting share of the Company together with one-half (1/2) of a warrant, each whole warrant entitling the holder to acquire an additional common voting share at a price of \$0.065 per share for two years after closing (the “Units”). No Directors or Officers of the Company, or their associates, purchased Units, other than Mr. Mark Riden, the Company’s newest member of the Board of Directors, who purchased 200,000 Units, which is 4% of the Offering, and results in his owning 0.4% of the issued and outstanding shares of the Company post-offering (0.5% fully diluted).

The Company has adopted a new incentive share plan dated for reference September 30, 2016 which provides that 16,000,000 common shares (the “Incentive Shares”) which may be issued to directors, officers, employees and consultants of the Company, subject to the Company meeting certain gross billing and net profit targets. As of September 30, 2017, a total of 14,600,000 (2016-16,000,000) were available for issue.

The number of Incentive Shares issuable will be calculated annually on the basis of the Company’s financial year, commencing with the financial year ending December 31, 2017 and ending the year ending December 31, 2020. The calculations will be made by the board of directors of the Company using IFRS based on the audited annual consolidated financial statements of the Company. Any Incentive Shares that have already been issued upon meeting the applicable annual consolidated gross billing or operating income targets are not available to be earned in subsequent years for those same targets.

As at September 30, 2018, a total of 11,100,000 Incentive Shares were held by related parties

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Travel Technology

ZoomAway Inc. was founded in 2014, and in the same year acquired the assets of SilverVoyages.com LLC, a white-label company launched in 1999 that had created a proprietary hotel-based software that enables it to add activities including golf reservations, ski lift tickets, spa appointments, concert tickets, tours, charters and various modes of transportation to hotel room purchases and bundles the price into one payment.

ZoomAway's white-label division is an outsource technology and service provided to a wide variety of businesses in the hospitality sector. Clients hire the company to provide "bundling" reservation services in the form of embedded technology in their websites. These services are supplemented with full call center support. Clients who hire the white-label company are responsible for the marketing of the product, and the imbedded white-label service performs complex booking actions such as packaging activities with rooms, or other real-time reservation services. However, in the 4th quarter of 2017, management made the decision to concentrate its efforts on developing a new software that is not so reliant upon the existing software platform. Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit. During the period ended September 30, 2018, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to affect, our internal control over financial reporting during the period ended September 30, 2018.

The term "internal control over financial reporting" is defined as a process designed by, or under the supervision of, the registrant's principal executive and principal financial officers, or persons performing similar functions, and effected by the registrant's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with international financial reporting standards and includes those policies and procedures that:

- (a) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the registrant;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with international financial reporting standards, and that receipts and expenditures of the registrant are being made only in accordance with authorizations of management and directors of the registrant; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the registrant's assets that could have a material effect on the financial statements.

Forward-Looking information

This MD&A contains certain forward-looking information that involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and future events and actual results could differ materially from those anticipated in the forward-looking information.

Management's Responsibility for Financial statements

The Company's management is responsible for presentation and preparation of the consolidated financial statements and the Management's Discussion and Analysis ("MD&A"). The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators

The consolidated financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

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Results of Operations for the three months ended September 30, 2018 and September 30, 2017:

In Q3 2017, the Company had gross billings of \$366,499, with related cost of sales of \$226,349 resulting in Net Revenues of \$140,150. For the same period in 2018, the Company's gross billings were \$194,038, with related costs of sales being \$61,234 resulting in Net Revenues of \$132,804. The Company started earnestly eliminating overhead costs. The impact in gross billings shows that Q3 2017 to Q3 2018 sales were down by \$172,461. However, net revenues for 2018 were only down by \$7,346.

For the quarter ending September 30, 2017, the Company incurred expenses at the cash generating operating unit of \$226,349 with \$126,803 of this being payroll and related expenses and \$30,650 of non-cash amortization of the ZA Software Platform. For the third quarter of 2018, the Company incurred expenses of \$61,234 with \$25,857 of this being payroll and related expenses. The result was a decrease in operations expenses of \$165,115, and a decrease in payroll for the quarter of \$100,946. Net cash flows used in operating activities decreased from September 30, 2017 of \$ (443,375) to September 30, 2018 to (\$38,543).

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any significant off-balance sheet arrangements.

PROPOSED TRANSACTIONS

In Q3 2018, the company received a commitment letter from an Ontario based investment management firm to undertake the previously announced financing by issuing to the company, senior secured, collateralized convertible notes for a maximum of USD \$1,500,000. The Company has paid a facility fee of USD \$75,000 to the Investment Firm and previously issued 3,800,000 common shares of Zoomaway Travel to the VC firm at a deemed price of \$0.05 per share for due diligence and related costs. Zoomaway has agreed that a break fee of \$225,000 payable to the Investment Firm if, for any reason, the company decides not to proceed with the funding

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CAPITAL EXPENDITURES AND FINANCIAL POSITION

As at September 30, 2018 our cash position was \$832 while at September 30, 2017, it was \$0.

Summary of SecuritiesAuthorized Capital

Unlimited common shares without par value:

Issued and outstanding	No. of shares	Amount
Balance, September 30, 2016	43,450,672	\$23,850,635
Balance, December 31, 2017	48,790,672	\$24,049,473
Balance, September 30, 2018	54,790,672	\$24,699,473

Description of options, warrants and convertible securities outstandingOptions

At September 30, 2018, the following stock options were outstanding:

	Number	Exercise price CAD\$	Expiry Date
H			
Stock options	800,000	0.15	March 11, 2020
	175,000	0.22	March 9, 2021
	1,325,000	0.20	November 15, 2021
	1,100,000	0.10	March 23, 2023
	216,500	0.20	November 15, 2019

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3,616,500

Warrants

As of September 30, 2018, warrants were outstanding as follows:

	Number	Exercise price CAD\$	Expiry Date
Warrants	22,956,945	0.13	September 30, 2021
	1,878,666	0.13	September 30, 2021
	2,670,000	0.10	December 21, 2018
	<u>2,500,000</u>	0.065	August 17, 2020
	<u>30,005,611</u>		

Convertible Securities

Nil

Total Number of Shares in Escrow

As of September 30, 2018, 2,501,435 shares were held in escrow.

Liquidity and Capital Resources:

As at September 30, 2018, the Company had a cash balance of \$832 (September 30, 2017 - \$0.00) to settle current liabilities of \$2,101,129 (September 30, 2017 - \$2,158,936). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. As at September 30, 2018, the Company had payroll and other taxes due of \$155,823, of which the Company has entered into discussions for payment arrangements with applicable taxing authorities. To maintain liquidity, the Company is currently investigating alternative financing opportunities.

Selected Annual Financial Information:

	For the year ended December 31, 2017	For the year ended December 31, 2016	For the year ended December 31, 2015
Total revenues	\$ 347,656	\$ 9,669	\$ Nil
Net income or (loss):			
(i) total for the year	(1,560,481)	(3,482,647)	(424,994)
(ii) per share	(0.03)	(0.16)	(0.03)
(iii) per share fully diluted	(0.03)	(0.16)	(0.03)
Total assets	169,040	654,043	496,703
Total long-term financial liabilities	2,158,936	1,349,821	31,746
Cash dividends declared per-share	Nil	Nil	Nil

The losses in fiscal 2017 were due to the company's decision to maintain a full staff while sales never materialized. By the third quarter it was obvious that the company could no longer sustain the overhead and drastic cuts were made to save the company. As a result, the company has narrowed its focus to products that will produce profitable sales.

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Selected Quarterly Financial Information:

	3rd Quarter Ended 30-Sep-18	2nd Quarter Ended 30-Jun-18	1st Quarter Ended 31-Mar-18	4th Quarter Ended 31-Dec-17
(a) Revenue	\$ 132,804	\$ 90,932	\$ 40,287	\$ 178,598
(b) Loss for period	137,007	(93,672)	(60,635)	(310,544)
(c) Loss per share	(0.00)	(0.00)	(0.01)	(0.01)
	3rd Quarter Ended 30-Sep-17	2nd Quarter Ended 30-Jun-17	1st Quarter Ended 31-Mar-17	4th Quarter Ended 31-Dec-16
(a) Revenue	\$ 126,803	\$ (14,515)	\$ 56,770	\$ 9,669
(b) Loss for period	(450,136)	(450,136)	(349,665)	(3,228,244)
(c) Loss per share	(0.01)	(0.01)	(0.01)	(0.15)

RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere included in expenses for the period ended September 30, 2018 include consulting fees of \$nil (2017 - \$42,120), director fees of \$nil (2017 - \$3,021), management fees of \$32,192 (2017 - \$14,100) charged by officers and directors of the Company and stock-based compensation of \$7,761 (2017 - \$2,709) comprised of stock options issued to officers of the Company. In March 2018, stock options allowing the holders to acquire up to 1.1 million shares at \$0.10 per share were issued to officers and directors, employees of or consultants to the Company.

There was \$nil due from officers and directors as at September 30, 2018 (September 30, 2017 - \$2,798) included in accounts receivable. There was USD \$34,860.77 due to officers as at September 30, 2018 (December 31, 2017 - \$46,661) included in accounts payable and accrued liabilities.

The remuneration of directors and officers, defined as members of key management personnel, during the period ended September 30, 2018 and 2017 are as follows:

	2018	2017
Stock-based compensation	\$ 7,761	\$ 2,709
Management, consulting and director fees	<u>69,760</u>	<u>59,241</u>
	\$ 77,522	\$ 61,950

Due to Related Parties

Pursuant to the Transaction (Note 4), the Company will pay post-closing payments over a period of 36 months to GR Solutions LLC, a company owned by a director, at a present value of \$179,303 of which \$95,869 is classified as long-term. In addition to this, the Company owes GR Solutions an additional USD \$48,900 included in short-term payables.

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There was \$nil due from officers and directors as at September 30, 2018 (December 31, 2017 - \$nil) included in accounts receivable. There was USD \$34,860.77 due to officers as at September 30, 2018 (December 31, 2017 - \$46,661) included in accounts payable and accrued liabilities.

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates are described in Note 2 in the consolidated financial statements.

CHANGES IN ACCOUNTING POLICIES

New accounting standards not yet adopted

The following new standards, amendments to standards and interpretations have been issued effective during the nine months ended September 30, 2018.

IFRS 9 Financial Instruments (revised)

IFRS 9, Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual years beginning on or after January 1, 2018. The Company is currently evaluating the impact of adopting these amendments on its financial statements.

IFRS 16, Leases

On January 13, 2016, the IASB issued IFRS 16, Leases, which will replace IAS 17, Leases. The new standard will be mandatorily effective for fiscal years beginning on or after January 1, 2019 and earlier application is permitted. Under the new standard, all leases will be recorded on the statements of financial position of lessees, except those that meet the limited exception criteria.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

FINANCIAL INSTRUMENTS

Fair values:

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's financial instruments, represented by receivables, accounts payable and accrued liabilities, payroll and other taxes payable, customer deposits, loans payable, capital leases, and due to related parties approximates their carrying values due to their immediate or short-term to maturity. Long term due to related parties is carried at a net present value, discounted at 10% over a period of three years. Cash is carried at fair value using a level 1 fair value measurement.

Credit risk:

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash is held at large Canadian and United States financial institutions. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of GST receivable due from the government of Canada, accrued interest due from the Company's bank, and amounts due from the Company's customers and suppliers.

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Currency risk:

The results of the Company's operations are exposed to currency fluctuations. The fluctuation of the US dollar in relation to the Canadian dollar will have an impact upon the financial results of the Company. Management has not entered into any derivative contracts to manage foreign exchange risk at this time. The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and liabilities that are denominated in a foreign currency.

Interest rate risk:

The Company is exposed to interest rate risk to the extent that the cash maintained at financial institutions is subject to a floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Price risk:

The Company is not exposed to significant price risk.

Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to try and have sufficient liquidity to meet liabilities when due. As at September 30, 2018, the Company had a cash balance of \$832 (September 30, 2017 - \$0.00) to settle current liabilities of \$2,101,129 (September 30, 2017 - \$2,054,798). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating alternative financing opportunities.

RISK AND UNCERTAINTIES

This Management Discussion and Analysis contains forward-looking statements regarding the Company, its business, prospects and results of operations that involve risks and uncertainties. The following 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. The risks described below are not the only ones facing ZMA. Additional risks and uncertainties not currently known to ZMA, or that ZMA currently deems immaterial, may also impair ZMA's operations. If any of the following risks actually occur, ZMA's business, financial condition and operating results could be adversely affected. In addition to the risk factors outlined below, a discussion of financial risk factors related to ZMA and its business appears Note 10 – *Financial Instruments* of the fiscal year 2016 consolidated financial statements which are incorporated by reference herein.

Additional Funding Requirements

The Company's success is predicated on its ability to finance growth. Management believes that operations and commitments will be adequately financed over the coming years; however, the Company's ability to satisfy its future growth activities may be dependent on the availability and procurement of future financing. There can be no assurance that, if, and when, the Company seeks additional equity or debt financing, the Company will be able to obtain the additional financial resources required on satisfactory commercial terms or at all. If additional financing is raised by the issuance of equity securities from the treasury of the Company, existing shareholders will suffer dilution and a change of control of the Company may occur.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they become due.

Hotels, Golf Resorts, Ski Resorts and Other Activity Providers

ZMA relies on Hotels, Hotel-Casinos and other lodging, hospitality and activity providers to provide inventory, which allows customers to purchase products via the ZMA technology platforms. There is a risk that certain of these service providers may terminate their relationship with the Company. If such relationships are terminated, the Company's ability to generate revenues may be negatively impacted.

Revenue Concentration

ZMA has a large concentration of its business in the Reno/Tahoe market. In recent months, ZMA has worked to increase its sales and marketing initiatives toward new markets, such as Las Vegas and northern California. If the Company were to experience a significant reduction in the Reno/Tahoe market, there is no assurance that the Company would be able to

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replace such revenue or to generate comparable revenue over a short period of time, which could harm the Company's operating results and profitability.

Stock Price Volatility

The securities markets in Canada has experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in market price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continued fluctuations in market prices will not occur. It may be anticipated that any quoted market for the ZMA Shares will be subject to market trends generally notwithstanding any potential success of the Company in creating revenues, cash

flows or earnings. The value of the Company's securities will be affected by such volatility. The price of the ZMA Shares may also experience significant fluctuations due to operating performance, performance relative to analyst's estimates, dispositions or acquisitions by a large shareholder, litigation against the Company, the loss or acquisition of a significant customer or distributor, industry-wide factors and factors other than the operating performance of the Company. These factors, among others, may cause decreases in the value of the ZMA Shares. As a result of any of these factors, the market price of the ZMA Shares at any given point in time may not accurately reflect ZMA's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. ZMA may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Variable Revenues/Earnings

The revenues and earnings of the Company may fluctuate from quarter to quarter, which could affect the market price of the ZMA Shares. Revenues and earnings may vary from quarter to quarter as a result of a number of factors, including, but not limited to seasonality, weather, the timing of sales, and activities of the Company's service suppliers.

Conflicts of Interest

Certain of the directors and officers of ZMA also serve, or may serve in the future, as directors and/or officers of other companies involved in technology-based companies; consequently, there exists the possibility for these directors and officers to be in a position of conflict. Any decision made by any of these directors and officers involving ZMA will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of ZMA and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which these directors may have a conflict of interest in accordance with the procedures set forth in the OBCA and other applicable laws.

Insurance and Uninsured Risks

Although ZMA maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with the Company's operations. ZMA may also be unable to maintain insurance to cover these risks at economically feasible premiums or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. ZMA may also become subject to other risks or hazards which may not be insured against or which ZMA may elect not to insure against because of premium costs or other reasons.

Technology Innovations

ZMA operates in a highly competitive environment where its products and services are subject to rapid technological change and evolving industry standards. ZMA's future success depends on its ability deliver enhancements to its existing services and technology platforms, accurately predict and anticipate evolving technology and respond to technological advances in its industry and respond to its customer's increasingly sophisticated needs. The Company's services are comprised of a complex technology platform that may not meet those standards, changes and preferences. If the Company is unable to respond to technological changes, fails or delays to develop services in a timely and cost-effective manner, the Company's products and services may become obsolete, which may negatively impact sales, profitability and the continued viability of the business.

Inability to successfully utilize the Zero 8 products

ZMA completed the Zero 8 agreement to broaden its service-based product lines to include a product targeted to its Hotel-Casino existing and potential clients. Achieving the benefits of the Zero 8 agreement depends in part on the ability of ZMA to effectively capitalize on its service provider lists and managements experience with Hotel-Casinos. Moving forward, being able to effectively cross-sell the Company's various service and product offerings with existing service Hotel-Casino providers will be important to increasing revenue.

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Litigation

ZMA, from time to time, could be involved in various claims, legal proceedings and complaints arising in the ordinary course of business, including, but not limited to, intellectual property disputes. ZMA cannot reasonably predict the likelihood or outcome of these actions. Adverse outcomes in some, or all of these, claims may result in significant monetary damages or injunctive relief that could adversely affect ZMA's ability to conduct its business. Further, if ZMA is unable to resolve these disputes favorably, it may have a material adverse impact on its financial performance, cash flow and results of operations. The company has been sued for lack of payment by Edgewood Golf. The company is currently negotiating payment terms to satisfy the debt.

Maintaining Effective Internal Financial Controls

The Company complies with Canadian securities laws by assessing, strengthening and testing its system of internal controls. Even though the Company has concluded the Company's internal controls over financial reporting were effective as of the end of the period covered by this Analysis, the Company needs to continue to maintain its processes and systems and adapt them to changes as the Company's business evolves. This continuous process of maintaining and adapting the Company's internal controls and complying with Canadian securities laws is expensive and time-consuming and requires significant management attention. The Company cannot be certain that its internal control measures will continue to provide adequate control over the Company's financial processes and reporting and ensure compliance with Canadian securities laws. Furthermore, as the Company's business changes and if the Company continues to expand through agreements with other entities, the Company's internal controls may become more complex and the Company will require significantly more resources to ensure the Company's internal controls remain effective. Failure to implement required new or improved controls, or to address difficulties encountered in their implementation, could harm the Company's operating results or cause the Company to fail to meet its reporting obligations. If the Company or its independent registered public accounting firm identify material weaknesses, the disclosure of that fact, even if quickly remediated, could reduce the market's confidence in the Company's financial statements and adversely impact the price of the ZMA Shares.

Accounting Estimates and Assumptions

The Company's financial statements are presented in Canadian dollars, its reporting currency and are prepared in accordance with IFRS. The preparation of these financial statements requires ZMA to make estimates and judgments about, among other things, the recoverable amount of goodwill and intangible assets, the valuation of acquired intangibles in connection with acquisitions, the valuation of contingent consideration classified as a liability, the recognition and valuation of deferred tax assets, and the classification of revenues and expenses. These estimates and judgments affect the reported amounts of the Company's assets, liabilities, revenues and expenses and the related disclosures thereon. The Company bases its estimates on historical experience and on various other assumptions that the Company believes to be reasonable under the circumstances and at the time they are made. If the Company's estimates or the assumptions underlying them are not correct, actual results may differ materially from the Company's estimates and the Company may need to, among other things, accrue additional charges that could adversely affect the Company's results of operations, which in turn could adversely affect the price of the ZMA Shares. In addition, new accounting pronouncements and interpretations of accounting pronouncements have occurred and may occur in the future that could adversely affect the Company's reported financial results.

Unscheduled Downtimes

ZMA's ability to attract, retain, and serve its customers is dependent upon the reliable performance of its technology platform and its customers' ability to access ZMA's solutions at all times. The Company's platforms are vulnerable to interruption and its data centers are vulnerable to damage or interruption from, among other things, human error, intentional bad acts, computer viruses, hackers, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures, and similar events, any of which could limit the Company's customers' ability to access ZMA's solutions. Prolonged delays or unforeseen difficulties in connection with adding capacity or upgrading ZMA's network architecture may cause ZMA's service quality to suffer. Any event that significantly disrupts the Company's service or exposes the Company's data to misuse could damage ZMA's reputation and harm ZMA's business and operating results, including reducing ZMA's revenue, causing the Company to issue credits to customers, subjecting the Company to potential liability or increasing the Company's cost of acquiring new customers.

Solution Integration with Third Party Products

Some of the Company's technology solutions integrate with third-party software and devices to allow the Company's solutions to perform key functions. Although to date this integration has been accomplished using open software interfaces and simple physical linkages, the Company cannot guarantee that this ease of integration will continue or that the Company will be able to integrate with other products as easily or without additional cost. Errors, viruses or bugs may be present in third-party software that the Company's customers use in conjunction with the Company's solutions. Changes to third-party

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software that the Company's customers use in conjunction with the Company's solutions could also render the Company's solutions inoperable. Customers may conclude that the Company's software is the cause of these errors, bugs or viruses and terminate their subscriptions. The inability to easily integrate with third-party software, or any defects in such software, could result in increased costs, or in delays in software releases or updates to the Company's products until such issues have been resolved, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and future prospects and could damage the Company's reputation.

Dependence on Key Personnel

Due to the technical nature of the Company's business and the dynamic market in which the Company operates, the Company's success depends on its ability to attract and retain highly skilled personnel. ZMA is dependent on the services of key executives. The success of ZMA's operations is also dependent on its highly skilled and experienced workforce. There is competition over highly skilled experienced workers (in addition to increased labor costs). Although ZMA places a high priority on hiring and retaining key talent, the loss of these persons or ZMA's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations. Competition for qualified personnel in the wireless and wireless data industries is intense. In addition, new hires require significant training and, in most cases, require substantial amounts of time before they achieve full productivity. The Company's recent hires and planned hires may not become as productive as the Company expects, and the Company may be unable to hire or retain sufficient numbers of qualified individuals. If the Company fails to attract and train new personnel, or fails to retain, focus and motivate the Company's current personnel, the Company's business and growth prospects could be severely harmed.

Operations

ZMA's operations are dependent upon its ability to protect its services portal system, network infrastructure and customer equipment against damage from human error, telecommunications failures, fire, earthquakes, floods, power loss, sabotage, intentional acts of vandalism and similar events. Despite precautions taken by, and planned to be taken by the Company, the occurrence of a natural disaster or other unanticipated problem at one or more of the Company's network facilities could result in interruptions to the services provided by the Company. Such an event could significantly impact the ability of suppliers to provide the data communications capacity required by the Company and, in turn, could impact the Company's sales and customer relations. The Company could be adversely affected by a reduction in customer satisfaction, loss of business and customer claims.

Privacy Requirements

The Company is dependent on information technology networks and systems, including the Internet, to process, transmit and store electronic information and, in the normal course of ZMA's business, ZMA collects and retains certain information pertaining to its customers and employees. The protection of customer and employee data is critical to the Company. ZMA attempts to identify security vulnerabilities in its products and information technology systems; however, the security measures put in place by the Company cannot provide absolute security, and the information technology infrastructure may be vulnerable to criminal cyber-attacks or data security incidents due to employee or customer error, malfeasance, or other vulnerabilities. Cybersecurity attacks are increasingly sophisticated, change frequently, and often go undetected until after an attack has been launched. ZMA may fail to identify these new and complex methods of attack, or fail to invest sufficient resources in security measures. The Company cannot be certain that advances in cyber-capabilities or other developments will not compromise or breach the technology protecting the networks that access the Company's services. If a security breach occurs, the Company's reputation, business, results of operations and financial condition could be harmed. Though it is difficult to determine what harm may directly result from any specific interruption or security breach, any failure or perceived failure to maintain performance, reliability, security and availability of systems or the actual or potential theft, loss, fraudulent use or misuse of the Company's products or the personally identifiable data of a customer or employee, could result in reputational damage, individual or class action lawsuits, or federal, provincial or state enforcement actions. Any of these outcomes could result in financial judgments against the Company, which may cause the Company to incur significant legal fees and costs.

Reputational Risk

Damage to ZMA's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regards to the Company and its activities, whether true or not. Reputation loss may result in decreased customer confidence and an impediment to ZMA's overall ability to advance its product and services with customers, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.

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General Economic Conditions

ZMA's results could be adversely affected by changing economic conditions in the regions in which it operates. To the extent that the Company experiences economic deterioration in these markets, the resulting economic pressure on ZMA's customers may cause them to reduce or postpone current or expected purchase orders for ZMA service, or suffer from business failure, resulting in a decline in ZMA's revenues and profitability that could be material. Continued difficult or uncertain economic conditions could adversely affect the Company's revenue and profitability.

Interest Rate Risk

Interest rate risk arises because of the fluctuation in interest rates. Fluctuations in interest rates impact the future cash flows and fair values of various financial instruments.

Subsidiaries

ZMA is a holding company that conducts operations through its United States subsidiary, and a significant portion of its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and such entities, or among such entities, could restrict ZMA's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on ZMA's valuation and stock price.

Tax Risks

The Company's tax position could be adversely impacted by changes in tax rates, tax laws, tax treaties or tax regulations or changes in the interpretation of such laws, treaties or regulations by the tax authorities in Canada, and the United States. In the normal course of its business, the Company is subject to examination by various taxing authorities. The Company's effective tax rate may vary from the Company's expectation and that variance may be material. Failure to manage the risks associated with such changes, or misinterpretation of the laws relating to taxation, could result in increased charges, financial loss, including penalties, and reputational damage and materially and adversely affect the Company's results, financial condition and prospects. A successful assertion by one or more jurisdictions that the Company should collect sales, room or other taxes on the sale of the Company's solutions could result in substantial tax liabilities for past sales and decrease the Company's ability to compete for future sales. Each country and each state has different rules and regulations governing sales and use taxes and these rules and regulations are subject to varying interpretations that may change over time. Liability for past taxes may also include substantial interest and penalty charges.

SUBSEQUENT EVENTS

There were no subsequent events after Q3 to report.

Additional Information:

Additional information relating to the Company may be accessed on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.