

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations is intended to assist readers in understanding Tri-Media Integrated Marketing Technologies Inc. (the "Company" or "we" or "our" or "us" or "Tri-Media") its business, the key factors underlying our financial results, the significant changes in the Company's operations and the business opportunity that exists in 2020 for Tri-Media and its shareholders and creditors. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements of September 30, 2020 and the audited consolidated financial statements and the accompanying notes for the year ended December 31, 2019. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS34") as issued by the International Accounting Standards Board ("IASB"). This MD&A has been prepared in accordance with the requirements of the Canadian Securities Administrators.

Information contained herein includes any significant developments to December 19, 2020, the date on which the MD&A was approved by the Company's board of directors. Unless otherwise indicated, the terms "we", "us" "our" and "the group" as used herein refer to the Company together with its subsidiaries.

All amounts in this MD&A are expressed in Canadian dollars, and all amounts in the tables are in hundreds of Canadian dollars, unless otherwise indicated. All quarterly information disclosed in this MD&A is based on unaudited figures. The information disclosed for the years 2018 and 2019 is based on audited figures. "Q3 2020" and "Q3 2019" refer to the three month periods ended September 30, 2020 and 2019 respectively.

### **Changes in Accounting Policies**

There have been no changes in accounting policies subsequent to December 31, 2019. IFRS 16 Leases was adopted in the year ended December 31, 2019.

### **Non-IFRS Measures**

This MD&A may include certain figures that are not performance measures consistent with IFRS. Any of these measures used are defined at the end of this MD&A under the heading Non-IFRS Measures.

### **Notice Regarding Forward-Looking Statements**

Certain statements in this MD&A may be forward-looking within the meaning of applicable securities laws. Forward-looking information and statements are based on the best estimates available to the Company at the time and involve known and unknown risks, uncertainties or other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors of uncertainty and risk that might result in such differences include the risks associated with our growth strategy, credit, liquidity, interest rate, litigation, inventory pricing, commodity pricing, currency fluctuation, fair value, source of supply, environmental regulations, competition, dependence on key personnel, business interruptions, changes to backlog, protection of intellectual property, international trade regulations, collective agreements and being a public issuer as well as systems, network infrastructure and data failure, interruption and breach. A description of the risks affecting the Company's business and activities appears under the heading "Business Risk, Uncertainties and Going Concern" of the Tri-Media MD&A dated October 14, 2020 and Note 16 of the audited consolidated financial statements and Note 14 of the unaudited condensed interim consolidated financial statements for the three and nine month periods ended September 30, 2020 and 2019 available on [www.sedar.com](http://www.sedar.com).

The Company is not aware of any significant changes to its risk factors previously disclosed, however since February 2020, the gradual outbreak of the novel strain of the coronavirus, COVID-19 and its declaration as a pandemic by the World Health Organization, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown. While the Company has been able to mitigate the short-term impact from the crisis without significant loss of production capacity and customer demand, it is not possible to reliably estimate the length, severity and long-term impact the global pandemic may have on the Company's financial results, conditions and

cash flows. The outbreak of the COVID-19 virus should be considered a new risk factor.

Forward-looking statements can generally be identified by the use of terms such as “may”, “should”, “would”, “believe”, “expect”, the negative of these terms, variations of them or any similar terms. No assurance can be given that any events anticipated by the forward-looking information in this MD&A will transpire or occur, or if any of them do so, what benefits that Tri-Media will derive therefrom. In particular, no assurance can be given as to the future financial performance of Tri-Media. The forward-looking information contained in this MD&A is made as of the date hereof and the Company has no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements.

### Overview

#### Cease Trade Order

The Company is a Reporting Issuer with the Financial and Consumer Affairs Authority of Saskatchewan - Securities Division (FCAA). On May 15, 2014 the FCAA placed a cease trade order against the Company for failure to file certain financial documents and declarations including the annual audited financial statements in a timely manner. Due to changes in the company's Audit firm, the closing of significant operations and the resultant loss of financial liquidity, there were consequential delays. Once the documents and declarations are filed to the satisfaction of the FCAA the cease trade order will be lifted. Management is working diligently to comply with the filing of the documents and declarations and expects to be compliant in December, 2020.

#### Scaled Down Operations

Faced with a rapid decline in digital marketing sales in the United States of America market in 2013, the Company shut down its Baltimore based subsidiary Azzam Jordan in March, 2014 and then in 2015 its Chicago based subsidiary 27Six Inc. As a consequence of these shutdowns the Company wrote off the Identifiable Intangible Assets associated with Partner Power (\$1.24M) and Direct2Clients (\$1.01M) and wrote down the Custom to reflect the underlying cost base of the ihiveLive online sharing platform for buying products (from \$4.53M to \$1.25M). Tri-Media from 2016 and on focused its operation mainly in Ontario on developing customer owned websites and applications build using the services of subcontracted web developers in India and also providing web hosting services for the three months ended September 30, 2020 - \$39,214 (2019 - \$21,801) and \$101,722 for the nine months ended June 30, 2020 (2019 - \$115,971). The Company in late 2018 began receiving fees for management and administrative services from other organizations known to the President of the Company for the three months ended September 30, 2020 - \$10,969 (2019 - \$47,084) and \$31,163 for the nine months ended September 30, 2020 (2019 - \$89,337).

#### Reverse Take-over Proposal

The Company had received interest from extractX Inc. (“exi”), a Canadian corporation with its Head Office in Winnipeg, Manitoba to effect an acquisition of exi. exi has developed and is offering for sale or lease mobile units for the extraction of oils and substances from any biomass. At the Annual and Special Meeting of Shareholders held on November 30, 2020 the Shareholders voted in favour of completing this transaction which consists of the Tri-Media shareholders receiving common shares in the new Tri-Media and in its associate, ihivelive and the Company's related party debt being discharged through the issue of new Tri-Media common shares. For this transaction to be completed, the only condition remaining is that the cease trade order against the Company must be lifted.

## Financial and Business Highlights – Nine Months Ended September 30, 2020

### General

During the three months the Company continued its efforts to scale back costs to lessen any drain on cash resources so that resources could be directed to bringing the Company reporting up to date and become compliant with the reporting requirements so that the Cease Trade Order could be rescinded. Company management continued discussions with extractX Inc. with regards to the acquisition of this corporation. The Company continued to provide management and administrative services to other corporation in order to receive steady monthly cash flow, these services accounted for 21.86% for the quarter ended September 30, 2020 (68.35% for the quarter ended September 30, 2019) and 23.45% for the nine months ended June 30, 2020 (43.51% for the nine months ended September 30, 2019)

At September 30, 2020 the Company had shareholders' equity of \$559,799 (\$573,018 at December 31, 2019) with an accumulated deficit of \$4,279,071 (\$4,265,852 at December 31, 2019) and a working capital deficiency of \$586,745 (\$594,177 at December 31, 2019).

### Summary of Results

| Selected Quarterly and<br>Annual Financial Information* | 3 mos. ended<br>September 30,<br>2020 | 3 mos. ended<br>September 30,<br>2019 | 6 mos. ended<br>September 30,<br>2020 | 6 mos. ended<br>September 30,<br>2019 |
|---------------------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| (Unaudited - CDN \$)                                    |                                       |                                       |                                       |                                       |
| Revenue                                                 |                                       |                                       |                                       |                                       |
| Managed service fees                                    | 8,021                                 | 3,542                                 | 17,192                                | 15,027                                |
| Marketing design fees                                   | 13,787                                | 9,324                                 | 42,959                                | 38,365                                |
| Technology design fees                                  | 17,406                                | 8,935                                 | 41,571                                | 62,579                                |
| Management & administration fees                        | 10,969                                | 47,084                                | 31,163                                | 89,337                                |
|                                                         | 50,183                                | 68,885                                | 132,885                               | 205,308                               |
| Adjusted operating expenses*                            | 47,902                                | 48,428                                | 122,216                               | 174,217                               |
| EBITDA* (operations)                                    | 2,281                                 | 20,457                                | 10,669                                | 31,091                                |
|                                                         |                                       |                                       |                                       |                                       |
| Less - finance cost                                     | 1,018                                 | 2,061                                 | 3,237                                 | 5,794                                 |
| Less - amortization                                     | 2,563                                 | -                                     | 7,688                                 | -                                     |
| Net income (loss) from operations                       | ( 1,300)                              | 18,396                                | ( 256)                                | 25,297                                |
|                                                         |                                       |                                       |                                       |                                       |
| Gain on accounts payable settlement                     | -                                     | 26,175                                | -                                     | 38,063                                |
| Share of loss of associate                              | ( 5,190)                              | -                                     | ( 12,963)                             | -                                     |
| Net comprehensive income (loss)                         | ( 6,490)                              | 44,571                                | ( 13,219)                             | 63,360                                |
|                                                         |                                       |                                       |                                       |                                       |
| Earnings (loss) per share                               | ( 0.0003)                             | 0.0019                                | ( 0.0006)                             | 0.0027                                |
|                                                         |                                       |                                       |                                       |                                       |
| Total assets                                            |                                       |                                       | 1,301,414                             | 1,198,343                             |
|                                                         |                                       |                                       |                                       |                                       |
| Long-term debt and lease obligations                    |                                       |                                       | 25,720                                | 5,307                                 |
|                                                         |                                       |                                       |                                       |                                       |
| Due to related parties                                  |                                       |                                       | 351,400                               | 350,629                               |

|                         |         |         |
|-------------------------|---------|---------|
| Shareholders' equity    | 559,799 | 574,470 |
| * See Non-IFRS Measures |         |         |

## Revenue

As the Company prepares for the potential acquisition of extractX Inc. it reduced its active sales effort in securing marketing and digital contract revenue but rather fulfilled contact work for customers who sought them out. Despite the effects of the COVID-19 pandemic during Q3 2020 the Company managed to generate more website and digital application revenue than Q3 2019 (\$39,214 to \$21,801), the management and administration fees was down from Q3 2020 (\$10,969) to Q3 2019 (\$47,084) as two contracts came to a conclusion.

## Expenses

General and administrative expenses represent 72.90% of the nine month Q3 2020 expenses (67.24% for nine months Q3 2019), the major general and administrative expenses for the nine months are professional fees of \$35,000 (\$nil in Q3 2019), insurance of \$13,190 (\$13,197 in Q3 2019) and amortization of \$7,6885 (\$nil in Q3 2019). General and administrative salaries that amounted to \$48,654 for the nine months September 30, 2019 have reduced to \$9,029 for the nine months ended September 30, 2020. extractX Inc. as a condition of the acquisition offer advanced an additional \$18,500 during Q3 to finance the increased professional fees incurred by Tri-Media with regards to the acquisition.

## Share of loss of associate

The Company holds a 28.225% interest in Ihivlive Inc., an Ontario-based corporation that is developing a one-stop e-commerce based multi-dimensional sharing platform that links consumers with businesses for online shopping and provides financial benefits to identified charities in the process. The Company's share of the Ihivlive loss for the three months ended September 30, 2020 Q3 was \$5,190 and for the nine months ended September 30, 2020 was \$12,963. Ihivlive started to generate revenue late in Q2 2020.

For 2019 ihivlive Inc. only provided December 31<sup>st</sup> year-end financial information so the share of loss of associate for that year of \$11,164 was only reported in Q4 2019.

## General Financial Condition

### Liquidity and Capital Resources

As at September 30, 2020, the Company had a cash balance of \$52,329 (\$8,910 at September 30, 2019 and \$1,441 at December 31, 2019) and short-term investments of \$nil (\$nil at September 30, 2019 and \$nil at December 31, 2019) to settle current liabilities other than due to related parties of \$367,085 (\$268,904 at September 30, 2019 and \$292,876 at December 31, 2019).

### Working Capital

As at September 30, 2020, the Company had a net working capital deficiency of \$235,345 (\$246,951 at September 30, 2019 and \$243,871 at December 31, 2019) comprised of cash, amounts receivable, accounts payable and accrued liabilities, government payroll and sales tax payable and current portion of long term debt.

The activities of the Company are financed through operating revenues, loans and forbearances from related parties, and the completion of equity offerings involving the sale of securities which generally include private placements. As the Company has been subject to a cease-trade order since 2014, it has been unable to issue any securities,

hampering its ability to raise capital.

## Share Capital

At September 30, 2020, December 31, 2019, and September 30, 2019 there were 23,056,134 common shares issued and outstanding.

At September 30, 2020, December 31, 2019, and September 30, 2019 NIL share purchase warrants and NIL options to purchase shares are outstanding.

## Related Party Transactions

The Company is indebted to a company controlled by a major shareholder, Albert Iannantuono in the amount of \$60,638 at September 30, 2020 (\$59,810 at September 30, 2019 and \$59,487 at December 31, 2019). The Company paid compensation in the ordinary course to Albert Iannantuono or to a company that he controls in the amount of \$4,052 for the three months ended September 30, 2020 (2019 - \$1,473) and \$11,811 for the nine months ended September 30, 2020 (2019 - \$7,964).

## Proposed Transactions

The board of directors of the Company is not aware of any proposed transactions involving a proposed asset or business or business acquisition or disposition which may have an effect on financial conditions, results of operations and cash flows, except as described in this Management's Discussion and Analysis regarding the acquisition of extractX Inc.

## Contractual Obligations – Payments Due by Period

The Company is committed to pay approximately \$1,300 per month for the lease of its office. The lease is month to month. The following table lists the Company's contractual obligations.

| Operating Leases                  | 2020  | 2021  | 2022  | 2023  | 2024 | 2025 | Total  |
|-----------------------------------|-------|-------|-------|-------|------|------|--------|
| De Lage Landen Financial Services | 1,764 | 1,764 | 1,764 | nil   | nil  | nil  | 5,292  |
| Dell                              | 2,194 | 2,194 | 607   | nil   | nil  | nil  | 4,995  |
| Lexus Financial                   | 9,546 | 9,546 | 9,546 | 1,591 | nil  | nil  | 30,229 |

## Off-Balance Sheet Arrangements

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

## Contingencies

In the normal course of operations, The Company is exposed to events that could give rise to contingent liabilities or assets. As at the date of issue of the unaudited condensed interim consolidated financial statements, the Company was not aware of any significant events that would have a material effect on its consolidated financial statements.

## Governance

As required by Multilateral Instrument 52-109 of the Canadian Securities Administrators, Tri-Media has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer that, among other things, attest to the design of the disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

### **Business Risks, Uncertainties and Going Concern**

The Company is a microcap issuer and is subject to the risks and challenges similar to other companies in a comparable stage of development. For a detailed description of the nature and extent of risk factors associated with Tri-Media and its business, refer to Note 16 "Financial Risk Management" in the December 31, 2019 audited consolidated financial statements. These risks include, but are not limited to, dependence on key individuals and successful product and service commercialization and development. The application of going concern is dependent upon the Company's ability to generate future profitable operations. There can be no assurance that adequate funding will be available for those purposes when required. The following items will impact the Company's ability to continue as a going concern

#### *Insufficient Revenues*

The Company is not recording revenues from operations sufficient to provide a means to repay its liabilities or significantly grow its business. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment are engaged, ahead of revenue generation from such services. There can be no assurance that the Company will achieve or sustain profitability.

#### *Dependence on Outside Parties*

The Company has relied upon consultants, and others and intends to rely on these parties for software expertise. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

#### *Key Personnel*

The Company is depending on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company. The Company does not have key person insurance on these individuals.

#### *Cease Trade Order*

Tri-Media's ability to fund growth is restricted by the existing cease trade order imposed on trading in its securities. If the cease trade order is not vacated, the Company will not be able to complete any financings requiring the issuance of its securities (for example, private placements of shares) and will not be able to compensate talent through shares or stock options.

#### *Share Price Volatility*

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies, has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Company's securities.

#### *Shareholders' Interest in the Company may be Diluted in the Future*

The Company will require additional funds for its planned activities. If the Company raises additional funding by issuing equity securities, such financing could substantially dilute the interests of its Shareholders. Sales of substantial amounts of common shares or the availability of securities for sale, could adversely affect the prevailing market prices for the Company's Common Shares. A decline in the market prices of Common Shares securities could impair the ability of the Company to raise additional capital through the sale of new common shares should the Company desire to do so.

The Corporation will do its best to minimize these business risks by employing management, technical staff and consultants with extensive industry experience; maintaining a low cost structure; maintaining prudent financial practices; controlling timing and magnitude of operating and capital costs; and maintaining insurance in accordance

with industry standards.

### **Non-IFRS Measures**

In this Management's Discussion and Analysis, the Company's management uses certain measures which are not in accordance with IFRS. Non-IFRS measures are useful supplemental information but may not have a standardized meaning according to IFRS.

Adjusted operating expenses – is the total of expenses reported on the statement of operations reduced by the amount of the finance cost and the amortization expensed for the period.

EBITDA – means net earnings before interest expenses, income taxes, depreciation and amortization. EBITDA is presented as it is a meaningful measure of the operating performance of the ongoing business without the effects of certain expenses. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Working capital – is a measure of liquid assets that is calculated by taking current assets and subtracting current liabilities. The Company does not include amounts due to related parties in the calculation as these amounts that are owing to shareholders of the Company who have agreed to postpone payment in favour of trade creditors.

### **Approval**

The Board of Directors of Tri-Media has approved the disclosure contained in this MD&A.

### **Additional Information**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).