Management's Discussion and Analysis of Financial Condition and Results of Operations for the Three and Nine Months Ended November 30, 2018

The following Management's Discussion and Analysis ("MD&A") comments on the unaudited condensed consolidated interim financial condition and results of operations of Peeks Social Ltd. for the three and nine months ended November 30, 2018. All data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The information contained herein should be read in conjunction with Peeks Social's unaudited condensed consolidated interim financial statements for the three and nine months ended November 30, 2018 (the "financial statements"), the annual audited consolidated financial statements of Peeks Social Ltd. for the year ended February 28, 2018, and the annual audited financial statements of Personas.com Corporation for the fourteen months ended February 28, 2018.

Unless the context otherwise requires, all references to "Peeks", "Peeks Social", "Corporation", "Company", "our", "us", and "we" refers to Peeks Social Ltd. as consolidated with its subsidiaries. Additional information regarding the Company is available at SEDAR at www.sedar.com.

This MD&A is dated January 29, 2019. All amounts are presented in Canadian dollars, unless otherwise noted.

Advisory Regarding Forward-Looking Statements

This MD&A contains forward-looking statements. When used in this MD&A the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. In particular, this MD&A contains forward-looking statements with respect to, among other things, our objectives, goals, strategies, intentions, plans, estimates, outlook, expected growth and business opportunities. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including without limitation, factors and assumptions regarding advertising revenues, platform fee revenues, operating costs and tariffs, taxes and fees, changes in market competition, governmental or regulatory developments, changes in tax legislation and general economic conditions. Actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things: the Company's ability to attract and retain users and increase the level of engagement of its users; the Company's expectations regarding its user growth rate and the usage of its web and mobile products; the Company's ability to attract advertisers and the revenue derived from these advertisers; the Company's ability to grow user monetization; the sufficiency of The Company's cash and cash generated from operations to meet its working capital and capital expenditure requirements; the ability of the Company to raise sufficient capital to fund operations and meet its financial obligations; and changes in accounting standards.

The Company cautions you that the foregoing list may not contain all of the forward-looking statements made in this document. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits that the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. When relying upon our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this document are made as at the date of this document and Peeks Social Ltd. does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

GOING CONCERN ASSUMPTION

While the condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis that presumes the Company will continue in operation for the foreseeable future and that the realization of assets and discharge of liabilities and commitments will occur in the normal course of business, there are material uncertainties related to adverse conditions and events that cast significant doubt on the Company's ability to continue as a going concern.

During the nine months ended November 30, 2018, the Company incurred a net loss of $2,938,694 (eleven months ended November 30, 2017 - $4,506,930) and, as of that date, the Company had accumulated a deficit of $13,462,437 (February 28, 2018 - $10,523,742) and negative cash flows from operations of $1,773,599 (eleven months ended November 30, 2017 - $736,274). Whether and when the Company can attain profitability and positive cash flows from operations is uncertain. These factors create material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern.

The Company has not yet realized profitable operations and has mainly relied on non-operational sources of financing to fund operations. Management has been able to raise sufficient funds to finance its operations in the past through private placements of both equity and debt and will need to continue to do so to fund operations in the future. The condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

ABOUT PEEKS SOCIAL LTD.

Peeks Social Ltd. ("Peeks", "Peeks Social", or the "Company"), was incorporated under the provisions of the Business Corporations Act in the Province of British Columbia on May 20, 2004 and on January 10, 2008, was continued under the laws of the Province of Alberta. The Company is a publicly traded company listed on the TSX Venture Exchange ("TSX-V") under the symbol "PEEK". The Company's principal activity is the offering of social media products and services for use by consumers and businesses, with a focus on mobile (iOS and Android) products. The Company's head office is 181 University Ave, Suite 2000, Toronto, Canada, M5H 3M7.

On May 2, 2018, Peeks Social completed a reverse acquisition with Personas.com Corporation ("Personas"), a private company incorporated under the laws of the Province of Ontario and a related party by nature of it being under the common control of Peeks Social's CEO, which was effected pursuant to an amalgamation agreement between Peeks Social, Personas, a wholly-owned subsidiary of Peeks Social ("Peeks Social Subco", formed solely for facilitating the transaction), Riavera Corp. (a related party under common control of Peeks Social's CEO) ("Riavera"), and a wholly-owned subsidiary of Riavera ("Riavera Subco", formed solely for facilitating the transaction). Articles of amalgamation to amalgamate Peeks Social Subco, Personas, and Riavera Subco were filed on May 2, 2018, resulting in the creation of a single wholly-owned subsidiary of Peeks Social named Peeks Social Technologies Holding Inc. ("Peeks Social Holdings") (the "Amalgamation").

To effect the Amalgamation shareholders of Personas received 175,150,454 common shares of Peeks Social (including 61,340,322 received by Mark Itwaru, the CEO of Peeks Social, and 55,346,527 received by Riavera) on May 7, 2018, at a negotiated price of $0.7308 per share. The Amalgamation was structured as a three-cornered amalgamation, resulting in the amalgamated company becoming a wholly-owned subsidiary of Peeks Social.

Although the Amalgamation resulted in Personas becoming a wholly-owned subsidiary of Peeks Social, the transaction constitutes a reverse acquisition of Peeks Social by Personas in-as-much as the former shareholders of Personas received 72.94%, on a non-diluted basis, of the issued and outstanding common shares of the resulting corporation. For accounting purposes, Personas is considered the acquirer and Peeks Social the acquiree. Accordingly, the condensed consolidated interim financial statements are a continuation of the financial statements of Personas and references to the "Company" will mean the consolidated entity subsequent to the date of the Amalgamation and to Personas prior to that date. The reporting periods of Personas have been aligned with Peeks Social's year end of February 28, resulting in the comparative period for the condensed consolidated interim financial statements being presented as an eleven-month period beginning immediately following the end of Personas' annual period ending December 31, 2016, and ending November 30, 2017.

In accordance with IFRS 3 the reverse acquisition was accounted for using the purchase method. At November 30, 2018, the allocation of the purchase consideration has not been finalized and is still based on preliminary estimates in regards to the fair value of assets acquired. The acquired goodwill is primarily related to proprietary technology and technology platforms and related intellectual property, personnel, and the value attributed to the synergies of acquiring a company.

The actual fair value of the goodwill and other intangibles may differ from the amount disclosed in the preliminary purchase price allocation and is subject to change. The Company intends to complete a formal assessment of the purchase price allocation prior to the Company's fiscal year ended February 28, 2019. The preliminary allocation of the purchase price to the estimated fair value of net assets acquired is as follows:

Reverse Acquisition		
Cash	$	120,706
Accounts receivable		64,671
Other receivables and deposits		233,609
Short-term investments		100,000
Prepaid expenses		480,146
Intangible assets		4,054
Property and equipment		109,363
Advances to Personas (eliminated on consolidation)		1911,909
Accounts payable and accrued liabilities		(2,732,270)
Secured notes		(100,000)
Fair value of identifiable net assets		192,188
Fair value of goodwill and other intangibles (i)		29,415,458
	$	**29,607,646**
Consideration comprised of:		
Fair value of 64,976,271 common shares issued at $0.405 per share (ii)		26,315,390
Fair value of 7,200,329 options issued, recorded in contributed surplus		1,900,709
Fair value of 7,900,000 warrants issued, recorded in warrants reserve (iv)		1,291,349
Fair value of existing equity interest (v)		100,198
	$	**29,607,646**

(i) The preliminary fair value of goodwill and other intangibles represents the unidentifiable net assets of Peeks Social, measured as the difference between the fair value of the identifiable net assets of Peeks Social and the fair value of the consideration provided. The actual fair value of the goodwill and other intangibles may differ from the amount disclosed in the preliminary purchase price allocation and is subject to change.

(ii) The fair value of the common shares was estimated to be $26,315,390 based on 64,976,271 common shares at a fair value of $0.405 per share. The fair value per share was estimated to be $0.405 based on the closing market price of Peeks Social shares as at May 1, 2018.

(iii) The fair value of 7,200,329 options issued to Peeks Social option holders was determined using the Black-Scholes option pricing model with the following weighted average inputs and assumptions: Stock price - $0.405; Exercise price - $1.19; Dividend Yield - Nil; Expected volatility - 141.42%; Risk-free interest rate - 2.17%; and, Expected life - 3.00 years

(iv) The fair value of 7,900,000 warrants issued to Peeks Social warrant holders was determined using the Black-Scholes option pricing model with the following weighted average inputs and assumptions: Stock price - $0.405; Exercise price - $1.02; Dividend Yield - Nil; Expected volatility - 141.42%; Risk-free interest rate - 2.17%; and, Expected life - 1.32 years.

(v) The fair value of the existing equity interest of Personas in Peeks Social was measured as the carrying value of the investment in associate accounts of Personas.

For information on the background, reasoning, and negotiation process of the Amalgamation transaction, please see *Additional Information Concerning the Amalgamation Transaction.*

The condensed consolidated interim financial statements for the nine months ended November 30, 2018 include the financial position and results of Personas for the nine months ended November 30, 2018, and Peeks Social and its wholly-owned subsidiaries Keek Inc. ("Keek") and Primary Petroleum Canada Corporation ("PPCC") from May 2, 2018, the date of the Amalgamation. The comparative condensed consolidated interim financial statements for the eleven months ended November 30, 2017, are those of Personas, prior to the Amalgamation.

OVERVIEW

Peeks Social Ltd.'s core business is the offering of social media products and services for use by consumers and businesses, with a focus on mobile (iOS and Android) products. The Company focuses on providing social commerce enabled products which allow for a monetizeable user experience to all users, consumers and businesses alike. The Company accomplishes this by offering products which are complete with enterprise grade global ecommerce infrastructure including multi-currency, multi-lingual, turnkey mobile commerce suites for users.

Until 2016, Peek Social's flagship product and core line of business had been an online social video platform for both web and mobile with an emphasis on mobile which allows users to upload and share personal videos of themselves or events surrounding them, their "self-expression". This product was known as "Keek". The Keek product developed a global video social network, enabled over the Internet and on mobile devices around the world. Its interactive video content network contained videos with up to 36 seconds of video and 111 characters of accompanying text. During its five year life, the Keek product's community had grown to over 75 million registered users across 6 global regions: "North America", "South America", "Europe", "Middle East", "Asia/Oceania", and "Africa".

In November 2016 the legacy Keek mobile apps were transitioned from a "social media" video platform to a "social commerce" livestreaming service, at which time they were rebranded under the product name "Peeks Social". Peeks Social is described as "an ecommerce enabled livestreaming platform." The Peeks Social service allows users to livestream themselves on their own personal interactive ecommerce enabled mobile broadcast. By simply tapping their screen, viewers inside Peeks Social can send "likes", tip broadcasters real money, chat, and interact, all in real-time.

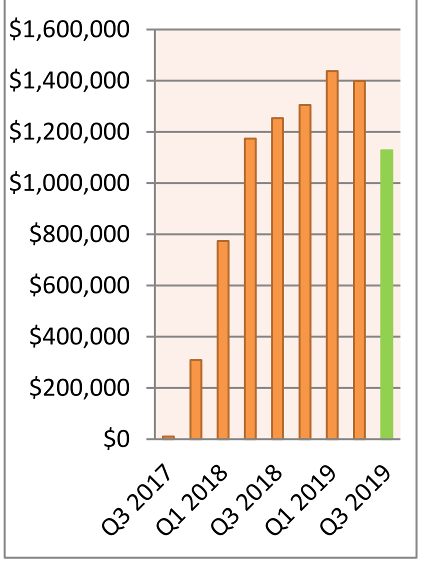
The Product differentiates itself from its competitors in several ways. Peeks Social provides a real-time, engaging, and monetizeable user experience to all of its members. In addition, its enterprise grade global ecommerce infrastructure is a multi-currency, multi-lingual, turnkey mobile commerce suite for all of its broadcasters and viewers, complete with an individual e-wallet for every user.

Overview of the Business and Operational Highlights

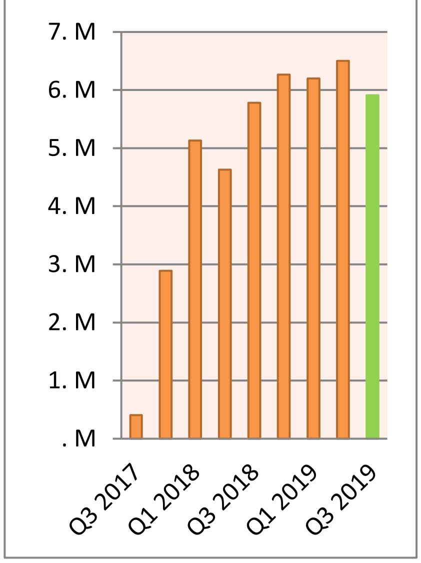
Product Performance (KPIs)

The Company routinely monitors certain KPIs that it has identified as important in understanding the performance of the Peeks Social product. The charts below present select KPIs on a quarterly basis and the table below provides a summary of select recent quarterly KPIs for the Peeks Social app. KPIs are published quarterly.

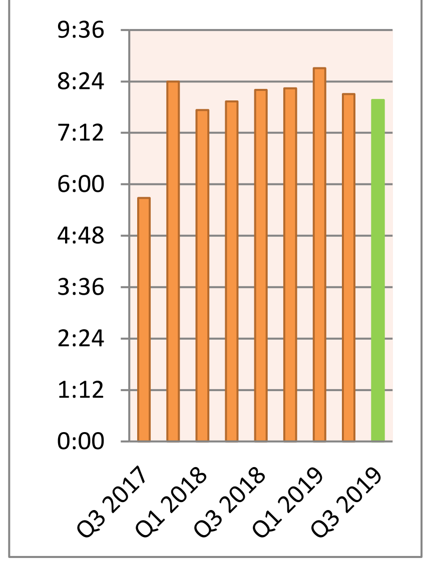
Gross Deposits by Quarter



Number of User Sessions by Quarter



Avg. User Session Duration by Quarter (Minutes)



Key Performance Indicator	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
# of User Sessions (1)	405,800	2,889,800	5,133,700	4,630,700	5,779,100	6,263,900	6,202,600	6,501,400	5,911,300
Avg. User Session Duration (1)	5min 41sec	8min 20sec	7min 42sec	7min 57sec	8min 13sec	8min 15sec	8min 42sec	8min 06sec	7min 58sec
Gross Deposits (2)	$10,000	$311,500	$773,600	$1,173,600	$1,253,500	$1,305,500	$1,437,400	$1,398,400	1,128,368

1. These two KPIs represent the number of times the Peeks Social app was accessed by users and the average duration of use, respectively. Data was provided through Google Analytics. For additional information on Google Analytics' definition of a "session" and the methods of calculating "sessions", please refer to https://support.google.com/analytics.
2. This KPI represents the total amount of external deposits into user wallets in the Peeks Social platform. Wallets may contain USD, CAD, or a digital currency inside the Peeks Social platform referred to as "coins". Deposits to wallets may be made via credit card or in-app purchase. "Coins" are sold at a premium to their value in order to cover app store transaction fees and as an additional revenue source for the platform. These premiums are not included in this KPI. Deposits denominated in USD are translated to CAD using the monthly average exchange rate as published by the Bank of Canada.

Product Development

During the nine months ended November 30, 2018, the core development team at the Company was primarily engaged in the continued advancement of the Peeks Social product. A high-level timeline relating to the Peeks Social service integration is provided below:

- July 2016 – Peeks Social service undergoes live testing inside a closed beta environment on both the iOS and Android platforms. The closed beta included teams of testers, content creators, social influencers, and consumers.

- August 2016 – Peeks Social beta product launched as a stand-alone app for live testing, made available to the public on both iOS and Android platforms.

- November 2016 – Peeks Social service successfully deployed in replacement of the legacy Keek apps. Keek users who update their apps maintain all of their core Keek history, including their "followers" and who they "follow," their existing videos along with the associated view counts and like counts, their login methods, profile information, etc. Keek users who have not yet updated to Peeks Social do not appear in the Peeks Social service, nor do their videos, profile information, follows and followers, etc.

- January 2017 – Significant improvements to the user interface “UI” successfully deployed to the Peeks Android app. New UI provides users with a variety of new features and improvements including: improved content categorization; easy access to professionally produced content; dedicated specialty channel for livestreaming gamers; streaming community comments on pre-recorded videos; improved navigation; easier access to follow, block and report other users and objectionable content; and content controls to include/exclude specific content categories along with many other improvements.

- February 2017 – Crowdfunding tool successfully deployed to the Peeks Social service. The crowdfunding tool allows Peeks broadcasters to raise funds from their viewing audience for a number of reasons including: charitable donations, the purchasing of products or services, supporting community projects, or a variety of other causes or initiatives as determined by the broadcaster. Peeks broadcasters create over 400 crowdfunding campaigns in the first week.

- April 2017 – Initial “OfferBox” functionality successfully deployed to the Peeks Social service. OfferBox allows users to create actionable incentives that can be distributed to viewers of livestreams and archived videos. All users have the ability to connect products or services from their own e-commerce websites or those of their affiliates or sponsoring brands. Digital products are planned to be directly deliverable inside the Peeks app in future versions.

- April 2017 – Direct Messenger feature deployed to the Peeks Social service. The feature was designed and implemented to heighten daily usage by allowing users to interact outside of the livestream environment. Direct Messenger allows users to message each other to ask questions about products or services being sold, enquire about content, or simply to interact.

- May 2017 – The Peeks Social app is named a finalist in the 2017 Appy Awards. The Appy Awards, produced by MediaPost Communications, acknowledge creativity and excellence in app design. Prior Appy Award finalists include distinguished apps such as Tango, Shazam, Match.com, and Bitstrips.

- September 2017 – The Peeks Social App rises to the 15th top grossing social app on the Google Play Store in the United States. The app also rapidly approaches the top 100 overall grossing apps on the Google Play Store out of approximately 3 million apps available for download in the United States.

- October 2017 – The Company announced the addition of the "Get Popular" service. The "Get Popular" service is a user focused self-promotion tool which will allow users to purchase advertising units for themselves or for their content to be featured in certain positions in the Peeks Social app's Popular Channel, Live Channels, and similar pages. The "Get Popular" feature provides another revenue stream for the Peeks Social platform in addition to the platform fees charged on user generated tipping.

- November 2017 – The Company executes a binding LOI with Personas to acquire 100% of the Peeks Social Technology (see "*Overview*").

- January 2018 – The Company announced the launch of the AdShare Program as the full deployment of the final OfferBox. Olay, Roses Only, TV Online Store, Yves Rocher, zChocolat, Betty's Attic, AMC Networks: Shudder and Sundance Channel, Eye Buy Direct, Cooking Light Diet, Xcoser, BookVIP, Chicnico, SpaFinder, SwimSpot and Matel TM are among 40 initial brands that are available as sponsors to streamers on the Peeks Social platform. Upon starting a livestream, Peeks Social streamers are able to select brands to promote through the OfferBox on their streams. Streamers are then able to earn on a Cost-Per-Action or Cost-Per-Impression basis.

- February 2018 – The Company announced the launch of the virtual and physical Peeks Social Visa card. The Peeks Social Visa card provides direct benefits by streamlining the process of paying international broadcasters and reducing international transaction processing fees incurred by the Company. The Peeks Social Visa card also facilitates instantaneous rewards through direct deposits to Broadcasters' Peeks Social Visa cards when withdrawals are made using this method.

- March 2018 – The Company announced the launch of its desktop streaming service (the "DSS"). The DSS allows broadcasters to stream content from their desktop into the Peeks Social mobile application. In doing so, the Company opened up the Peeks Social platform to a much wider audience, as the DSS enables the streaming of professionally produced content.

- July 2018 – The Company announced the official launch of its web platform. The web platform enables viewers and broadcasters to watch streams and broadcast unique content on a mobile friendly website and is a key element of ongoing initiatives to increase user activity levels and revenues for the Company.

- January 2019 – The Company announced that development work on Personas release 1.0 is complete. Personas is an ecommerce enabled video and image sharing social network that provides users with a video chat-based payments system (ChatCash). Personas' ChatCash service allows users to provide (and charge for) one-on-one private tutorials, consulting services, help desk services, and any other service that is typically delivered through one-on-one chat. Personas enters beta-testing, with an expected submission to the Apple AppStore and Google Play Store by March 2019.

Monetization, Sales, and Revenue

The Peeks Social service is monetized through the charging of "platform fees" on user transactions inside the service. Users can currently transact in three ways inside Peeks: by "tipping" a broadcaster; by contributing to a broadcaster's crowdfunding campaign; and by paying to access a "paid broadcast". Each user has a "wallet" inside the app to which they can deposit funds via a number of methods including credit card and in-app purchase (depending on their device), or withdraw funds via a variety of options depending on their geographical location. Users may utilize the funds inside their wallet to send tips to broadcasters or to purchase access to the paid streams of other users. Wallets may contain

USD, CAD, or a digital currency referred to as "coins". A "coin" has a value which approximates $0.05USD. Coins may be purchased on both the iOS and Android platforms, or on the web at www.peeks.com.

Tipping

The tipping mechanism is available to viewers inside a stream and allows a viewer to send tips to a broadcaster in either real-time or on a previously recorded livestream or uploaded video. Tips amounts currently available on the Android platform are $0.25, $0.50, $1.00, $5.00, $10.00. On the iOS platform, tips may currently be sent in the amounts of 5, 10, 20, 100, or 200 coins. Once sent, the tip(s) are then withdrawn from the sender's wallet and deposited to the broadcaster's wallet.

Paid Broadcasts

A paid broadcast is a livestream (or previously recorded livestream) where the broadcaster has selected to charge a fee for access to that piece of content. The amount of the fee is determined by the broadcaster and currently from $0.50-$50.00 (in either USD or CAD) for Android broadcasters and 10-1,000 coins for iOS broadcasters. Should a viewer choose to purchase access to the content, the fee is withdrawn from their wallet and deposited to the broadcaster's wallet.

Crowdfunding

Crowdfunding transactions function similar to tipping. On the Android platform, users may contribute to a crowdfunding campaign in amounts of $0.25, $0.50, $1.00, $5.00, $10.00, in either USD or CAD. On iOS platforms users may contribute to a crowdfunding campaign by inputting an amount ranging from $0.05 - $300, in either USD or CAD.

Platform fees

Upon receipt of a tip (either directly or through crowdfunding) or payment for a paid stream, a broadcaster is charged a platform fee. The current platform fees are as follows:

Stars (Broadcaster's "Rating")	Platform Fee
0.0 - 0.9	70%
1.0 - 1.9	60%
2.0 - 2.9	50%
3.0 - 4.4	39.9%
4.5 - 5.0	24.9%

Currently the average platform fee on transactions in the Peeks Social service is approximately 31%.

Get Popular

The Get Popular service is a user focused self-promotion tool which will allow users to purchase advertising units for themselves or for their content to be featured in certain positions in the Peeks Social app's Popular Channel, Live Channels, and similar pages. The feature was launched in October 2017. The current pricing for the Get Popular service is as follows:

Impression Package (# of impressions)	Fee (USD)
5,000	79 coins ($3.95)
10,000	139 coins ($6.95)
50,000	499 coins ($24.95)

MARKET TRENDS, PRODUCT DEVELOPMENT, AND BUSINESS STRATEGY

Peeks Social has deployed a global platform for public self-expression, communication, and transaction in real time. The Company's platforms and communities are free services. Having demonstrated through its legacy products that a global video-centric social network can attract audiences (the legacy Keek product attracted 75 million registered users over 5 years), the next milestone for the Company is to confirm that this community can sustain itself from a relevance, enhanced value creation and monetization perspective. In order to do so, Management is of the belief that sustainability and growth must come from a product-first approach, and therefore the Company plans to focus its attention towards the growth of the Peeks Social live-streaming commerce network.

As a social commerce platform, Peeks Social will connect content providers, viewers, advertisers, brands and retailers in a seamless organic social commerce ecosystem. The product will allow content creators to monetize their popularity by sharing in advertising revenues and by being able to charge viewers for access to premium content. Additionally, the platform will allow content creators to charge their viewers for goods and services and will allow viewers to make instantaneous purchases on their mobile devices through the OfferBox technology. Apart from premium content and enhanced product features and tools, the Peeks Social platform and community will remain a free service for existing and future users. These efforts are the main focus of the Company.

Livestreaming in a social media context is a new phenomenon which has garnered significant market attention, and social video continues to flourish similarly. In March 2015, it was announced that Twitter had acquired Periscope, a live streaming video startup app which was still in the testing stage, for nearly $100 million USD in cash and shares. Snapchat, a video and image messaging mobile application, has a current valuation of approximately $8.5 Billion USD. Twitch.tv, a livestreaming network focused on video gaming and broadcasts of eSports, was purchased by Amazon in 2014 for nearly $1 billion USD, and is now rumoured to be worth a multiple of that acquisition valuation. After approximately a year and a half since launch, Peeks Social is already establishing itself as a contender in the lucrative livestreaming and social video space.

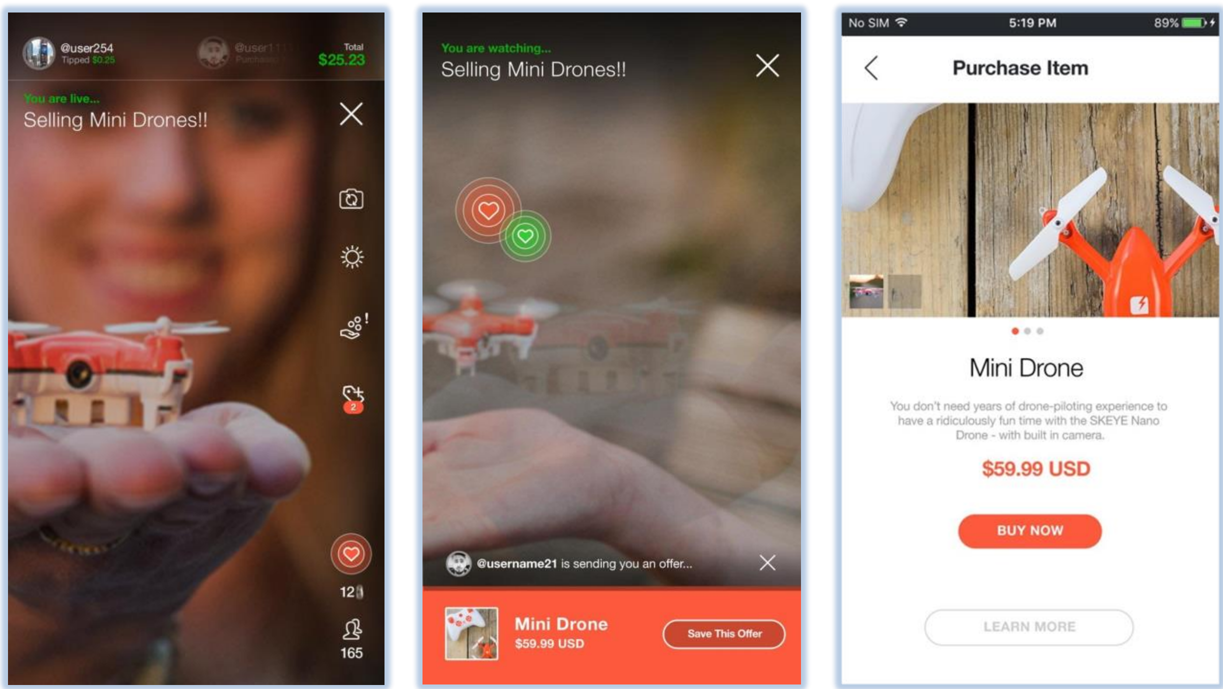
Management believes that livestreaming is well poised to achieve extremely rapid adoption rates in the social media marketplace. The Company expects the adoption rates of livestreaming video, in a social media context, will easily surpass those previously achieved by pre-recorded video and podcasts. The livestreaming space remains in its infancy with a small number of first movers in the industry, few of which are ecommerce enabled. The Company previously capitalized on the rapid adoption of social video by being amongst the first video enabled social media platforms. Over its history, the Company has been enormously successful in driving vast amounts of users to its products. Management is planning to replicate very similar user growth strategies for Peeks Social as were used on the legacy Keek apps. This user driven business strategy can now be paired with a fresh new product and an innovative monetization strategy, such as the existing tipping, paid broadcast, and crowdfunding features, as described above (see *Monetization, Sales, and Revenue*), as well as monetization features such as the OfferBox, described below.

The user driven business strategy will be focused on performance metrics which the Company has identified as being key to the performance of the Peeks Social product and the growth of the business (see *Product Performance (KPIs)*). These metrics are: the percentage of spending users; the average spend per user; and the activity levels of the users. In its early stages, the Peeks Social product has already proven its ability to monetize users in a social network.

OfferBox

The OfferBox is the first merchant tool to be added to the Peeks Social service. Using the OfferBox technology, users such as brands, influencers, and consumers, can create actionable incentives which can be distributed to their live audiences. This allows users to create individual live home shopping channels with a global reach. Using the OfferBox technology, a broadcaster can deliver a call to action to their viewers inside a live stream which can allow for the instant purchase of the product or service being advertised. The offer may include information such as pictures, product or service descriptions, geographical availability, quantity, pricing, and terms of sale.

The function of OfferBox is illustrated in the images below:



From Left to Right:

- A broadcaster selling “Mini Drones” inside a livestream on the Peeks Social service.
- A viewer receives an offer to purchase a “Mini Drone” for $59.99 USD while watching a livestream.
- A viewer reviews the details of the offer to purchase a “Mini Drone”.

AdShare Program

The AdShare Program was launched in January 2018 and was purpose built to facilitate the sale of all ad units available for sale on broadcast television and on digital platforms. Specifically, the AdShare Program facilitates the sale of product placement ads, CPI ads, CPA ads, onscreen overlays and affiliate marketing programs.

The AdShare Program interacts with the OfferBox so that ads can result in direct sales. The AdShare Program allows advertisers to target advertisements based on a wide variety of viewer demographics including location, age, gender and individual tastes.

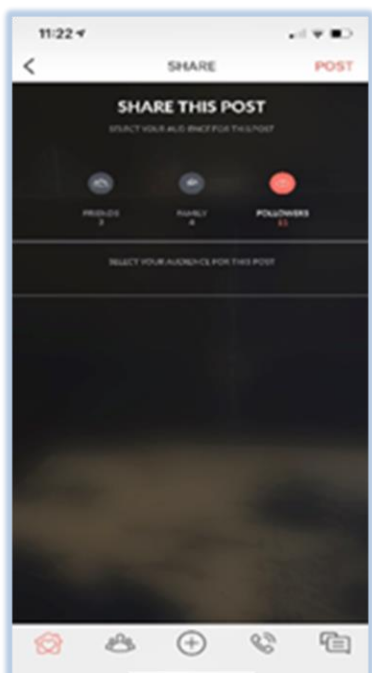
Olay, Roses Only, TV Online Store, Yves Rocher, zChocolat, Betty's Attic, AMC Networks: Shudder and Sundance Channel, Eye Buy Direct, Cooking Light Diet, Xcoser, BookVIP, Chicnico, SpaFinder, SwimSpot and Matel ™ are among 40 brands that were available upon launch as sponsors to streamers on the Peeks Social platform. Upon starting a livestream Peeks Social streamers are able to select brands to promote through the OfferBox on their streams. Streamers are then able to earn on a CPA or CPI basis. The CPA or CPI earnings are split between the streamer and the Peeks Social platform.

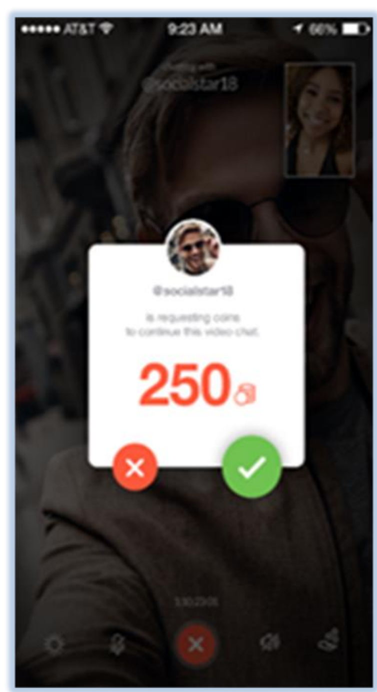
Personas

Personas is an ecommerce enabled video and image sharing social network that provides users with a video chat based payments system (ChatCash). Personas' ChatCash service allows users to provide (and charge for) one-on-one private tutorials, consulting services, help desk services, and any other service that is typically delivered through one-on-one chat.

Personas technology and policies are purpose designed to satisfy user demands for a "Hate Free Space" on the internet where personal privacy is protected. Personas provides greater privacy in a variety of ways; for one, by allowing users to segment their social media following into several profiles: friends, family and followers. In addition, as a policy Personas does not sell user data. Future releases of Personas will allow users to create additional profiles on demand.

The Personas apps are currently in beta-testing and are expected to be launched by the Company by March 2019. Screenshots of the Personas app are provided below:





OVERALL PERFORMANCE

Summary of Financial and Operating Results

Three Months Ended November 30, 2018, and November 30, 2017

During the three months ended November 30, 2018, the Company reported a total of $1,685,590 in revenue, of which $1,191,895 relates to tipping revenue, and $493,695 relates to virtual currency revenue. This is compared to $1,308,091 reported for the three months ended November 30, 2017, of which $1,207,224 related to tipping revenue, and $100,867 related to virtual currency revenue.

For the three months ended November 30, 2018, the Company generated interest income in the amount of $446 as compared to $Nil for the three months ended November 30, 2017. Interest income is derived from cash on hand which is invested in daily interest-bearing accounts.

Selected financial information for the Company for the indicated periods is provided below:

	Periods Ended	
	November 30, 2018	**November 30, 2017**
	$	$
Tipping revenue	1,191,895	1,207,224
Virtual currency revenue	493,695	100,867
Total revenue	1,685,590	1,308,091
Interest income	446	Nil
Operating expenses	2,778,138	1,835,215
Net loss for the period	683,129	1,217,124
Net loss per share – basic and diluted	0.003	0.011

Operating expenses for the three months ended November 30, 2018, were $2,778,138, as compared to $1,835,215 for the three months ended November 30, 2017. The increase of $942,923 was mainly due to increases in costs of revenue, salaries and benefits, internet and communications, and consulting fees, slightly offset by a decrease in professional fees, as discussed below.

The following is the breakdown of operating expenses for the three months ended November 30, 2018 and the three months ended November 30, 2017. Details of the changes between periods are described in the notes to the table below.

Summary of Operating Expenses

	Three months ended November 30, 2018 $	Three months ended November 30, 2017 $
Cost of revenue (a)	1,250,125	1,061,483
Salaries and benefits (b)	703,400	442,132
Internet and communications (c)	362,079	1,859
Advertising and marketing (d)	86,937	40,500
Professional fees (e)	10,001	149,122
Consulting fees (f)	194,926	60,296
Office and general (g)	52,952	55,628
Occupancy costs (h)	83,624	25,610
Amortization (i)	26,694	440
Foreign exchange (gain) loss (j)	7,400	(1,857)
	2,778,138	**1,835,215**

Notes:

(a) Cost of revenue increased $188,642 as compared to the three months ended November 30, 2017. This is mainly attributable to the increase in virtual currency revenues during the period, caused by an increase in associated App Store payment processing fees.

(b) Salaries and benefits costs increased by $261,268 as compared to the three months ended November 30, 2017. The Amalgamation of Personas and Peeks Social was effected on May 2, 2018, after which point the Company incurred higher salaries and benefits costs as it recognized the salaries and benefits expenses of each entity's employees.

(c) Internet and communications increased by $360,220 as compared to the three months ended November 30, 2017. The increase is due to the Company expanding its communications infrastructure to support the growth of the Peeks Social product and includes additional hosting and content distribution costs.

(d) Advertising and marketing increased by $46,436 as compared to the three months ended November 30, 2017. The increase is due to significantly increased marketing activities relating to the Peeks Social product, specifically the securing of celebrity influencers and brand ambassadors.

(e) Professional fees decreased by $139,121 as compared to the three months ended November 30, 2017. Professional fees are substantially comprised of legal fees for corporate, trademark, and litigation matters. The comparative period contained certain non-recurring costs for the negotiation and preparation of the amalgamation.

(f) Consulting fees increased by $134,630 as compared to the three months ended November 30, 2017. The increase is related to increased consulting fees relating to management, marketing, and business development services.

(g) Office and general expenses decreased by $2,676 as compared to the three months ended November 30, 2017. The breakdown of office and general expenses is as follows:

Summary of office and general expenses

	Three months ended November 30, 2018 $	Three months ended November 30, 2017 $
Transfer agent and exchange fees	20,918	Nil
Travel, transportation, and meals	6,343	8,861
Insurance	13,245	13,913
Office and miscellaneous	9,808	30,081
Bank charges	2,638	2,773
	52,952	**55,628**

(h) Occupancy costs increased by $58,014 as compared to the three months ended November 30, 2017. The increase was due to Peeks Social occupying a new operating premises at 181 University Avenue in Toronto, Ontario. The lease commenced September 1, 2017 and is prepaid by Peeks Social.

(i) Amortization increased by $26,253 as compared to the three months ended November 30, 2017. The Company uses the straight-line method of amortization which expenses the cost of property and equipment evenly over the expected useful life of a long-lived asset. During the year ended February 28, 2018, Peeks Social invested in leasehold improvements and office furnishings for its lease at 181 University Avenue in Toronto, Ontario. This resulted in an increased amount of amortization being expensed during the three months ended November 30, 2018 when compared to the three months ended November 30, 2017, during which there were minimal capital assets being amortized.

(j) Foreign exchange gain decreased by $9,257, resulting in a foreign exchange loss of $7,400 for the three months ended November 30, 2018. The Company carries a large amount of assets and liabilities which are denominated in USD$. As at November 30, 2018, the Company carried net current liabilities of CDN$1,553,704 in USD$ (February 28, 2018 - CDN$809,307 in USD$). Accordingly, the Company expects continued gains or losses due to foreign exchange fluctuations between the operating currency of the Canadian Dollar and the denominated currency of certain liabilities of the United States Dollar. Please see *Financial Instruments and Risk Management – Foreign Currency Risk*.

Interest expense was $10,520 for the three months ended November 30, 2018, as compared to $Nil for the three months ended November 30, 2017.

The net loss per share for the three months ended November 30, 2018, was $0.003 as compared to $0.011 for the three months ended November 30, 2017. The decrease in loss per share is attributable to the lower net loss and was compounded by an increased weighted average number of shares outstanding. The weighted average number of common shares outstanding for the three months ended November 30, 2018, was 243,636,725, as compared to 112,686,113 for the three months ended November 30, 2017.

Nine months Ended November 30, 2018, and Eleven Months Ended November 30, 2017

During the nine months ended November 30, 2018, the Company reported a total of $5,868,597 in revenue, of which $4,151,248 relates to tipping revenue, and $1,717,349 relates to virtual currency revenue. This is compared to total revenue of $3,715,011 reported for the eleven months ended November 30, 2017, of which $3,423,114 related to tipping revenue, and $291,897 related to virtual currency revenue.

For the nine months ended November 30, 2018, the Company generated interest income in the amount of $3,717 as compared to $Nil for the eleven months ended November 30, 2017. Interest income is derived from cash on hand which is invested in daily interest-bearing accounts.

Selected financial information for the Company for the indicated periods is provided below:

	Periods Ended	
	November 30, 2018	November 30, 2017
	$	$
Tipping revenue	4,151,248	3,423,114
Virtual currency revenue	1,717,349	291,897
Total revenue	5,868,597	3,715,011
Interest income	3,717	Nil
Operating expenses	9,215,635	5,836,026
Net loss for the period	2,938,694	4,506,930
Net loss per share – basic and diluted	0.014	0.04

Operating expenses for the nine months ended November 30, 2018, were $9,215,635, as compared to $5,836,026 for the eleven months ended November 30, 2017. The increase of $3,379,609 was mainly due to increases in costs of revenue, salaries and benefits, internet and communications, advertising and marketing, and consulting fees, partially offset by a decrease in professional fees, as discussed below.

The following is the breakdown of operating expenses for the nine months ended November 30, 2018 and the eleven months ended November 30, 2017. Details of the changes between periods are described in the notes to the table below.

Summary of Operating Expenses

	Nine months ended November 30, 2018 $	Eleven months ended November 30, 2017 $
Cost of revenue (a)	4,518,082	3,018,301
Salaries and benefits (b)	2,046,257	1,716,228
Internet and communications (c)	854,908	11,772
Advertising and marketing (d)	764,209	227,414
Consulting fees (e)	374,276	148,598
Office and general (f)	210,728	116,070
Occupancy costs (g)	202,721	123,280
Professional fees (h)	197,206	481,012
Amortization (i)	61,770	2,789
Foreign exchange (gain) loss (j)	(14,522)	(9,440)
	9,215,635	**5,836,026**

Notes:

(a) Cost of revenue increased $1,499,781 as compared to the eleven months ended November 30, 2017. This is mainly attributable to the increase in revenues during the period. As a percentage of revenue, costs of revenue for the two periods were 77% and 81%, respectively.

(b) Salaries and benefits costs increased by $330,029 as compared to the eleven months ended November 30,

2017. The Amalgamation of Personas and Peeks Social was effected on May 2, 2018, after which point the Company incurred higher salaries and benefits costs as it recognized the salaries and benefits expenses of each entity's employees.

(c) Internet and communications increased by $843,136 as compared to the eleven months ended November 30, 2017. The increase is due to the Company expanding its communications infrastructure to support the growth of the Peeks Social product and includes additional hosting and content distribution costs.

(d) Advertising and marketing increased by $536,794 as compared to the eleven months ended November 30, 2017. The increase is due to significantly increased marketing activities relating to the Peeks Social product, specifically the sponsorship of the "Peeks Toronto Caribbean Carnival" and related costs. The "Peeks Toronto Caribbean Carnival" is a major cultural event in Toronto with an on-site attendance of approximately 1 million people. While significant expenses have been recognized in the current period, Management believes the "Peeks Toronto Caribbean Carnival" sponsorship will produce long-term economic benefit for the Company.

(e) Consulting fees increased by $225,678 as compared to the eleven months ended November 30, 2017. The increase is related to increased consulting fees relating to management, marketing, and business development services.

(f) Office and general expenses increased by $94,658 as compared to the eleven months ended November 30, 2017. The breakdown of office and general expenses is as follows:

Summary of office and general expenses

	Nine months ended November 30, 2018 $	**Eleven months ended November 30, 2017 $**
Transfer agent and exchange fees	73,135	Nil
Travel, transportation, and meals	10,207	10,534
Insurance	26,855	13,914
Office and miscellaneous	67,094	81,001
Bank charges	8,072	10,621
Shipping and moving	7,546	Nil
Recruiting	17,820	Nil
	210,728	**116,070**

(g) Occupancy costs increased by $79,441 as compared to the eleven months ended November 30, 2017. The increase was due to the combination of the Company vacating a former operating premise in Toronto, Ontario, and occupying a new operating premise at 181 University Avenue in Toronto, Ontario. The new lease commenced September 1, 2017 and is prepaid by the Company.

(h) Professional fees decreased by $283,805 as compared to the eleven months ended November 30, 2017. Professional fees are substantially comprised of legal fees for corporate, trademark, and litigation matters. The prior period included certain one-time legal fees relating to a trademark dispute in the UK, which were non-recurring, as well as non-recurring expenses for the negotiating and preparation of the Amalgamation.

(i) Amortization increased by $58,980 as compared to the eleven months ended November 30, 2017. The Company uses the straight-line method of amortization which expenses the cost of property and equipment evenly over the expected useful life of a long-lived asset. During the year ended February 28, 2018, Peeks Social invested in leasehold improvements and office furnishings for its lease at 181 University Avenue in Toronto, Ontario. This resulted in an increased amount of amortization being expensed during the nine months ended November 30, 2018 when compared to the eleven months ended November 30, 2017, during which there were minimal capital assets being amortized on the statement of financial position.

(j) Foreign exchange gain increased by $5,082 to $14,252 for the nine months ended November 30, 2018. The Company carries a large amount of assets and liabilities which are denominated in USD$. As at November 30, 2018, the Company carried net current liabilities of CDN$1,553,704 in USD$ (February 28, 2018 - CDN$809,307 in USD$). Accordingly, the Company expects continued gains or losses due to foreign exchange fluctuations between the operating currency of the Canadian Dollar and the denominated currency of certain liabilities of the United States Dollar. Please see *Financial Instruments and Risk Management – Foreign Currency Risk*.

Interest expense was $14,866 for the nine months ended November 30, 2018, as compared to $Nil for the eleven months ended November 30, 2017.

The net loss per share for the nine months ended November 30, 2018, was $0.014 as compared to $0.04 for the eleven months ended November 30, 2017. The decrease in loss per share is attributable to a lower net loss driven by the increase in revenue which was offset by an increased weighted average number of shares outstanding. In addition, during the nine months ended November 30, 2018, the Company recognized an unrealized gain on investments of $94,755 (eleven months ended November 30, 2017, unrealized loss of $2,310,000). The weighted average number of common shares outstanding for the nine months ended November 30, 2018, was 212,590,346, as compared to 112,686,113 for the eleven months ended November 30, 2017.

QUARTERLY RESULTS OF OPERATIONS

Prior to the Amalgamation Personas was not a reporting entity and did not prepare quarterly results. As such, quarterly data prior to the current period is not currently available. For quarterly results of Peeks Social prior to the Amalgamation, please see the Management's Discussion and Analysis of Financial Condition and Results of Operations for the Year Ended February 28, 2018, available on the Company's profile on SEDAR.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash Flow for the Nine Months Ended November 30, 2018, and the Eleven months Ended November 30, 2017

Net cash used in operating activities was $1,773,599 for the nine months ended November 30, 2018, as compared to $736,274 for the eleven months ended November 30, 2017. During the nine months ended November 30, 2018, the Company had an increase of $49,783 of accounts receivables, a decrease of $104,290 of other receivables, a decrease of $197,889 of prepaid expenses, an increase of $48,159 of due to related parties, an increase of $240,144 accounts payable and accrued liabilities, and an increase of $968,869 of customer deposit liabilities. Combined, these items significantly decreased the use of cash in operating activities following the net loss for the period which was $3,283,167 after considering items not affecting cash (November 30, 2017 - $2,268,353 loss after considering items not affecting cash).

For the nine months ended November 30, 2018, net cash generated from financing activities was $1,206,706 as compared to $655,748 for the eleven months ended November 30, 2017. Financing activities for the nine months ended November 30, 2018, included the issuance of common shares and warrants, resulting in net proceeds of $547,800 after considering transaction costs (November 30, 2017 - $Nil), cash acquired on the reverse acquisition totaling $120,706 (November 30, 2017 - $Nil), proceeds from the receipt of short-term loans of $300,000 (November 30, 2017 - $Nil), proceeds from the issuance of secured notes of $250,000 (November 30, 2017 - $500,000), and the principal repayment of certain secured notes of $11,800 (November 30, 2017 - $Nil). For more information on the financing activities please see "*Capital Transactions*".

For the nine months ended November 30, 2018, cash generated from investing activities was comprised of proceeds from the sale of short-term investments of $399,874 (November 30, 2017 - $Nil).

For the nine months ended November 30, 2018, the Company had a net decrease in cash of $167,019 as compared to a net decrease of $83,277 for the eleven months ended November 30, 2017. As a result, as at November 30, 2018 and 2017, the Company had cash balances of $38,742 and $100,001 respectively.

Liquidity

During the nine months ended November 30, 2018, the Company reported a total of $5,868,597 in revenue, as compared to $3,715,011 for the eleven months ended November 30, 2017. The Company will need to continue to rely upon capital raising activities, such as private placement debt and equity financings, to fund its future operations.

Selected financial information about the Company's financial position as at the indicated dates is provided below:

	November 30, 2018	**February 28, 2018**
	$	$
Cash	38,742	205,761
Total assets	30,924,903	1,067,649
Long-term liabilities	-	-
Total liabilities	5,432,580	6,142,340
Share capital, contributed surplus, and warrants reserve	38,955,030	5,449,051
Deficit	(13,462,437)	(10,523,742)
Working capital (deficiency)	(4,035,132)	(5,083,294)

During the nine months ended November 30, 2018, the Company incurred a net loss of $2,938,694 (eleven months ended November 30, 2017 - $4,506,930) and, as of that date, the Company had accumulated a deficit of $13,462,437 (February 28, 2018 - $10,523,742) and negative cash flows from operations of $1,773,599 (eleven months ended November 30, 2017 - $736,274). Whether and when the Company can attain profitability and positive cash flows from operations is uncertain. These factors create material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern.

The Company has not yet realized profitable operations and has mainly relied on non-operational sources of financing to fund operations. Management has been able to raise sufficient funds to finance its operations in the past through private placements of both equity and debt and will need to continue to do so to fund operations in the future.

As at November 30, 2018, total liabilities decreased to $5,432,580 as compared to $6,142,340 as at February 28, 2018, a decrease of $709,760. The Company is not currently paying most of its past payables relating to the now retired Keek products but is paying its ongoing monthly operational costs. The Company continues to negotiate its past payables.

During the nine months ended November 30, 2018, the Company was able to raise funds through equity financings of $585,000 (see *Capital Transactions*) in addition to debt financings of $250,000. In July 2018, the Company also entered into a direct private placement agreement with GEM Global Yield Fund LLC SCS (GEM) and agreed to commit to initial placements of $1.5 million with an option to issue additional placements of up to $8.5 million (see *Capital Transactions*). The funds are being used to finance the Peeks Social product initiative, to maintain operations, and address liabilities on an as-needed basis.

Recent financing efforts have included:

Private Placements:

Date	Unit Price	Units Sold	Gross Consideration
July 9, 2015	$0.25	1,000,000	$250,000
August 14, 2015	$0.20	4,084,000	$816,800
September 3, 2015	$0.20	1,666,000	$333,200
March 18, 2016	$0.25	3,000,000	$750,000
March 25, 2016	$0.25	3,000,000	$750,000
April 12, 2017	$0.90	3,338,498	$3,004,650
April 28, 2017	$0.90	3,861,502	$3,475,350
May 25, 2018	$0.25	1,260,000	$315,000
August 10, 2018	$0.12	1,750,000	$210,000
August 24, 2018	$0.12	500,000	$60,000

For further details on the May and August 2018 transactions please see "*Capital Transactions".*

Shares for Debt:

Date	Amount Settled	Price per Share	Shares Issued
August 14, 2015	$60,000	$0.20	300,000
November 16, 2015	$12,282	$0.70	17,546
November 27, 2015	$60,000	$0.47	127,659
November 27, 2015	$2,547,303	$0.47	5,419,795
February 9, 2016	$42,515	$0.25	170,060
March 4, 2016	$8,232	$0.25	32,928
March 25, 2016	$3,459,517	$0.25	13,838,067
September 9, 2016	$12,000	$0.30	40,000

Secured Notes:

In October 2018, the Company issued $250,000 principal secured notes, which bear interest at a rate of 15% per annum payable monthly, with the principal balance being repayable twelve months from the date issued. The notes are secured by a General Security Agreement over all present and future assets and intangibles of the Company.

The Company's ability to access the debt and equity markets when required will depend upon factors beyond its control, such as economic and political conditions that may affect the capital markets generally. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future. Should Management be unable to raise sufficient capital to fund its operations and growth there may be a material adverse effect on the Company's business, financial condition, results of operations, and its ability to continue as a going concern.

Commitments

As at November 30, 2018, the Company had material commitments for cash resources of approximately $10,246,881 which are detailed below. The Company does not currently have sufficient working capital to meet these significant commitments and will be reliant on proceeds from revenues, financing activities, and subleasing revenue to fund these commitments.

A breakdown of the Company's liabilities and obligations as at November 30, 2018, is as follows:

		Payments due by period ($)			
Liabilities and obligations	Total	Less than 1 year	1 to 3 years	4 to 5 years	After 5 years
Accounts payable and accrued liabilities	3,320,085	3,320,085	-	-	-
Secured notes (principal amount)	338,200	338,200	-	-	-
Sponsorship commitments	1,530,000	480,000	1,050,000	-	-
Short-term loans payable (principal amount)	300,000	300,000	-	-	-
Customer Deposits	1,474,295	1,474,295	-	-	-
Lease commitments (operating premises)	3,284,301	656,860	1,313,720	1,313,720	-
	10,246,881	6,569,440	2,363,720	1,313,720	-

On December 1, 2014, the Company subleased its premises at 1 Eglinton Avenue East, Suite 300, in Toronto, Ontario. The sublease has a term of forty-four months ending on July 30, 2018, with an option to extend the sublease until November 30, 2023, at the option of the subtenant. This sublease reduces the monthly lease obligations of the Company (shown in the table above) by approximately $55,000 per month. This reduction is not reflected in the table above.

The Company is also committed to a lease of a premises at 181 University Ave, Suite 2000, in Toronto, Ontario. The lease commenced on September 1, 2017 and ends on May 30, 2019. The Company prepaid $587,122 of rent in relation to this lease in July 2017. As at November 30, 2018, $167,749 of this is included in prepaid expenses. There are no future minimum lease payments over the course of the lease.

The Company is also committed to the issuance of 4,000,000 common share purchase warrants pursuant to the Funding Agreement with GEM. See *Capital Transactions.*

Legal Proceedings

The Company, in the course of its normal operations, is subject to claims, lawsuits, and contingencies. Accruals are made in instances where it is probable that liabilities may be incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may be incurred in instances for which no accruals have been made, the Company has no reason to believe that the ultimate outcome of these matters would have a significant impact on its consolidated financial position.

During the year ended February 28, 2017, a claim was initiated against the Company regarding finder's fees for brokering investments and business partnerships. The Plaintiff claimed damages in the amount of $15,650,000. The Company is defending the lawsuit and believes the claim is completely without merit. Although the outcome of the claim is not determinable, Management strongly believes the financial impact is insignificant and has accrued the estimated financial effect. The claim remains outstanding as at November 30, 2018.

During the year ended February 28, 2018, a claim was initiated against the Company regarding a contract for software development work. The plaintiff claimed damages of $440,361 due to breach of contract. The Company is defending the lawsuit and believes the claim is completely without merit. Specifically, the Company asserts that the plaintiff breached the contract and that the Company withheld payment rightfully. Although the outcome of the claim is not determinable, Management strongly believes the financial impact is insignificant.

Management of Capital

The Company considers its capital to be its equity attributable to shareholders, which is comprised of share capital, contributed surplus, warrants reserve, and deficit, which as at November 30, 2018, amounted to $25,492,593 (February 28, 2018 - capital deficiency of $5,074,691).

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the development and operations of its social media products and technologies for the benefit of its shareholders.

There were no changes in the Company's management of its capital during the nine months ended November 30, 2018. The Company is not subject to any externally imposed capital requirements.

In order to maintain its capital structure, the Company is dependent on equity and/or debt funding and, when necessary, raises capital through the issuance of equity instruments, comprised of common shares, preference shares, warrants, and incentive stock options, and through the issuance of debt instruments. The Company reviews its capital management methods and requirements on an ongoing basis and makes adjustments accordingly.

Capital Transactions

Nine months ended November 30, 2018

On May 7, 2018, 64,976,271 common shares with a fair value of $26,315,390 were issued to effect the reverse acquisition (see *About Peeks Social Ltd.*).

To effect the Amalgamation shareholders of Personas received 175,150,454 common shares of Peeks Social (including 61,340,322 received by Mark Itwaru, the CEO of Peeks Social, and 55,346,527 received by Riavera) on May 7, 2018. The effective exchange ratio of the existing Personas shares was 1.445, resulting in the recording of an additional 53,945,652 common shares for accounting purposes as an effect of the exchange ratio of the reverse acquisition.

On May 25, 2018, the Company issued 1,260,000 units at a price of $0.25 per unit, for gross consideration of $315,000 being received by the Company. Each unit consists of one common share and one common share purchase warrant of the Company. Each warrant is exercisable to purchase one additional common share of the Company at an exercise price of $0.35 per share, for a period of 24 months from the date of issuance. The Company paid aggregate finder's fees of $15,600 to eligible arm's length parties in connection with the private placement. The common share purchase warrants have an ascribed value of $120,612.

On August 10, 2018, the Company issued 1,750,000 units at a price of $0.12 per unit, for gross consideration of $210,000 being received by the Company. Each unit consists of one common share and one common share purchase warrant of the Company. Each warrant is exercisable to purchase one additional common share of the Company at an exercise price of $0.20 per share, for a period of 24 months from the date of issuance. The Company paid aggregate finder's fees of $16,800 to eligible arm's length parties in connection with the private placement. The common share purchase warrants have an ascribed value of $75,350.

On August 24, 2018, the Company issued 500,000 units at a price of $0.12 per unit, for gross consideration of $60,000 being received by the Company. Each unit consists of one common share and one common share purchase warrant of the Company. Each warrant is exercisable to purchase one additional common share of the Company at an exercise price of $0.20 per share, for a period of 24 months from the date of issuance. The Company paid aggregate finder's fees of $4,800 to eligible arm's length parties in connection with the private placement. The common share purchase warrants have an ascribed value of $20,937.

In July 2018 the Company entered into a direct placement agreement (the "Funding Agreement") with GEM Global Yield Fund LLC SCS ("GEM"). The Company has the right to issue GEM common shares under the Funding Agreement for a term of two years through a series of one or more private placements (the "Placements"). Common shares issued to GEM as part of the Placements will be at a price per share equal to the higher of a floor price set by the Company and a 10 per cent discount to the market price of the common shares based on the immediately preceding 15-day volume weighted average price. The Placements are subject to certain market out rights of GEM and approval of the TSX Venture Exchange (the "TSXV").

The Company agreed to commit to initial Placements of $1.5 million (the "Initial Placement"), with an option to issue additional Placements of up to $8.5 million (the "Additional Placements"). The Company will pay a commission of $30,000 to GEM within the twelve months following the date of the Funding Agreement related to the Initial Placement. If the Company elects to utilize any portion of the Additional Placements it will pay an additional commission of $170,000 to GEM within twelve months of the election. The commissions are equal to 2% of the committed capital of GEM.

As part of the Funding Agreement, the Company agreed to issue 4,000,000 common share purchase warrants to GEM. The warrants will be exercisable on a one-for-one basis at a price equal to the greater of i) $0.583 per common share or ii) the market price of the common shares of the Company at the time of issuance. The Company has eighteen months from the date of the Funding Agreement to issue the warrants. The warrants will have an exercise period of three years. The warrant exercise price is subject to repricing to 105% of the market price of the Company's common shares on the first anniversary of the date of issuance if the market price of the common shares of the Company is less than 90% of the then-current exercise price. The repricing must be done in accordance with the rules and policies of the TSXV. If the Company does not issue the warrants within 18 months of the initial execution of the Funding Agreement, the Company shall pay GEM 8% of the original face value of any unissued warrants. Should the Company elect to issue any Additional Placements, it will issue additional warrants to GEM, the amount and terms of which shall be negotiated and agreed to at the time of the election.

In August 2018, the Company received a short-term advance in connection with the Funding Agreement of $300,000 from GEM, which is contemplated to be repaid through one or more Placements. The advance is unsecured, carries interest at 10% per annum calculated semi-annually, and is due on demand after 90 days.

Disclosure of Outstanding Share Data

The Company had the following shares and securities convertible into shares outstanding at the following dates:

	January 29, 2019	November 30, 2018	February 28, 2018
Common Shares	243,636,725	243,636,725	121,204,802
Warrants, convertible into Common Shares	10,972,500	10,710,000	762,346
Stock Options, convertible into Common Shares	7,197,830	7,197,830	-
Common Shares - Fully Diluted	**261,807,055**	**261,544,555**	**121,967,148**

See "*Notes to the Consolidated Financial Statements for the nine months ended November 30, 2018 – Note 8*".

RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and are measured at the exchange amount which is the amount of consideration established by and agreed to by the related parties. Related party transactions for the nine months ended November 30, 2018, are as follows:

a) On May 2, 2018, Peeks Social completed a reverse acquisition with Personas. See *Reverse Acquisition*.

b) During the nine months ended November 30, 2018, the Company paid $175,000 in consulting fees to Riavera Corp., a significant shareholder ("Riavera"), in relation to management consulting and technology integration services.

c) On August 14, 2015, Personas entered into a technology platform license agreement with Peeks Social. The agreement granted Personas a non-exclusive license to use Peeks Social's proprietary software to facilitate commercial transactions and communications on the Peeks Social platform. Pursuant to the technology agreement, Personas had agreed to pay Peeks Social a licensing fee equal to 30% of the gross profits earned by Personas through the use of Peeks Social's platform. Following the Amalgamation on May 2, 2018, (note 4) the licensing fees are eliminated on consolidation. Prior to the Amalgamation, the total license fee payable to Peeks Social for the period of March 1, 2018, to May 1, 2018, was $108,038 (eleven months ending November 30, 2017 - $319,739), which is included in cost of revenue. A total of $596,201 remained payable as of May 1, 2018 (February 28, 2018 - $488,163), which was eliminated on consolidation following the Amalgamation.

d) On July 4, 2017, and August 1, 2017, Peeks Social issued short-term loans to Personas with a principal amount of $200,000 and $300,000, respectively, to facilitate a joint product initiative and fund broadcaster payouts relating to the "Peeks Social" livestreaming mobile product. The loans beared interest at 5% per annum and were due on December 31, 2017. The due date was subsequently extended indefinitely pending the completion of the Amalgamation. Personas accrued $7,822 of interest on the loans prior to the Amalgamation. The loans and accrued interest were eliminated upon consolidation (see *Reverse Acquisition*).

e) Prior to the Amalgamation, for the period of March 1, 2018, to May 1, 2018, Personas reimbursed Peeks Social $376,504 of advances (net of payments to broadcasters on the "Peeks Social" platform of $208,340 made by Peeks Social), which were a reduction of advances due to Peeks Social.

f) As at the date of the Amalgamation, on May 2, 2018, advances from Peeks Social to Personas were $1,911,909 (including the notes payable and accrued interest - see *Related Party Transactions*(d)), which were eliminated on consolidation.

g) Immediately prior to the Amalgamation, Riavera forgave $3,450,731 of related party debt of Personas. See *About Peeks Social Ltd.*

h) Between May 2, 2018, and November 30, 2018, Riavera, along with Telebuy Inc. and Peeks.com Corp (entities under the control of the Company's CEO), received reimbursements and advances of $11,716 (net of expenses and user withdrawals paid on behalf of the Company), which comprise the balance of due from related parties as at November 30, 2018.

i) During the nine months ended November 30, 2018, the Company's CEO paid sponsorship fees of $140,000 on behalf of the Company, of which he was repaid $103,000. The remaining amount owing is netted against the balance of due from related parties.

SUBSEQUENT EVENTS

The following significant transactions occurred subsequent to the nine months ended November 30, 2018:

a) The Company received an acceptance notice from GEM for the issuance of 586,000 common shares at a price of $0.066 per share, for a total purchase price of $38,676. The common shares will be issued following the receipt of the approval of the TSX Venture Exchange, and the proceeds from the share issuance are intended to be used as a partial repayment of the advance from GEM (see Capital Transactions).

b) On December 27, 2018 the Company closed the first tranche (the “First Tranche”) of a non-brokered private placement of senior secured convertible debentures in the aggregate principal amount of up to $1,050,000. The First Tranche was comprised of debentures in the principal amount of $472,500. The debentures bear interest at a rate of 8% per annum, but will increase to 12% per annum upon the occurrence of certain events of default. The repayment of the principal amount of the debentures and any accrued but unpaid interest thereon is secured against a General Security Agreement over all of the Company’s assets. The debentures will be convertible, in whole or in part, at the option of the holder, into common share of the Company at a conversion price of $0.10 per common share. Each debenture also includes one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share at a price of $0.15 per common share, provided that, if the Company subsequently issues common shares at a price of less than $0.10 per common share (a “Down Round”), it will, subject to the approval of the TSX Venture Exchange, amend the exercise price of the warrants to match the issuance price of the common shares issued in such Down Round. The Company paid cash finder’s fees of $29,500, and issued 236,250 warrants in connection with First Tranche.

c) On January 11, 2019, pursuant to the private placement noted above, the Company closed the second tranche (the “Second Tranche”) of senior secured convertible debentures. The Second Tranche was comprised of debentures in the principal amount of $52,500 and carries the same terms as the First Tranche. Cash finder’s fees of $3,250 were paid in connection with the Second Tranche, in addition to 26,250 warrants, which are exercisable into 5% of the common shares underlying the debentures issued pursuant to the Second Tranche.

OFF-BALANCE SHEET ARRANGEMENTS

The company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

INVESTOR RELATIONS

Investor relations were performed by the Company for the nine months ended November 30, 2018.

SEGMENTED INFORMATION

The Company operates in one operating segment. Management assesses performance and makes decisions about allocating resources based on this one business segment. All of the Company’s assets are located in Canada. The following table shows the revenue for the three and nine months ended November 30, 2018, and the three and eleven months ended November 30, 2017, based on the geographic location of the customer:

Revenue based on the geographic location of the customer ($)

	Three months ended November 30, 2018	Three months ended November 30, 2017	Nine months ended November 30, 2018	Eleven months ended November 30, 2017
Canada	36,888	28,626	171,388	118,365
United States	1,291,082	1,001,936	4,452,933	2,827,292
Africa, The Middle East, and India	218,173	169,312	738,662	448,214
Europe	111,150	86,257	410,310	254,515
Other	28,297	21,960	95,304	66,625
	1,685,590	**1,308,091**	**5,868,597**	**3,715,011**

Adoption of New or Amended Standards

The Company adopted the following new standards during the nine months ended November 30, 2018. The adoptions had no impact to the condensed consolidated financial statements.

IFRS 9, *Financial Instruments* (“IFRS 9”) was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39, *Financial Instruments – Recognition and Measurement* (“IAS 39”) for debt instruments. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income (loss). Where such equity instruments are measured at fair value through other comprehensive income (loss), dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income (loss) indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income (loss). IFRS 9 is effective for annual periods beginning on or after January 1, 2018.
IFRS 15, *Revenue from Contracts with Customers* (“IFRS 15”), was issued in May 2014, replacing IAS 11, *Construction Contracts*, IAS 18, *Revenue Recognition*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 provides a single, principles based five-step model that will apply to all contracts with customers with limited exceptions, including, but not limited to, leases within the scope of IAS 17; financial instruments and other contractual rights or obligations within the scope of IFRS 9, IFRS 10, *Consolidated Financial Statements* and IFRS 11, *Joint Arrangements*.

In addition to the five-step model, the standard specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The incremental costs of obtaining a contract must be recognized as an asset if the entity expects to recover these costs.

The standard’s requirements also apply to the recognition and measurement of gains and losses on the sale of some nonfinancial assets that are not an output of the entity’s ordinary activities. IFRS 15 is required for annual periods beginning on or after January 1, 2018

Accounting Standards and Amendments Issued But Not Yet Applied

The following pronouncements have been issued by the IASB or IFRIC. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from the summary below. The following have not yet been adopted and are being evaluated to determine the resulting impact to the Company.

IFRS 16, *Leases* ("IFRS 16"), was issued in January 2016. IFRS 16 requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019, although early adoption is permitted, provided the new revenue standard, IFRS 15, has been applied or is applied at the same time as IFRS 16. The Company is still evaluating the impact of IFRS 16 on the consolidated financial statements, the impact could be material.

Financial Instruments and Risk Management

Fair Values

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities, customer deposits, short-term loans payable, and due to related parties approximate their fair values due to the short-term maturities of these instruments. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists. The fair values of the secured notes approximate their carrying amounts as they bear terms similar to that of comparable instruments.

The Company follows a three-tier categorization for its financial instruments as a framework for disclosing fair value based upon inputs used to value the Company's investments. The hierarchy is summarized as:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data
- Level 3 – inputs for assets and liabilities not based upon observable market data

As at November 30, 2018, and February 28, 2018, cash was carried at Level 1 in the fair value hierarchy. As at November 30, 2018, the short-term investment was carried at level 1 in the fair value hierarchy.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk is primarily related to the Company's interest-bearing debts on its consolidated statements of financial position. The secured notes bear interest at fixed rates of 12% and 15%, and the short-term loans payable bear interest at a fixed rate of 10%, and as such, are not subject to cash flow interest rate risk resulting from market fluctuations thereby minimizing the Company's exposure to cash flow interest rate risk.

Foreign Currency Risk

The Company is subject to foreign exchange rate risk as it enters into transactions denominated in currencies other than the Company's functional currency, which is the Canadian dollar. The maximum exposure to foreign currency risk is equal to amounts held in foreign currencies at the Statement of Financial Position date. As at November 30, 2018, the Company carried net current liabilities of CDN$1,553,704 in USD$ (February 28, 2018 - CDN$809,307 in USD$). Accordingly, a 5% change in the US dollar exchange rate as at November 30, 2018, would have resulted in an exchange gain or loss of CDN$77,685 (February 28, 2018 - exchange gain or loss of CDN$40,465).

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as outlined in *Management of Capital*. The Company has minimal revenue from operations and relies on equity and debt funding to support its development and corporate activities. Should the need for further equity or debt funding arise, there is a risk that the Company may not be able to sell new common shares at an acceptable price or debt instruments at an acceptable interest rate level.

Accounts payable and accrued liabilities, customer deposits, short-term loans payable, and secured notes are due within the current operating period. As at November 30, 2018, the Company had total cash of $38,742 (February 28, 2018 - $205,761) to settle current liabilities of $5,432,580 (February 28, 2018 - $6,142,340) and finance future operations. As a result, the Company is exposed to significant liquidity risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge their obligations. Financial instruments that potentially expose the Company to this risk consist of cash and accounts receivable. The Company's cash is on deposit with Canadian Tier 1 chartered banks therefore the associated credit risk is low. Accounts receivable are in the normal course of business.

Other Risks and Uncertainty

- If the Company is unable to advance its product and technology, specifically in the transition to the live-streaming space, its technology may become obsolete with significant impact to its ability to raise additional capital.
- If the Company is unable to compete effectively for users and advertiser spend, its business and operating results will be harmed.
- The Company has incurred significant operating losses in the past, and it may not be able to achieve or subsequently maintain profitability.
- The Company has a limited operating history in a new and unproven market for its platform, which makes it difficult to evaluate its future prospects and may increase the risk that it will not be successful.
- If the Company fails to grow its user base, or if user engagement or ad engagement on its platform declines, its revenue, business and operating results may be harmed.
- The Company's products and services may contain undetected software errors, which could harm its business and operating results.
- Regulatory investigations and settlements could cause the Company to incur additional expenses or change its business practices in a manner materially adverse to its business.
- Privacy concerns relating to the Company's products and services could damage its reputation and deter current and potential users and advertisers from using the products and services.
- The Company may face lawsuits or incur liability as a result of content published or made available through its products and services.
- The Company's intellectual property rights are valuable, and any inability to protect them could reduce the value of its products, services and brand.
- The Company requires additional capital to support its operations and the growth of its business, and it cannot be certain that this capital will be available on reasonable terms.

Investors should carefully consider the risks and uncertainties described above and in the financial statements. The risks and uncertainties described in the Company's financial statements and MD&A are not the only ones it faces. Additional risks and uncertainties, including those that the Company does not know about now or that it currently deems immaterial, may also adversely affect its business. For a more complete discussion of the risks and uncertainties which apply to the Company's business and its operating results, please see the Company's Filing Statement, Management Information Circular, and other filings with Canadian securities regulatory authorities on SEDAR at www.sedar.com.

Additional Information Concerning the Amalgamation Transaction

Background of the Transaction

In August 2015, in connection with an investment made by Personas into Peeks Social, Peeks Social entered into a technology license agreement (the "Technology License") which had given Peeks Social access to a variety of established technologies including livestreaming technology and technology designed to facilitate monetary transactions (the “Technology”). The Technology License was amended in October 2016, to increase Peeks Social’s percentage of the gross profit earned through the use of Peeks Social’s platforms from 10% to 30%.

Since the increase in the percentage to the Technology License in October 2016, Peeks Social had been interested in obtaining 100% of the revenue stream. After consultation with certain disinterested shareholders and its own management, Peeks Social initiated more formal discussions with Personas in July 2017, regarding the possibility of either increasing the percentage interest in the revenue stream under the license agreement or acquiring the Technology.

As the Transaction was deemed to be a related party transaction, on July 25, 2017, the board of directors of Peeks Social (the “Board”) established an independent special committee (the “Committee”) to explore and negotiate the Transaction.

Special Committee Composition and Mandate

The mandate of the Committee was to evaluate the Transaction and to consider potential alternatives including, without limitation, maintaining the status quo. In addition, the Committee was charged with ensuring that the terms of the Transaction were negotiated in a manner which provided protection to minority shareholders. The Committee was comprised of Messrs. Vincent McLeod, Ahmed Khan and Fareed Amin, each of whom were independent, and it was chaired by Mr. Amin who was elected chair of the Committee.

Engagement of Independent Advisors

On or about August 8, 2017, the Committee considered Evans & Evans, Inc. ("Evans") as a potential financial advisor and investigated the qualifications and experience of Evans and its expertise in advising special committees in respect of related party transactions. Mr. Amin had a detailed discussion with Jen Lucas, MBA, CBV, ASA (“Lucas”), the managing partner of Evans, and subsequently recommended to the Committee that it engage Evans to advise the Committee in respect of valuation of the license agreement, the intellectual property assets of Personas and the underlying technology. Evans was retained on November 23, 2017.

On September 12, 2017 the Committee engaged Allan J. Ritchie BA, JD, LLM, MBA, CS, CF, ICD.D (“Ritchie”) as independent legal adviser to the Committee. Ritchie is the Managing Partner of Loopstra Nixon LLP and is certified by the Law Society of Ontario as a Specialist in Corporate and Commercial Law and by the Chartered Professional Accountants of Canada as a Specialist in Corporate Finance. He also holds the ICD.D designation granted by the Institute of Corporate Directors.

Negotiations and Deliberation

On September 14, 2017, the Committee convened a meeting with Lucas and Ritchie, to discuss Evans’ process and their initial impressions of value. Evans made a detailed presentation to the Committee and the Committee had a number of technical questions on the valuation process and the analytics used by Evans. The Committee then went “in-camera” to further discuss the Transaction. On September 19, 2017, the Committee convened a follow-up call with Evans to follow-up on matters arising from the first meeting. On September 25, 2017 the Committee convened a meeting with Itwaru as CEO of Personas to commence preliminary discussions and negotiations.

A proposal from Itwaru was presented to the Committee on September 29, 2017. During the period from September 29 to October 5, 2017, the Committee undertook a comprehensive review of the proposal. On October 5, 2017, the

Committee met with Itwaru to review the proposal. On October 9, 2017, Mr. Amin discussed the proposed transaction with Ritchie. Ritchie advised that the Transaction was a related party transaction and would require the approval of disinterested shareholders and that a valuation or fairness opinion would also likely be required. In addition, Ritchie advised that the applicable regulators and stock exchange may require specific relief from rules as they relate to shareholder concentration and public float requirements. Ritchie also advised that additional representations and warranties should be provided as are consistent with an arm's length transaction of this nature. Such representations and warranties were added and remain in the final form of transaction agreement. Ritchie also advised the Committee in detail of its fiduciary duties owed to Peeks Social.

On November 14, 2017, Peeks Social entered into a letter of intent (the "LOI") with Personas and Riavera to acquire the Technology. A portion of the Technology was owned by Riavera, while Personas was a party to the Technology License. Since the date of the LOI, the Transaction's structure has been modified in order to be more tax efficient.

On February 3, 2018, Peeks Social and its wholly owned subsidiary, Peeks Social Technologies Holding Inc., entered into the Transaction Agreement, as amended and restated on March 14, 2018, to include a newly formed subsidiary of Personas as a party to the agreement.

Reasoning and Analysis of the Special Committee

The summary view of the Committee is that, in their best business judgement, the Transaction is in the best interests of Peeks Social because it builds full shareholder value through a single entity that owns all intellectual property and assets related to the Peeks Social platform. It also provides for 100% of the revenue earned from the technology license agreement to accrue ultimately to the amalgamated entity. This gives certainty to the marketplace that the Company is a self-sustaining entity. The Committee has relied upon its business judgement which was confirmed by the advice of Evans that the pricing and terms of the Transaction are fair.

The Committee identified the following non-exhaustive points as factors in favour of the Transaction:

- The proposed Transaction will result in a significant increase in the Company's revenues as it will record 100% of revenues from the Peeks Social platform instead of 30%;
- The completion of the proposed Transaction may remove confusion in the market with respect to royalty payments and revenue recognition for the Company;
- Following completion of the proposed Transaction, the Company will own the Technology which may make it a more attractive acquisition target if its user base continues to grow; and
- The Company's current market capitalization per user is well below its peers. With the Technology being held in place following the completion of the proposed Transaction, this may improve.

In making their respective determinations and recommendations, the Committee and the Board also observed that a number of procedural safeguards were and are present to permit the Committee and the Board to represent effectively the interests of the Corporation and the shareholders, other than Itwaru and Personas, and Peek Social's other stakeholders, including, among others:

- The evaluation and negotiation process was conducted by the Committee, being members of the Board who are independent of management and Itwaru and Riavera. The Committee met regularly with its advisors and management and retained its own independent legal and financial advisors.
- The Transaction was approved by the independent directors of Peeks Social in accordance with MI 61-101.
- The requirement for approval by a majority of the votes cast on the resolution by shareholders who vote at the Meeting, excluding for this purpose votes attached to the Common Shares held by Itwaru and Riavera, as

provided by MI 61-101.

- The Committee retained Evans to provide the Personas Valuation and the Fairness Opinion (as defined below). The fee payable to Evans was not contingent on the completion of the Transaction and such fee is payable to Evans in respect of the Fairness Opinion irrespective of the substance or conclusions of the Fairness Opinion.
- The process undertaken by the Committee included the retention of Loopstra Nixon LLP as its independent legal advisor and the retention of Evans as its independent financial advisor, and there was no interference from Itwaru or Riavera or their representatives.
- While the approval of the Transaction by a majority of the minority itself does not trigger dissent rights, the ancillary matters being considered by the shareholders provide that any registered shareholders who oppose the ancillary matters may, upon compliance with certain conditions, exercise dissent rights and, if ultimately successful, receive the fair value of their Common Shares. Accordingly, dissent rights are available in connection with the Transaction.

ADDITIONAL INFORMATION:

Additional information relating to the Company including the condensed consolidated interim financial statements for the nine months ended November 30, 2018, the audited consolidated annual financial statements of Peeks Social Ltd. for the year ended February 28, 2018, the audited annual financial statements of Personas.com Corporation for the fourteen months ended February 28, 2018, Filing Statement, Management Information Circular, and press releases issued by the Company, are available under the Company's profile on SEDAR at www.sedar.com or at investors.k.to.