

IGEN NETWORKS CORP
Form 10-K
April 14, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015.

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
(State or Other Jurisdiction of
incorporation or organization)

20-5879021
(I.R.S. Employer
Identification No.)

119 North Henry Street, Alexandria, Virginia, 22314
(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock
Title of Class

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting 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)

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

The aggregate market value of the Common Stock of IGEN Networks Corp. held by non-affiliates as of April 13, 2016 was \$4,649,463 based on the closing price of the common stock of \$0.16

The number of shares of the registrant's common stock outstanding as of December 31, 2015 was 28,215,349.

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Part I

Item 1. Business

Description of Business

IGEN Networks Corp. (“IGEN”, the “Company”, “we”, “our”) was incorporated in the State of Nevada on November 14, 2006 under the name of Nurse Solutions Inc. On September 19, 2008 the Company changed its name to Sync2 Entertainment Corporation and traded under the symbol SYTO. On September 15, 2008 the Company became a reporting issuer in British Columbia, Canada. On May 26, 2009, the Company changed its name to IGEN Networks Corp., the Company’s common stock was assigned 45172B 10 2 as its new Cusip number, and the Company’s trading symbol was changed to IGEN effective June 30, 2009. On November 4, 2011, IGEN Business Solutions Inc., a wholly owned Canadian subsidiary of IGEN Networks Corp., was incorporated. On March 25, 2015, the Company was listed on the Canadian Securities Exchange (CSE) under the trading symbol IGN and the Company became a reporting Venture Issuer in British Columbia and Ontario, Canada.

The Company’s principal business is investing in or acquiring operating high tech companies and playing an active role in the management of these companies to mitigate risk and maximize their revenue growth. The Company defines itself as an “invasive” business accelerator. Through ownership of IGEN shares, the general public has an opportunity to participate in the financial growth and any liquidity events of these privately-held and IGEN-managed technology companies. The Company has primarily targeted companies with technologies or solutions in three specific areas: Machine to Machine (M2M) applications and technologies, Cloud-based software-as-a-service (SaaS) business applications, and specialized wireless broadband communications infrastructure. A secondary part of IGEN’s business is negotiating distribution agreements with organizations, typically in the above industries, and selling their products and services through the distribution channels of our portfolio companies, or newly developed global IGEN sales channels.

As of December 31, 2015 the Company had:

- i) Equity positions and distribution agreements with two Canadian privately held companies: Gogiro Internet Group, and Machlink Inc., in which it has 30.44% and 2.15% equity positions respectively;
- ii) A 100% equity position in Nimbo LLC, a privately held US company acquired in 2014;
- iii) A global distribution agreement with Star Solutions Inc., a privately held Canadian company; and
- iv) A software license and hardware supply agreement with GPS Holdings Ltd (GHD), a privately held US Company.

The Company has offices in the United States and Canada. The U.S. head office is located at 119 North Henry Street, Alexandria, Virginia 22314. The Canadian office is located at Suite 1025, 1185 Georgia Street, Vancouver BC, Canada, V6E 4E6. The Company’s phone number is 1-888-244-3650.

The Company itself currently owns no patents. The Company is in the process of securing trademarks and distribution licenses through increased ownership of privately held technology companies.

During the fiscal year ending December 31, 2014, the company spent approximately \$49,500 in consulting fees on research and development, approximately 25% of which was borne by customers. During the fiscal year ending December 31, 2015, the company spent approximately \$75,000 in consulting fees on research and development, none of which was borne by customers.

The Company is not aware of any government approval or regulations, other than those governing the normal course of business, which will affect its own business. However, the Company is invested in and foresees future investment

in, or possible joint ventures with, companies for which local, regional or national regulatory approvals, particularly those pertaining to wireless networks or GPS-based applications, may apply.

The Company is not aware of any significant costs or effects of compliance with environmental laws.

The Company currently has 2 full-time employees and one part-time employee. All management activities are currently undertaken by Directors of the Company and the Company also relies on subcontractors for a number of professional services.

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Item 1A. Risk Factors

For a discussion of risk factors affecting the Company please refer to the Cautionary Note Regarding Forward-looking Statements included in Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 1B. Unresolved Staff Comments

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

Item 2. Properties

The Company owns no plants, mines and other materially important physical properties. The Company's office locations are specified in Item 1 of this document.

Item 3. Legal Proceedings

The Company is not party to any legal proceedings.

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.

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Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Principal Markets

The Company's common shares currently trade on the OTC market in the United States and are quoted on the OTCQB under the symbol IGEN.

On March 25, 2015, the Company's common shares began trading on the Canadian Securities Exchange (CSE) in Canada under the trading symbol IGN.

High and Low Sales Prices

Quarter Ended	High	Low
2014		
March 31, 2014	\$ 0.26	\$ 0.04
June 30, 2014	\$ 0.33	\$ 0.15
September 30, 2014	\$ 0.26	\$ 0.11
December 31, 2014	\$ 0.29	\$ 0.16
2015		
March 31, 2015	\$ 0.23	\$ 0.17
June 30, 2015	\$ 0.26	\$ 0.21
September 30, 2015	\$ 0.26	\$ 0.18
December 31, 2015	\$ 0.25	\$ 0.14

Holders

As of December 31, 2015, there were 352 registered shareholders of common shares.

Dividends

The Company has paid no cash dividends in the past and as of yet has had no retained earnings from which to do so.

Securities authorized for issuance under equity compensation plans

The following table summarizes information about stock options outstanding and exercisable at December 31, 2015:

	Number of Options	Weighted average exercise price \$
Options outstanding – December 31, 2013	1,090,556	0.09
Option granted (April 28, 2014)	50,000	0.17
Options granted (June 5, 2014)	450,000	0.18

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Options outstanding, December 31, 2014	1,590,556	0.12
Options exercised	100,000	0.09
Options granted	2,590,000	0.19
Options outstanding, December 31, 2015	4,080,556*	0.16

*Number of options exercisable as December 31, 2015 was 3,565,556.

On March 25, 2013 via Board of Directors Consent Resolution, the Company ratified and adopted a Stock Option Plan, created an option pool of 4,000,000 options. As of December 31, 2014, 2,585,000 options had been granted, leaving 1,415,000 options remaining for future grants.

On August 31, 2015 via Board of Director's Consent Resolution, the Company depleted the 2013 option pool and replenished the option pool to 5,000,000 options, representing 18% of outstanding shares at that time. As of December 31, 2015, 2,550,000 options of the 2015 pool had been granted, leaving 3,815,000 options available for future grants.

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Performance Graph

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

Recent sales of unregistered securities

2011

During the twelve months ended December 31, 2011, the company issued the following shares under the Securities Act of 1933 exemption Rule 144:

On May 16, 2011 the company issued a total of 650,000 restricted common shares at a fair value of \$0.60 per share to thirteen non-related parties for services specific to acting in the capacity of IGEN advisory board members.

On September 8, 2011, the company issued a total of 91,667 restricted common shares for which the company received a total of \$55,000 in subscriptions for shares at a price of \$0.60 per share

On September 12, 2011, the company issued a total of 1,499,999 restricted common shares for which the company received a total of \$450,000 in subscriptions for shares at a price of \$0.30 per share.

On December 5, 2011, the company issued a total of 1,271,052 restricted common shares at a fair value of \$0.30 per share and a total recorded value of \$381,315.60, to six related parties to retire shareholder loans.

On December 7, 2011, the company issued 100,000 restricted common shares at a fair value of \$0.30 per share and a total recorded value of \$30,000 to a related party for services rendered to the company.

On December 31, 2011 the Machlink Inc agreement was modified resulting in the issuance to Machlink of 1,000,000 shares of common stock of the Company and fairly valued at \$250,000 in return for the 2,000,000 shares originally issued to Machlink being delivered to the Company for cancellation.

2012

During the twelve months ended December 31, 2012, the company issued the following shares under the Securities Act of 1933 exemption Rule 144:

On June 28, 2012 the company issued 50,000 restricted common shares at a fair value of \$0.32 per share and a total recorded value of \$16,000 to a related party for services rendered to the company.

On June 29, 2012 the company issued a total of 550,000 restricted common shares for which the company received a total of \$192,500 in subscriptions for shares at a price of \$0.35 per share as part of the exercising of warrants.

On August 17, 2012 the company issued a total of 333,000 restricted common shares for which the company received a total of \$116,667 in subscriptions for shares at a price of \$0.35 per share as part of the exercising of warrants.

2013

During the twelve months ended December 31, 2013, the company issued the following shares under the Securities Act of 1933 exemption Rule 144:

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On March 25, 2013, the company issued a total of 444,444 restricted common shares for which the company received a total of \$40,000 in subscriptions for shares at a price of \$0.09 per share as part of the exercising of stock options.

On March 12, 2013, the company issued a total of 1,744,747 restricted common shares for the acquisition of 2,078,080 common shares of Gogiro Internet Group (“Gogiro”), a private Canadian company.

On June 4, 2013, the company issued a total of 650,000 restricted common shares (with fair value of \$58,500 or \$0.09/share) to various consultants for their services provided.

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On October 11 and November 4, 2013, two directors exercised 550,000 options of the Company into common shares at \$0.09/share for \$49,500.

On December 5 and 16, 2013, the Company issued 400,000 common shares at \$0.10/share for \$40,000 in a non-brokerage private placement.

2014

During 2014, the company issued the following shares/ units under the Securities Act of 1933 exemption Rule 14 pursuant to non-brokerage private placements:

On January 28, 2014 the Company issued 843,750 units ("Unit A") for \$67,500 (\$0.08/share). Each Unit A consisted of one common share and one share purchase warrant, each warrant entitling the holder to purchase one share at an exercise price of \$0.20 per share for one year.

During the second quarter of 2014, the Company issued 625,000 common shares at for \$50,000 (\$0.08/share), issued 333,333 common shares for \$50,000 (\$0.15/share), issued 384,616 units ("Unit B") for \$50,000 (\$0.13/unit). Each Unit B consisted of one common share and one share purchase warrant, each warrant entitling the holder to purchase one share at an exercise price of \$0.26 per share for one year.

During the third quarter of 2014, the Company issued 297,619 common shares for \$50,000 (\$0.168/share), 277,778 common shares for \$50,000 (\$0.18/share), and issued 147,059 unit ("Unit C") for \$25,000 (\$0.17/unit). Each Unit C consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of \$0.40 for two years.

During the fourth quarter of 2014, the Company issued 492,732 common shares for \$88,692 (\$0.18/share).

During 2014, the Company also issued the following common shares:

2,500,000 common shares were issued for the acquisition of Nimbo LLC, a private company incorporated in Texas, USA, with fair value of \$475,000 determined by the market closing price of these shares on the date of acquisition.

611,995 common shares when a convertible debenture with principal of CAD\$100,000 was converted.

529,722 common shares with fair value of \$102,420 for services rendered by various consultants. The fair value was determined by the market closing prices of these shares when they were issued.

During 2014, the company issued the following shares/ units under the Securities Act of 1933 exemption Rule 14 pursuant to non-brokerage private placements:

On April 22, 2015, The Company closed two non-brokered private placements of a total of 596,839 shares for gross proceeds of \$98,796. The first private placement was for 133,333 units ("Unit X") at a subscription price of \$0.15 per unit for total proceeds of \$20,000. Each Unit X consists of one common share and a half share purchase warrant, each whole warrant exercisable into one common share at \$0.35 for a period of two years from the closing date. The second private placement was for 463,506 common shares at a subscription price of \$0.17 per share for total proceeds of \$78,796.

On May 15, 2015, The Company closed a non-brokered private placements of a total of 600,000 units ("Unit Y") for gross proceeds of \$100,367. Each Unit Y consists of one common share and one share purchase warrant. Each warrant

is exercisable into one common share at CAD\$0.35 (\$0.28) for a period of two years from the issuance. These warrants are also subject at the Company's option, to an acceleration of their expiry if the weighted average closing price of the Company's common shares on Canadian Stock Exchange is greater than CAD\$0.60 for twenty consecutive trading days.

On December 11, 2015, the Company issued 294,118 units ("Unit Z") for \$50,000. Each Unit Z includes one common share and one share purchase warrant, enabling the holder to purchase one additional common share of the Company at a price of US\$0.35 for a period expiring 2 years from their date of issuance. These warrants are also subject at the Company's option, to an acceleration of their expiry if the weighted average closing price of the Company's common shares on Canadian Stock Exchange is greater than \$0.50 for ten consecutive trading days.

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During 2015, the Company also issued the following common shares:

On April 22, 2015, The Company issued 100,000 common shares for option exercise and received proceeds of \$9,000.

During 2015, the Company issued 498,807 common shares for services of \$53,374 and prepaid services yet to be rendered of \$54,570 (totaling \$107,944).

During 2015, the Company issued 310,318 common shares for the settlement of debt of \$50,644. There is not gain or loss in connection with this debt settlement.

Item 6. Selected Financial Data

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

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Item 7. 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 year ended December 31, 2015. This MD&A should be read together with our audited consolidated financial statements and the accompanying notes for the year ended December 31, 2015 (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 are not based on historical facts and 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 our 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”, “p”, “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.

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Overview

In 2015 the Company continued to focus its efforts on generating more revenues, increasing shareholder value through increased investment or acquisition in portfolio companies, and managing growth of our invested companies. Highlights for the year include:

- On March 25, 2015, the Company announced approval for listing and commencement of trading on the Canadian Securities Exchange (CSE).
- On May 21, 2015 the Company announced the signing of a Major Account/Partner Program agreement between its wholly owned subsidiary Nimbo LLC (“Nimbo Tracking”) and Verizon Wireless.
- On June 2, 2015 the Company announced Nimbo Tracking had signed a partnership and received an initial order with Star Shield Solutions LLC and Sky Force Technology Inc. to launch automotive dealership programs in Southern California.
- On October 13, 2015 the Company announced that Nimbo Tracking achieved PRM status within the Verizon Partner Program.
- On October 21, 2015 the Company announced Nimbo Tracking achieved a monthly shipping record of 1200 units to automotive dealerships.
- On October 27, 2015 the Company announced the launch of Nimbo Tracking’s new automotive services platform for the Buy Here Pay Here market.
- On November 12, 2015 the Company announced the signing of a non-binding MOU to acquire Webtrak SA de CV, a Mexican private corporation that provides end-to-end GPS-based vehicle telematics and analytics services in Mexico.
- On December 9, 2015 announced the launch of Nimbofleet.com, a self-provisioning fleet management service for small fleets.
- Record annual revenues for the Company of \$1,035,820
- Growth in annual revenue of 43% over the previous year.
- Record annual gross profits of \$318,909
- Growth in annual gross profit of 7% over the previous year.
- Net loss of \$1,681,519 (net loss of \$718,805 when adjusted for one-time non-cash expenses, investment impairment, and receivables write-off).
- 23% reduction of net cash used in operating activities

Though Company was able to grow revenues and gross profits, and use less cash in operating activities, it did incur increased losses in 2015, and wrote down impaired investments and receivables resulting in a significant working capital deficiency at the end of the year. Management continues to believe however that through continued investment in sales channel growth, product development, and strategic acquisitions, the company remains poised for growth and

eventual profitability.

The reader is cautioned that the latter comment is forward-looking information, and actual results may vary to the extent that the company may not achieve profitable growth nor raise any required capital.

Financial Condition and Results of Operations

Capital Resources and Liquidity

Current Assets and Liabilities, Working Capital

As of December 31, 2015, the Company had total current assets of \$175,544, a decrease of \$236,860 from the end of the year previous, due primarily to the Company writing off current receivables totaling \$186,190 owed by Gogiro Internet Group for which the Company believed collectability was adequately uncertain, and therefore merited taking a provision (see Note 6 to the consolidated financial statements). The remaining accounts receivables are primarily Nimbo LLC receivables which consist of monies owed to Nimbo by customers for products and services sold. A significant increase in pre-paid expenses was due to pre-payment in 2015, via share issuances, for services contracted to be provided through July 2017.

The Company's current liabilities as of December 31, 2015 were \$712,407, a significant increase of \$252,327 over those reported at the end of the 2014, the most significant contributors being an increase of \$176,225 in accounts payable due primarily to increased hardware purchases, and an increase in Notes Payable of \$63,646 due to the impact of a \$95,000 promissory note previously recorded as long-term liability becoming current. Nimbo LLC payables, which make up 70% of the Company's consolidated payables, remain primarily monies owed for cellular carrier services and device hardware. The remaining payables are made up of contractor fees, legal fees, auditing fees, accounting fees, and management and consulting fees owed to the Company's executive officers.

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IGEN ended 2015 with a significant negative working capital of (\$536,683). Adequate working capital remains a core requirement for growth and profitability, and to facilitate further acquisitions. The Company continues to try to improve its working capital position through ongoing equity and debt financing.

Total Assets and Liabilities, Net Assets

As of December 31, 2015 the Company's total assets were \$698,695, a decrease of \$485,248 from the year end prior. \$236,860 of this reduction is due to the reduction in current assets discussed above. The bulk of the remaining reduction is due to the company writing off the recorded value of its investment in Gogiro Internet Group. Though Gogiro continues to grow its top line and report nominal annual profit, the Company felt recoverability of the investment was questionable enough to justify recording impairment charges of \$227,957 (see Note 4 to the financial statements). The majority of the Company's assets remain \$505,508 in goodwill associated with the acquisition of Nimbo LLC in 2014. The Company continues to evaluate the assets and liabilities assumed in this acquisition, and may record adjustments to the purchase price allocation in the future.

As of December 31, 2015 the Company's total liabilities were \$746,389, up from \$540,494 reported the year prior. This increase was due to the increase in current liabilities previously discussed, plus the addition of derivative liabilities of \$33,982 primarily associated with accounting for foreign exchange risk for stock based compensation that was issued in foreign currency.

The above resulted in net assets as of December 31, 2015 being (\$47,694) and an accumulated deficit of \$7,675,552.

The company is continuing in its efforts to increase its asset base and raise funds to improve its working capital position.

As of the date these financial statements were issued the Company believes it has adequate working capital and projected net revenues and cash flows 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 or other means in the both the near and medium term.

The reader is cautioned that the Company's belief in the adequacy of its working capital, the continuation and growth of future revenue, the ability of the Company to operate any stated period without additional funding, and the ability to successfully raise capital are forward looking statements for which actual results may vary, to the extent that the company may need capital earlier than anticipated and/or may not be able to raise additional capital.

Results of Operations

Revenues and Net Income (Loss)

Revenues

As of December 31, 2015, the Company had revenues of 1,035,820, a 43% increase over the revenue reported for 2014. Service-only revenues more than doubled to \$130,683, and hardware-only and hardware/software bundled sales grew 50% to \$905,137.

Costs of goods sold for 2015 were \$716,911, an increase of \$290,722, reflecting increased sales volumes, though at lower margins (see below). These costs are primarily mobile hardware and cellular carrier costs.

The resulting annual gross profit was \$318,909, a record for the Company, representing growth of 7% year on year. Gross margins of 31% were a reduction of 10% year on year, reflective of increasing volumes of lower margin product in 2015.

Though the Company was able to increase revenues and gross profit year on year, gross margins remain lower than plan. The Company continues to review hardware vendor, inventory, and order fulfillment strategies as well as product and service pricing models to try to improve overall margins. The Company also continues to work at increasing margins through increased service-only revenues.

Expenses

Expenses as of December 31, 2015 totaled \$1,681,519, an increase of \$762,660 over the previous year. However, 63% of this increase was one-time non-cash based expenses of \$480,178 associated with the granting and vesting of stock options to officers, directors, and consultants of the Company (see note 7 to the financial statements). A further 24% of this increase was a one-time write-down of \$186,190 in receivables and debt owed by Gogiro Internet Group that the Company deemed likely irrecoverable (see note 6 to the financial statements and the MD&A comments on current assets above). The company saw a significant reduction of \$151,756 in consulting and professional fees, however this was offset by an increase of \$239,231 in salaries and management fees.

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Not including the two one-time expenses totaling \$666,368 referred to above, and therefore on an adjusted or non-GAAP basis, expenses increased by \$145,917, or 17% over the equivalently adjusted expenses reported for the previous year.

Net Income (Loss)

As of December 31, 2015 the Company had a net loss of \$1,613,130 (or \$0.06 per basic & diluted share). This loss however, in addition to including the one-time non-cash and debt write-down expenses previously discussed, also includes the write off of \$227,957 in impairment of the Company's investment in Gogiro Internet Group (see previous MD&A discussion on Net Assets and Note 4 to the Financial Statements).

Not including the one-time expenses and the investment impairment referred to above, and therefore on an adjusted or non-GAAP basis, the Company had a net loss of \$718,805, an increase of \$170,207 over the equivalently adjusted net loss for 2014.

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

As of December 31, 2015 the Company saw a net decrease in cash of (\$22,757). The primary source of cash remained net proceeds from financing activities of \$312,163 (compared with \$431,192, in 2014). Cash used in operating activities of \$327,647 was a reduction of 23% from the \$424,439 in cash used in 2014.

Item 7A. 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.

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Item 8. Financial Statements and Supplementary Data.

The Company's consolidated financial statements for the year ended December 31, 2015 are included herewith.

IGEN NETWORKS CORP.

Consolidated Financial Statements
For the year ended December 31, 2015

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A CHAN AND
COMPANY LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

UNIT 114B (2nd Floor) – 8988 FRASERTON COURT
BURNABY, BC V5J 5H8

T: 604.239.0868
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To: the Board of Directors and Stockholders of
IGEN Networks Corp.

We have audited the accompanying consolidated balance sheets of IGEN Networks Corp. (the “Company”) as of December 31, 2015 and 2014, and the related consolidated statements of operations, stockholders’ equity (deficit), and cash flows for the years ended December 31, 2015 and 2014. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of IGEN Networks Corp. as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years ended December 31, 2015 and 2014 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has incurred losses in developing its business, and further losses are anticipated. The Company requires additional funds to meet its obligations and the costs of its operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in this regard are described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

“A Chan & Company

LLP”

Chartered Professional Accountants

Burnaby, British Columbia
April 14, 2016

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IGEN NETWORKS CORP.
Consolidated Balance Sheets
(Expressed in U.S. dollars)

	Note	December 31, 2015 \$	December 31, 2014 \$
Assets			
Current			
Cash		33,590	56,347
Accounts receivable	6	45,182	299,422
GST receivable		5,661	17,021
Due from equity investee	6	-	20,578
Inventories	3(j)	29,643	14,102
Prepaid expenses		61,468	4,934
		175,544	412,404
Investment in an associate	4	-	227,075
Equipment	5	17,643	33,458
Goodwill	2	505,508	505,508
Security deposit		-	5,498
Total Assets		698,695	1,183,943
Liabilities and Shareholders' Equity			
Current			
Accounts payable	6	461,008	284,783
Accrued liabilities		78,361	68,221
Deferred revenue	3(k)	56,800	54,484
Notes payable	6, 8	116,238	52,592
		712,407	460,080
Non-current			
Derivative liabilities		33,982	-
Note payable	8	-	80,414
Total liabilities		746,389	540,494
Shareholders' Equity			
Capital Stock:			
Authorized - 375,000,000 common shares with \$0.001 par value			
Issued and outstanding -28,215,349 and 25,815,273 respectively	7	28,215	25,815
Additional paid-in capital	7	7,586,514	6,697,680
Subscription received		25,000	-
Accumulated other comprehensive loss		(11,871)	(17,624)
Deficit accumulated		(7,675,552)	(6,062,422)
Shareholders' Equity		(47,694)	643,449
Total Liabilities and Shareholders' Equity		698,695	1,183,943

Approved on Behalf of the Board

"Neil Chan" Director

"Richard Freeman" Director

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

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IGEN NETWORKS CORP.
Consolidated Statements of Operations
(Expressed in U.S. dollars)

	Note	Year ended December 31,	
		2015	2014
		\$	\$
Revenue			
Management services	6	-	12,140
Commission fees	6	-	31,133
Sales, hardware		905,137	620,621
Sales, services		130,683	60,730
Revenue, total		1,035,820	724,624
Cost of goods sold		716,911	426,189
Gross profit		318,909	298,435
Expenses			
Advertising and selling expenses	6	39,535	30,605
Bad debt		186,190	-
Consulting and business development fees		110,083	157,310
Depreciation		18,407	17,418
General and administrative	6	156,795	157,351
Interest expense		43,495	12,574
Management fees		184,797	65,232
Professional fees		45,969	150,498
Salaries		331,383	211,657
Stock-based compensation	7	480,178	49,625
Transfer agent & filing fees		48,062	12,698
Travel and accommodation		36,625	53,891
Total		1,681,519	918,859
Loss before the others:		(1,362,610)	(620,424)
Accretion		(6,824)	(63,995)
Change in derivative liabilities		(28,267)	98,992
Change in fair value of convertible debenture			1,467
Gain from accounts payable settlement		10,577	-
Impairment - investment		(227,957)	(150,000)
Other income		1,069	-
Share of income (losses) from investment in an associate	4	882	(14,263)
Net loss		(1,613,130)	(748,223)
Other comprehensive Loss:			
Net loss for the year		(1,613,130)	(748,223)
Foreign currency translation adjustment		5,753	(15,028)
Total comprehensive loss		(1,607,377)	(763,251)
Net Loss per share, basic and diluted		(0.06)	(0.03)
Weighted Average Number of Common Shares Outstanding		26,957,166	23,104,796

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

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

	Note	Year ended December 31,	
		2015	2014
Cash Flows from Operating Activities			
Net loss		(1,613,130)	(748,223)
Items not affecting cash:			
Accretion		6,824	63,995
Accrued interest		2,822	-
Bad debt		186,190	-
Change in derivative liabilities		28,267	(98,992)
Change in fair value, convertible debenture			(1,467)
Depreciation		18,407	17,418
Impairment - investment in equity investee		227,957	150,000
Share of (income) losses from investment in an associate		(882)	14,263
Share issued for services		53,194	
Stock-based compensation		480,178	49,625
Gain from Accounts Payable Settlement		(10,577)	-
Other, including net changes in other non-cash balances:			
Accounts receivable		99,062	(13,973)
Due from an equity investee		-	(20,578)
GST receivable		11,360	(11,750)
Inventory		(15,541)	7,210
Prepaid and deposit		3,714	(1,562)
Accounts payable, accrued liabilities, accrued interest, and deferred revenue		194,508	169,595
Net cash used in operating activities		(327,647)	(424,439)
Cash Flows from Investing Activities			
Acquisition of equipment		(2,763)	(2,381)
Acquisition of cash, business combination	7		42,672
Due from investee		(10,434)	
		(13,197)	40,291
Cash Flows from Financing Activities			
Note payable		29,000	
Proceeds from share subscription received		25,000	
Proceeds from issuance of units, private placement	7	258,163	431,192
		312,163	431,192
Effect of exchange rate on cash		5,924	(2,381)
Net increase (decrease) in cash		(22,757)	44,663
Cash, beginning of year		56,347	11,684
Cash, end of year		33,590	56,347

See Note 11 for supplemental information to these statements of cash flow

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

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IGEN NETWORKS CORP.

Consolidated Statement of Stockholders' Equity (Deficit)

(Expressed in U.S. dollars)

	Note	Common Stock Shares	Common Stock Amount \$	Additional Paid-in Capital \$	Subscription received \$	Accumulated Other Comprehensive Loss \$	Accumulated Other Comprehensive Deficit \$	Total Stockholders' Equity \$
Balance, December 31, 2013		18,771,669	18,771	5,537,261	-	(2,596)	(5,314,199)	239,237
Units issued for cash at \$0.08/unit	7	843,750	844	66,656	-	-	-	67,500
Shares issued for cash at \$0.08/share	7	625,000	625	49,375	-	-	-	50,000
Shares issued for cash at \$0.15/share	7	333,333	333	49,667	-	-	-	50,000
Units issued for cash at \$0.13/unit	7	384,616	385	49,615	-	-	-	50,000
Shares issued for acquisition of Nimbo	2	2,500,000	2,500	472,500	-	-	-	475,000
Shares issued for services	7	529,722	530	102,420	-	-	-	102,950
Shares issued for cash at \$0.168/share	7	297,619	297	49,703	-	-	-	50,000
Units issued for cash at \$0.17/unit	7	147,059	147	24,853	-	-	-	25,000
Share issued for cash at \$0.18/share	7	770,510	771	137,921	-	-	-	138,692
Shares issuance, convertible debenture conversion	7	611,995	612	91,921	-	-	-	92,533
Stock based compensation	7	-	-	49,625	-	-	-	49,625
Issuance of promissory note on discount	9	-	-	16,163	-	-	-	16,163
Foreign currency translation		-	-	-	-	(15,028)	-	(15,028)

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adjustment								
Net loss for the year		-	-	-	-	-	(748,223)	(748,223)
Balance, December 31, 2014		25,815,273	25,815	6,697,680	-	(17,624)	(6,062,422)	643,449
Subscription received	7	-	-	-	25,000	-	-	25,000
Stock based compensation	7	-	-	474,463	-	-	-	474,463
Share issuance for cash	7	1,590,957	1,591	256,572	-	-	-	258,163
Shares issuance for services and prepayment	7	498,801	499	107,445	-	-	-	107,944
Share issuance for debt settlement	7	310,318	310	50,354	-	-	-	50,664
Foreign currency translation adjustment		-	-	-	-	5,753	-	5,753
Net loss for the period		-	-	-	-	-	(1,613,130)	(1,613,130)
Balance, December 31, 2015		28,215,349	28,215	7,586,514	25,000	(11,871)	(7,675,552)	(47,694)

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

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

Year ended December 31, 2015

(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. IGEN has three lines of businesses: investing in and managing for growth private high-tech companies that offer products and services in the domains of wireless broadband; negotiating distribution agreements with relevant organizations and selling their products and services through the distribution channels of IGEN; and commencing May 5, 2014, the Company was also in the business of providing vehicle tracking and recovery solutions to the automotive and power sport industries after the acquisition of Nimbo, LLC (Note 2).

These consolidated 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 had accumulated losses of \$7,675,552 as at December 31, 2015. 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 consolidated 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. Business Acquisition

Effective May 5, 2014 (the “Acquisition Date”), the Company took control of Nimbo, LLC (“Nimbo”), a corporation incorporated in Texas U.S.A., by acquiring 100% of the voting equity interest (the “Acquisition”) of Nimbo. Nimbo is in the business of providing vehicle tracking and recovery solutions to the automotive and power sport industries. The Company intends on applying human resources and capital to help growing Nimbo LLC. The Company issued 2,500,000 common shares as consideration of the Acquisition. The fair value of these common shares was \$475,000, which was determined on the basis of the closing price of Igen’s common share on the Acquisition Date.

In accordance with the FASB ASC 805, the Acquisition has been accounted for as a purchase of a business and the Company is identified as the acquirer. The fair value of the purchase consideration of \$475,000 was allocated to the assets acquired and liabilities assumed based on the estimated fair values on the date of acquisition as described below:

Assets acquired	
Cash	\$ 42,672
Accounts receivable (net of \$9,258 provision for uncollectable)	117,727
Inventory	21,312
Prepaid	4,170
Equipment	45,035
Goodwill	505,508
Total	736,424

Less liabilities assumed:

Accounts payable, accrued liabilities, and deferred revenue	261,424
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Fair value of assets acquired, net of liabilities assumed	\$ 475,000
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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

2. Business Acquisition (continued)

The following table provides information of the revenue and net loss of Nimbo

	Revenue	Net loss
	\$	\$
The actual result of Nimbo for the year ended:		
May 5 to December 31, 2014	681,351	(116,161)
December 31, 2015	1,035,820	(312,077)

3. Summary of Significant Accounting Policies

a) Basic of presentation and consolidation

These consolidated financial statements and related notes include the records of IGEN Networks Corp., its wholly owned subsidiary, IGEN Business Solutions Inc (incorporated in Canada) and Nimbo, LLC (incorporated in USA).

As discussed in Note 2, as of the completion of the Acquisition on May 5, 2014, the Company has started to consolidate the results of operation and cash flow of Nimbo to the Company's consolidated financial statement. As a result, the comparative figures in the consolidated statements of operations and consolidated statements of cash flow for the year ended December 31, 2014 (collectively the "2014 Comparative Figures") include the accounts of Nimbo only from the period from May 5 to December 31, 2014.

All intercompany 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, expressed in US 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 as in the following:

b) Use of estimates

The preparation of these 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to donated expenses, and deferred income tax asset valuations. 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.

c) Loss per share

Basic earnings (loss) per share are computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted earnings per share give effect to all dilutive potential common shares outstanding during the period including stock options, using the treasury stock method, and convertible preferred stock, using the if-converted method. In computing diluted earnings (loss) per share, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted earnings (loss) per share exclude all dilutive potential shares if their effect is anti-dilutive.

Because the effect of conversion of the Company's dilutive securities is anti-dilutive, diluted loss per share is the same as basic loss per share for the periods presented.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

d) Financial instruments

The Company adopted FASB ASC 820-10-50, “Fair Value Measurements”. This guidance defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Foreign currency transactions are primarily undertaken in Canadian dollars. The fair value of cash is determined based on “Level 1” inputs and the fair value of derivative liability with convertible debt is determined based on “Level 2” inputs. The financial risk is the risk to the Company’s operations that arise from fluctuations in foreign exchange rates and the degree of volatility to these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk. Financial instrument that potentially subject the Company to concentrations of credit risk consists of cash. The Company places its cash in what it believes to be credit-worthy financial institutions.

e) Equipment

Office equipment and computer are recorded at cost. Amortization is provided annually at rates and methods over their estimated useful lives as follows, except in the year of acquisition when one half of the rate is used. Management reviews the estimates of useful lives of the assets every year and adjust them on prospective basis, if needed.

Office equipment	20% declining balance
Computer	55% declining balance
Software	3 years straight line

Property, plant and equipment are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs. Subsequent expenditure relating to an item of office equipment is capitalized when it is probable that future economic benefits from the use of the assets will be increased.

f) Revenue recognition

The Company recognizes revenue when earned, specifically when all the following conditions are met:

- Services are provided or products are delivered to customers.
- There is clear evidence that an arrangement exists.
- Amounts are fixed or can be determined.

- The ability to collect is reasonably assured.
- There is no significant obligation for future performance.
- The amount of future returns can be reasonably estimated.

g) Foreign currency transaction balances

The Company's reporting currency is the U.S. dollar. The consolidated financial statements of the Company are translated to U.S. dollars in accordance with ASC 830, Foreign Currency Translation Matters, using the exchange rate prevailing at the balance sheet date. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income.

Assets and liabilities of the Company's Canadian subsidiary are translated into U.S. dollars at the year-end exchange rates, and revenue and expenses are translated at the average exchange rates during the period. Exchange differences arising on translation are disclosed as a separate component of stockholders' equity.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

3. Summary of Significant Accounting Policies (continued)

h) Income taxes

The Financial Accounting Standards Board (FASB) has issued FASB ASC 740-10. FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with prior literature FASB Statement No. 109, Accounting for Income Taxes. This standard requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position. If the more likely than not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. As a result of the implementation of this standard, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by FASB ASC 740-10.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry-forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

i) Stock-based compensation

The Company records stock-based compensation in accordance with ASC 718, "Compensation – Stock Compensation", using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock-based awards. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the consolidated statement of operations over the requisite service period.

j) Inventories

Inventories are stated at the lower of cost or market with cost being determined on a first-in, first-Out (FIFO) basis. Inventories as at December 31, 2014 and December 31, 2015 were solely finished goods that can be resold. There was no provision for inventory recorded during the year ended December 31, 2014 and December 31, 2015

k) Deferred revenue

As at December 31, 2014, and December 31, 2015, the Company had deferred revenues of \$54,484 and \$56,800 respectively. Annual service renewal fees are recorded as a component of deferred revenue in the balance sheets at the

inception of the contract and are recognized as revenue evenly over the contract period, which is generally one year.

l) Changes in accounting policies and recent accounting pronouncements

The Company has not adopted new accounting policies since its most recent year ended December 31, 2014. The Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

4. Investment in an associates and Investment

Investment

The Company's investment consists of 43 common shares of Machlink Inc. ("Machlink") which is a private company conducting information technology business. The Company is not considered having significant influence in Machlink's operations. The shares of Machlink do not have quoted market prices in an active market.

During the year ended December 31, 2014, this investment was fully written off as management determined the investment cannot be recovered and the Company recorded an impairment loss of \$150,000 during the year ended December 31, 2014.

Investment in an associate

Pursuant to an option agreement, the Company incurred \$50,000 and \$50,000 (totaling \$100,000) to acquire 200,000 and 200,000 (totaling 400,000) common shares of Gogiro Internet Group ("Gogiro"), a private Canadian Company, on November 23, 2011 and October 17, 2012 respectively.

On March 12, 2013, the Company signed an agreement to acquire 2,078,080 shares of Gogiro through the issuance of 1,744,747 restricted common shares of the Company (the "Gogiro Acquisition"). Neil Chan, CEO and Director of both companies, would exchange 2,000,000 Gogiro shares for 1,666,667 restricted common shares of the Company. The proceeds of Gogiro Acquisition was \$174,475 which was the fair value of the 1,744,747 restricted shares of the Company.

Upon the completion of the Gogiro Acquisition in March 2013, the Company's interest on Gogiro increased to more than 30%. As a result, the Company has changed its method to account for its investment in Gogiro from "cost less impairment value" method to equity method as the Company's interest on Gogiro has surpassed 20% whereby the Company is considered having significant influence on Gogiro. The Company's ownership on Gogiro was 30.37 % during the year ended December 31, 2015. Consequently the Company has included Gogiro's income (losses) in the Company's consolidated financial statements in accordance to the percentage ownership. In addition, gains and losses resulting from 'upstream' and 'downstream' transactions between IGEN and Gogiro are recognized in IGEN's consolidated financial statements only to the extent of unrelated investors' interests in Gogiro. As at December 31, 2015, the Company reviewed the recoverability of the investment in Gogiro and concluded that the investment was fully impaired. As a result, the Company recorded impairment charges of \$227,957 for the year ended December 31, 2015. Changes in carrying value of the Company's investment in Gogiro are as follows:

	Number of Gogiro shares owned	Amount (\$)
Balance, December 31, 2013	2,478,080	241,338
Share of Gogiro's loss during fiscal 2014 December 31, 2014 (30.44%)	-	(14,263)
Balance, December 31, 2014	2,478,080	227,075
Share of Gogiro's income during nine months ended December 31, 2015 (30.37%)	-	882

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Impairment on investment	(227,957)
	2,478,080 -

The following table summarizes Gogiro's revenue, expenses and net loss on an aggregate basis without adjusting for IGEN's proportionate interest:

	2015	2014
	\$	\$
Revenue	141,517	203,259
Expense	(138,612)	(197,296)
Net income (loss)	2,905	5,963

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

5. Equipment

	Cost	Accumulated Amortization	Effect of foreign change	Net Book Value	
				2015/12/31/	2014/12/31
Office equipment	\$ 1,603	\$ 965	\$ -	\$ 638	\$ 799
Computer	51,375	36577	(172)	14,626	28,276
Software	6,012	3633	2,379	4,383	
TOTAL	\$ 58,999	\$ 41,175	\$ (172)	\$ 17,643	\$ 33,458

6. Related Party Transactions

Related party transactions not disclosed elsewhere in these consolidated financial statements are as follows:

During the year ended December 31, 2015, the Company incurred \$184,797 in management and consulting fees to two officers and a Company controlled by a director (2014 - \$119,592).

During 2015, IGEN recorded the following transactions with Gogiro:

- Commission fees income from Gogiro of \$Nil (2014 - \$30,207)
- Management service income from Gogiro of \$Nil (2014 - \$12,261)
- Advertising expenses charged by Gogiro of \$Nil (2014 - \$4,077)
- Office rent expenses charged by Gogiro of \$Nil (2014 - 5,436)

Account payable settlement

During the year ended December 31, 2015, the Company settled accounts payable due to a former chief financial officer and record a gain of settlement of \$10,577.

Balance with related parties

As at December 31, 2015, the Company has an advance receivable of \$30,700 from Gogiro, a company of which IGEN has significant influence (Note 4) (2014/12/31 - \$20,578). This advance receivable is unsecured, due on demand, and has an interest of 5% per annum. As at December 31, 2015, the Company fully provided this advance receivable due to uncertainty of collectability and recorded a bad debt expenditure of \$30,700 for the year ended December 31, 2015.

As at December 31, 2015, the Company had a trade receivable of \$143,425 (CAD\$198,511) with Gogiro (2014/12/31 - \$170,719(CAD\$198,511)). As at December 31, 2015, the Company fully provided these trade receivable due to uncertainty of collectability and recorded a bad debt expenditure of \$155,490 (CAD\$198,511) for the year ended December 31, 2015.

As at December 31, 2015 the Company also had account payable of \$77,564 (December 31, 2014 - \$59,180) with directors and officers and a company controlled by a director.

As at December 31, 2015, the Company had a promissory note payable to a director with balance owing of \$29,000. This promissory note is unsecured, has an interest of 5% per annum and is due on October 30, 2016. An accrued interest of \$452 was included in the Company's accrued liabilities as at December 31, 2015.

7. Stockholders' Equity

a) During 2014, the company issued the following shares/ units under the Securities Act of 1933 exemption Rule 14 pursuant to non-brokerage private placements:

- On January 28, 2014 the Company issued 843,750 units ("Unit A") for \$67,500 (\$0.08/share). Each Unit A consisted of one common share and one share purchase warrant, each warrant entitling the holder to purchase one share at an exercise price of \$0.20 per share for one year.
- During the second quarter of 2014, the Company issued 625,000 common shares at for \$50,000 (\$0.08/share), issued 333,333 common shares for \$50,000 (\$0.15/share), issued 384,616 units ("Unit B") for \$50,000 (\$0.13/unit). Each Unit B consisted of one common share and one share purchase warrant, each warrant entitling the holder to purchase one share at an exercise price of \$0.26 per share for one year.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

7. Stockholders' Equity (Deficit) – Continued

- During the third quarter of 2014, the Company issued 297,619 common shares for \$50,000 (\$0.168/share), 277,778 common shares for \$50,000 (\$0.18/share), and issued 147,059 unit (“Unit C”) for \$25,000 (\$0.17/unit). Each Unit C consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of \$0.40 for two years.
 - During the fourth quarter of 2014, the Company issued 492,732 common shares for \$88,692 (\$0.18/share),

During 2014, the Company also issued the following common shares:

- 2,500,000 common shares were issued for the Acquisition (Note 2). The fair value of these common shares is \$475,000 which is determined by the market closing prices of these shares at the Acquisition Date.
 - 611,995 common shares when a convertible debenture with principal of CAD\$100,000 was converted
- 529,722 common shares with fair value of \$102,420 for services rendered by various consultants. The fair value were determined by the market closing prices of these shares when they were issued.

b) During 2015, the Company issued the following common shares:

On April 22, 2015, The Company closed two non-brokered private placements of a total of 596,839 shares for gross proceeds of \$98,796.

- The first private placement was for 133,333 units (“Unit X”) at a subscription price of \$0.15 per unit for total proceeds of \$20,000. Each Unit X consists of one common share and a half share purchase warrant, each whole warrant exercisable into one common share at \$0.35 for a period of two years from the closing date.
- The second private placement was for 463,506 common shares at a subscription price of \$0.17 per share for total proceeds of \$78,796.

On May 15, 2015, The Company closed a non-brokered private placements of a total of 600,000 units (“Unit Y”) for gross proceeds of \$100,367. Each Unit Y consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share at CAD\$0.35 (\$0.28) for a period of two years from the issuance. These warrants are also subject at the Company’s option, to an acceleration of their expiry if the weighted average closing price of the Company’s common shares on Canadian Stock Exchange is greater than CAD\$0.60 for twenty consecutive trading days.

On December 11, 2015, the Company issued 294,118 units (“Unit Z”) for \$50,000. Each Unit Z includes one common share and one share purchase warrant, enabling the holder to purchase one additional common share of the Company at a price of \$0.35 for a period expiring 2 years from their date of issuance. These warrants are also subject at the Company’s option, to an acceleration of their expiry if the weighted average closing price of the Company’s common shares on Canadian Stock Exchange is greater than \$0.50 for ten consecutive trading days.

On April 22, 2015, The Company issued 100,000 common shares for option exercise and received proceeds of \$9,000.

During 2015, the Company issued 498,807 common shares for services of \$53,374 and prepaid services yet to be rendered of \$54,570 (totaling \$107,944)

During 2015, the Company issued 310,318 common shares for the exercise of convertible debt of \$50,644. There is no gain or loss in connection with this debt settlement.

c) Subscription received

As at December 31, 2015, the Company received subscription of \$25,000 for unit issuance at \$0.17/unit. Each unit includes one common share and one share purchase warrant, enabling the holder to purchase one additional common share of the Company at a price of \$0.35 for a period expiring 2 years from their date of issuance. As of the date of this report, the Company has not issued units for this subscription.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

7. Stockholders' Equity (Deficit) – Continued

d) Common share purchase warrants:

The Continuity of the Company's share purchase warrant is as follows:

December 31, 2014	exercise price	expiry date	Expired	Issuance	December 31, 2015
281,250	\$ 0.20	28-Jan-15	281,250	-	
562,500	\$ 0.20	28-Jan-15	562,500	-	
192,308	\$ 0.26	27-Apr-15	192,308	-	
192,308	\$ 0.26	27-Apr-15	192,308	-	
147,059	\$ 0.40	30-Sep-16	-	-	147,059
-	\$ 0.35	22-Apr-17	-	66,667	66,666
-	C\$ 0.35	17-May-15	-	600,000	600,000
-	C\$ 0.35	13-Aug-17	-	18,000	18,000
-	\$ 0.35	17-Dec-17	-	294,118	294,118
1,375,425			1,228,366	684,667	1,125,843

The number of outstanding warrants as at December 31, 2015 and December 31, 2014 was 1,125,843 and 1,375,425 respectively. As at December 31, 2015, the weighted average exercise price and weight average remaining life of the warrants was \$0.30/share (2014/12/31 - \$0.24/share) and 1.44 years (2014/12/31 - 0.32 years).

e) Stock Options

The following table summarizes information about stock options outstanding and exercisable at December 31, 2015:

	Number of Options	Weighted average exercise price \$
Options outstanding – December 31, 2013	1,140,556	0.09
Option granted (April 28, 2014)	50,000	0.17
Options granted (June 5, 2014)	450,000	0.18
Options outstanding, December 31, 2014	1,640,556	0.12
Options exercised	100,000	0.09
Options granted	2,540,000	0.19
Options outstanding, December 31, 2015	4,080,556*	0.16

*Number of options exercisable as December 31, 2015 was 3,565,556.

On April 28, 2014, the Company granted 50,000 stock options to a consultant at an exercise price of \$0.17/share. These options will expire on April 1, 2019, and 50% of these 50,000 options will be vested on October 1, 2014 and April 1, 2015 respectively.

On June 5, 2014, the Company granted three consultants totaling 450,000 stock options at an exercise price of \$0.18/share. These 450,000 options will be vested 50% on May 1, 2015 and the remaining 50% on May 1, 2016. These 450,000 options will expire on June 5, 2019.

On September 21, 2015, the Company granted 540,000 to consultants at exercise prices ranged from CAD\$0.25 to \$0.19 per share. The Company also granted 2,000,000 options to its officers at exercise price of \$0.19/share. All of these options will expire September 21, 2020 or June 1, 2020, and is vesting in a range from immediate vesting to expiry on September 21, 2017.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

7. Stockholders' Equity (Deficit) – Continued

e) Stock Options (continued)

The fair values of stock options granted are amortized over the vesting period where applicable. During 2015, the Company recorded \$480,178 (2014 - \$49,625) 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 with the following assumptions:

	2014		2015	
Expected dividend yield	0	%	0	%
Volatility	230	%	170	%
Risk free interest rate	1.52	%	1.52	%
Expected option life	5 years		5 years	
Forfeiture rate	0	%	0	%

8. Derivative liabilities

Derivate liabilities consist of warrants that were originally issued in private placements and stock options granted that have exercise prices denominated in Canadian dollars, which differs from the Company's functional currency (United States dollars), (Note 7). Therefore these warrants and stock options cannot be considered to be indexed to the Company's own stock. Accordingly the fair values of the warrants and stock options must be accounted for as derivative liabilities with changes in fair value recorded in the consolidated statement of operations. The fair value of these warrants and options as at December 31, 2015 is \$33,982 (2014 - \$nil). The fair values of warrants and stock options as at December 31, 2015 were determined using the Binomial option pricing model the following assumptions: risk free interest rate of 0.86%-1.54%, expected life of 1.37-5.00 years, volatility of 103.19%-176.96% and expected dividend of 0%.

	2015	2014
	\$	\$
Beginning balance	-	-
Issuance of warrants	28,267	-
Stock options granted	5,715	-
Ending balance	33,982	-

9. Note payable

During the fourth quarter of 2014, the Company issued a promissory note with principal of \$95,000 in exchange for a settlement of accounts payable of the same amount. This promissory is un-secured, will expire on December 31, 2016, and carries interest of 5% per annum.

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 debt discount of \$16,163 was credited to Additional paid-in capital at issuance, and the \$16,163 debit to note payable is amortized over the term of the note.

The promissory note was accredited up to \$87,238 on December 31, 2015. Including in the Company's accrued liabilities, there was an interest payable of \$5,938 as at (2014/12/31 - \$1,197) in connection with this outstanding promissory note.

As at December 31, 2014 the Company had an un-secured, payable on demand, promissory note of \$52,592 with interest rate of 14% per annum outstanding, was \$52,592 (CAD\$61,083). The Company settled this promissory note and accrued interest totaling of \$50,644 (CAD\$65,667) by issuance of 310,318 common shares in 2015.

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

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(Expressed in U.S. dollars)

10. Financial instruments

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, credit risk is considered insignificant.

Currency Risk

The Company's major expenses and payables are in United States dollars and are expected to continue to incur in United States dollars. Fluctuations in the exchange rate between the United States dollar and other currency may have a material effect on the Company's business, financial condition and results of operations. The Company is subject to foreign exchange risk for transactions in its Canadian subsidiary and its investment in Gogiro, which is a Canadian company. The Company does not actively hedge against foreign currency fluctuations.

Interest Rate Risk

The Company has cash balances and no interest bearing debt. The Company's current policy is to invest excess cash in high yield term deposits and bankers' acceptance. The Company regularly monitors its cash management policy. As a result, interest rate risk is considered not significant.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. As at December 31, 2015, the Company had a working capital deficiency of (\$536,863) (December 31, 2014 – working capital of \$32,676). The Company intends to have more equity financing and/or long term debt financing in order to eliminate the working capital deficiency and to the operations of the Company.

11. Supplemental information for statements of cash flow

Supplementary information in connection with the Company's cash flow is as follows:

	2015	2014
Cash paid for interest	\$ -	\$ 5,341
Cash paid for income taxes	-	-
310,318 shares issued for debt settlement	50,664	-
498,801 shares issued for services rendered and yet to rendered	107,944	-

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IGEN NETWORKS CORP.

Notes to the Consolidated Financial Statements

For the Year ended December 31, 2015

(Expressed in U.S. dollars)

12. Income taxes

Reconciliation of the Company's income tax expenses are as follows:

	Dec 31, 2015	Dec 31, 2014
Loss for the year	\$ (1,613,130)	\$ (748,223)
Expected income tax recovery at statutory rates (2015 -35; 2014 - 35%)	(564,595)	(261,878)
Non-deductible item	360,873	62,606
Change in tax rate	27,166	24,454
Increase in valuation allowance	176,556	174,818
	\$ -	\$ -

The components of future income tax assets are as follows:

	Dec 31, 2015	Dec 31, 2014
Future income tax assets		
Non-capital losses carried forward and others	\$ 1,771,239	\$ 1,589,431
Less: Valuation allowance	(1,771,239)	\$ (1,589,431)
Net future income tax assets	\$ -	\$ -

The Company has adopted FASB ASC 740-10 to account for income taxes. The Company currently has no issues creating timing differences that would mandate deferred tax expense. Net operating losses would create possible tax assets in future years. Due to the uncertainty of the utilization of net operating loss carry forwards, an evaluation allowance has been made to the extent of any tax benefit that net operating losses may generate. A provision for income taxes has not been made due to net operating loss carry-forwards of \$5,228,000 and \$4,664,000 as of December 31, 2015 and December 31, 2014, respectively, which may be offset against future taxable income through to 2035.

The Company did not have any tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months.

The tax years that remain subject to examination by major taxing jurisdictions are those for the years ended December 31, 2015, 2014, 2013, 2012 and 2011.

13. Subsequent Events

Subsequent to the year-ended December 31, 2015, the Company issued a total of 843,796 common shares of the Company

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Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

The Company did effect a change of accountants in 2010: on March 5, 2010, the audit committee of the Company's board of directors approved the dismissal of Child Van Wagoner & Bradshaw, PLLC (CVWB) as the Company's independent registered public accounting firm, and on the same date the audit committee engaged ACAL Group, which has since combined with A Chan & Company LLP, the Company's current auditors, to serve as the Company's independent accounting firm.

However there was no disagreements or any reportable events of the types described in paragraphs (a)(1)(iv) and (a)(1)(v) of Item 304(a) of Regulation S-K in connection with this change, and there have been no disagreements with accountants over the past two years.

Item 9A. Controls and Procedures.

Disclosure Controls and Procedures

The Company carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures with the participation of all the Company's executives, the effectiveness of the Company's disclosure controls and procedures as of December 31, 2015. The conclusions of the Company's principal executives was that the controls and procedures in place were effective such that the information required to be disclosed in our SEC reports was a) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and b) accumulated and communicated to our management, including our chief executive officer and chief operation officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control over Financial Reporting

As of December 31, 2015, management assessed the effectiveness of our internal control over financial reporting. The Company's management is responsible for establishing and maintain adequate internal control over financial reporting for the Company. Internal control over financial reporting is a set of processes designed by or under the supervision of the Company's CEO, COO and CFO (or executives performing equivalent functions) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and dispositions of our assets;
- provide reasonable assurance our transactions are recorded as necessary to permit preparation of our financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors;
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives. In evaluating the effectiveness of our internal control over financial reporting, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework. Based on that evaluation, they concluded that during the period covered by this report, though there are weaknesses in the Company's internal controls, given the current size of the organization, such internal controls and procedures as were in place were adequately effective to detect the inappropriate application of US GAAP.

Item 9B. Other Information.

During the fourth quarter of the fiscal year ended December 31, 2015 there was no information required to be reported on Form 8K which was not previously reported.

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PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Directors and Executive Officers

The following lists the directors and executive officers of the Company as of December 31, 2014:

Name	Age	Position	Term of Office
Robert Nealon	59	Director, Chairman of the Board	8 July 2010 to present
Neil G. Chan	53	Director, Chief Executive Officer	1 September 2011 to present
Richard Freeman	55	Director, Chief Operating Officer	1 November 2011 to present

Business Experience

The following are brief backgrounds on the Directors and Officers of the Company

Robert Nealon, Chairman of the Board & Director

Mr. Nealon is the Principal Attorney in Nealon & Associates, P.C., and a Washington, D.C. based law and government relations firm. He has been practicing law for twenty-seven years and has achieved an AV rating from Martindale-Hubbell, the leading rating bureau for the legal profession. Mr. Nealon has a B.A. from University of Rochester (1977) and M.B.A. from Rochester Institute of Technology (1978). He received his Juris Doctorate, magna cum laude, from the University of Bridgeport in 1982 and his Masters of Law in Taxation (L.L.M.) degree from Georgetown University in 1984. He is a member of the bar associations of New York State and Virginia, the American Bar Association and the Federal Bar Association. Mr. Nealon served as Adjunct Instructor of Corporate Law, George Washington University from 1985 until 2005. Mr. Nealon has been lead counsel on hundreds of commercial trials, including multi-million dollar derivative action lawsuits, security fraud and government contract fraud. He has been counsel to hundreds of corporations, including insurance affinity marketing, manufacturing and multiple financial institutions. Mr. Nealon has been active over the years in national politics and government relations.

Mr. Nealon was appointed to the Virginia Small Business Advisory Board by former Virginia Governor Warner and was reappointed to this state board by Governor Kaine through 2010 as its Chairman. Mr. Nealon is also a current appointee to the George Mason University Advisory Board for the Institute for Conflict Analysis and Resolution in Arlington, Virginia. He is a Director of the Alexandria Small Business Development Corporation. He is also an active member of the National Press Club and the Democratic National Club.

Neil G. Chan, Chief Executive Officer & Director

Mr. Chan is a career technologist who has pioneered the early adoption of disruptive technologies in more than 45 countries over the last 30 years. From start-up to \$400M in annual revenues, Mr. Chan has led and created the best-in-class sales, marketing, and service organizations during the development of wireless data infrastructure, mobile content, Software-as-a-Service for commercial fleets, and HFC broadband infrastructure. Mr. Chan led the first technology transfer initiative between Canada and Mainland China on behalf of Spar Aerospace and Gandalf Technologies Inc., during the mid-1980s along with training, product marketing and sales responsibilities for growing Gandalf's export markets; shortly after Mr. Chan was recruited to Motorola Inc., to lead the product marketing of the industry's first mobile data solutions for public safety, taxi, utility, and field service markets. Mr. Chan led Motorola's initiative to expand into public data networks throughout the Asia Pacific region during the 1990s and subsequently was promoted to Managing Director to lead the expansion of HFC data and voice broadband networks throughout the region. In the spring of 2000, Mr. Chan joined Airvana Inc., to lead business development for the early adoption of CDMA-based broadband wireless networks which today continue to serve millions of users throughout North

America and Latin America. Most recently, Mr. Chan led worldwide sales and marketing of fleet management services for WebTech Wireless Inc., which contributed five years of record growth and industry leadership across government and transportation markets. Mr. Chan has served on the Executive Review Board of Royal Roads University and continues to mentor and support early stage technology companies.

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Richard Freeman, Chief Operating Officer & Director

Mr. Freeman is a senior high-tech operations and product development executive with over 25 years experience managing leading-edge hardware and software communications solutions and services across a broad-range of technologies and international markets. Mr. Freeman's career began with Mobile Data International where he spearhead adoption of early private wireless data networks for Taxi, Public Safety and Utility markets, overseeing 800Mhz radio Manufacturing Engineering, data terminal manufacturing, RF system design, and International sales support and system deployment. In the early 90's, Mr. Freeman was responsible for technical sales support and system implementation for Motorola's Wireless Data Group located in London and Paris. Mr. Freeman was instrumental in Motorola's successful launch into European Taxi markets, along with the global launch of data infrastructure with the responsibility for product definition, marketing, and implementation of wireless data infrastructure based on Motorola DataTAC and ARDIS network solutions.

Mr. Freeman subsequently joined Sierra Wireless where he led definition, development, and successful deployment of many world-class leading edge CDPD, 1xRTT, GPRS, and EVDO wireless data modem hardware and enabling software solutions for international markets. In 2002 Mr. Freeman joined WebTech Wireless, where he defined target markets and requirements for mobile hardware and Fleet Management services. Promoted to VP Operations he oversaw the successful growth of the organization, supporting ongoing 60% annual growth in shipments and software-as-a-service revenues, a tripling of personnel, five-fold growth in corporate and manufacturing facilities and infrastructure, and the successful implementation of many multiple multi-million dollar projects.

In 2011 Mr. Freeman was Sr. VP Operations and Product Management for Saturna Green Systems, focusing on developing embedded telematics solutions for the electric vehicle industry. Mr. Freeman holds a BaSC in Electrical Engineering from the University of British Columbia.

Code of Ethics

The Company has not yet adopted a complete code of ethics policy as defined in Item 406 of Regulation S-K, however the company has adopted a disclosure policy that applies to all directors, officers and employees of the Company, as part of a program to establish a comprehensive code of ethics. The Company's disclosure policy is available on its website www.igen-networks.com.

Audit Committee and Financial Expert

The Company does not have an audit committee. The Company is still small and the functions of an audit committee are done by the board of directors as a whole, as specified in section 3(a)(58)(B) of the Exchange Act. As such the company has no audit committee financial expert serving on an audit committee. The board of directors however is confident in its ability as a whole to perform the functions required of an audit committee.

Item 11. Executive Compensation.

Summary Compensation Table

Name and principal position	Year	Salary (\$) ¹	Stock awards (\$)	Option awards (\$) ²	Total (\$)
Neil G. Chan - Director, President & CEO	2015	98,257		189,900	288,157
	2014	74,360			74,360
Richard Freeman - Director, COO	2015	86,540		189,900	276,440

2014

65,230

65,230

1Salary for services as an executive officer. No compensation for services as a director received in 2014 or 2015.

2Valuation of Stock and Option awards are based on the issuance details listed in the Note 7(e) to the Company's consolidated financial statements for the year ended December 31, 2015.

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Outstanding Equity Awards at Fiscal Year-end

Name	Number of securities underlying unexercised options		Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date
	exercisable	un-exercisable			
Neil Chan, CEO	55,556	0		\$0.09	31-Mar-18
	1,000,000	0		\$0.19	21-Sep-20
Richard Freeman, COO	275,000	0		\$0.09	31-Mar-18
	1,000,000	0		\$0.19	21-Sep-20

The company currently has no unearned or unvested stock awards, or equity incentive plan awards of either options or stock.

Director Compensation¹

Name and principal position	Year	Salary (\$)	Stock awards (\$)	Option awards (\$)	Total (\$)
Robert Nealon	2015	0	0	47,475	47,475
Director, COB	2014	0	0	0	0

¹Provides information on Directors not serving as executive officers only. Compensation for directors also servicing as executive officers is listed in the summary compensation table at the beginning of this Item.

Discussion of Executive and Director Compensation

Compensation of Directors

Directors are currently not paid any standard compensation for acting as directors. In 2013 Robert Nealon, Director and Chairman of the Board, was awarded 150,000 stock options, all of which vested in 2013 and none of which were exercised. In 2015 Mr. Nealon was awarded 250,000 stock options, all of which vested in 2015 and none of which were exercised. Mr. Nealon had 400,000 options vested and unexercised as of December 31, 2015.

Compensation of Executives

The CEO and COO of the Company, who are also directors of the Company, are paid CDN\$120,000 per annum as compensation for services in their respective capacities as executive officers of the Company. They are also paid US\$30,000 per annum for services as executive offers of Nimbo LLC. In 2013 the CEO Neil Chan was granted 825,000 stock options, all of which vested in 2013, and 769,444 of which were exercised, leaving 55,556 vested and unexercised as of December 31, 2014. In 2015 Mr Chan was granted a further 1,000,000 stock options all of which vested in 2015 and none of which were exercised, leaving a total of 1,055,556 options vested and unexercised as of December 31, 2015. In 2013 COO Richard Freeman was granted 500,000 stock options, all of which vested in 2013, and of which 225,000 were exercised, leaving 275,000 vested and unexercised as of December 31, 2014. In 2015 Mr. Freeman was granted a further 1,000,000 stock options all of which vested in 2015 and none of which were exercised, leaving a total of 1,275,000 options vested and unexercised as of December 31, 2015.

There are currently no long term incentive plans or pension plans for directors or officers of the Company.

The company does not currently provide indemnity insurance coverage for directors and officers of the Company.

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Compensation Committee Interlocks and Insider Participation

The Company is small and has no compensation committee. The board of directors as a whole acts in the capacity of a compensation committee. All executive officers of the Company are also directors of the Company and as such were and are able to vote on matters of compensation. Though the company is not legally obligated to establish a compensation committee, we may do so when the company reaches a critical mass and/or when deemed advisable by the board.

Compensation Committee Report

As a smaller reporting company, the Company is not required to report the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K, and as such there was no review or recommendation as to its inclusion in this report.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following tables list information that is accurate as of December 31, 2015.

Securities authorized for issuance under equity compensation plans

The following details securities authorized for issuance as of December 31 2015.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (a)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (a)
Equity compensation plans approved by security holders	4,080,556	0.16	998,206
Equity compensation plans not approved by security holders	0	N/A	0
Total	4,080,556	0.16	998,206

Security Ownership of certain beneficial owners

(1) Title of class	(2) Name and address of beneficial owner	(3) Amount and nature of beneficial ownership	(4) Percent of class
Common Shares	John Stull	2,500,000	8.86%

27244 Via Industria
 Temecula, CA, USA
 92590

Security Ownership of management

(1) Title of class	(2) Name and address of beneficial owner	(3) Amount and nature of beneficial ownership	(4) Percent of class
Common Shares	Robert Nealon Director, COB	521,571	1.85%
Common Shares	Neil G. Chan Director, President & CEO	2,332,611	8.27%
Common Shares	Richard Freeman Director, COO	474,900	1.68%

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Item 13. Certain Relationships and Related Transactions, and Director Independence.

Transactions with related persons, promoters and certain control persons

In 2015 there were no transactions with related persons that required reporting.

Director Independence

In the USA the Company's common stock is listed on the OTCQB inter-dealer quotation system, and in Canada on the CSE, neither of which have director independence requirements.

Item 14. Principal Accounting Fees and Services.

Audit Fees

Aggregate fees billed for professional services rendered by the Company's principal accountant for the audit of the Company's annual financial statements, review of financial statements in quarterly filings, or services associated with statutory and regulatory filings for the last two fiscal years are as follows:

2014: \$61,676

2015: \$30,940

Audit Related Fees

Aggregate fees billed in the last two fiscal years for assurance and related services by the Company's principal accountant that are reasonably related to the performance of the audit or review of the registrant's financial statements and are not reported above are as follows:

2014: \$7,212

2015: \$2,341

Tax Fees

Aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's principal accountant for tax compliance, tax advice, and tax planning are as follows:

2014: \$0

2015: \$3,265

All Other Fees

Aggregate fees billed in each of the last two fiscal years for products and services provided by the principal accountant, other than the services reported above, are as follows:

2014: \$4,131

2015: \$0

Audit Committee's Pre-Approval Policies and Procedures

The Company does not at this time have an audit committee and no formal pre-approval policies or procedures have yet been implemented. The board of directors acting in lieu of an audit committee is required to pre-approve the engagement of the Company's principle accountant for non-auditing services.

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PART IV

Item 15. Exhibits, Financial Statement Schedules.

(1) Financial statements:

- Audited Financial Statements for the year ended December 31, 2015

(2) Financial statement schedules

- none

(3) Exhibits

Exhibit Index

3(i)	<u>Articles of Incorporation and amendments</u>
3(ii)	<u>Bylaws</u>
21	<u>Subsidiary Information</u>
31.1	<u>Certification – Rule 13(a)-14(a)/15d-14(a) - CEO</u>
31.2	<u>Certification – Rule 13(a)-14(a)/15d-14(a) - COO</u>
32.1	<u>Certification – Section 1350 - CEO</u>
32.2	<u>Certification – Section 1350 – COO</u>
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

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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

April 14, 2016

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

April 14, 2016

By: /s/ Richard Freeman
Richard Freeman
Director, Chief Operating
Officer

