UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED June 30, 2017.

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM ________ TO ________.

Commission File No. **333-141875**

IGEN Networks Corp.

(Exact name of registrant as specified in its charter)

Nevada	**20-5879021**
(State or Other Jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

29970 Technology Drive, Suite 108, Murrieta CA 92563
(Address of principal executive offices) (Zip Code)

1-888-244-3650
(Registrant's telephone number including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer:	☐	Accelerated filer:	☐
Non-accelerated filer:	☐	Smaller reporting company:	☒
(Do not check if a smaller reporting company)		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The number of shares of the registrant's common stock issued and outstanding as of August 21, 2017 is 34,863,886.

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Part I
FINANCIAL INFORMATION

Item 1. Financial Statements

The Company's unaudited condensed consolidated interim financial statements for the six month period ended June 30, 2017 are included herewith.

IGEN NETWORKS CORP.

Condensed Consolidated Interim Financial Statements
For the Six Months Ended June 30, 2017
(Unaudited – Expressed in U.S. Dollars)

IGEN NETWORKS CORP.
Condensed Consolidated Interim Balance Sheets
(Unaudited - Expressed in U.S. dollars)

	Note	June 30, 2017 $	December 31, 2016 $
Assets			
Current Assets			
Cash		40,073	40,023
Accounts and other receivables	3	155,996	162,429
Inventory		20,474	17,226
Prepaid expenses and deposits		21,281	18,811
Restricted cash		25,000	15,000
Total Current Assets		262,824	253,489
Equipment	4	5,238	7,385
Goodwill		505,508	505,508
Total Assets		**773,570**	**766,382**
Liabilities and Shareholders' Deficit			
Current Liabilities			
Accounts payable and accrued liabilities	5,9	779,279	742,876
Current portion of deferred revenue		217,665	239,168
Notes payable	6	61,012	79,998
Convertible debentures, net of unamortized discount of $20,154 and $nil, respectively		29,846	-
Derivative liabilities	8	106,674	27,930
Total Current Liabilities		1,194,476	1,089,972
Convertible debenture, net of unamortized discount of $44,490 and $nil, respectively	7	5,510	-
Deferred revenue		160,167	73,985
Total Liabilities		1,360,153	1,163,957
Nature and Continuance of Operations (Note 1)			
Commitment (Note 15)			
Subsequent Event (Note 16)			
Stockholders' Deficit			
Common stock:			
Authorized - 375,000,000 shares with $0.001 par value			
Issued and outstanding – 34,863,886 and 32,389,585 shares, respectively		34,864	32,390
Share subscriptions received	10(d)	-	25,000
Additional paid-in capital		8,494,142	8,109,286
Deferred compensation	10(e)	(2,308)	(19,592)
Accumulated other comprehensive loss		(63,821)	(32,349)
Deficit		(9,049,460)	(8,512,310)
Total Stockholders' Deficit		(586,583)	(397,575)
Total Liabilities and Stockholders' Deficit		**773,570**	**766,382**

Approved on Behalf of the Board

"Neil Chan" Director

"Robert Nealon" Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IGEN NETWORKS CORP.
Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
(Unaudited - Expressed in U.S. dollars)

	Note	Three Months Ended June 30, 2017 $	Three Months Ended June 30, 2016 $	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Revenue					
Sales, hardware		304,578	150,080	515,205	327,363
Sales, services		93,556	28,007	206,305	124,731
Total Revenue		398,134	178,087	721,510	452,094
Cost of goods sold		241,395	100,312	431,204	234,026
Gross Profit		156,739	77,775	290,306	218,068
Expenses					
Advertising		32,283	7,414	77,441	22,191
Consulting and business development fees	9	28,568	47,072	65,974	106,255
Depreciation		751	2,588	2,153	5,171
Foreign exchange gain		(8,600)	-	(25,016)	-
General and administrative		45,280	48,033	93,906	84,895
Management fees	9	59,881	82,680	130,211	141,118
Professional fees		16,911	5,987	16,911	6,851
Salaries		128,190	73,656	241,128	173,979
Stock-based compensation	11,12	142,440	5,100	151,298	20,090
Travel		19,284	11,767	56,625	29,007
Total Expenses		464,988	284,297	810,631	589,557
Loss Before Other Income (Expense)		(308,249)	(206,522)	(520,325)	(371,489)
Other Income (Expense)					
Accretion of discounts on convertible debentures		(12,862)	(1,900)	(12,883)	(3,736)
Change in fair value of derivative liabilities	8	21,200	14,770	(1,217)	4,713
Interest expense		(2,478)	(18,151)	(2,725)	(30,965)
Total Other Income (Expense)		5,860	(5,281)	(16,825)	(29,988)
Net Loss for the Period		(302,389)	(211,803)	(537,150)	(401,477)
Other Comprehensive Income (Loss)					
Foreign currency translation loss		(14,377)	(1,300)	(31,472)	(13,534)
Comprehensive Loss for the Period		(316,766)	(213,103)	(568,622)	(415,011)
Net Loss per Share, Basic and Diluted		(0.01)	(0.01)	(0.02)	(0.01)
Weighted Average Number of Common Shares Outstanding		34,692,723	29,313,949	33,924,924	28,891,384

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IGEN NETWORKS CORP.
Condensed Consolidated Interim Statements of Stockholders' Equity (Deficit)
(Unaudited - Expressed in U.S. dollars)

	Common Stock Shares #	Common Stock Amount $	Share Subscriptions Received $	Additional Paid-in Capital $	Deferred Compensation $	Accumulated Other Comprehensive Loss $	Deficit $	Total Stockholders' Equity (Deficit) $
Balance, December 31, 2015	28,215,349	28,215	25,000	7,586,514	(54,570)	(11,871)	(7,675,552)	(102,264)
Stock-based compensation	-	-	-	20,090	-	-	-	20,090
Shares issued for cash	1,150,740	1,151	-	133,371	-	-	-	134,522
Shares issued for services	386,290	386	-	64,164	-	-	-	64,550
Shares issued for exercise of options	55,556	56	-	4,944	-	-	-	5,000
Deferred compensation charged to operations	-	-	-	-	17,394	-	-	17,394
Foreign currency translation loss	-	-	-	-	-	(13,534)	-	(13,534)
Net loss for the period	-	-	-	-	-	-	(401,477)	(401,477)
Balance, June 30, 2016	29,807,935	29,808	25,000	7,809,083	(37,176)	(25,405)	(8,077,029)	(275,719)
Balance, December 31, 2016	32,389,585	32,390	25,000	8,109,286	(19,592)	(32,349)	(8,512,310)	(397,575)
Stock-based compensation	-	-	-	151,298	-	-	-	151,298
Units issued for cash	2,369,281	2,369	(25,000)	222,631	-	-	-	200,000
Shares issued for services	105,020	105	-	10,927	-	-	-	11,032
Deferred compensation charged to operations	-	-	-	-	17,284	-	-	17,284
Foreign currency translation loss	-	-	-	-	-	(31,472)	-	(31,472)
Net loss for the period	-	-	-	-	-	-	(537,150)	(537,150)
Balance, June 30, 2017	34,863,886	34,864	-	8,494,142	(2,308)	(63,821)	(9,049,460)	(586,583)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IGEN NETWORKS CORP.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in U.S. dollars)

	Six Months Ended June 30,	
	2017	**2016**
	$	**$**
Cash Flows from Operating Activities		
Net loss for the period	(537,150)	(401,477)
Adjustments to reconcile net loss to net cash used in operating activities:		
Accretion of discounts on convertible debentures	12,883	3,736
Change in fair value of derivative liabilities	1,217	(4,713)
Depreciation	2,153	5,171
Shares issued for services	28,316	64,550
Stock-based compensation	151,298	20,090
Changes in operating assets and liabilities:		
Accounts and other receivables	6,433	15,392
Inventory	(3,248)	(29,434)
Prepaid expenses and deposits	(2,470)	-
Restricted cash	(10,000)	-
Accounts payable and accrued liabilities	36,403	137,864
Deferred revenue	64,679	(1,300)
Net Cash Used in Operating Activities	(249,486)	(190,121)
Cash Flows from Financing Activities		
Proceeds from notes payable	8,000	-
Repayment of notes payable	(28,089)	-
Proceeds from convertible debentures	100,000	54,087
Proceeds from issuance of common stock	200,000	134,522
Proceeds from options exercised	-	5,000
Net Cash Provided by Financing Activities	279,911	193,609
Effect of Foreign Exchange Rate Changes on Cash	(30,375)	(3,110)
Change in Cash	50	378
Cash, Beginning of Period	40,023	33,590
Cash, End of Period	**40,073**	**33,968**
Supplemental Disclosures:		
Interest paid	-	25
Income taxes paid	-	-

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IGEN NETWORKS CORP.
Notes to the Condensed Consolidated Interim Financial Statements
June 30, 2017
(Unaudited - Expressed in U.S. dollars)

1. Nature and Continuance of Operations

IGEN Networks Corp, ("IGEN", or the "Company") was incorporated in the State of Nevada on November 14, 2006. As of May 5, 2014 through the acquisition of Nimbo LLC based in Murrieta, California, the Company has focused on the automotive industry in offering GPS based services to the consumer through dealership channels across the United States. Services that are offered on an annual renewal basis include stolen vehicle protection solutions, lot inventory management, smart phone based roadside assistance programs, and real-time vehicle health and driver behavior information direct to the consumer.

The accompanying condensed consolidated interim financial statements of the Company should be read in conjunction with the consolidated financial statements and accompanying notes filed with the U.S. Securities and Exchange Commission in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016. In the opinion of management, the accompanying condensed consolidated financial statements reflect all adjustments of a recurring nature considered necessary to present fairly the Company's financial position and the results of its operations and its cash flows for the periods shown.

The preparation of these condensed consolidated interim financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ materially from those estimates. The results of operations and cash flows for the periods shown are not necessarily indicative of the results to be expected for the full year.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which imply the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, on the ability of the Company to grow its revenue base, on its ability to successfully grow the companies in which it is invested, and on the ability of the Company to obtain necessary equity financing to both support the latter objectives and to invest in and grow new companies. The Company has recurring losses since inception, and incurred a net loss of $537,150 during the period ended June 30, 2017, and had accumulated losses of $9,049,460 and a working capital deficit of $931,652 as at June 30, 2017. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. Although there are no assurances that management's plans will be realized, management believes that the Company will be able to continue operations into the future. These condensed consolidated interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Summary of Significant Accounting Policies

(a) Basic of Presentation and Consolidation

These condensed consolidated interim financial statements and related notes include the records of the Company and the following wholly-owned subsidiaries:

IGEN Business Solutions Inc.	Incorporated in Canada
Nimbo, LLC	Incorporated in USA

All inter-company transactions and balances have been eliminated. These condensed consolidated interim financial statements are presented in accordance with accounting principles generally accepted in the United States, are expressed in U.S. dollars, and, in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

(b) Reclassifications

Certain reclassifications have been made to the prior period's condensed consolidated interim financial statements to conform to the current period's presentation.

2. Summary of Significant Accounting Policies (continued)

(c) Use of Estimates

The preparation of these condensed consolidated interim financial statements in conformity with U.S. generally accepted accounting principles 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 condensed consolidated interim financial statements, and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to allowance for doubtful accounts, valuation of inventory, the useful life and recoverability of equipment, impairment of goodwill, valuation of notes payable, fair value of derivative liabilities, fair value of stock-based compensation, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

(d) Recent Accounting Pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended June 30, 2017, and have not been applied in preparing these condensed consolidated interim financial statements.

In January 2017, the FASB issued Accounting Standards Update ("ASU") 2017-04, *Intangibles – Goodwill and Other* (Topic 350). ASU 2017-04 simplifies the subsequent measurement of goodwill by removing the second step of the two-step impairment test. The amendment requires an entity to perform its annual or interim goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value but the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The amendment should be applied on a prospective basis and is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows* (Topic 230), which update the guidance as to how restricted cash should be presented and classified. The updates are intended to reduce diversity in practice. The amendments are effective for fiscal years beginning after December 15, 2017, including interim periods within those annual periods, with early adoption permitted.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), which updated the guidance in ASC Topic 606, *Revenue Recognition*. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should identify the contract(s) with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation. In August 2015, the FASB issued ASU 2015-14, *Revenue from Contracts with Customers* (Topic 606): *Deferral of the Effective Date*. The amendments in this update deferred the effective date for implementation of ASU 2014-09 by one year and is now effective for annual reporting periods beginning after December 15, 2017. Early application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that period. In April 2016, FASB issued ASU 2016-10, *Revenue from Contracts with Customers* (Topic 606): *Identifying Performance Obligations and Licensing*, and in May 2016, ASU 2016-12, *Revenues from Contracts with Customers* (Topic 606): *Narrow-Scope Improvements and Practical Expedients* both of which provide supplemental adoption guidance and clarification to ASU 2014-09. ASU 2016-10 and ASU 2016-12 must be adopted concurrently with the adoption of ASU 2014-09.

IGEN NETWORKS CORP.
Notes to the Condensed Consolidated Interim Financial Statements
June 30, 2017
(Unaudited - Expressed in U.S. dollars)

3. Accounts and Other Receivables

	June 30, 2017 $	December 31, 2016 $
Trade accounts receivable	144,932	149,825
GST and other receivables	12,682	14,222
Allowance for doubtful accounts	(1,618)	(1,618)
	155,996	162,429

4. Equipment

	Cost $	Accumulated Depreciation $	Net Carrying Value June 30, 2017 $	Net Carrying Value December 31, 2016 $
Computer equipment	50,617	45,953	4,664	6,436
Office equipment	1,603	1,029	574	574
Software	6,012	6,012	-	375
Total	58,232	52,944	5,238	7,385

5. Accounts Payable and Accrued Liabilities

	June 30, 2017 $	December 31, 2016 $
Trade accounts payable	666,617	652,537
Accrued liabilities	36,251	39,035
Accrued interest payable	15,703	12,862
Payroll and commissions payable	54,691	32,063
Taxes payable	6,017	6,379
	779,279	742,876

6. Notes Payable

(a) On September 30, 2014, the Company issued a note payable for $95,000 in exchange for settlement of accounts payable. The note payable is unsecured, bears interest at 5% per annum, and is due on demand. The note payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 14% per annum. The Company recorded a debt discount of $16,163 to the note payable, which is amortized over the term of the note, and a corresponding amount to additional paid-in capital at issuance. During the year ended December 31, 2016, the Company repaid $30,000 of the principal. During the six months ended June 30, 2017, the Company repaid $25,000 of the principal. As at June 30, 2017, the carrying value of the note payable is $40,000 (December 31, 2016 – $65,000) and the Company recorded accrued interest of $10,711 (December 31, 2016 – $10,711), which has been included in accounts payable and accrued liabilities.

(b) As at June 30, 2017, the Company had a note payable of $15,406 (Cdn$20,000) (December 31, 2016 – $14,998 (Cdn$20,000)) owed to a director, which is unsecured, bears interest at 5% per annum, and is due on October 30, 2017. As at June 30, 2017, the Company recorded accrued interest of $2,211 (Cdn$2,871) (December 31, 2016 – $1,767 (Cdn$2,373)), which has been included in accounts payable and accrued liabilities.

(c) On March 23, 2017, the Company entered into the loan agreement with a third party for a principal amount of $8,695, which includes a one-time loan fee of $695, which was charged to interest expense. The note payable is unsecured, non-interest bearing, and requires minimum payments of 10% of the loan every ninety days from the start date of March 26, 2017. 25% of all funds processed through the Company's PayPal account will be used to pay off the loan until the loan is repaid in full. As at June 30, 2017, the balance of the note payable was $5,606 (December 31, 2016 - $nil).

7. Convertible Debentures

(a) On March 30, 2017, the Company issued a convertible debenture to a third party in the principal amount of $50,000 which is unsecured, bears interest at 12% per annum, calculated monthly and not in advance, and is due on September 30, 2017. Subject to the approval of the holder of the convertible debenture, the Company may convert any or all of the principal and/or interest at any time following the six month anniversary of the issuance date of the convertible debenture (September 30, 2017) into common shares of the Company at a price per share equal to a 20% discount to the fair market value of the Company's common stock.

The Company analyzed the conversion option under ASC 815, "*Derivative and Hedging*" ("ASC 815"), and determined that the conversion feature should be classified as a liability and recorded at fair value due to there being no explicit limit to the number of shares to be delivered upon settlement of the conversion option. The fair value of the derivative liability resulted in a discount to the convertible debenture of $32,127. The carrying value of the convertible debenture will be accreted over the term of the convertible debenture up to the value of $50,000. During the six months ended June 30, 2017, $11,973 (2016 - $nil) of accretion expense had been recorded. As at June 30, 2017, the carrying value of the convertible debenture is $29,846 (December 31, 2016 - $nil).

(b) On May 1, 2017, the Company issued two convertible debentures for aggregate proceeds of $50,000 which are unsecured, bear interest at 12% per annum, calculated monthly and not in advance, and are due on May 1, 2019. Subject to the approval of the holder of the convertible debenture, the Company may convert any or all of the principal and/or interest at any time following the six month anniversary of the issuance date of the convertible debenture (November 1, 2017) into common shares of the Company at a price per share equal to a 20% discount to the fair market value of the Company's common stock. The fair value of the derivative liabilities resulted in a discount to the convertible debentures of $45,400. The carrying value of the convertible debentures will be accreted over the term of the convertible debentures up to the value of $50,000. During the six months ended June 30, 2017, $910 (2016 - $nil) of accretion expense had been recorded. As at June 30, 2017, the carrying value of the convertible debentures are $5,510 (December 31, 2016 - $nil).

8. Derivative Liabilities

During the year ended December 31, 2016, the Company issued share purchase warrants as part of private placements with exercise prices denominated in Canadian dollars, which differs from the Company's functional currency of U.S. dollars and cannot be considered to be indexed to the Company's own stock. The Company records the fair value of its share purchase warrants with a Cdn$ exercise price in accordance with ASC 815. The fair value of the derivative liabilities is revalued quarterly with corresponding gains and losses recorded in the consolidated statement of operations. As at June 30, 2017, the Company had derivative liabilities of $34,063 (December 31, 2016 - $27,930) relating to the share purchase warrants. The Company uses a multi-nominal lattice model to fair value the derivative liabilities. The following inputs and assumptions were used to value the share purchase warrants denominated in Canadian dollars during the six months ended June 30, 2017, assuming no expected dividends:

	June 30, 2017	June 30, 2016
Expected volatility	157%-197%	88%-111%
Risk free interest rate	0.84%-1.14%	0.59%-0.73%
Expected life (in years)	0.1 - 0.8	1.4 - 4.3

During the six months ended June 30, 2017, the Company issued three convertible debentures with variable exercise prices based on discount to market rates. The Company records the fair value of its convertible debentures with variable exercise prices based on future market rates in accordance with ASC 815. The fair value of the derivative liabilities is revalued on each balance sheet date with corresponding gains and losses recorded in the consolidated statement of operations. As at June 30, 2017, the Company had derivative liabilities of $72,611 (December 31, 2016 - $nil) relating to the fair value of the conversion feature of the convertible debentures. The Company uses a multi-nominal lattice model to fair value the derivative liabilities. The following inputs and assumptions were used to value the convertible debentures outstanding during the six months ended June 30, 2017, assuming no expected dividends:

	June 30, 2017	June 30, 2016
Expected volatility	140%	-
Risk free interest rate	1.03%	-
Expected life (in years)	0.3	-

During the six months ended June 30, 2017, the Company recorded a loss on fair value of derivative liabilities of $1,217 (2016 – gain of $4,713).

IGEN NETWORKS CORP.
Notes to the Condensed Consolidated Interim Financial Statements
June 30, 2017
(Unaudited - Expressed in U.S. dollars)

9. Related Party Transactions

(a) During the six months ended June 30, 2017, the Company incurred $133,970 (2016 - $141,118) in management and consulting fees to companies controlled by three officers of the Company.

(b) As at June 30, 2017, the Company owed $153,801 (December 31, 2016 - $132,053) to officers of the Company and companies controlled by officers of the Company, which is included in accounts payable and accrued liabilities. The amounts owed are unsecured, non-interest bearing, and due on demand.

10. Common Stock

Share transactions for the period ended June 30, 2017:

(a) On March 2, 2017, the Company issued 2,222,222 units at $0.09 per unit for proceeds of $200,000. Each unit consisted of one share of common stock and one share purchase warrant exercisable until March 2, 2019. The share purchase warrant is exercisable at $0.18 per share for the first year and $0.23 per share thereafter.

(b) On March 2, 2017, the Company issued 56,000 shares of common stock with a fair value of $5,640 for consulting services rendered by a company controlled by the Vice President of Finance of the Company.

(c) As at April 20, 2017, the Company issued 49,020 shares of common stock with a fair value of $5,392 for consulting services rendered.

(d) On June 23, 2017, the Company issued 147,059 units at $0.17 per unit for proceeds of $25,000 which was received as at December 31, 2016. Each unit consisted of one common share and one share purchase warrant exercisable at $0.35 per share for a period of two years from their date of issuance.

(e) During the year ended December 31, 2015, the Company issued 498,801 common shares with a fair value of $107,944 for services. Of this amount, $70,300 relates to services to be rendered, which was recorded as deferred compensation. The fair value of the common stock was determined based on the closing price of the Company's common stock. During the six months ended June 30, 2017, the Company expensed $17,284 (2016 - $17,394) of the deferred compensation as consulting fees, which reflects the pro-rata portion of the services provided to June 30, 2017.

11. Share Purchase Warrants

The following table summarizes the continuity schedule of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, December 31, 2016	4,055,294	0.20
Issued	2,419,281	0.17
Expired	(979,166)	0.25
Balance, June 30, 2017	5,495,409	0.19

(Unaudited - Expressed in U.S. dollars)

11. Share Purchase Warrants (continued)

As at June 30, 2017, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price $	Expiry date
18,000	Cdn$0.35	August 13, 2017
357,143	0.14	October 12, 2017
980,392	0.15	December 2, 2017
294,118	0.35	December 11, 2017
588,235	0.15	December 13, 2017
588,240	Cdn$0.34	March 29, 2018
250,000	0.15	May 4, 2018
2,222,222	0.18	March 2, 2019
50,000	0.20	January 2, 2022
147,059	0.35	June 23, 2019
5,495,409		

During the six months ended June 30, 2017, the Company issued 50,000 share purchase warrants with a fair value of $2,185 as contract fees to a third party for future financing, which was recorded as stock-based compensation expense. The Company uses the Black-Scholes option pricing model to establish the fair value of share purchase warrants issued, assuming no expected dividends or forfeitures and the following weighted average assumptions:

	2017	2016
Expected volatility	173%	-
Risk free interest rate	1.14%	-
Expected life (in years)	3.0	-

12. Stock Options

The following table summarizes the continuity schedule of the Company's stock options:

	Number of options	Weighted average exercise price $	Aggregate intrinsic value $
Balance, December 31, 2016	4,000,000	0.16	750
Granted	1,550,000	0.13	-
Balance, June 30, 2017	5,550,000	0.15	11,850

Range of exercise prices $	Outstanding Number of shares	Outstanding Weighted average remaining contractual life (years)	Outstanding Weighted average exercise price $	Exercisable Number of shares	Exercisable Weighted average exercise price $
0.07	75,000	0.8	0.07	75,000	0.07
0.09	960,000	0.8	0.09	960,000	0.09
0.10	250,000	4.3	0.10	150,000	0.10
0.13	1,550,000	4.9	0.13	1,150,000	0.13
0.16	225,000	3.6	0.16	75,000	0.16
0.19	2,370,000	3.2	0.19	2,345,000	0.19
Cdn$0.25	120,000	3.2	Cdn$0.25	70,000	Cdn$0.25
	5,550,000	3.1	0.15	4,825,000	0.15

IGEN NETWORKS CORP.
Notes to the Condensed Consolidated Interim Financial Statements
June 30, 2017
(Unaudited - Expressed in U.S. dollars)

12. Stock Options (continued)

On May 11, 2017, the Company granted 1,550,000 stock options to officers, directors, employees, and consultants of the Company, which are exercisable at $0.13 per share and expire on May 11, 2022. Of this amount, 1,150,000 vests on the date of grant, 50,000 vests on October 21, 2017, 50,000 vests on November 11, 2017, and the remaining 300,000 vests on May 11, 2018.

The fair values of stock options granted are amortized over the vesting period where applicable. During the six months ended June 30, 2017, the Company recorded $149,113 (2016 - $20,090) in stock-based compensation in connection with the vesting of options granted. The Company uses the Black-Scholes option pricing model to establish the fair value of options granted assuming no expected dividends or forfeitures and the following weighted average assumptions:

	2017	2016
Expected volatility	132%	200%
Risk free interest rate	1.82%	1.52%
Expected life (in years)	4.8	5.0

13. Segmented Information

The Company has one reportable segment: vehicle tracking and recovery solutions. The Company allocates resources to and assesses the performance of each reportable segment using information about its revenue and operating income (loss). The Company does not evaluate operating segments using discrete asset information.

The following table summarizes the financial performance of the Company's reportable segments:

	Six months ended June 30, 2017 $	Six months ended June 30, 2016 $
Vehicle tracking and recovery solutions	721,510	452,094
Total consolidated net revenue	721,510	452,094

Segmentation by geographical location is not presented as all revenues are earned in U.S. Total assets by segment are not presented as that information is not used to allocate resources or assess performance at the segment level and is not reviewed by the Chief Operating Decision Maker of the Company.

14. Concentration Risk

The Company extends credit to customers on an unsecured basis in the normal course of business. The Company's policy is to perform an analysis of the recoverability of its receivables at the end of each reporting period and to establish allowances where appropriate. The Company analyzes historical bad debts and contract losses, customer concentrations, and customer credit-worthiness when evaluating the adequacy of the allowances.

During the six months ended June 30, 2017, the Company had two (2016 - one) customers which accounted for 78% (2016 - 53%) of total revenues.

As at June 30, 2017, the Company had two (December 31, 2016 - two) customers which accounted for 98% (December 31, 2016 - 90%) of accounts receivable.

15. Commitment

On July 19, 2016, the Company entered into a settlement agreement with a creditor, whereby the Company would pay $259,828 to the creditor as full repayment of a promissory note (Note 6(a)) and all outstanding payables over a 14 month payment plan.

16. Subsequent Event

The Company received $150,000 from three subscribers for 1,875,000 common shares of the Company at $0.08 per share. These common shares are still pending to be issued.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") provides information for the six-month period ended June 30, 2017. This MD&A should be read together with our unaudited condensed consolidated interim financial statements and the accompanying notes for the six-month period ended June 30, 2017 (the "consolidated financial statements"). The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). Except where otherwise specifically indicated, all amounts in this MD&A are expressed in United States dollars.

Certain statements in this MD&A constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws. You should carefully read the cautionary note in this MD&A regarding forward-looking statements and should not place undue reliance on any such forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements".

Additional information about the Company, including our most recent consolidated financial statements and our Annual Information Form, is available on our website at www.igen-networks.com, or on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

Cautionary Note Regarding Forward-looking Statements

Certain statements and information in this MD&A may not be based on historical facts and may constitute forward-looking statements or forward-looking information within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Canadian securities laws ("forward-looking statements"), including our business outlook for the short and longer term and our strategy, plans and future operating performance. Forward-looking statements are provided to help you understand our views of our short and longer term prospects. We caution you that forward-looking statements may not be appropriate for other purposes. We will not update or revise any forward-looking statements unless we are required to do so by securities laws. Forward-looking statements:

- Typically include words and phrases about the future such as "outlook", "may", "estimates", "intends", "believes", "plans", "anticipates" and "expects";

- Are not promises or guarantees of future performance. They represent our current views and may change significantly;

- Are based on a number of assumptions, including those listed below, which could prove to be significantly incorrect:

- Our ability to find viable companies in which to invest
- Our ability successfully manage companies in which we invest
- Our ability to successfully raise capital
- Our ability to successfully expand and leverage the distribution channels of our portfolio companies;
- Our ability to develop new distribution partnerships and channels
- Expected tax rates and foreign exchange rates.

- Are subject to substantial known and unknown material risks and uncertainties. Many factors could cause our actual results, achievements and developments in our business to differ significantly from those expressed or implied by our forward-looking statements. Actual revenues and growth projections of the Company or companies in which we are invested may be lower than we expect for any reason, including, without limitation:

- the continuing uncertain economic conditions
- price and product competition
- changing product mixes,
- the loss of any significant customers,
- competition from new or established companies,
- higher than expected product, service, or operating costs,
- inability to leverage intellectual property rights,
- delayed product or service introductions

Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results.

Overview

During the first and second quarters of 2017, the Company continued to focus on initiatives to grow revenue, expand its customer base, and develop new revenue streams for its wholly owned subsidiary Nimbo LLC. The company also continued to pursue strategic merger and acquisition activities with targeted technologies and technology companies, and raising required capital.

Notable highlights of the 6 months period ended June 30, 2017 include the following Company achievements:

On January 17, 2017, the Company announced a new nation-wide marketing initiative for increased exposure through Verizon Wireless' B2B channels to automotive dealerships across the US.

On March 7, 2017, the Company announced receipt of new orders for Nimbo's pre-loaded automotive dealership product and services.

On March 7, 2017, the Company announced expansion of Nimbo's sales force including increased staffing in California and the opening of new sales office in Charlotte, NC.

On April 24, 2017, the Company secured a contract with JStar Automotive Group contributing 400 Pre-Load activations per month.

On May 22, 2017, the Company sponsored the 7th Annual Agent Summit, the largest gathering of sales representatives and dealer consultants for F&I products in the US.

On June 15, 2017, the Company activated its first 1000 activations with Sprint.

- Six month revenues:
  - Six month 2017 Revenues of $721,510;
    - 23% growth over the previous quarter;
    - 60% growth over the same period in 2016.

- Gross Profit:
  - Six month 2017 Gross Profit of $290,306
    - 17% growth over the previous quarter
    - 33% growth over the same period in 2016

- Gross Margin:
  - Six month 2017 Gross margins of 40%
    - Down from 41% in previous quarter, and up from 35% for all of 2016
    - Down from 48% in the similar period in 2016

- Expenses:
  - 64% increase in expenses over the three month period in 2016 but a 37% increase in expenses after removing the impact of stock-based compensation expense
  - 37% increase in expenses over the six month period in 2016 but a 16% increase in expenses after removing the impact of stock-based compensation expense

- Net Profit (Loss):
  - Net loss of (Six Months - $537,150 and Three Months - $302,389)
    - 43% increase over the three month period in 2016 but a 23% reduction in expenses after removing the impact of stock-based compensation expense
    - 34% increase over the six month period in 2016 but a 1% increase in expenses after removing the impact of stock-based compensation expense

Financial Condition and Results of Operations

Capital Resources and Liquidity

Current Assets and Liabilities, Working Capital, Net Debt

As of June 30, 2017, the Company's current assets were $262,824, a slight increase of 4% from December 31, 2016. The most significant increase to current assets was an increase in restricted cash, inventory, and prepaid expenses of $15,718, which was primarily increases to existing deposits and secured letters of credits for vendors, and the most significant reduction was a $6,433 reduction in accounts receivable.

Current liabilities increased by $104,504, or 10%, from December 31, 2016. The Company only increased its accounts payable by $36,403, but there was a large increase in derivative liabilities of $78,744, mainly due to three additional convertible debentures totaling $100,000 over the six months.

The Company finished the second quarter with a working capital deficiency of $931,652, an increase of $95,169 from December 31, 2016. In order to support the expansion of the business, the Company increased its debt financing through issuing three convertible debentures totaling $100,000. The Company intends to improve its working capital position through ongoing equity and long term debt financing and continued focus on growth in its cash flow.

The Company monitors its debt to ensure that its capital structure is maintained by a strong balance sheet to fund its future growth. The main focus is to raise more financing through equity. The Company successfully raised additional financing through equity subsequent to the quarter end and will seek to attract further equity financing in the future.

Total Assets and Liabilities

The Company's total assets as of June 30, 2017 were $773,570, a slight increase of $7,188 from December 31, 2016. This decrease was commensurate with the respective changes in current assets previously discussed; changes in noncurrent assets were not significant.

Total liabilities increased by $196,196, or 17% from December 31, 2016. This increase was composed primarily of the increase of convertible debentures of $35,356 (net of unamortized discount) and an increase in deferred revenue of $64,679. The increase in deferred revenue and short term debt are as a result from its recent substantial increase in revenue and its business activities.

As of the date these condensed consolidated interim financial statements, the Company has raised additional capital through issuing common shares. The Company believes it has access to adequate working capital and projected net revenues to maintain existing operations for approximately two months without requiring additional funding. The Company's business plan is predicated on raising further capital for the purpose of further investment and acquisition of targeted technologies and companies, to fund growth in these technologies and companies, and to expand sales and distribution channels for companies it currently owns or is invested. It is anticipated the Company will continue to raise additional capital through private placements and debt financing in the both the near and medium term.

Results of Operations

Revenues and Net Income (Loss)

Revenues

For the six months ended June 30, 2017, the Company had revenues of $721,510, a 60% increase compared to the same period in 2016. The revenue in the most recent second quarter also increased significantly by 124% over the same period in 2016. Sales growth was due primarily to growth of pre-loaded product and services into automotive dealer markets.

Gross profit for the six months ended June 30, 2017 was $290,306 were a significant 33% increase over the comparable period in 2016. This also reflects in the second quarter gross profits of $156,739, a 102% increase over the comparable period in 2016. Similarly, gross profits for the most recent second quarter of $156,739 also show a healthy increase of 17% over its previous quarter in 2017.

Gross profit percentage for the six months ended June 30, 2017 was 40%, down from 48% in the comparable period in 2016. The gross margin for the quarter ended June 30, 2017 was 39%, down from 43% in the comparable period in 2016 of 43%. Reduced gross margins year on year were not unexpected, as the first six months of 2016 was a bit of an anomaly; by comparison, gross margins for all of 2016 were 35% and all of 2015 was 31%.

The Company continues to review hardware, inventory, and order fulfillment strategies as well as product and service pricing and delivery models to try to grow sales and maximize overall margins.

In 2016, the Company implemented a pricing model based on initial lower margin sales of services and hardware that is pre-loaded in automotive dealership lots, with follow-on high margin revenue generated by subsequent sell-through to end customers. The Company anticipates this pricing, margin, and revenue recognition model will continue to grow in 2017.

Expenses

Expenses for the six months ended June 30, 2017 totaled $810,631, a 37% increase over the comparable period in 2016. Expenses for quarter ended June 30, 2017 were $464,988, an increase of 64% over the comparable period in 2016. The increase in expenses for the three and six months ended June 30, 2017 was mainly due to stock-based compensation expense recorded. The Company granted an additional 1,550,000 stock options during the most recent quarter with substantial options being fully vested during the quarter. Overall, the Company was able to reduce its consulting fees from $106,255 in first six months of 2016 to $65,974 in 2017, a decrease by $40,281 or 38%. Salaries however increased from $173,979 in 2016 to $241,128 in its first six months operations in 2017, an increase of $67,149 or 38%. The increase was mainly due to increased overall sales and business activities. Though overall expenses were reduced over the quarter after taking out the effect of stock based compensation, the Company continues to incur increases particularly in salaries and expenses related to sales, and anticipates this will continue as the Company continues to invest in growing its sales organization. The Company also anticipates increases in development-associated labor and material costs in the next several quarters.

Net Income (Loss)

For the six months ended June 30, 2017, the Company had a net loss of $537,150, an increase of $135,673 over the same period in 2016. The increase in net loss was mainly due to a $94,974 increase in stock-based compensation expense.

The Company continues to invest in personnel, channels, and product development in order to drive revenue growth and increase gross profits sufficient to enable the Company to achieve profitability.

Cash Flows and Cash Position

For the six months ended June 30, 2017, the Company saw an increase of $50 in cash. Net cash of $249,486 used in operating activities was offset by net financing cash of $279,911 raised via private placements, notes payable, and convertible debentures. Cash at the end of the period was $40,073.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a smaller reporting company, the Company is not required to provide the information required by this item.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the *Securities Exchange Act of 1934*, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer (our principal executive officer, principal financial officer, and principal accounting officer) to allow for timely decisions regarding required disclosure.

The Company carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures as of June 30, 2017. The conclusion of the Company's chief executive officer (our principal executive officer, principal financial officer, and principal accounting officer) was that the disclosure controls and procedures in place were not effective as of the end of the period covered by this quarterly report.

Internal Control over Financial Reporting

During the last fiscal quarter there was no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II
OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not party to any legal proceedings.

Item 1A. Risk Factors.

As a smaller reporting company, the Company is not required to provide the information required by this item, however for a discussion of risk factors affecting the Company please refer to the *Cautionary Note Regarding Forward-looking Statements* included in Part I Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the six months ended June 30, 2017, the following securities were sold or issued:

> On March 2, 2017, the Company issued 2,222,222 units at $0.09 per unit for proceeds of $200,000. Each unit consisted of one share of common stock and one share purchase warrant exercisable until March 2, 2019. The share purchase warrant is exercisable at $0.18 per share for the first year and $0.23 per share thereafter.
>
> On March 2, 2017, the Company issued 56,000 shares of common stock for consulting services.
>
> As at April 20, 2017, the Company issued 49,020 shares of common stock with a fair value of $5,392 for consulting services rendered.
>
> On June 23, 2017, the Company issued 147,059 units at $0.17 per unit for proceeds of $25,000 which was received as at December 31, 2016. Each unit consisted of one common share and one share purchase warrant exercisable at $0.35 per share for a period of two years from their date of issuance.

Item 3. Defaults Upon Senior Securities.

There has been no material default in the payment of any element of indebtedness of the Company. The Company has no preferred stock for which dividends are paid, hence no related arrearage or delinquencies in payments of dividends.

Item 4. Mine Safety Disclosures.

The Company is not an operator, nor has a subsidiary that is an operator, of a coal or other mine.

Item 5. Other Information.

During the period covered by this report there was no information, required to be disclosed in a report on Form 8-K, that was not reported.

During the period covered by this report there were no material changes to the procedures by which security holders may recommend nominees to the registrant's board of directors.

Item 6. Exhibits.

Exhibit Index

31.1	Certification – Rule 13(a)-14(a)/15d-14(a) - CEO
31.2	Certification – Rule 13(a)-14(a)/15d-14(a) - COO
32.1	Certification – Section 1350 - CEO
32.2	Certification – Section 1350 – COO
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IGEN Networks Corp

August 21, 2017

By: */s/ Neil Chan*
Neil Chan
Director, Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

IGEN Networks Corp

August 21, 2017

By: */s/ Robert Nealon*
Robert Nealon
Director, Chairman