

**EARLY WARNING REPORT PURSUANT
TO NATIONAL INSTRUMENT 62-103 – THE EARLY WARNING SYSTEM AND RELATED
TAKE-OVER BID AND INSIDER REPORTING ISSUES**

1. NAME AND ADDRESS OF THE OFFEROR:

Peter Lacey
38501 Range Road 272
Calgary, AB T4P 0X6

(the “Filing Party”)

2. THE DESIGNATION AND NUMBER OR PRINCIPAL AMOUNT OF SECURITIES AND THE OFFEROR’S SECURITYHOLDING PERCENTAGE IN THE CLASS OF SECURITIES OF WHICH THE OFFEROR ACQUIRED OWNERSHIP OR CONTROL IN THE TRANSACTION OR OCCURRENCE GIVING RISE TO THE OBLIGATION TO FILE THE NEWS RELEASE, AND WHETHER IT WAS OWNERSHIP OR CONTROL THAT WAS ACQUIRED IN THOSE CIRCUMSTANCES.

Pursuant to a private placement of common shares of Fanlogic Interactive Inc. (the “Corporation”), the Filing Party, purchased a total of 1,666,667 units at a price of \$0.15 per unit for a total subscription of \$250,000. Each unit consists of one common share and one common share purchase warrant. Each warrant allows the holder to purchase one common share at a price of \$0.50 per share for a period of two years.

As a result of this acquisition, the Filing Party will hold 3,393,334 Common Shares and 3,333,334 warrants of the Corporation representing approximately 7.09% of the issued and outstanding voting securities of the Corporation and 13.15% on a fully diluted basis, assuming exercise of the warrants .

3. THE DESIGNATION AND NUMBER OR PRINCIPAL AMOUNT OF SECURITIES AND THE OFFEROR’S SECURITYHOLDING PERCENTAGE IN THE CLASS OF SECURITIES IMMEDIATELY AFTER THE TRANSACTION OR OCCURRENCE GIVING RISE TO OBLIGATION TO FILE THE NEWS RELEASE.

See Item 2.

4. THE DESIGNATION AND NUMBER OR PRINCIPAL AMOUNT OF SECURITIES AND THE PERCENTAGE OF OUTSTANDING SECURITIES OF THE CLASS OF SECURITIES REFERRED TO IN PARAGRAPH (3) OVER WHICH:

(i) the offeror, either alone or together with any joint actors, has ownership and control,

See Item 2.

(ii) the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor, and

Not applicable.

(iii) the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership;

Not applicable.

- 5. THE NAME OF THE MARKET IN WHICH THE TRANSACTION OR OCCURRENCE THAT GAVE RISE TO THE NEWS RELEASE TOOK PLACE.**

Not applicable.

- 6. THE VALUE, IN CANADIAN DOLLARS, OF ANY CONSIDERATION OFFERED PER SECURITY IF THE OFFEROR ACQUIRED OWNERSHIP OF A SECURITY IN THE TRANSACTION OR OCCURRENCE GIVING RISE TO THE OBLIGATION TO FILE A NEWS RELEASE;**

Upon completion of the private placement, the Filing Party had beneficial ownership of, and control and direction over, 3,393,334 Common Shares and 3,333,334 warrants of the Corporation.

- 7. THE PURPOSE OF THE OFFEROR AND ANY JOINT ACTORS IN EFFECTING THE TRANSACTION OR OCCURRENCE THAT GAVE RISE TO THE NEWS RELEASE, INCLUDING ANY FUTURE INTENTION TO ACQUIRE OWNERSHIP OF, OR CONTROL OVER, ADDITIONAL SECURITIES OF THE REPORTING ISSUER;**

The securities were acquired for investment purposes and the holders may increase or decrease their beneficial ownership or control depending on market or other conditions.

- 8. THE GENERAL NATURE AND THE MATERIAL TERMS OF ANY AGREEMENT, OTHER THAN LENDING ARRANGEMENTS, WITH RESPECT TO SECURITIES OF THE REPORTING ISSUER ENTERED INTO BY THE OFFEROR, OR ANY JOINT ACTOR, AND THE ISSUER OF THE SECURITIES OR ANY OTHER ENTITY IN CONNECTION WITH THE TRANSACTION OR OCCURRENCE GIVING RISE TO THE NEWS RELEASE, INCLUDING AGREEMENTS WITH RESPECT TO THE ACQUISITION, HOLDING, DISPOSITION OR VOTING OF ANY OF THE SECURITIES;**

The Filing Party acquired the securities pursuant to a private placement of units of the Corporation.

- 9. NAMES OF ANY JOINT ACTORS IN CONNECTION WITH THE REQUIRED DISCLOSURE.**

Not applicable.

- 10. IN THE CASE OF A TRANSACTION OR OCCURRENCE THAT DID NOT TAKE PLACE ON A STOCK EXCHANGE OR OTHER MARKET THAT REPRESENTS A PUBLISHED MARKET FOR THE SECURITIES, INCLUDING AN ISSUANCE FROM TREASURY, THE NATURE AND VALUE, IN CANADIAN DOLLARS OF THE CONSIDERATION PAID BY THE OFFEROR;**

See Item 6.

- 11. IF APPLICABLE, A DESCRIPTION OF ANY CHANGE IN ANY MATERIAL FACT SET OUT IN A PREVIOUS REPORT BY THE ENTITY UNDER THE EARLY WARNING REQUIREMENTS OR PART 4 OF NATIONAL INSTRUMENT 62-103 IN RESPECT OF THE REPORTING ISSUER'S SECURITIES.**

Not applicable.

12. IF APPLICABLE, A DESCRIPTION OF THE EXEMPTION FROM SECURITIES LEGISLATION BEING RELIED ON BY THE OFFEROR AND THE FACTS SUPPORTING THAT RELIANCE.

Not applicable

DATED this 17th day of May 2017.

“Peter Lacey”

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