



QUARTERLY REPORT
of
ON4 COMMUNICATIONS INC.
for the 9 Months Ending
JULY 31, 2017

OTC PINK: ONCI

CUSIP: 682203 203

Page 1 of 23

1) Name of the issuer and its predecessors (if any)

On4 Communications Inc. (from October 2, 2009 to date).

(Formerly Sound Revolution Inc., from incorporation on June 4, 2001 through October 2, 2009)

2) Address of the issuer's principal executive offices

Principal Executive Office:

1875 Century Park East, 6th Floor,
Los Angeles, CA 90067

IR Contact

None

3) Security Information

Trading Symbol: ONCI

Exact title and class of securities outstanding: Common & Preferred

CUSIP: 682203 203

SIC: 7372 Services –Prepackaged Software

Federal taxpayer ID: 98-0540536

Par or Stated Value: \$0.0001 Common; no par value Preferred

Total shares authorized: 5,030,000,000 **as of:** 7/31/2017

Total shares outstanding: 3,813,547,369 Common **as of:** 7/31/2017

30,000,000 "Series A" Preferred **as of:** 7/31/2017

Transfer Agent

Pacific Stock Transfer Company
4045 S. Spencer Street, Suite 403
Las Vegas, NV 89119
Telephone: 702-361-3033

Is the Transfer Agent registered under the Exchange Act? Yes

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities.
The list shall indicate:

From November 1, 2014 to date:

During the period November 1, 2014 through January 31, 2015, we issued an aggregate of 5,403,559 common shares upon the conversion of convertible notes, such that at January 31, 2015 the issued and outstanding common shares totaled 61,728,701.

On March 31, 2015 100,000,000 common shares were issued to Steve Dallas (Company Secretary and Director) in recognition of services rendered and to be rendered. In addition, on March 31, 2015 20,000,000 common shares, plus 30,000,000 "Series A" preferred shares, were issued to Timothy J Owens (our Chief Executive Officer, Chief Financial Officer, Treasurer and Director) in recognition of services provided to the Company and in consideration for the transfer to ON4 of the sole ownership in and to intellectual property, business plans, website and website designs, business knowledge, business contacts and relationships, software and computer programs, trademarks, logos, copyrights and business processes relating to and associated with a national system to provide a health focused set of fund raising products and services to targeted group based organization in athletics, academics, and service industries, including but not limited to the *QwickMed* product line, including *Auto Kits* and *Emergency Kits* for Earthquake and other types of natural disasters containing up to 72 hours of survival supplies (the "Fund Raising Kit Business") valued at \$ 160,000.

Further, on March 31, 2015 16,000,000 common shares were issued upon partial conversion of a convertible note. Accordingly, at April 30, 2015 the Company's issued and outstanding common shares totaled 197,728,701 and the issued and outstanding "Series A" preferred shares totaled 30,000,000.

On June 4, 2015 the Company filed with the State of Delaware to increase its authorized capital to 5,030,000,000 shares, comprised of 5,000,000,000 common shares of \$ 0.0001 par value each and 30,000,000 preferred stock of no par value.

During the three months ended July 31, 2015, we issued an aggregate of 169,115,697 common shares upon the conversion of convertible notes, such that at July 31, 2015 the issued and outstanding common shares totaled 366,844,398. The issued and outstanding "Series A" preferred shares remained unchanged at 30,000,000.

During the three months ended July 31, 2016 we issued the following common shares:

- 1,500,000,000 common shares to Steve Berman, our CEO, as part of his compensation package to join the Company; and
- 577,404,761 common shares, in total, to settle certain of the Company's convertible debt of \$37,279

At July 31, 2015 the issued and outstanding common shares therefore totaled 2,444,249,159. The issued and outstanding "Series A" preferred shares remained unchanged at 30,000,000.

During August, 2016 Company issued an additional 354,470,539 common shares to settle certain of the Company's convertible debt of \$13,830, such that at October 31, 2016 the Company has issued a total of 2,798,719,698 common shares (of which a total of 1,113,550,914 common shares or approximately 40% were in the "public float"). The issued and outstanding "Series A" preferred shares remained unchanged at 30,000,000.

During the 3 months ended January 31, 2017 a total of 495,198,250 common shares were issued to repay convertible debt of \$ 29,455. Accordingly, at January 31, 2017 the Company had issued a total of 3,293,917,948 common shares. The issued and outstanding "Series A" preferred shares remained unchanged at 30,000,000.

During the 3 months ended April 30, 2017 a total of 207,819,635 common shares were issued to repay debt of \$ 62,500. Accordingly, at April 30, 2017 the Company had issued a total of 3,501,737,583 common shares (of which 1,662,402,132 common shares were in the public "float"). The issued and outstanding "Series A" preferred shares remained unchanged at 30,000,000.

During the 3 months ended July 31, 2017 a total of 311,809,786 common shares were issued. 299,309,786 common shares repaid convertible debt of \$39,987 while 12,500,000 common shares were issued against accrued executive compensation of \$13,750. The issued and outstanding common shares and "Series A" preferred shares at July 31, 2017 and at the date of this filing amounted to 3,813,547,369 common and 30,000,000 preferred, respectively.

5) Financial Statements

General

The unaudited Financial Statements presented on the following pages have been prepared from the books and records of the Company and have not been subject to independent review and audit. These financial statements however reflect all adjustments known to management necessary to fairly reflect the results of operations and financial position of the Company for the periods presented.

INDEX

Condensed Balance Sheets as of July 31, 2017 and October 31, 2016 (unaudited)	Page 6
Condensed Statements of Operations for the 3 and 9 Months Ended July 31, 2017 and July 31, 2016 (unaudited)	Page 7
Statement of Changes in Shareholders' Deficit for the 9 Months Ended July 31, 2017 (unaudited)	Page 8
Condensed Statements of Cash Flows for the 9 Months Ended July 31, 2017 and July 31, 2016 (unaudited)	Page 9
Notes to the Condensed Financial Statements (unaudited)	Pages 10-15

ON4 COMMUNICATIONS INC.

Condensed Balance Sheets

(Unaudited)

	July 31, 2017	October 31, 2016
ASSETS		
Current assets		
Cash	\$ 62,533	\$ -
Accounts receivable	684,217	-
	<u>746,750</u>	<u>-</u>
Fixed assets, net of accumulated depreciation	<u>-</u>	<u>-</u>
Other assets		
Loan receivable	131,752	131,752
Less: Provision for uncollectibility	<u>(131,752)</u>	<u>(131,752)</u>
	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 746,750</u></u>	<u><u>\$ -</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	\$ 1,404,981	\$ 1,258,360
Accrued note interest	684,871	651,905
Due to related parties	522,576	106,384
Notes payable	400,529	400,529
Convertible notes payable	90,633	286,118
	<u>3,103,590</u>	<u>2,703,296</u>
STOCKHOLDERS' DEFICIT		
Preferred stock:		
30,000,000 shares authorized, no par value		
30,000,000 issued and outstanding	\$ -	\$ -
Common stock:		
5,000,000,000 shares authorized of \$0.0001 par value		
3,813,547,369 and 2,798,719,698 issued and outstanding		
respectively	381,355	279,872
Additional paid-in capital	13,817,847	13,736,108
Treasury stock	70,000	70,000
Accumulated deficit	<u>(16,626,042)</u>	<u>(16,789,276)</u>
	<u>(2,356,840)</u>	<u>(2,703,296)</u>
Total Liabilities and Stockholders' Deficit	<u><u>\$ 746,750</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these unaudited financial statements

Page 6 of 23

ON4 COMMUNICATIONS INC.

Condensed Statements of Operations (Unaudited)

	3 Months Ended July 31, 2017	3 Months Ended July 31, 2016	9 Months Ended July 31, 2017	9 Months Ended July 31, 2016
Sales	\$ 533,000	\$ -	\$ 896,250	\$ -
Less: Cost of sales	-	-	(160,000)	-
Sales commissions	(133,250)	-	(224,063)	-
Gross Margin	<u>399,750</u>	<u>-</u>	<u>512,187</u>	<u>\$ -</u>
Operating Expenses				
General and administrative	36,523	51,195	43,100	52,955
Management compensation	30,000	180,000	90,000	291,384
Corporate advisory fees	-	-	150,000	-
Legal and accounting	14,900	5,500	33,900	5,500
Total operating expenses	<u>81,423</u>	<u>236,695</u>	<u>317,000</u>	<u>349,839</u>
Operating income (loss)	<u>318,327</u>	<u>(236,695)</u>	<u>195,187</u>	<u>(349,839)</u>
Other income (expense)				
Interest	(16,590)	(17,893)	(31,953)	(57,045)
Total other income (expense)	<u>(16,590)</u>	<u>(17,893)</u>	<u>(31,953)</u>	<u>(57,045)</u>
Net income (loss)	<u>\$ 301,737</u>	<u>\$ (254,588)</u>	<u>\$ 163,234</u>	<u>\$ (406,884)</u>
Net income (loss) per share - basic and diluted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Weighted average shares outstanding	<u>3,363,682,000</u>	<u>1,191,931,699</u>	<u>3,288,157,459</u>	<u>881,873,498</u>

The accompanying notes are an integral part of these unaudited financial statements

ON4 COMMUNICATIONS INC.

**Statement of Changes in Stockholders' Deficit
For the 9 Months Ended July 31, 2017**

(Unaudited)

	Preferred Number	Stock Amount	Common Number	Stock Amount	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Stockholders' Deficit
Balance :								
November 1, 2016	30,000,000	-	2,798,719,698	\$ 279,872	\$ 13,736,108	\$ 70,000	\$ (16,789,276)	\$ (2,703,296)
9 months ended July 31, 2017:								
Stock issued to repay convertible debt	-	-	1,002,327,671	100,233	69,239	-	-	169,472
Stock issued to pay accrued executive compensation			12,500,000	1,250	12,500			13,750
Net income for period	-	-	-	-	-	-	163,234	163,234
Balance:								
July 31, 2017	30,000,000	-	3,813,547,369	\$ 381,355	\$ 13,817,847	\$ 70,000	\$ (16,626,042)	\$ (2,356,840)

The accompanying notes are an integral part of these unaudited financial statements

ON4 COMMUNICATIONS INC.

Condensed Statements of Cash Flows

(Unaudited)

	9 Months Ended July 31 ,2017	9 Months Ended July 31 ,2016
Net cash from (used in) operating activities:		
Net income (loss) from operations	\$ 163,234	\$ (406,884)
Adjustments to reconcile net loss to net cash:		
Changes in operating assets and liabilities:		
Management compensation settled by a Note payable and/or through stock	13,750	150,000
Increase in accounts receivable	(684,217)	-
Increase in accounts payable and accrued expenses	179,587	124,257
Increase (decrease) in amounts due related parties	416,192	(20,445)
	<u>(88,438)</u>	<u>(153,072)</u>
Net cash from operating activities	<u>74,796</u>	<u>-</u>
Net cash from investing activities:	<u>-</u>	<u>-</u>
Net cash from (used in) financing activities:		
Increase in notes payable	-	15,000
Decrease in convertible notes payable	(195,485)	138,072
Issuance of common shares	183,222	-
	<u>(12,263)</u>	<u>153,072</u>
Change in cash	62,533	-
Cash - beginning of period	<u>-</u>	<u>-</u>
Cash - end of period	<u>\$ 62,533</u>	<u>\$ -</u>

The accompanying notes are an integral part of these unaudited financial statements

Page 9 of 23

ON4 COMMUNICATIONS INC.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS Nine Months Ended July 31, 2017 (Unaudited)

1. The Company's Organization, History, and Current Operations

The Company was originally incorporated on **June 4, 2001** under the laws of the State of Delaware as Sound Revolution Inc. Our common stock is quoted on the Pink Sheets Quotation system under the symbol "ONCI.PK" and on the Berlin Stock Exchange under the symbol "O4C:GR".

On **March 12, 2009**, Sound Revolution Inc. entered into a merger agreement with On4 Communications, Inc., a private Arizona company incorporated on June 5, 2006 ("On4"). On May 1, 2009 we completed the merger with On4, with Sound Revolutions Inc as the surviving entity. On October 2, 2009 the Company then changed its name to On4 Communications, Inc.

On **April 29, 2010**, we sold certain specific assets to On4 Communications Inc. (a private Canadian company) and to a shareholder ("On4 Canada") pursuant to an asset purchase agreement in exchange for On4 Canada returning 2,000,000 shares of our common stock to our treasury for cancellation.

On **March 16, 2011**, we sold our interest in the Sound Revolution business to Empire Success, LLC in exchange for \$15,000 and 6,300 shares of Empire's common stock.

On **November 3, 2011**, we entered into a binding letter of intent ("LOI") to acquire 100% of the issued and outstanding shares of NetCents Systems Ltd. ("NetCents"), a private Alberta corporation engaged in the development and implementation of a then unique and secure electronic payment system for online merchants and consumers. The LOI provided for a period of due diligence which was intended to lead to a formal agreement whereby the Company would acquire 100% of the issued and outstanding capital of NetCents. Clayton Moore, an officer and director of our Company until March 5, 2015, and Ryan Madson, an officer of our Company until January 2, 2015, were shareholders of NetCents and Mr. Moore was the president and director of Net Cents.

On **November 4, 2011**, Clayton Moore was appointed as a director, president and chief executive officer of our Company, Steven Allmen was appointed a director, Ryan Madson was appointed chief operating officer, Tom Locke was appointed as a director, chief financial officer, secretary and treasurer, and John Kaczmarowski was appointed chief technical officer.

On **December 15, 2011**, we entered into a share exchange agreement with NetCents and the selling shareholders of NetCents ("Share Exchange Agreement"). Pursuant to the terms of the Share Exchange Agreement, our Company and NetCents agreed to engage in a share exchange which, if completed, would result in NetCents becoming a wholly owned subsidiary of our Company. However, this transaction never in fact closed and on **November 12, 2014** the Company

Page 10 of 23

announced that the proposed merger agreement between On4 Communications, Inc. and NetCents Systems Ltd. had been officially rescinded. Effective July 23, 2012, Tom Locke resigned as chief financial officer, secretary, treasurer and as a director of our Company.

By **March 5, 2015** there was a total change in management with the resignations of Mr. Steve Allmen, Mr. Ryan Madson and Mr. Clayton Moore, and the appointment of on **March 5, 2015**, of Mr. Timothy J. Owens as the Company's President, Chief Executive Officer, Chief Financial Officer, Treasurer, and Director of the Company and the appointment on **March 16, 2015** of Mr. Steve Dallas as the Company's Secretary and Director. With this management change, the Company also changed its business model to finance the production, marketing and distribution of QwickMed (emergency medical kits) to non-profit organizations.

On **June 4, 2015** the Company filed with the State of Delaware to increase its authorized capital to 5,030,000,000 shares, comprising 5,000,000,000 common shares of \$ 0.0001 par value each and 30,000,000 preferred stock of no par value.

On **September 28, 2015** the QwickMed license originally granted to the Company on March 5, 2015 was cancelled. On **October 5, 2015**, Timothy Owens resigned as Director, CEO, President and Treasurer and Steve Dallas resigned as Director and Secretary.

On **October 9, 2015** Giorgio Johnson was appointed Director and acting CEO. The prior QwickMed business plan was abandoned and a new business plan was to be developed focused on the production of selective Apps and related platforms. However, on **March 9, 2016** Giorgio Johnson resigned as an Officer and Director of the Company. The Company's previous business plan, under Mr. Johnson's direction, was then abandoned without additional cost to the Company.

On **March 9, 2016** Mr. Steve Berman was appointed Chief Executive Officer and Director of the Company. With his appointment, the Company began to aggressively pursue other business opportunities to produce a profitable business model going forward,

On **November 4, 2016** the Company announced its intention to acquire a 49% equity/ownership stake in Family Mobil Safety ("FMS") Marketing, the distributor of a safe driving App. Under terms of the deal, FMS and their global distribution network of the drive safe app will remain fully operational and continue as a standalone brand following the close of the acquisition.. The FMS safe driving app is intended to do a number of things to keep attention on the road while you're driving and not on your smart phone. As soon as the FMS app detects that the vehicles wheels are in motion the App will be programmed to automatically shut down all voice and social media for safe, distraction-free driving.

On **December 9, 2016** the Company announced that it has agreed to a Forty-Nine Percent (49%) Joint-Venture equity/ownership stake in Digital Media Management & Consulting (“DMCC”) a fast-rising digital signage privately-held company headquartered in New York, NY. The DMCC platform supports advanced implementation of electronic sell-through and content advertising supported networks.

On **December 12, 2016** the Company entered into a Corporate Advisory Services Agreement with a third-party for a 3 month period commencing that date at the fee rate of \$ 50,000 per month (the total payable commitment being \$150,000).

On **March 27, 2017** the Company announced that it had retained John E. Dolkart, Jr., Esq. and the Law Offices of John E. Dolkart, Jr., Esq. as securities counsel. Part of Mr. Dolkart’s work will handling the re-domicile of the Company from the state of Delaware to the state of Colorado. Once the re-domicile has occurred the Company intends to reduce its issued and outstanding common shares as well as reducing its authorized share capital. The new Colorado entity will then merge with the current Delaware corporation.

On **May 1, 2017** the Company announced that its Board of Directors had approved the commencement of steps to re-domicile the corporation in Colorado. Colorado is expected to provide an opportunity for a fresh-start in an increasingly utilized jurisdiction for corporate formation and reformation. This action is currently in process. Our new corporate name is expected to be Hexagon Holdings Corp. and we have commenced to build a new corporate website to better reflect our rapid growth trajectory.

On **September 1, 2017** the Company announced that it plans to buy out the remaining 51% share of the JV that owns the FMS Safe Driving App. The acquisition price is expected to amount to \$3.5 million, payable in 6 installments over a 6 month period from deal closing. This is expected to be financed by financing receivables and is not expected to be dilutive to the Company. Our 51% partner also owns a vehicle fleet business, which will be included in the purchase and which will add another sector to our holdings. This is an established business in itself.

2: Summary of Significant Accounting Policies

Basis of Presentation

These semi-annual unaudited financial statements of On4 Communications, Inc. (the "Company") have been prepared in accordance with accounting principles generally accepted in the United States and contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the Company's financial position at July 31, 2017, and the results of its operations and cash flows for the 3 and 9 months ended July 31, 2017.

Cash

At July 31, 2017 the Company had a cash balance of \$62,533.

Accounts Receivable

Accounts receivable arise from the Company's net share of sales of the FMS safe driving App and its net share of sales derived by Digital Media Management & Consulting, less payments received to date,

Loan Receivable (less 100% Reserve)

On December 15, 2011, the Company entered into the share exchange agreement with NetCents Systems Ltd. ("NetCents"). In conjunction with this transaction, Company was owed \$134,752 for expenses paid and advances made by the Company on behalf of NetCents. The amount was unsecured, non-interest bearing, and was due on demand. However, on November 12, 2014 the Company announced that the proposed merger agreement between On4 Communications, Inc. and NetCents Systems Ltd. had been officially rescinded. Accordingly, the collectability of the loan balance of \$ 134,752 is substantially in doubt, and management has established a 100% provision for impairment.

Fixed Assets

The Company has fully amortized its fixed assets.

Revenue Recognition

The Company recorded its share of sales totaling \$ 896,250 for the 9 months ended July 31, 2017 arising through the sale of the FMS safe driving App and through the Company's Joint-Venture equity/ownership stake in Digital Media Management & Consulting ("DMCC") as and when reported by FMS and DMCC.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions (if any) 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. Actual results could differ from those estimates.

Net Loss per Share

Net loss per share is calculated using the weighted average number of shares of common stock outstanding during the year. The Company has adopted the provisions of SFAS No. 128, Earnings per Share.

Provision for Income Taxes

At this time, no provision for the payment of income taxes is required on the results of the Company's operations through July 31, 2017. The Company has approximately \$ 11 million of net operating losses carried forward to potentially offset taxable income in future years, which expire commencing in calendar 2026.

Current Liabilities

The Company's liabilities are as follows:

Accounts Payable totaled \$ 1,404,981 and \$ 1,258,360 at July 31, 2017 and October 31, 2016, respectively. A substantial portion of these accounts payable are older than 3 years and inherited from prior management. The Company is in the process of evaluating whether or not these amounts are still truly payable in light of a possible expiration of statute of limitations. In addition, for those amounts which are still validly payable, the Company is reaching out to settle any outstanding payables at a significant discount.

Accrued interest expense on debt payable totaled \$ 684,871 and \$ 651,905 at July 31, 2017 and October 31, 2016, respectively. Notes Payable totaled \$ 400,529 at both April 30, 2017 and October 31, 2016. These included a note payable to Kestral Gold Inc. (\$ 22,928), a note payable to Scottsdale Investment Corporation (\$319,980), a note payable to Gordon Jessup (\$ 42,621). However, the Company has similarly reached out to the respective debtholders with the objective of settling out both outstanding principal and accrued interest at a significant discount.

Convertible notes payable have been reduced to \$ 90,633 at July 31, 2017 from \$ 286.118 at October 31, 2016. These reductions have been accomplished through conversion and issuance of the Company's common stock. At July 31, 2017 this balance included convertible notes payable totaling \$32,633 due Tide Pool Ventures Corporation, \$26,500 due Louvas Law Group, \$30,000 due WHC Capital, LLC and a balance of \$ 1,500 due LG Capital Funding . The Giorgio Johnson note and accrued interest was fully paid off by July 31, 2017 at a discount with the conversion and issuance of common stock

Stockholders' Deficit

Stockholders' deficit was reduced from \$(2,703,296) at October 31, 2016 to a deficit of \$(2,346,840) at July 31, 2017 with the net income for the 9 months ended July 31, 2017 of \$163,234 and \$ 183,522 from the issuance of new common stock used to repay convertible notes(see above) and reduction in accrued executive compensation.

3. Going Concern

These financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. While the Company is presently operating profitably, its continuance as a going concern may be dependent upon its ability to obtain additional equity and/or debt financing. These financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern, which in turn may be dependent upon obtaining additional working capital necessary to accomplish its objectives. Management continues to seek debt funding, equity financing, or a combination of both, to raise the necessary working capital, and continues to seek to restructure and/or favorably settle its existing (inherited) debt

4. Management Changes During the Prior Fiscal Year

On **March 9, 2016** Mr. Johnson resigned as an Officer and Director of the Company. With his resignation, the Company's prior business plan was abandoned (see Note 5 (b)). However, also on March 9, 2016 Mr. Steve Berman was appointed Chief Executive Officer and Director of the Company. With his appointment, the Company has begun to acquire equity interests in strategically placed businesses in industries already producing revenues to generate net income for the Company.

5. Contingent Obligations

- (a) On **March 9, 2016** Mr. Steve Berman was appointed Chief Executive Officer and Director of the Company. Mr. Berman received the block of 30,000,000 Preferred (super voting) Shares and he was issued 1,500,000,000 restricted common shares in consideration for his acceptance as an Officer and Director and in consideration for bringing the new business plan to the Company. Mr. Berman has indicated his intention to exchange his holding of 1,500,000,000 common shares to preferred shares.

The Company entered into an Employment Agreement with Mr. Berman as of March 9, 2016 which provides compensation to Mr. Berman at the rate of \$10,000 per month and which grants Mr. Berman the right to acquire up to 50,000,000 of the Company's restricted common shares at a price of \$0.0001 per share, plus the grant of 70,000,000 stock options exercisable at the rate of 2,500,000 common shares per calendar quarter over 7 years at a price equal to the lowest daily trading price in the previous quarter. He is also entitled to receive a profit incentive bonus by way of sales commissions equal to 25% of the value of all new executed contracts, net of any payments to outside services, derived by the Company from such new contracts. The Company has the right to terminate Mr. Berman's Employment Agreement at any time upon payment of 6 months' salary payable in 16 monthly installments following termination.

Page 15 of 23

6) Issuer's Business, Products & Services / Management Discussion & Analysis

The following Management's Discussion & Analysis (MD&A) should be read in conjunction with the financial statements for the 6 months ending July 31, 2017, and the notes thereto. The Accompanying Financial Statements have been prepared from the books and records of the Company and have not been subject to independent review and audit. The financials reflect all adjustments known to management necessary to fairly reflect the results of operations and financial position of the Company for the periods presented.

Forward-looking Statements

This section contains certain statements that may include "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are often identified by the use of forward-looking terminology such as "believes," "expects," "anticipate," "optimistic," "intend," "will" or other similar expressions. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in the Company's periodic reports that are filed with OTC and available on its website <http://www.otcmarkets.com>. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these factors. Other than as required under applicable securities laws, the Company does not assume a duty to update these forward-looking statements.

Description of Business

On **March 9, 2016** Mr. Steve Berman was appointed Chief Executive Officer and Director of the Company. With his appointment, the Company intends to focus of acquiring and/or merging with proven and profitable businesses including acquiring equity interests in strategically placed businesses already producing revenues. For the 9 months ended July 31, 2017 the Company achieved sales totaling \$896,250 and net income of \$163,234

To date, two such investments in joint ventures have occurred as described below:

1. On **November 4, 2016** the Company acquired a 49% equity/ownership stake in Family Mobil Safety ("FMS") Marketing, the distributor of a safe driving App. Under terms of the deal, FMS and their global distribution network of the drive safe app will remain fully operational and continue as a standalone brand. The FMS revolutionary safe driving app has begun to generate significant recurring monthly revenues as organic traction amongst auto dealerships and auto insurance companies continues to grow.

The FMS safe driving app is intended to do a number of things to keep your attention on the road while you're driving and not on your smart phone. As soon as the FMS app detects that the vehicles wheels are in motion the App is programmed to automatically shut down all voice and social media communication ability for safe, distraction-free driving.

Page 16 of 23

over the location of auto dealer vehicles, rental vehicles, limousines, taxis, third-party loads and brokered freight, the new *FMS tracking device* capabilities include:

- 24/7 Real Time GPS Location Tracking
- Automated Events
- Breadcrumb Mapping
- Direct TMS Integration

On **January 24, 2017** the Company announced that it has secured 8 new Auto Dealer Vendors in Florida State for the Company's premium *FMS Drive Safe App*.

On **March 28, 2017** the Company announced that FMS Marketing had been selected as 1 of 5 Vendor Finalists to present the FMS Drive Safe App to two leading Asian auto manufacturers headquartered in South Korea. Both auto manufacturers are seeking distracted driving solutions for their Asian customers at the manufacturer level. In addition, the FMS Drive Safe App was presented to three large Japanese based auto insurers and then to Jakarta Indonesia to two large auto dealer groups based in Jakarta, Indonesia.

On **April 19, 2017** the Company announced that FMS Marketing has received a \$100,000 order for their FMS Drive Safe App from one of the leading Asian auto manufacturers based in South Korea and Japan. The contract award is for a four month pilot project, with initial installations scheduled to begin immediately.

On **April 26, 2017** the Company announced that FMS Marketing had secured a key contract from one of the leading Asian auto manufacturers headquartered in Japan and South Korea. The contract begins immediately and deploys the FMS Drive Safe App to 2,500 Asian Dealer Network Groups in the following 7 countries: Indonesia, Malaysia, Viet Nam, Philippines, Singapore, South Korea and Japan. The contract award also calls for an increased roll out over the next 6 months to an additional 1,000 Dealer Network Groups.

On **June 26 2017** the Company announced that it had signed a deal with a leading auto dealer representing Nissan, Toyota, GM, Ford, Land Rover, Kia and Hyundai in South America. In addition, the Company has converted the FMS drive safe App. into Spanish and Portuguese. The South American group has purchased 750 units at \$200 each for a total purchase order of \$150,000 and there are another 750 units on hold.

On **July 25, 2017** the Company announced it had reached an agreement with one of the largest extended warranty companies in Brazil servicing over 300 auto dealers in 5 Brazilian cities. In addition, the FMS drive safe app will be a featured product on their web site. The extended warranty company has purchased 1000 units at \$175 each for a total purchase order of \$175,000 and there are another 1,000 units on hold.

On **July 27, 2017** the Company announced it had reached an agreement with a large South Florida law firm representing over 500 auto dealers for the distribution of the FMS App..

On **August 1, 2017** the Company announced it had entered into a marketing agreement for the FMS App. with one of the largest worldwide online shopping sites with access to over 50 million customers. The Company expects to be placed on the platform's home page, with access to all its top members and will be involved in e-mail blasts and other major sales opportunities.

On **August 3, 2017** the Company announced its expanded presence in the Global Marketplace by signing a deal for its FMS Safe Driving APP with Assurant Argentina, which will be expanding into Chile, Peru and Columbia within the next year. They have purchased 500 units to start at \$200 for a total of \$100,000 with another 500 units on hold.

Also on **August 3, 2017** the Company announced it has been invited by FORD MOTOR COMPANY to pitch the FMS distracted driving app at their corporate offices in Dearborn, Michigan.

On **August 08, 2017** the Company announced it has been invited to present its FMS safe driving app to the CHRYSLER CORPORATION . Also on **August 10, 2017** the Company announced an invitation to pitch the FMS Safe Driving App to the Michigan Governor's Office in Lansing, Michigan

On **August 11, 2017** the Company announced it has executed a contract with Google Brazil. With this, the Company expects to earn approximately \$600,000 from this deal in Brazil over the course of the next 12 months, followed similar deals with Google in Argentina, Peru, Chile, Columbia, Paraguay and Venezuela. creating a revenue stream in excess of \$1 million per year. The Company's goal is to create a multi-revenue stream platform including business to business, business to consumer, and direct marketing sales.

On **August 15, 2017** the Company announced it has been invited to present its FMS Safe Driving App to Ford Fleet Services in California. Ford Fleet Services sells to a group of large corporations a selection of multi-use vehicles . including Sedans, SUV's and Vans. They sell over 3 million cars per year.

On **August 21, 2017** the Company announced that it had been invited by General Motors to their corporate offices in Detroit, Michigan to discuss distracted driving opportunities, and how to implement its FMS Safe Driving App.

The Company also announced that it has executed a contract with a large Mid Atlantic dealer group with locations in Virginia, Maryland, Delaware and Washington DC. At first, 12 dealers will participate each generating revenue of \$36,000 per month and more than \$432,000 per year.

On **August 24, 2017** the Company announced that it has begun negotiations with Ford Fleet Services. Ford Fleet services has asked us to place 1,000 units on reserve as they have a large Mid-Western Utility Company who has expressed interest in not only the FMS Safe Driving App but also our Global Tracking Device. In addition the Company has executed a non-binding letter of intent to purchase a 15,000 square foot factory in Kuala Lumpur to fulfill our anticipated upcoming orders

On **August 29, 2017** the Company announced that it has executed a contract with a mid-size dealer group in Long Island, New York with brands including Toyota, Nissan Chevy, Kia and Ford. This dealer group will receive units by September 18, 2017 and are targeted to sell 20 units per month at \$300 per unit – for a grand total of \$360,000 per year. In addition, the Company also announced that it has signed a 2nd non-binding letter of intent to acquire an additional 7,500 square foot manufacturing facility in Kuala Lumpur to increase its manufacturing facilities to 22,500 square feet. These agreements are non-binding for On4 Communications but are binding for the manufacturing plant and will lock up the facility for sale to the Company for a minimum of 6 months. These acquisitions will be non-dilutive and be financed against receivables.

On **August 31, 2017** the Company announced it will meet with BMW on September 15, 2017 to pitch its FMS App. at its Corporate Headquarters in Munich, Germany. Steve Berman, the Company's CEO plans to be in Europe the week of September 7, 2017 to meet with the Company's App designers to finalize the beta testing of 5 new Apps. The 5 new apps are expected to be varied: 2 will be in Auto safety, 2 will be in the Sports Gaming industry and 1 will be Cannabis related. These new Apps will fall under the FMS division of the (to be formed) new Hexagon Holdings Corporation and will create 5 new streams of revenue.

On **September 1, 2017** the Company announced that it plans to buy out the remaining 51% share of the JV that owns the FMS Safe Driving App. The acquisition price is expected to amount to \$3.5 million, payable in 6 installments over a 6 month period from deal closing. This is expected to be financed by financing receivables and is not expected to be dilutive to the Company. Our 51% partner also owns a vehicle fleet business, which will be included in the purchase and which will add another sector to our wholly-owned holdings. This is an established business in itself.

On **September 9, 2017** the Company announced that it has signed a major new contract with a California dealership with brands including Mercedes, BMW, Chevy, Ford, Audi, Kia, Hyundai,

and Subaru. The contract is for 25 dealerships in Los Angeles and Orange County, California. Each dealership will take 20 units per month at \$200 a unit which is \$100,000 per month and \$1.2 million per year. The units will first be delivered on or about October 1, 2017.

The Company also announced the name of its FMS safe driving app, its global tracking device, and its Apps currently in beta testing. The FMS safe driving app **BSAFE MOBILE** protects the driver from the dangers of distracted driving. BSAFE MOBILE is currently selling at \$250 per unit. The FMS global tracking device, **B FOUND MOBILE**, tracks vehicles anywhere even under 5 feet of concrete. Pre-sales have been ordered at \$250 per unit. The first app in beta testing is **OKGOLFER**. This app tells the player what club to hit based on their handicap and speeds up the game by 2 hours. We are expected to bring to market at \$100 per unit. The second app in beta testing is **GOLF GAMBLER**, a gambling app that lets golfers gamble on their round. This app will be free, and our income varies and is paid after each round is complete. Yet to be named is an alcohol tracking sensor similar to a breathalyzer. This app will be released to market at \$150 per unit. On4 Communications is also working on a car seat monitoring sensor designed to monitor car temperature and determine whether a car seat is occupied. This will come to market at \$150 per unit.

The Company also announced that it has reached agreement to buyout its 51 percent partner COGOSENSE LLC based out of Vancouver BC. The acquisition includes FLEET SAFER which generated over \$1 million in sales last year.

In other matters the presentation meeting with Enterprise Rent A Car has been rescheduled for September 28, 2017 and Google Brazil sales have begun and now average 25 units per day.

Operating results

The Company generated sales revenues of \$ 896,250 during the 9 months ended July 31, 2017 (of which \$ 533,000 was generated in third quarter, 2017 alone). The Company expects that these revenue sources will continue to grow during the remainder of 2017. After cost of sales, operating expenses and interest expense, the Company generated net income of \$ 301,707 during third quarter, 2017 (with net income of \$ 163,234 for the 9 months ended July 31, 2017). The Company expects to be able to now reduce its operating expenses by approximately 50% going forward.

Legal Proceedings

On December 15, 2016 LG Capital Funding, LLC (one of the Company's convertible note holders) commenced an action against the Company claiming that it had been prevented from converting a remaining principal balance of \$ 1,500 and accrued interest thereon of \$ 1,013 into common shares of the Company at the then contracted 50% discount to market stock price. The Company had previously sent LG Capital Funding, LLC ("LG") a check for \$ 1,500 which was never cashed. LG additionally claimed \$ 45,239 in compensatory damages and \$ 11,344 in legal

fees and costs. The Company refuted the claim in court. The matter is presently on hold pending the court's evaluation of arguments from both sides. The Company anticipates being able to settle this dispute at or close to the basic claim totaling \$ 2,513.

The issuer's fiscal year end date: October 31

7) Describe the Issuer's Facilities

The Company's executive offices are located at 1875 Century Park East, 6th Floor, Los Angeles, CA 90067, telephone: 310-722-6624. These offices are provided by the Company's Chief Financial Officer at no cost to the Company.

8) Officers, Directors, and Control Persons

A. Current Directors, Officers, and any significant shareholders

- Mr. Steve Berman, Chief Executive Officer and Director (from March 9, 2016 to present)
- Mr. Alan Bailey, Chief Financial Officer (from July 1, 2015 to present)

Mr. Steve Berman is a native of New York with more than 30 years of sales success and executive leadership experience and a successful entrepreneur, having founded several companies and serving in the CEO role. He has been instrumental in capital financings for several public and private companies, including but not limited to start-ups and pre-revenue businesses. Most recently, Mr. Berman co-founded 3DMC, a premier digital multimedia company, and served as CEO of Stealth Sports and Marketing, a consulting firm specializing in marketing and multimedia solutions to professional sports teams. Prior to working with 3DMC and Stealth Sports and Marketing, Mr. Berman held the position of Senior Vice President at YES Network, the number one regional sports network. Throughout his career, Mr. Berman has developed key relationships in the top 10 markets, and was responsible for developing the advertising platform for YES, which ultimately resulted in significant sales increases for the Network. Prior to that, Mr. Berman served as Senior Vice President of Time Warner Cable NY, where he successfully grew the company's advertising sales from \$ 11 million to more than \$ 100 million, and increased national sales by 200%, resulting in Time Warner Cable NY being the number one billing cable company in the U.S. In joining On4 Communications, Inc. Mr. Berman's focus, subject to being successful in raising new capital, intends to be to lead several initiatives to build long-term shareholder value through the development of new sales and revenue opportunities.

B. Legal/Disciplinary History.

Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None

C. Beneficial Shareholders

Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

At July 31, 2017, the Company had 3,813,547,369 issued and outstanding common shares and 30,000,000 issued and outstanding "Series A" preferred shares. Of these, the current holder of more than 10% is as follows:

	Percentage of total issued and outstanding
Steve Berman *	
Preferred shares	30,000,000 (100% of total issued)
The Preferred shares carry 5,000 to 1 votes over the common shares	

Steve Berman	
Common Shares	1,512,500,000 (39.7% of total issued)

Page 23 of 23

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

None

Accountant or Auditor

None

Investor Relations Consultant

None

10) Issuer Certification

I, Steve Berman and Alan Bailey certify that:

1. We have reviewed this disclosure statement of On4 Communications, Inc.;
2. Based on our knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on our knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: September 15, 2017

/s/ **STEVE BERMAN**, Chief Executive Officer and Director.

/s/ **ALAN BAILEY**, Chief Financial Officer.