PRODIGY VENTURES INC. (FORMERLY 71 CAPITAL CORP.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED
SEPTEMBER 30, 2015

November 11, 2015

Basis of Presentation

The following Management Discussion and Analysis ("MD&A") of the financial condition and results of operations of the Company are the views of management and should be read in conjunction with the financial statements and related notes for the three and six months ended September 30, 2015 and 2014, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are expressed in Canadian dollars unless otherwise indicated.

This report is dated as at November 11, 2015, and the Company's additional public filings can be reviewed via the SEDAR website (www.sedar.com). The Company's Audit Committee and Board of Directors have reviewed and approved the MD&A.

Throughout this document, Prodigy Ventures Inc. is referred to as "Prodigy", "we", "our" or "Company". This MD&A provides information that management believes is relevant to an assessment and understanding of the results of operations and financial condition of the Company.

Forward-Looking Statements

This MD&A contains forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or states that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. All statements in this MD&A that do not directly and exclusively relate to historical facts constitute "forward-looking information" within the meaning of Canadian securities laws. This information represents Prodigy's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors, of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking information. These factors include but are not restricted to: the timing and size of new contracts; acquisitions and other corporate developments; the ability to attract and retain qualified personnel; market competition in the rapidly evolving information technology industry; general economic and business conditions; and other risks identified in the MD&A, and Prodigy's interim financial statements for the three and six months ended September 30, 2015 as well as assumptions regarding the foregoing. The words "believe", "estimate", "expect", "intend", "anticipate", "foresee", "plan", and similar expressions and variations thereof, identify certain of such forward-looking information, which speak only as of the date on which they are made. In particular, statements relating to future performance are forward-looking information. Prodigy disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on this forward-looking information.

REVERSE TAKEOVER

Prodigy was incorporated as 71 Capital Corp. under the Canada Business Corporations Act on February 6, 2008 and was classified as a Capital Pool Company as defined by the TSXV. On September 10, 2015 the Company closed its Qualifying Transaction pursuant to an agreement between 71 Capital Corp., TCB Corporation and 2478677 Ontario Ltd., and 71 Capital Corp. changed its name to Prodigy Ventures Inc. (together, "Prodigy" or "the Company"). Pursuant to the agreement, 71 Capital acquired all of the issued and outstanding shares of TCB Corporation.

As part of the Qualifying Transaction, 71 Capital consolidated its common shares on the basis of 2 to 1. TCB recapitalized its share capital via the issuance of 20,024,724 Common shares and 88,051,416 non-voting shares and the cancellation of the common, Series I Class A and Series II Class A shares that were outstanding prior to the Amalgamation. TCB amalgamated with a wholly-owned subsidiary of 71 Capital (the "Amalgamation"), pursuant to which all shares of TCB, including those issued in connection with the Amalgamation, were exchanged for shares of Prodigy. Following completion of the Qualifying Transaction, the Company had an aggregate of 25,688,232 common shares outstanding, comprising 20,024,724 common shares issued to former holders of TCB common shares, 1,183,080 common shares to investors in the private placement, 2,274,793 common shares issued for financial advisory services in connection with the transaction and 2,205,635 common shares to former holders of 71 Capital common shares. The Company also had 88,051,416 restricted shares outstanding.

Upon closing of the Qualifying Transaction, the shareholders of TCB owned approximately 98% of the common shares (including shares issued in connection with the transaction) of the Company and as a result, the transaction is considered a reverse acquisition of 71 Capital by TCB. For accounting purposes, TCB is considered the acquirer and 71 Capital the acquiree. Accordingly, the consolidated financial statements are in the name of Prodigy Ventures Inc. (formerly 71 Capital), however they are a continuation of the financial statements of TCB which has adopted 71 Capital's financial year end of December 31.

The results of operations of 71 Capital are included in the consolidated financial statements of TCB from the date of the reverse acquisition, September 10, 2015.

The following summarizes the reverse takeover of 71 Capital by TCB and the net assets acquired and liabilities assumed at September 10, 2015:

Fair value of consideration paid to former 71 Capital shareholders:	
2,205,635 common shares at $0.0725 per share	$ 159,909
Identifiable assets acquired and liabilities assumed :	
Cash	54,124
Accounts payable	(266)
Net assets acquired/assumed	53,858
Listing expense	**$ 106,051**

The Amalgamation with 71 Capital allowed TCB, a private company, to obtain a listing on the TSXV without having to go through an initial public offering process. As the acquisition was not considered a business combination, a total of $106,051, being the excess of fair value of the consideration paid to obtain the listing over the net assets (liabilities) received (assumed), have been included in listing expense in the accompanying consolidated statement of comprehensive income (loss).

OVERVIEW

On April 1, 2014, the Company commenced doing business under the registered name "Prodigy Ventures'. The Company took on eight initial subcontractors and shortly thereafter signed agreements with two Canadian banks to provide technology services and began work under those master service agreements.

Prodigy is comprised of two main business units: Prodigy Labs and a "venture builder" business.

Prodigy Labs is Prodigy's technology services business, a trusted technology supplier to leading Canadian financial institutions, providing clients with consulting services for strategy, design, project management, application development, staff augmentation and services related to Prodigy's business platforms. It provides these technology services to the aforementioned clients. Prodigy Labs' technology consulting services currently represent 100% of Prodigy's revenue.

Prodigy is also a "venture builder". This unit ("Prodigy Ventures") is creating new business platforms and applications in many of the highest growth technology segments: mobile video, wearables, proximity marketing, mobile payments, augmented reality, 3D and social. Prodigy Venture's business platforms and applications are or will be designed to deliver B2B, B2C, P2P (Peer to Peer) and IoT (Internet of Things) capabilities. Prodigy's research and development expenses are related solely to the venture builder business.

Vision and Strategy

Prodigy's vision and strategy consists of two tracks. The first track is to aggressively expand its services business, Prodigy Labs, into new market segments, new technologies, and a broader geographic reach. The second track is to create growth as a venture builder by building and marketing its innovative new business platforms and applications.

Management of Prodigy believes that there are a number of primary strategic benefits to operating a services business and venture builder business within one company.

1. Growth multiplier;
2. Top talent attraction and retention;
3. Shared management resources;
4. Shared infrastructure, administration, marketing and sales;
5. Streamlined access to capital for all ventures; and
6. Portfolio approach to new ventures.

Each of these benefits is discussed in greater detail below.

Growth multiplier

Management believes that operating a services business and venture builder within one company multiplies the growth opportunities for each. The enterprise technology services business is highly competitive, and requires a unique offering for a new entrant to grow. The ventures businesses provide the basis of that unique offering by demonstrating expertise in complementary high growth technology segments. While each new venture is primarily focused on building its own platform and application, many will have a significant opportunity for services revenue based on those platforms. However, independently attempting to capture that services revenue would distract from their primary platform-building focus. Instead, it is intended that the services business, Prodigy Labs, will capture and deliver these service revenues, multiplying overall growth.

Talent attraction and retention

Human resources are the core of any software and technology services business. Prodigy's two track strategy is a key enabler in its ability to attract and retain top talent. The most experienced and skilled technologists seek interesting work, opportunities to gain experience with trending developments, competitive compensation, a financial upside and a collegial environment. Prodigy's set of new ventures participate in the latest technology trends. Interesting work opportunities are provided to staff by redeploying to, or timesharing between, the services business and the ventures businesses, with a range of potential experience-building roles. Prodigy strives to keep compensation levels competitive, and its activity in the client staff augmentation business ensures that its market knowledge is current. It is anticipated that in the future Prodigy will also offer performance incentive options to top performing personnel. A collegial environment is fostered with a relaxed work environment and a minimal hands-on management layer.

Shared management resources

By sharing management resources across a number of cross-pollinating ventures, costs are reduced. The technology talent within each venture is freed to apply itself more efficiently to real value creation and the development and delivery of its actual products and/or services.

Shared infrastructure, administration, marketing and sales

By sharing infrastructure, administration, marketing and sales, Prodigy is able to realize additional cost savings. The pooling of these requirements for all internal venture clients permits the acquisition and deployment of more and better resources to satisfy their needs.

Streamlined access to capital

New debt and/or equity will be raised from time to time as required to meet the ongoing aggregate requirements of all ventures. As ventures become profitable, their positive cash flows may also be reinvested in new ventures. Capital will be allocated to ventures based upon management's determination of risk/reward trade-offs and regularly reviewed to adapt to changing conditions.

Portfolio approach to new ventures

Finally, a portfolio approach to new ventures mitigates overall risk for all participants: shareholders, management and company personnel. Over time, some ventures will be winners, others not. As new ventures mature and become successful, they may become wholly or partially legally and operationally independent, but Prodigy intends to retain ongoing interests in each, and may continue to provide enterprise services, and support for administration, marketing and sales, on a case by case basis. Timing of graduation to full/partial independence will be determined by each venture's growth, ongoing requirements and market conditions.

Prodigy may also transition from a venture builder to an incubator, investing and/or acquiring promising start-ups/businesses in technology areas similar or complementary to its core competencies.

Services Business

Prodigy Labs is Prodigy's technology services business, a trusted technology supplier to leading Canadian financial institutions, providing enterprise clients with consulting services for strategy, design, project management, application development, staff augmentation, and services related to Prodigy's business platforms. Prodigy is currently a leader in the development of mobile enterprise applications development for Canadian banks. These services are provided primarily through the services of skilled technology subcontractors provided at hourly rates. During its first year most of Prodigy's revenue was generated through time and material contracts. However, a growing part of the business is through fixed price contracts, and Prodigy plans to emphasize future growth with fixed price work.

Prodigy's technology consulting services currently represent 100% of its revenue. Prodigy Labs has begun the transition from the organic growth of its first year to a more aggressive business development strategy. The business has started to invest in staff for sales and marketing, has targeted specific vertical markets, is implementing a contact and sales plan, and has defined a services offering that builds upon its successful experience with Canadian banks, as well as the unique capabilities of the other Prodigy businesses. Enterprise prospects are keenly interested in mobile video, wearables, proximity marketing, mobile payments, augmented reality, 3D and social platforms and applications, and need expert assistance to apply them to their businesses. Management of Prodigy believes that this will result in significant growth for Prodigy Labs.

To date, the majority of the personnel at Prodigy are dedicated sub-contractors, although there is a gradual shift towards hiring more full time employees. This shift should have a positive impact on future gross profit, build greater staff commitment, and is better aligned with the plan to emphasize fixed price client work. It will also enhance the mobility for staff between the ventures and services tracks within Prodigy, an important attraction for potential new hires. Most of Prodigy's personnel are located at the premises of its clients and the others work remotely.

Information technologies are abundant, complex and rapidly changing. In this context, Prodigy's success depends on its ability to remain at the forefront of its field, as well as to adapt its service approach to suit each client's specific needs. This situation demands the continual development of cutting-edge expertise, tools and methodology, as well as the skills of competent and committed professionals.

Competition for the services business of Prodigy Labs comes from a broad range of technology companies, from large international players like IBM and CGI, to smaller local participants, like BNotions, Pivotal Labs, and others. Prodigy Labs' sales efforts are based upon specific targeting of prospects in sectors of interest, dictated largely by the technology development work in Prodigy's businesses. For example, Prodigy Labs is targeting large retailers to sell services based upon its proximity marketing work. It is also targeting the banks and other financial institutions to sell services based upon its work in mobile video and augmented reality. Sales efforts are on a one-to-one personal level to senior executives in these enterprises. Prodigy recently hired its first Account Director and plans to grow the account sales and service team to a staff of up to ten people within two years.

Venture Builder Business

Prodigy is currently in the process of building a number of new ventures in its venture builder arm, which are described below:

iVideo

Mobile video sharing is one of the fastest growing uses of mobile technology. Instagram, Vine, Snapchat, and others have demonstrated the potential for explosive growth, and users have shown a repeated willingness to quickly adopt new platforms offering interesting new video experiences.

iVideo is Prodigy's entry into this space. iVideo is the only split-screen video camera application in Apple's App Store. With almost no marketing effort, iVideo reached over 150,000 downloads in its first year as a free video camera app. It has a world-wide user base, and has reached the Top 100 list in the Photos and Video category of the Apple App Store in many countries.

iVideo is being transformed by Prodigy from a video camera app into a full social video platform and its relaunch for iPhones and iPads is expected in November, 2015. The next release will offer these new social capabilities alongside its split screen interface and additional unique user interface designs for a compelling new video experience. An Apple Watch and Apple TV companion app is under construction, and a Google Glass iVideo app is nearing completion, awaiting the launch of Google Glass 2.0. An Android version will be created after the next release. These platforms are expected to launch in December, 2015 and January, 2016. iVideo will be marketed more aggressively after its next release with a goal of quickly growing its user base before a revenue model is applied to monetize the business.

Prodigy management believes that iVideo's competitive advantage will be the uniqueness of its user interface. Users have repeatedly shown that they will rapidly adopt mobile video apps that offer interesting new experiences. iVideo's user experience is unique compared to all other current offerings. Additionally, iVideo will act as a frictionless cross-platform bridge, enabling users of other platforms to continue to save and share their videos to those platforms while adopting and switching to iVideo, by providing transparent file compatibility and auto-upload features for these competitive platforms.

Research and development expenditures in the iVideo platforms have been given priority over other venture builder investments. As a result, the development of bconix, ZETZ, and our other venture builder apps and platforms described below have been deferred. The Company is limiting its investment in new venture builder apps and platforms to the level dictated by its free cash flow from operations until it determines that the time is right to raise additional capital.

bconix™

Prodigy's bconix™ venture, currently in technology development, is building an enterprise technology platform to deliver a full suite of proximity marketing capabilities.

Proximity marketing is a revolutionary new marketing capability that is enabled by the creation of iBeacon technology. Originally developed as an open standard by Apple, iBeacon is a Bluetooth Smart (or low energy) protocol available on all current Apple and Android smartphones and tablets. It is a ranging technology that, within 100 metre Bluetooth range, can determine the approximate distance of a user's device relative to a small, inexpensive iBeacon transmitter. With beacons distributed around a location, a user carrying their device can be located in real time, indoors or out, as they move towards or away from a beacon. Since the Bluetooth Smart radio is very low power, it is permitted to be listening when the user's device is sleeping, and when it detects a beacon within range, if the user has loaded an app programmed to recognize that beacon, their device can be awakened with a notification. The notification can be programmed to provide any content, and can direct the user into a related app on their smartphone or tablet to provide a rich experience. This process, and the delivery of related rich marketing experiences, is called proximity marketing.

Since its availability less than two years ago, iBeacon has generated enormous interest in the retail sector. Pilot programs have been announced by some major retailers. Potential uses of the technology include in-store content delivery for coupons, offers, loyalty programs, product information, in-store mapping, on-demand help, personalized shopping experiences and more. In addition, there is great potential for proximity queuing and payment solutions, which will auto-recognize users in queue, provide in-queue experiences while waiting, and then auto-start the payment process at checkout or queue termination, all without the user needing to access their device. Similarly frictionless experiences are also possible in other payment situations, where just being in close proximity to a POS system will trigger the payment process.

The bconix™ server technology will provide beacon setup and mapping, content management and delivery, administration, security, usage tracking and analytics. The bconix™ client applications for smartphones will enable users to receive beacon notifications and provide the proximity-driven marketing content and user experiences. For point of sale payments, bconix™ will provide additional tablet and custom delivery platforms. The bconix™ platform will be made available online for small and medium size retailers, with a licensing revenue model, and customized or white labeled by Prodigy Labs for large enterprise clients. Other uses of the bconix™ platform are in banking, restaurants and bars, ticketing, personalized digital signage and more.

The iBeacon space is nascent and experiencing explosive growth. There is no clear platform leader. Competitors include Estimote, Radius Networks, kontakt.io and Ubudu, among others. All of these provide combined solutions of proprietary beacon hardware and software. The bconix™ platform will be a software only solution, designed to work with hardware from most manufacturers. It will offer capabilities to tie into existing customer relationship management and point of sale systems. Prodigy also is joint selling with a tier one network infrastructure provider, with world-wide capacity to install and service the hardware infrastructure requirements of large enterprises.

Prodigy is also developing the following ventures:

- a social proximity platform, called ZETZ, enabling peer-to-peer social connections with those nearby;
- another social proximity platform being developed as a marriage of iBeacon, mobile video and digital signage technologies;
- Noobify.me, a new venture for 3D personalized avatar creation and distribution, and video game personalization;
- Glass Crowd, a venture for creating shareable real time video feeds from wearable headsets;
- We Got Game, a platform for a transformative in-stadium mobile and social user experience; and
- additional ventures are in strategic development to deploy mobile video, AR, 3D, beacon and wearable technologies to create transformative user experiences in shopping, payments, real estate and fitness.

Intellectual Property

Currently, Prodigy has no patents. The rights to the software developed under contract for customers of Prodigy Labs are owned by those customers. As new ventures develop, their intellectual property will grow and may become significant over time. Each employee, officer, director, consultant and contractor providing services to Prodigy has validly assigned to Prodigy all rights such person or entity may have in the work completed on behalf of Prodigy.

Trends

Prodigy is directing its services and new ventures businesses into some of the highest expected growth areas for new technologies.

Mobile Video[1]

More and more people are watching video content on their mobile devices. What's astounding is how fast mobile video consumption is growing.

According to video marketing firm Ooyala, 38% of online video plays in Q4 2014 happened on a tablet or smartphone, double the activity in Q4 2013.

More than 38% of video plays occurred on smartphones and tablet devices. Based on data from Ooyala's more than 500 clients across the world, the report analyzed video viewing behavior of over 220 million global video viewers.

Its data shows online video consumption has been climbing consistently for the past three years, up 16-times what it was in 2011.

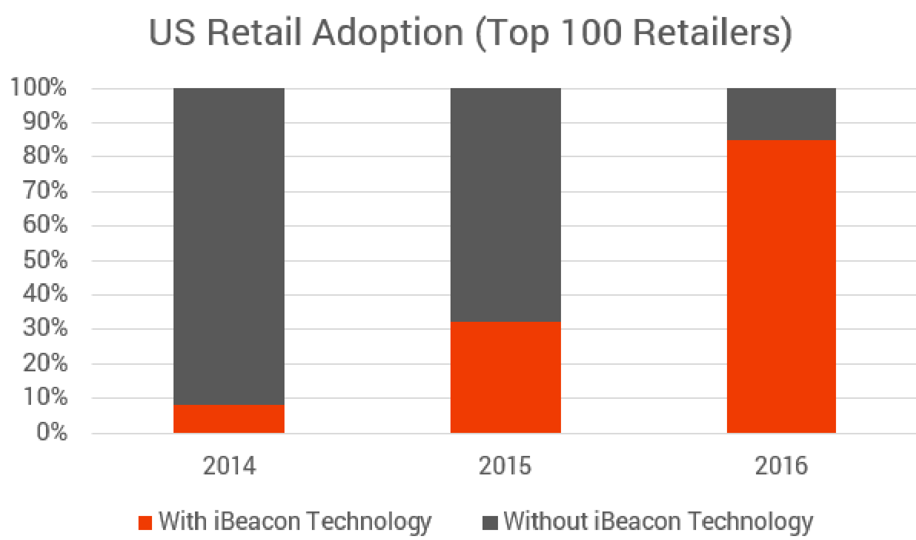
Ooyala's numbers show 54% of mobile phone video viewing is spent on content that runs 10-minutes or less.

Proximity[2]

Many well-known companies are already developing technology for iBeacons (using or have tested iBeacon technology): Major League Baseball, Orlando Magic, Marriott, Starwood Hotels, Tesco, Virgin Airlines, American Airlines, Japan Airlines, Coca Cola, Oscar Mayer, Hillshire, Walgreens, Walmart, Hammerson, Nivea, American Eagle, Macy's, Lord & Taylor, Levi's, Philips, and, of course, Apple.

They are not all retailers, but many are. With so many high-caliber companies exhibiting such interest in iBeacon technology, there would seem to be excellent prospects for continued growth.

Prodigy believes that iBeacon technology is poised to dominate retail.



About 85% of retailers in the United States are predicted to adopt iBeacon technology by the end of 2016. iBeacon technology is set to become a prolific part of the retail environment very soon.

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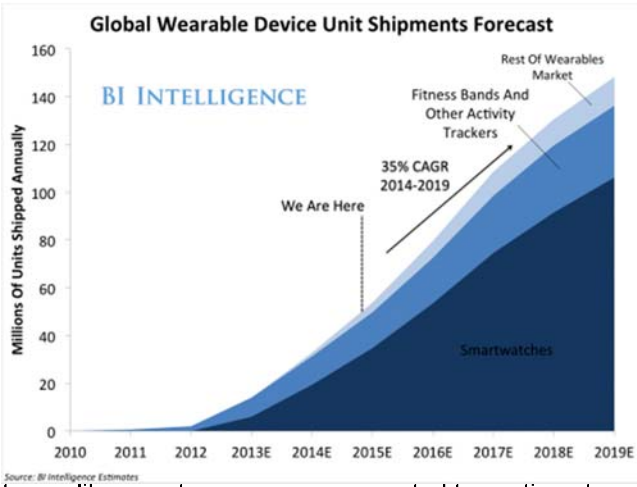
[1] (ref: http://www.ooyala.com/online-video-index)
[2] (ref: http://echidnainc.com/ibeacon-technology-2015-adoption-statistics/)

Wearables[3]

The global wearables market is expected to grow at a compound annual rate of 35% over the next five years, reaching 148 million units shipped annually in 2019, up from 33 million units shipped this year.



It is expected that the smartwatch will be the leading product category and take an increasingly large share of wearable shipments. It is forecasted that smartwatch shipments will rise by a compound annual rate of 41% over the next five years and that smartwatches will account for 59% of total wearable device shipments in 2015, and that share will expand to just over 70% of shipments by 2019.

It is anticipated that the Apple Watch will kick-start growth in the overall smartwatch market and that the Apple Watch will account for 40% of smartwatch shipments in 2015 and reach a peak 48% share in 2017.

Fitness bands and miscellaneous wearable device types, like smart eyewear, are expected to continue to cater to niche audiences and that fitness bands, because of their appeal to niche audiences interested in health and exercise, will see their share of the wearable device market contract to a 20% share in 2019, down from 36% in 2015. There will be some blur between fitness bands and smartwatches.

Now that both Apple and Google are in the smartwatch market, it is expected that they will dominate the market, much as they have in the smartphone and tablet markets. Because these platforms make up over 90% of the entire mobile platform market, many mobile users interested in wearable devices will gravitate toward Apple Watches and Android Wear-based devices.

Augmented and Virtual Reality[4]

From the Facebook acquisition of Oculus Rift and Google's investment in Magic Leap to the Samsung GearVR announcement, Google Ingress and Google Cardboard, the industry set the stage for AR and VR to become popular technologies in 2015.

There continues to be a pressing need for businesses and consumers to be able to see and experience things that can't be physically present and to project layers of virtual data onto real world environments, creating deeper and more meaningful experiences. AR and VR technologies are finally ready to help solve these problems. Certain of the developments that are expected to occur are the following:

1. Affordable VR headsets will normalize Virtual Reality – "It's not just for gamers anymore"
2. Evolved AR & VR business and marketing solutions
3. Retailers get serious with AR and VR as consumers start to expect it
4. Virtual test drives – and virtual vacations
5. Phones built for AR & VR

[3] (ref.:http://www.businessinsider.com/the-wearable-computing-market-report-2014-10)
[4] (ref: http://www.marxentlabs.com/top-virtual-reality-augmented-reality-trends-2015/)

SUMMARY OF OPERATING RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2015

Operating results for the three and six-months ended September 30, 2015 compared to the three and six-months ended September 30, 2015 are presented below.

	Three months		Six months	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Revenue	2,335,971	579,703	3,611,424	968,009
Direct Costs	1,404,853	480,393	2,368,765	791,506
Expenses	649,862	64,890	854,619	119,942
Net and comprehensive income for the period	204,153	28,740	293,148	47,228
Earnings per share – basic and diluted	0.01	0.00	0.01	0.00

Total revenue for the three and six months ended September 30, 2015 increased $1,756,268 and $2,643,415 from $579,703 and $968,009 to $2,335,971 and $3,611,424 year over year, an increase of 303% and 273% respectively. The Company had limited business operations prior to April 1, 2014. As a result, our profitability and cash from operating activities have markedly improved, and results from operations for previous years are not directly comparable.

Direct costs for the three and six months ended September 30, 2015 increased $924,460 and $1,577,259 from $480,393 and $791,506 to $1,404,853 and $2,368,765 year over year, an increase of 192% and 199% respectively. Gross profit increased $831,808 and $1,066,156 from $99,310 and $176,503 to $931,118 and $1,242,659 respectively. The net and comprehensive income for the three and six months ended September 30, 2015 increased $175,413 and $245,920 from $28,740 and $47,228 to $204,153 and $293,148. The year over year increase in revenue and net income is the result of 2015 being the first full year of the Company's operations as Prodigy Ventures, as discussed above. Revenue is expected to grow as new products are developed. Direct costs will increase in relation to changes in revenue.

Net income per share was $0.01 and $0.01 for three and six months ended September 30, 2015 as compared to $0.00 and $0.00 in the comparative periods.

Summary of Expenses

	Three months		Six months	
	2015	2014	2015	2014
	$	$	$	$
Expenses				
Advertising and promotion	14,317	-	25,635	2,636
Computer	6,217	10,262	12,875	15,357
Depreciation	943	620	1,379	1,240
Interest and bank charges	7,806	2,916	13,774	6,235
Listing expense (Note 3)	106,051	-	106,051	-
Management fees and compensation	80,630	28,485	140,968	53,819
Office and general	2,052	82	7,182	162
Professional fees	318,471	122	357,153	7,933
Rent and occupancy costs	6,030	2,642	9,147	5,284
Research and development	100,847	9,850	170,773	15,645
Telecommunications	894	1,075	1,821	1,547
Travel	5,604	8,836	7,861	10,084
	649,862	64,890	854,619	119,942

Advertising and promotion expenses for the three and six months ended September 30, 2015 increased $14,317 and $22,999 year over year from $Nil and $2,636 to $14,317 and $25,635 respectively. The overall cost is expected to increase relative to Company sales.

Computer expenses for the three and six months ended September 30, 2015 decreased $4,045 and $2,482 year over year from $10,262 and $15,357 to $6,217 and $12,875 respectively. The overall cost is expected to increase as additional projects are developed.

Depreciation for the three and six months ended September 30, 2015 increased $323 and $139 year over year from $620 and $1,240 to $943 and $1,379 respectively, due to additional equipment acquired in the current period.

Interest and bank expenses for the three and six months ended September 30, 2015 increased $4,890 and $7,539 from $2,916 and $6,235 to $7,806 and $13,774 respectively as a result of loans received during the period. As the loans are repaid the interest cost will be reduced.

Listing expense was $106,051 during the period, being the excess of fair value of the share consideration paid to obtain the listing over the net assets received. This non-cash item is non-recurring.

Management fees and compensation for the three and six months ended September 30, 2015 increased $52,145 and $87,149 year over year from $28,485 and $53,819 to $80,630 and $140,968 respectively as a result of additional staff hired during the period. The overall cost is expected to increase as the Company grows.

Office and general expenses for the three and six months ended September 30, 2015 increased $1,970 and $7,020 year over year from $82 and $162 to $2,052 and $7,182 respectively. The overall cost is expected to increase as the Company grows.

Professional fees for the three and six months ended September 30, 2015 increased $318,349 and $349,220 year over year from $122 and $7,933 to $318,471 and $357,153 respectively, as a result of filing and listing as well as legal and advisory costs associated with the Qualifying Transaction. This includes $164,922 of fees paid through the issuance of common shares.

Rent and occupancy costs for the three and six months ended September 30, 2015 increased $3,388 and $3,863 year over year from $2,642 and $5,284 to $6,030 and $9,147 respectively.

Research and development expenses for the three and six months ended September 30, 2015 increased $90,997 and $155,128 year over year from $9,850 and $15,645 to $100,847 and $170,773 respectively, as a result of increased spending on the venture builder business. Future increases or decreases will vary based on the status of projects in development.

Telecommunications expenses for the three and six months ended September 30, 2015 decreased $181 and increased $274 year over year from $1,075 and $1,547 to $894 and $1,821 respectively. The overall cost is expected to increase as the Company grows.

Travel expenses for the three and six months ended September 30, 2015 decreased $3,232 and $2,223 year over year from $8,836 and $10,084 to $5,604 and $7,861 respectively. The overall cost is expected to increase as the Company grows.

Summary of Quarterly Results

The following table provides selected unaudited financial information for each of the last eight quarters where financial information is available, presented in Canadian dollars:

For the quarters ended	Sep 30/15 $	Jun 30/15 $	Mar 31/15 $	Dec 31/14 $
Total revenue	2,335,971	1,275,453	881,948	880,741
Net income for the period	204,153	88,997	34,294	77,709
Net income per share – basic and diluted	0.01	0.00	0.00	0.00

For the quarters ended	Sep 30/14 $	Jun 30/14 $
Total revenue	579,703	388,306
Net income for the period	28,740	18,486
Net income per share – basic and diluted	0.00	0.00

LIQUIDITY AND CAPITAL RESOURCES

The Company had working capital of approximately $991,874 as at September 30, 2015 (March 31, 2015 – $212,250). The Company has had positive cash flow from operations for the three and six months ended September 30, 2015 but additional funding may be required for working capital and further expansion of the business. New debt and/or equity will be raised from time to time as required to meet the ongoing aggregate requirements of all ventures. As ventures become profitable, their positive cash flows may also be reinvested in new ventures. Capital will be allocated to ventures based upon management's determination of risk/reward trade-offs and regularly reviewed to adapt to changing conditions. Management believes that it will have sufficient capital to fund its operations for the next twelve months.

SUBSEQUENT EVENTS

On October 16, 2015 the Company issued options to acquire a total of 1,375,000 common shares at an exercise price of $0.10 per share. Of these options, 1,175,000 were issued to officers and directors of the Company. The options vest on December 31, 2016, and expire on December 31, 2018. All options issued are subject to regulatory approval.

COMMITMENTS AND GUARANTEES

The Company's long-term debt comprises three credit facilities with the Business Development Bank of Canada ("BDC"). Each facility is guaranteed personally by the majority shareholder of the Company and bears interest at BDC's floating base interest rate plus 1% per annum, payable monthly. The first facility was negotiated effective May 27, 2014 to a maximum of $200,000. The second facility was negotiated effective December 11, 2014 to a maximum of $50,000. The third facility was negotiated effective June 2, 2015 to a maximum amount of $100,000. There are no financial performance covenants in connection with the credit facilities.

Principal payments under the credit facilities as at September 30, 2015 are due as follows:

2015	$	17,858
2016		87,432
2017		87,432
2018		87,432
2019		33,286
	$	313,440

OFF BALANCE SHEET ARRANGEMENTS

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

CAPITAL MANAGEMENT

The Company defines capital as the aggregate of shareholder equity and debt. The Company's equity comprises the shares of the Company subscribed by the shareholders and retained earnings. The Board of Directors manages the dividend policy and the pricing of products and services of the Company so as to ensure that there is adequate cash flow to fund the Company's operations and safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders.

The Company is currently dependent on both external and internal financing, including loans from third parties and shareholders, to fund its activities. Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is optimal.

There were no changes in the Company's approach to capital management during the periods ended September 30, 2015 and 2014. The Company is not subject to externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

a) The Company rents its premises from its Chief Executive Officer on a month-to-month lease. These transactions were in the normal course of operations and are measured at their transaction amount, which is the amount agreed to by the related parties. During the six months ended September 30, 2015, the Company paid $9,147 (September 30, 2014 - $5,284) in rent and occupancy costs.

b) The Company had advances from the Chief Executive Officer of $2,872 as at September 30, 2015 (March 31, 2015 – advances to the Chief Executive Officer of $1,482).

c) Research and development expenses include $62,500 (2014 - $12,245) in fees charged by the Company's Chief Technology Officer.

d) Direct cost of sales includes $327,025 (2014 - $110,610) in fees charged by current senior officers of the Company.

e) Accounts payable includes $60,511 (March 31, 2015 - $35,287) due to officers and directors of the Company.

Compensation to key management personnel

Compensation for the six months ended September 30 due to persons and corporations in charge of the planning, direction and control of the Company, including executive and non-executive directors is as follows:

		2015		**2014**
Salaries, fees and benefits	$	479,287	**$**	176,674
Total	$	479,287	$	176,674

FINANCIAL INSTRUMENTS

The Company's financial instruments comprise cash and cash equivalents, accounts receivables, advances to/from shareholder, accounts payable and accrued liabilities and long-term debt. The fair values of these financial instruments approximate their carrying values, unless otherwise noted, due to their short-term maturities or interest rates which management believes approximates those of similar instruments in the current market. Except as otherwise noted the Company is not exposed to significant risks in relation to its financial instruments.

The Company's risk management policies are established to identify and analyze the Company's risk, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. There have been no changes to the Company's exposure to risks in respect of its financial instruments, and there have been no changes in respect of management's objectives, policies and processes in the management of its financial instruments from that of the prior reporting period.

The fair value of the advances to shareholder constitutes amounts due to/from the Chief Executive Officer. There is no active and visible market for instruments of these types.

The Company does not hold or issue derivative financial instruments for trading or speculative purposes.

Credit risk

Concentration of credit risk relates primarily to the Company's trade receivables, as the receivables principally derive from one source: technology services. The Company derives 100% of its revenue from four customers.

As at September 30, 2015 one customer represented 93% of the accounts receivable balance. All of the Company's customers are currently located in Canada. While the Company's services business has grown its revenues and profits in the last six months at a rate well ahead of earlier projections, it has not yet significantly grown its services customer base or reduced its reliance on a single large customer. Those efforts are continuing.

The allowance for doubtful accounts was $Nil at the reporting dates. There is no indication, as at these dates, that the debtors will not meet their obligations, except as has been provided for as bad debts during the reporting periods. Bad debt expenses were $Nil for all reporting periods. The Company manages its credit risk relating to its trade receivables through credit approval and monitoring procedures, including senior management prior approval of all rental contracts. Such approvals are based on trade information, payment history, credit rating and financial analysis, where possible.

The Company reviews the components of these accounts on a regular basis to evaluate and monitor this risk. The Company's customers are generally large financially established organizations which limits the credit risk relating to the customer.

Liquidity risk

The Company is exposed to liquidity risk to the extent that it must meet its financial obligations as and when due. The Company's approach to managing liquidity risk is to ensure that it always has sufficient cash and other current financial assets to meet its obligations when due without incurring unacceptable losses or damage to the Company's reputation. Management forecasts cash flows to identify financing requirements. These requirements are then addressed through combination of cash management and access to additional capital.

Management is of the view, based on historical cash flow, that there is sufficient current and future cash flow from its operating activities and third-party loans to sustain ongoing operations. Should contractual commitments require payment, management believes that its current sources of liquidity are sufficient to cover these obligations. A maturity analysis of the payments required under long-term debt is presented above.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company is exposed to variable market interest rates on its long- term debt.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at September 30, 2015 and November 11, 2015 the Company had outstanding 25,688,232 common shares (unlimited authorized) and 88,051,416 restricted shares (unlimited authorized). As of September 30, 2015, 19,098,527 common shares and 79,246,274 restricted shares bear a restrictive legend whereby 3,183,088 common shares and 13,207,712, (an amount equal to 15% of the original total number of escrowed shares) are released from the restrictions in accordance with a defined schedule. This release schedule commenced with the release of 2,122,059 common shares and 8,805,142 restricted shares in September, 2015, with additional amounts being released at six month intervals through until September, 2018, at which time all restrictions will have expired.

There were no stock options outstanding as of September 30, 2015. On October 16, 2015 the Company issued options to acquire a total of 1,375,000 common shares at an exercise price of $.10 per share. Of these options, 1,175,000 were issued to officers and directors of the Company. The options vest on December 31, 2016, and expire on December 31, 2018. All options issued are subject to regulatory approval.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses and other income during the period. Significant estimates made by management include the determination of revenue, the valuation of trade and other receivables, the fair value of share-based payments, the useful lives and depreciation rates of property and equipment, the completeness of accounts payable and accrued liabilities, the valuation allowance for tax deferred assets, the valuation of long-term debt and the fair value of the Company's financial instruments.

These estimates have been applied in a manner consistent with that of prior periods and there are no known trends, commitments, events or uncertainties that management believes will materially affect the assumptions utilized in the accompanying financial statements.

RISKS AND UNCERTAINTIES

The Company's operations involve certain risks and uncertainties that are inherent to the Company's industry and rapidly changing environment that could impact its business, financial condition or results of operations. Additional risks and uncertainties of which the Company is unaware, or that it currently deems to be immaterial, may also become important factors that affect the Company. The following is a description of the principal risk factors that will impact the Company:

Prodigy is a development stage company with a limited operating history

Prodigy is a development stage company, subject to all the risks and uncertainties inherent in a new business and the development and sale of new products. As a result, it still must establish many functions necessary to operate a business, including finalizing its administrative structure, continuing product development, assessing and commencing its marketing activities, implementing financial systems and controls and personnel recruitment.

Prodigy has limited operating history and may not maintain profitability

Prodigy's operating subsidiary, while incorporated in 1992, only commenced its current operations on April 1, 2014. Prodigy is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that Prodigy will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Prodigy may not be able to maintain profitability. In addition, Prodigy expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If Prodigy's revenues do not increase to offset these expected increases in costs and operating expenses, Prodigy will not be profitable.

Economic dependence on a limited number of customers

Prodigy's revenue is obtained exclusively from its services business and 100% of the revenue from the services business is derived from four customers. Prodigy's contracts with these customers are limited in duration, typically with terms of 6-12 months. Prodigy's ability to continue to generate revenue from its services business depends on its ability to regularly renew these contracts and enter into contracts with new customers. Prodigy's ability to renew existing contracts and enter into new contracts in turn depends to a great degree on the quality of services provided and technology developed for its customers.

Prodigy believes that its focus on customer service and support is critical to onboarding new customers and retaining its existing customers. Prodigy's reputation among customers is critical for the growth and success of its business. Any perception that it does not provide satisfactory customer service, even if factually incorrect or based on isolated incidents, could damage Prodigy's reputation, undermine the trust and credibility it has established and have a negative impact on its ability to attract new, or retain existing, customers and enter into new markets or sectors.

Future growth dependent upon success of venture business

Prodigy's future growth depends on the success of its venture builder business, the strategy of identifying, developing and launching new business platforms and applications in potentially high growth technology segments such as mobile video, wearables, proximity marketing, mobile payments, augmented reality, 3D and social. These areas are highly competitive and Prodigy may not be able to develop and implement its new platforms or applications before its competitors. Prodigy only has a small window of opportunity in which to gain the customer acceptance necessary to become a market leader in a particular target market, and it may not be able to develop its ventures before its potential competitors do so.

There is also no guarantee that Prodigy's platforms or applications will gain market acceptance ahead of those of its competitors, and thus may only have limited potential. Prodigy may realize, only after investing significant resources in a new platform or application, that such platform or application is not likely to generate the profits, growth or value that it expected.

Need for ongoing innovation

The markets in which Prodigy competes are characterized by constant change and innovation and they are expected to continue to evolve rapidly. Prodigy's success has been based on its ability to identify and anticipate the needs of its customers and design platforms that provides them with the tools to serve their needs. Prodigy's ability to attract new customers, retain existing customers and increase revenue from both new and existing customers will depend in large part on its ability to continue to improve and enhance the functionality, performance, reliability, design, security and scalability of its platforms.

Ongoing need for financing

Prodigy has had limited revenue from its new ventures. Its ability to continue operations will be largely reliant on its continued attractiveness to equity investors. The Company may incur operating losses as it spends funds to develop its venture builder business operations. There is no guarantee that the Company will be able to achieve its business objectives. The continued development of Prodigy may require substantial additional financing in future. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Company going out of business. While the services business will provide some level of funding, a critical source of funding available to the Company will consist of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company’s debt levels above industry standards.

Attraction and retention of key personnel

The Company has a small management team and the loss of a key individual or inability to attract suitably qualified staff could have a material adverse impact on its business. The Company may also encounter difficulties in obtaining and maintaining suitably qualified staff. Prodigy has sought to and will continue to ensure that management, directors and any key employees are provided with appropriate incentives; however, their services cannot be guaranteed.

Prodigy's future growth and success will depend upon its ability to identify, hire, develop, motivate and retain talented personnel with outstanding skills. There is no guarantee that it will be able to retain the services of any of its employees or other members of senior management in the future. Competition for talent is intense, particularly in technology driven industries such as Prodigy's, and its competitors may be able to offer Prodigy's potential or current personnel better pay, experience, benefits or opportunities. Failure to effectively recruit and retain talent could limit Prodigy's ability to increase sales, expand operations and achieve other strategic objectives.

Competition

The industries in which Prodigy operates are highly competitive. The Company faces strong competition from other companies in the industry. Many of these companies have greater financial resources, operational experience and technical capabilities than Prodigy. As a result of this competition, the Company may be unable to maintain its operations or develop them as currently proposed, on terms it considers acceptable or at all. Consequently, the revenues, operations and financial condition of the Company could be materially adversely affected.

To remain competitive, the Company will require a continued high level of investment in research and development, marketing, sales and client support. The Company may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis.

Key Executives

Prodigy is dependent on the services of key executives, including its directors and has a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of Prodigy, the loss of these persons or either company's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Prodigy operates in an industry with the risk of intellectual property litigation. Claims of infringement against it may hurt its business

Prodigy's success depends, in part, upon non-infringement of intellectual property rights owned by others and being able to resolve claims of intellectual property infringement without major financial expenditures or adverse consequences. Participants that own, or claim to own, intellectual property may aggressively assert their rights. From time to time, Prodigy may be subject to legal proceedings and claims relating to the intellectual property rights of others.

Future litigation may be necessary to defend Prodigy or its clients by determining the scope, enforceability, and validity of third-party proprietary rights or to establish its proprietary rights. Some competitors have substantially greater resources and are able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time. Regardless of whether claims that Prodigy are infringing patents or other intellectual property rights have any merit, these claims are time-consuming and costly to evaluate and defend and could:

- adversely affect relationships with future clients;
- cause delays or stoppages in providing products or services;
- divert management's attention and resources;
- require technology changes to its products that would cause Prodigy to incur substantial cost;
- subject Prodigy to significant liabilities; and
- require Prodigy to cease some or all of its activities.

In addition to liability for monetary damages, which may be tripled and may include attorneys' fees, or, in some circumstances, damages against clients, Prodigy may be prohibited from developing, commercializing, or continuing to provide some or all of its products unless it obtains licenses from, and pays royalties to, the holders of the patents or other intellectual property rights, which may not be available on commercially favorable terms, or at all.

Management of growth

Prodigy may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of Prodigy to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of Prodigy to deal with this growth may have a material adverse effect on Prodigy's business, financial condition, results of operations and prospects.