

Take Charge of your future



BRIDGES.COM INC.
1999 ANNUAL REPORT

**“Every career
transition is an
opportunity for
an individual and
an opportunity
for Bridges.com.”**

— Doug Manning, CEO



The pace of change in the world is accelerating. Most young people entering the workforce today will change their career or educational focus more than 10 times in their lifetime. Every one of those career transitions is an opportunity for an individual and an opportunity for Bridges.com.

At Bridges.com, we are uniquely positioned to meet these opportunities by applying our expertise in career education, digital content creation, continuous information delivery, telesales and proactive customer support.

Opportunities

New tools that prepare people for career transitions are being developed in 2000. This will expand Bridges.com's brand recognition beyond the education sector.

Our business plan targets several additional revenue streams from these emerging planning tools and information services, including revenues from college applications, job search, financial assistance services, data storage, and advertising sponsorships on non-school services.

The 1999 Bridges.com Annual Report financially tracks our movement towards our desired future. We encourage present and potential investors to use this information in your own investment planning.

Building on Success



The company was incorporated in March 1994 and began public trading on the Alberta Stock Exchange in January 1996. To more accurately reflect its core business — providing digital solutions for career development — in 1999 the company changed its name to Bridges.com Inc.

At the end of fiscal 1999, an in-house staff of more than 70 talented individuals contributed to Bridges.com's success. The company's headquarters are in Kelowna, British Columbia, Canada.

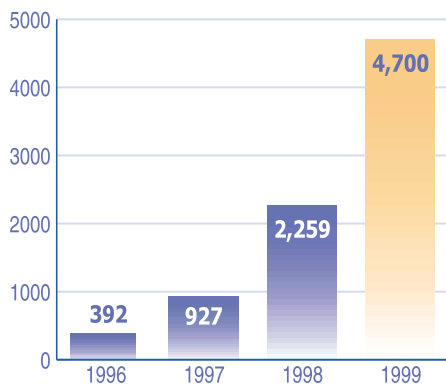
Bridges.com Inc. is a career transitions company specializing in the provision of just-in-time digital solutions that enable individuals to take charge of their futures, to make informed decisions and to achieve personal career/life goals.

Our key service and revenue source is Career Explorer, the leading online career exploration and planning system for middle and secondary schools in North America.

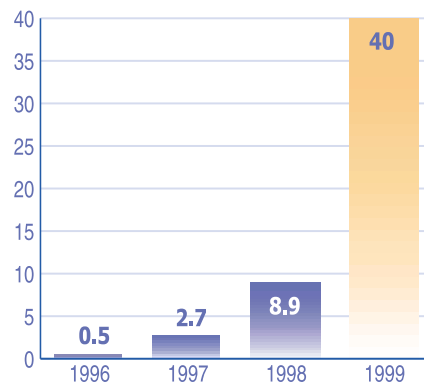
At fiscal year-end, over 2.3 million students in more than 4,700 sites had access to Career Explorer services. During 1999, our services generated 40 million page views (21 million in Q4) from online users and an even greater usage on the CD-ROM version.

After three years of accelerated growth, Bridges.com now delivers subscription services to more than 13 per cent of middle and secondary schools in the U.S. and Canada.

SUBSCRIBING SITES



PAGE VIEWS (in millions)





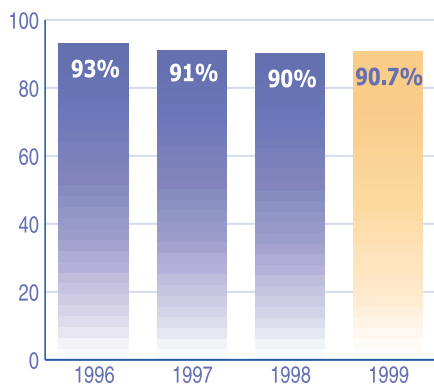
Building on Success

Through continued growth in publishing, corporate, sales and customer support initiatives, as well as strategic acquisitions, our existing suite of tools is expected to reach 30 per cent market acceptance in fiscal 2000.

All the company's efforts are backed by a highly regarded customer support team. This has produced tangible results — 90.7 per cent of all Career Explorer subscribers chose to renew their subscriptions in 1999. It was the fourth consecutive year in which we enjoyed a resubscription rate of 90 per cent or greater.

Responsive service is available to any customer by toll-free lines and e-mail. Our emphasis is on proactive support services, ensuring that customers not only know how to use our tools, but that they are getting the most out of them. Customer support delivered more than 80 training workshops across the U.S. and Canada in 1999.

RESUBSCRIPTION RATES



We are establishing a variety of distribution channels, including middle schools, secondary schools, post-secondary institutions, adult employment centres, corporations, libraries and individual consumers. In each channel we will provide:

- Customized and continuous digital content services.
- Career exploration and planning tools.
- Career preparation and application services.

We will deliver these services through the Internet and a variety of other media — whatever is most effective and best suits the needs of our market.

To Our Shareholders



Major corporate developments during the year included:

- The addition of three new board directors: Terry Holland, Jim Yeates and Chairman John Simmons.
- In late 1999, Bridges.com received conditional approval to list its common shares on the Toronto Stock Exchange. The company was formally listed on the TSE on February 16, 2000.

CEO's Message

We are pleased to present our report on the results of Bridges.com's activities during our fiscal year ending November 30, 1999. As we share the details of the second year of a three-year strategic plan, we also offer a look at the course our company has set for 2000 and beyond.

A Year of Strong Growth

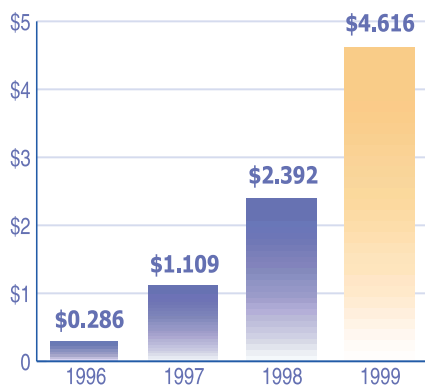
Strong business growth has allowed Bridges.com to become more proactive in its corporate ventures. Just as we urge young people to "Take Charge of Your Future," Bridges.com is also actively creating the future we envision.

Developments in 1999 saw increased market penetration for our Career Explorer service — more than doubling from 6 per cent of the market in 1998 to 13 per cent in 1999. In the last third of 1999, we added staff to prepare for accelerated and vigorous growth. These important preparations included additions to each of our sales, technical, content, customer support, and administrative teams.

In 1999, Bridges.com had revenues of \$4.616 million, an increase of 93 per cent over the \$2.392 million in 1998. Our cash position improved steadily, adding over \$1 million to our balance sheet in 1999.

We significantly upgraded our technical systems and purchased more robust accounting, contact management, and Internet publishing systems. While these enhancements to our infrastructure impacted profitability in 1999, more importantly they position us for rapid growth in 2000. They also allow our company to place greater emphasis on providing proactive services to each person we serve.

REVENUE (in \$millions)





CEO's Message

Our staff and customers found 1999 to be a very interesting year — and so did Bridges.com's investors. At the end of fiscal 1998, our stock price was \$0.70. It saw a rapid rise to over \$6.00 and ended the fiscal year at \$3.90. Through all this change, monthly corporate updates and timely press releases have kept Bridges.com investors up to date, enabling them to make informed decisions regarding the company.

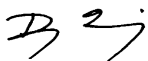
Looking Ahead

Bridges.com has very clear goals for 2000 and has positioned itself to achieve them. Our key goal for the coming fiscal year is to achieve 30 per cent penetration (10,800 sites) into the North American middle and secondary school market. This is intended to:

- Further establish Bridges.com as a key provider of career information services in North America;
- Geometrically ramp up public and industry awareness of our company; and,
- Establish a base for strategic partnership opportunities that provide a broader range of career services to our subscribers.

In Conclusion

We want young people to more capably take charge of their lives, proactively building the future they desire. We want the same for our investors and ourselves. In so many ways, the 2000 version of Bridges.com continues to be an investment that makes a difference.



Doug Manning
Chief Executive Officer and President

- In 1999, Career Explorer's growing family of services blossomed as we launched regional versions for public schools in West Virginia, Pennsylvania and Michigan. These three regionalized services, plus those already in place in Manitoba and North Carolina, extend our complement of customized Career Explorer services to five.
- Early in 1999, the Ontario Ministry of Education purchased one-year subscriptions to Career Explorer for the province's 750 English public secondary schools.
- In Q3, Bridges.com was contracted to work with CanLearn, a division of Human Resources Development Canada. Our content development team now produces The Learning Edge, a daily online educational information service for Canadians.

Management's Discussion and Analysis of Financial Condition and Operating Results



Overview

The following discussion and analysis is related to the company's consolidated financial statements and notes located elsewhere in this Annual Report.

Revenues represented in the financial statements reflect a retroactive adoption in 1999 of a new accounting policy for revenue recognition — specifically, recent U.S. Securities and Exchange Commission (SEC) pronouncements regarding revenue recognition for Internet companies. The changes involve the deferral of revenue from online services and database assets ratably over the term of the contract. Bridges.com's continued focus on expansion into the U.S. market, and a desire to be proactive in our accounting policies, led the company to adopt these changes.

Costs of services consist primarily of staffing costs for the publishing, technical and customer support teams.

Sales and marketing expenses consist of payroll and sales incentives related to sales personnel as well as cost of sales and marketing programs — such as related telephone costs, trade show presentations and marketing materials.

General and administrative expenses include personnel costs for administration, finance, human

resources, and general management, along with professional services including legal and accounting, and other associated business costs, including facilities costs and related expenses.

Results of Operations

The company reported \$4,616,177 in revenues in 1999, an increase of 93 per cent over revenues of \$2,392,880 in 1998. The growth is attributed to an increased market awareness of the Career Explorer product, high rates of resubscription (90.7 per cent in 1999), an expanding market for Internet solutions in education, and the increase of our sales team from 6 to 10 sales representatives in September of 1998.

Through the implementation of several strategic decisions, the company has taken deliberate action to expand its operations, and to position itself for rapid growth in 2000.

Increases in the cost of services reflect the addition of regional editing staff for West Virginia, Michigan, Pennsylvania and North Carolina, the addition of an educational content team for the CanLearn project, and added staff to introduce new consumer-related products in 2000.

The technical team was also expanded in 1999, in preparation for increased new product development,



Management's Discussion and Analysis of Financial Condition and Operating Results

and the creation and implementation of new internal publishing, subscriber tracking and financial systems. Increases in sales and marketing expenses and general and administrative expenses represent overall growth in the company during the year.

In order to meet expanding market opportunities the sales team was increased from 10 to 18 sellers in 1999, with a focus on results in 2000. Additional staff were also hired for the administrative and customer support teams to meet the needs of the increasing number of subscribing sites.

Bridges.com generated \$496,853 in pre-tax earnings in 1999, 87 per cent higher than 1998's \$265,236 in pre-tax earnings. After taxes, earnings were \$267,783, or \$0.03 per share. In 1998, a tax recovery from prior years of \$516,433 resulted in earnings of \$781,669, or \$0.09 per share. These figures were impacted by the company's early adoption of new income tax recommendations from the Canadian Institute of Chartered Accountants.

The company finished the year ended November 30, 1999, with positive working capital of \$1,254,425 as compared to \$814,107 for the year ended November 30, 1998.

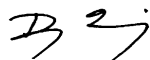
During the year ended November 30, 1999, the company generated cash flow of \$1,489,920 from operating activities, resulting in a cash and cash equivalents year-end balance of \$2,187,012.

Management's Report

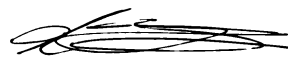
The financial statements are the responsibility of the management of Bridges.com Inc. They have been prepared in accordance with generally accepted accounting principles using management's best estimates and judgments, where appropriate. Management is responsible for the reliability and integrity of the financial statements, the notes to the financial statements and other financial information contained in this report.

In the preparation of these statements, estimates are sometimes necessary because a precise determination of certain assets and liabilities is dependent on future events. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management is also responsible for maintaining a system of internal control designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information. These financial statements have been examined by the shareholders' auditors, Deloitte & Touche LLP, Chartered Accountants, and their report follows.



Doug Manning
Chief Executive Officer and President



Norman R. Thompson, CGA
Chief Financial Officer

Selected Financial Data

Five-Year Restatement Comparatives

Balance Sheet

November 30	1999	1998	1997	1996	1995
Current assets	\$ 3,533,855	\$ 1,815,570	\$ 781,962	\$ 194,517	\$ 40,858
Deferred acquisition costs	120,327	-	-	-	-
Capital assets	253,803	135,676	135,743	179,101	92,345
Deferred development costs	650,783	576,482	689,329	724,408	325,938
Future income taxes	287,363	516,433	-	-	-
Total Assets	\$ 4,846,131	\$ 3,044,161	\$ 1,607,034	\$ 1,098,026	\$ 459,141
Current liabilities	\$ 2,279,430	1,001,463	470,706	187,124	243,092
Share capital	2,710,849	2,454,629	2,329,928	1,795,379	479,875
Deficit	(144,148)	(411,931)	(1,193,600)	(884,477)	(263,826)
Total Liabilities and Shareholders' Equity	\$ 4,846,131	\$ 3,044,161	\$ 1,607,034	\$ 1,098,026	\$ 459,141

Statement of Earnings (Loss)

For the Years ended November 30	1999	1998	1997	1996	1995
Revenues	\$ 4,616,177	\$ 2,392,880	\$ 1,109,160	\$ 285,933	\$ 141,699
Expenses	3,759,726	1,790,920	1,070,822	763,010	326,650
Earnings (loss) before amortization, interest, taxes	856,451	601,960	38,338	(477,077)	(184,951)
Amortization of capital assets	(90,880)	(45,329)	(57,418)	(50,727)	(6,479)
Amortization of deferred development costs	(322,914)	(308,821)	(290,854)	(118,523)	(29,631)
Interest income	54,196	17,426	810	25,676	-
Earnings (loss) before taxes	496,853	265,236	(309,124)	(620,651)	(221,061)
Income tax expense (recovery)	229,070	(516,433)	-	-	-
Net income (loss) for the year	\$ 267,783	\$ 781,669	\$ (309,124)	\$ (620,651)	\$ (221,061)

Auditors' Report

To the Shareholders of Bridges.com Inc.

(formerly The Bridges Initiatives Inc.)

We have audited the balance sheets of Bridges.com Inc. (formerly The Bridges Initiatives Inc.) as at November 30, 1999, and the statements of earnings (loss) and deficit and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 1999, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in Canada.

The financial statements as at November 30, 1998 and 1997 and for the years then ended, prior to adjustment for the changes in accounting policies for revenue and income taxes as described in Note 3, were audited by other auditors who expressed an opinion without reservation on those statements in their reports dated December 18, 1998, and December 23, 1997, respectively. We have audited the adjustments to the 1998 and 1997 financial statements and in our opinion, such adjustments, in all material respects, are appropriate and have been properly applied.

Deloitte & Touche LLP

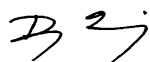
Chartered Accountants
Vancouver, British Columbia
January 28, 2000
(except as to Note 14, which is as of February 24, 2000)

Balance Sheets

BRIDGES.COM INC.
(formerly The Bridges Initiatives Inc.)
Years Ended November 30

	1999	1998 (Restated Note 3)	1997 (Restated Note 3)
ASSETS			
CURRENT			
Cash and cash equivalents	\$ 2,187,012	\$ 1,167,421	\$ 276,890
Accounts receivable	1,249,877	568,475	293,859
Share subscriptions receivable	-	-	105,000
Prepaid expenses	96,966	79,674	106,213
	3,533,855	1,815,570	781,962
Deferred acquisition costs	120,327	-	-
Capital assets (Note 4)	253,803	135,676	135,743
Deferred development costs (Note 5)	650,783	576,482	689,329
Future income taxes (Note 7)	287,363	516,433	-
	\$ 4,846,131	\$ 3,044,161	\$ 1,607,034
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	\$ 600,918	\$ 82,664	\$ 80,911
Deferred revenue	1,678,512	918,799	389,795
	2,279,430	1,001,463	470,706
COMMITMENTS (Note 9)			
SHAREHOLDERS' EQUITY			
Common stock (Note 6)	2,710,849	2,454,629	2,329,928
Deficit	(144,148)	(411,931)	(1,193,600)
	2,566,701	2,042,698	1,136,328
	\$ 4,846,131	\$ 3,044,161	\$ 1,607,034

APPROVED BY THE BOARD



Doug Manning, Director



John C. Simmons, Director

See Accompanying Notes to the Financial Statements.

Statements of Earnings (Loss) and Deficit

BRIDGES.COM INC.

(formerly The Bridges Initiatives Inc.)

Years Ended November 30

	1999	1998	1997
		(Restated Note 3)	(Restated Note 3)
REVENUE			
Subscription services	\$ 4,326,893	\$ 2,247,445	\$ 815,541
Other services	289,284	145,435	293,619
	4,616,177	2,392,880	1,109,160
EXPENSES			
Cost of services	1,331,106	548,959	225,692
Sales and marketing	1,213,104	531,812	377,339
General and administration	1,073,166	658,848	402,795
Other	142,350	51,301	64,996
	3,759,726	1,790,920	1,070,822
EARNINGS BEFORE AMORTIZATION, INTEREST AND TAXES			
Amortization of capital assets	(90,880)	(45,329)	(57,418)
Amortization of deferred development costs	(322,914)	(308,821)	(290,854)
Interest income	54,196	17,426	810
	496,853	265,236	(309,124)
EARNINGS (LOSS) BEFORE INCOME TAXES			
Income tax expense (recovery) (Note 7)	229,070	(516,433)	-
NET EARNINGS (LOSS)	267,783	781,669	(309,124)
DEFICIT, BEGINNING OF YEAR (RESTATEd Note 3)			
DEFICIT, END OF YEAR	\$ (144,148)	\$ (411,931)	\$ (1,193,600)
Basic earnings (loss) per share	\$ 0.03	\$ 0.09	\$ (0.03)
Fully diluted earnings (loss) per share	\$ 0.03	\$ 0.08	\$ (0.03)

See Accompanying Notes to the Financial Statements.

Statements of Cash Flows

BRIDGES.COM INC.

(formerly The Bridges Initiatives Inc.)

Years Ended November 30

	1999	1998 (Restated Note 3)	1997 (Restated Note 3)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net earnings (loss) for the year	\$ 267,783	\$ 781,669	\$ (309,124)
Items not affecting cash			
Amortization of capital assets	90,880	45,329	57,418
Amortization of deferred development costs	322,914	308,821	290,854
Future income taxes (recovery)	229,070	(516,433)	-
Changes in operating assets and liabilities (Note 8)	579,273	282,680	(9,297)
	1,489,920	902,066	29,851
CASH FLOWS FROM INVESTING ACTIVITIES			
Deferred acquisition costs	(120,327)	-	-
Purchase of capital assets	(209,007)	(45,262)	(14,060)
Expenditures on deferred development costs	(397,215)	(195,974)	(255,775)
	(726,549)	(241,236)	(269,835)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of common shares	256,220	124,701	534,549
Share subscriptions receivable	-	105,000	(105,000)
	256,220	229,701	429,549
NET CASH INFLOW DURING THE YEAR	1,019,591	890,531	189,565
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,167,421	276,890	87,325
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,187,012	\$ 1,167,421	\$ 276,890

See Accompanying Notes to the Financial Statements.

Notes to the Financial Statements

1. NATURE OF OPERATIONS

Bridges.com Inc. ("the Company") was incorporated on March 10, 1994, under the Business Corporations Act of Alberta and was registered extra-provincially in British Columbia on December 15, 1994. The Company's principal business activity is the development, marketing and delivery of career information database products through the Internet and CD-ROM products. On April 21, 1999, the Company changed its name to Bridges.com Inc. from The Bridges Initiatives Inc.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with accounting principles generally accepted in Canada and reflect the following significant accounting policies:

(a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used, but not limited to, the accounting for doubtful accounts, amortization, determination of net recoverable value of assets, deferred revenue, sales returns, taxes and contingencies.

(b) Foreign currency translation

The functional currency of the Company is the Canadian dollar. Assets and liabilities denominated in currencies other than the Canadian dollar are translated using the rate of exchange prevailing at the balance sheet date. Revenue and expenses are translated using exchange rate prevailing on the transaction date. Gains or losses on translation are included in earnings.

(c) Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less.

(d) Deferred acquisition costs

Deferred acquisition costs relate to the planned acquisition of Careerware described in Note 14. These costs will be added to the cost of that investment.

(e) Capital assets

Capital assets are recorded at cost less accumulated amortization. The carrying value of capital assets is reviewed periodically for any impairment in value. Amortization is provided annually using the following methods and rates:

Furniture and equipment	20% declining balance basis
Computer equipment	30% declining balance basis
Leasehold improvements	20% straight-line basis

Amortization is provided for at one-half of the above rates in the year of acquisition. The Company reviews for the impairment of capital assets whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable from expected future cash flows. No impairment losses have been identified by the Company for the years ending November 30, 1999, 1998 and 1997.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Deferred development costs

Deferred development costs are recorded at cost less accumulated amortization. Deferred development costs consist of costs directly related to the development of future products, including the cost of intellectual property acquired. Amortization is provided on a straight-line basis over the shorter of the estimated useful life of the deferred development costs and three years. Among other considerations, to assess impairment, the Company periodically calculates estimated undiscounted future cash flows to determine that they exceed the unamortized balance of deferred development costs.

The Company reviews for the impairment of deferred development costs whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable from expected future cash flows. No impairment losses have been identified by the Company for the years ending November 30, 1999, 1998 and 1997.

(g) Revenue recognition

During the year ended November 30, 1999, the Company changed its revenue recognition policy relating to subscription services (Note 3(a)). The Company generates revenue through two sources: (1) information database product revenues and (2) service revenues. Information database product revenues are generated from the licensing of the right to use the Company's information database directly to end users. Service revenues are generated from consulting services related to the implementation of information database products.

Revenues from information database products are earned from the delivery of two elements: (1) delivery of a CD-ROM information database and (2) online subscription services and database access over the licence period. Vendor-specific objective evidence exists to allocate the total fee charged to the elements of the sale. Vendor-specific objective evidence of the fair value of the individual elements is based on the price charged when an element is sold and used separately by a customer.

Revenue from CD-ROM information database licences are recognized upon delivery of the CD-ROM where persuasive evidence of an arrangement exists, collection is probable, and the fee is fixed or determinable. Revenue from online subscription services and database assets is recognized ratably over the term of the contract, typically one year. Revenues from other services are recognized upon substantial completion of service, provided the fee is determinable and collection is reasonably assured.

Revenues that have been prepaid or invoiced but do not yet qualify for recognition under the Company's policies are reflected as deferred revenues.

(h) Income taxes

Future income taxes relate to the expected future tax consequences of differences between the carrying amount of balance sheet items and their corresponding tax values. Future tax assets, if any, are recognized only to the extent that, in the opinion of management, it is more likely than not that the future income tax assets will be realized. Future income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment or substantive enactment.

(i) Earnings (loss) per common share

Basic earnings (loss) per common share has been computed by dividing income applicable to common shareholders by the weighted average number of shares of common stock outstanding during the respective years. Fully diluted earning per share calculations assume exercise of options and warrants if dilutive, effective on their dates of issue and that the funds derived therefrom would have been invested at an annual after tax rate of 1.8% (1998 - 1.8%; 1997 - 1.8%).

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Stock-based compensation plans

The Company has a stock-based compensation plan which is described in Note 6. Under the plan, options are granted at fair value. No compensation expense has been recognized for options granted under the plan when stock options are issued to employees and directors. Any consideration paid by employees and directors on exercise of stock options is credited to share capital.

(k) Comparative figures

Certain of the prior years' comparative figures have been reclassified to conform with current year's presentation.

3. CHANGES IN ACCOUNTING POLICIES

(a) Revenue recognition

During the year ended November 30, 1999, the Company retroactively changed its revenue recognition policy for online information database products and services (see Note 2(g)). In prior years, the Company recognized revenue from online service contracts at the time access to the service commenced.

(b) Income taxes

During the year ended November 30, 1999, the Company elected early adoption of the new recommendations of the Canadian Institute of Chartered Accountants concerning the accounting for income taxes. This new accounting policy was also applied retroactively.

The adoption of the new standard changes the Company's focus when accounting for income taxes from a statement of earnings to a balance sheet approach. Previously, the Company recorded deferred income taxes based on timing differences in the recognition of income and expenses for tax and financial reporting purposes. The new standards require the recognition of future income taxes for the expected future tax consequences of differences between the carrying amount of balance sheet items and their corresponding tax values.

These new standards also require the Company to compute future income taxes using the enacted corporate income tax rates in effect each year. Previously, deferred income tax balances reflected the rates in effect when the differences arose.

(c) Effect of changes in accounting policies

The effect of these changes is an increase (decrease) in net earnings (loss) for the current year and as previously reported, as follows:

	1999	1998	1997
Revenue recognition	\$ (432,099)	\$ (621,265)	\$ (198,876)
Income tax recovery	-	458,990	-
	\$ (432,099)	\$ (162,275)	\$ (198,876)

As a result of these changes, and the effect of these changes on opening deficit as at December 1, 1996, the deficits reported at the end of fiscals 1997 and 1998 have increased by \$297,534 and \$459,809 respectively. In addition, the basic loss per share reported for the years ended November 30, 1998 and 1997 has increased by \$0.02 for both years.

Notes to the Financial Statements

4. CAPITAL ASSETS

		1999		1998		1997	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value	Net Book Value	Net Book Value
Furniture and equipment	\$ 99,045	\$ 37,415	\$ 61,630	\$ 39,161	\$ 33,704	\$ 33,704	\$ 33,704
Computer equipment	388,762	217,066	171,696	86,200	92,614	92,614	92,614
Leasehold improvements	40,275	19,798	20,477	10,315	9,425	9,425	9,425
	\$ 528,082	\$ 274,279	\$ 253,803	\$ 135,676	\$ 135,743	\$ 135,743	\$ 135,743

5. DEFERRED DEVELOPMENT COSTS

	1999		1998		1997	
Balance, beginning of year	\$	1,324,311	\$	1,128,337	\$	872,562
Costs deferred during the year		397,215		195,974		155,775
Acquisitions of intellectual property		-		-		100,000
	\$	1,721,526	\$	1,324,311	\$	1,128,337
Accumulated amortization						
Balance, beginning of year	\$	747,829	\$	439,008	\$	148,154
Amortization for the year		322,914		308,821		290,854
		1,070,743		747,829		439,008
	\$	650,783	\$	576,482	\$	689,329

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value
Unlimited preferred shares without par value

(b) Issued and outstanding

	Common Shares					
	1999		1998		1997	
	Shares	Amount	Shares	Amount	Shares	Amount
Balance, beginning of year	8,937,250	\$ 2,454,629	8,596,250	\$ 2,329,928	7,096,250	\$ 1,795,379
Private placements	-	-	-	-	1,250,000	434,549
Acquisition of intellectual property	-	-	-	-	250,000	100,000
Stock options exercised	316,000	134,720	41,000	16,701	-	-
Share warrants exercised	350,000	121,500	300,000	108,000	-	-
	9,603,250	\$ 2,710,849	8,937,250	\$ 2,454,629	8,596,250	\$ 2,329,928

(c) Warrants

During the year ended November 30, 1999, the Company issued 350,000 common shares upon exercise of share warrants for proceeds of \$121,500. As at November 30, 1999, no share warrants were outstanding.

Notes to the Financial Statements

6. SHARE CAPITAL (Continued)

(d) Escrow shares

At November 30, 1999, 1,259,400 shares were held in voluntary escrow as approved by the Canadian Venture Exchange (formerly the Alberta Stock Exchange). The escrow agreement provides that the remaining escrowed shares at November 30, 1999, be released to the shareholders on August 29, 2000.

(e) Stock option plan

Under the Company's stock option plan, the Company may grant options to directors, officers, employees and other key personnel of the Company.

The Company has options outstanding under this plan as follows:

Options	1999		1998		1997	
	Common Shares	Weighted-Average Exercise Price	Common Shares	Weighted-Average Exercise Price	Common Shares	Weighted-Average Exercise Price
Options Outstanding at beginning of year	755,000	\$ 0.42	799,600	\$ 0.42	677,000	\$ 0.85
Granted	519,000	3.43	25,000	0.47	942,600	0.42
Exercised	(316,000)	0.43	(41,000)	0.41	-	-
Cancelled	-	-	(28,600)	0.44	(820,000)	0.77
Outstanding at end of year	958,000	\$ 2.05	755,000	\$ 0.42	799,600	\$ 0.42
Exercisable at end of year	436,500	\$ 0.43	729,250	\$ 0.42	763,100	\$ 0.42

The number of common shares of the Company reserved for options equals 10% of the issued and outstanding shares of the Company on a non-diluted basis, and such reservation shall increase or decrease as the number of issued and outstanding common shares of the Company changes.

The following tables summarize information about stock options outstanding and exercisable at November 30, 1999.

Exercise Price	Options Outstanding		Weighted Average Remaining Contractual Life	Number Exercisable at November 30, 1999
	Number Outstanding at November 30, 1999			
\$ 0.38	117,500		2.7 years	117,500
0.40	88,000		2.0 years	88,000
0.42	5,000		3.5 years	5,000
0.46	226,000		0.9 years	226,000
0.50	10,000		3.8 years	-
0.65	102,500		4.1 years	-
2.05	50,000		4.3 years	-
3.00	60,000		5.0 years	-
4.75	299,000		4.5 years	-
	958,000			436,500

Notes to the Financial Statements

7. INCOME TAXES

The Company's income tax expense (recovery) for the years ended November 30 consists of the following:

	1999	1998	1997
Current tax expense	\$ -	\$ -	\$ -
Future tax expense (recovery)	229,070	(516,433)	-
	\$ 229,070	\$ (516,433)	\$ -

The reported income tax expense (recovery) differs from the amount computed applying Canadian basic statutory rate to the income before income taxes. The reasons for this difference and the related tax effect are as follows:

	1999	1998	1997
Canadian basic statutory tax rate	45.62%	45.62%	45.62%
Expected income tax provision (recovery)	\$ 226,664	\$ 121,001	\$ (141,022)
Unrecognized tax losses	-	-	90,727
Temporary differences not recognized during the year	-	-	49,651
Benefit of tax losses of prior years recognized during the year	-	(447,730)	-
Benefit of temporary differences recognized during the year	-	(191,277)	-
Non-deductible expenses	2,406	1,573	644
	\$ 229,070	\$ (516,433)	\$ -

Temporary differences and carryforwards which give rise to the following future income tax assets and liabilities as at November 30 are as follows:

	1999	1998	1997
Future income tax assets			
Tax loss carryforwards	\$ 471,149	\$ 477,391	\$ 447,730
Capital assets	-	-	132,881
Deferred financing fees and other	19,690	39,042	58,396
Valuation allowance for future income tax assets	-	-	(639,007)
Future income tax liabilities			
Capital assets	(203,476)	-	-
Net future income tax assets	\$ 287,363	\$ 516,433	\$ -

Notes to the Financial Statements

8. CHANGES IN NON-CASH OPERATING WORKING CAPITAL

	1999	1998	1997
Accounts receivable	\$ (681,402)	\$ (274,616)	\$ (206,899)
Prepaid expenses	(17,292)	26,539	(85,981)
Accounts payable and accrued liabilities	518,254	1,753	12,525
Deferred revenue	759,713	529,004	271,058
	\$ 579,273	\$ 282,680	\$ (9,297)

9. COMMITMENTS

The Company rents its premises, computer equipment and office equipment under operating leases with various expiry dates to November 30, 2002.

As at November 30, 1999, future minimum operating lease payments for the years ending November 30 are due as follows:

2000	\$286,681
2001	\$218,854
2002	\$119,371
	\$624,906

10. FINANCIAL INSTRUMENTS

(a) Fair value

The carrying value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities as reflected in the balance sheets approximates their respective fair values as at November 30, 1999, 1998 and 1997 because of the demand or short-term maturity of these instruments.

(b) Credit risk

The Company is subject to normal credit risk as it carries significant accounts receivable from many customers. Bad debt experience has not been significant.

(c) Foreign exchange risk

The Company undertakes significant sales in United States dollars and as such is subject to risk due to fluctuations in exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign exchange risk.

Notes to the Financial Statements

11. SEGMENTED INFORMATION

The Company manages its operations in one business segment, the development, marketing and delivery of career information database products through the Internet and CD-ROM products. All of the Company's operations, assets, and employees are located in Canada. The Company attributes revenue among geographical areas based on the location of the customers involved.

		1999		1998		1997
Canada	25%	\$ 1,175,725	38%	\$ 909,359	55%	\$ 610,826
United States	75%	3,440,452	62%	1,483,521	45%	498,334
		\$ 4,616,177		\$ 2,392,880		\$ 1,109,160

12. RELATED PARTY TRANSACTIONS

During the year ended November 30, 1999, the Company paid \$88,500 (1998 - \$Nil; 1997 - \$Nil) in consulting fees to a director of the Company.

During the year ended November 30, 1997, the Company issued 250,000 common shares to a corporation controlled by a related party in exchange for the elimination of all revenue-based payments contemplated in an earlier agreement. During the year ended November 30, 1997, the Company also issued 1,250,000 common shares for proceeds of \$434,549 to officers of the Company under private placements, of which \$105,000 was receivable from the president at November 30, 1997.

13. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1900 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects for the Year 2000 Issue affecting the Company, including those related to the efforts of suppliers or other third parties, have been fully resolved.

14. SUBSEQUENT EVENT

Subsequent to November 30, 1999, the Company:

- (a) signed a memorandum of understanding ("MOU") for the acquisition of the assets and certain of the liabilities of Careerware, a business unit of ISM Information Systems Management Corporation ("ISM"), a subsidiary of IBM Canada Limited. The acquisition is expected to close on or before April 27, 2000;
- (b) received conditional approval from The Toronto Stock Exchange (the "TSE") to list its common shares on the TSE. On February 16, 2000, the Company's common shares commenced trading; and
- (c) announced a private placement consisting of 3.25 million special warrants to be issued at \$5.55 per special warrant. Each special warrant will entitle the holder to acquire a unit consisting of one common share of the Company and one half of a common share purchase warrant for an additional cost. Each full common share purchase warrant will entitle the holder to purchase one common share at a price of \$5.90 for a period of 6 months from conversion of the special warrants to units. Proceeds of the offering are to be escrowed pending closing of the acquisition, to occur no later than April 27, 2000.

Directors

John C. Simmons

Chairman, Bridges.com Inc.
President, J.C. Simmons & Associates, Inc.
Chairman, Integrated Paving Concepts Inc.
Director, Epic Biosonics Inc.

Douglas J. Manning

Chief Executive Officer and President, Bridges.com Inc.

Edward J. Hall

Co-President, Canadian Adult Communities Ltd.

Terry M. Holland

Chief Executive Officer and President, Trimin Capital Corp.

James R. Yeates

Chairman and Chief Executive Officer, Burntsand Inc.

Management and Officers

Douglas J. Manning

Chief Executive Officer and President

Norman R. Thompson

Chief Financial Officer

David D.J. Cousins

Vice-President, Human Resources and Secretary

Michael S. Martin

Vice-President, Sales and Marketing

Louise Logie-Verkerk

Vice-President, Publishing

Michael D. Mooney

Vice-President, Technology

Investor Information

The common shares of Bridges.com Inc. are listed on The Toronto Stock Exchange under the trading symbol BIT.

General inquiries about the company and requests for information should be directed to:

Norman Thompson
(250) 862-8722
investor-relations@bridges.com
www.bridges.com

Annual General Meeting

The Annual General Meeting of the common shareholders of Bridges.com Inc. will be held at: 3:00 p.m., May 17, 2000
The Grand Okanagan Resort
1310 Water Street
Kelowna, British Columbia

Auditors

Deloitte & Touche LLP
Vancouver, British Columbia

Legal Counsel

Burstall Ward
Barristers and Solicitors
Calgary, Alberta

Osler, Hoskin & Harcourt LLP
Toronto, Ontario

Registrar and Transfer Agent

CIBC Mellon Trust Company
Calgary, Alberta
Toronto, Ontario

