

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this short form prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of SponsorsOne Inc. at its head office and principal place of business at 2 Campbell Drive, Suite 307C, Uxbridge, Ontario, Canada L9P 1H6 (Telephone: (647) 400 - 6927) and are also available electronically at www.sedar.com.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold in any state, district or commonwealth of the United States of America, its territories or possessions (the "United States") and, subject to certain exceptions, may not be offered or sold, directly or indirectly, within the United States or to or for the account for benefit of any "U.S. Person" (as defined in Regulation S made under the U.S. Securities Act) and under the securities laws of any applicable state. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to or for the account or benefit of a U.S. Person or person within the United States. See "Plan of Distribution".

SHORT FORM PROSPECTUS

New Issue	July 13, 2018
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Sponsors
One™

Minimum Offering of \$1,500,000.12 (8,333,334 Units)

Maximum Offering of \$2,717,681 (15,098,227 Units)

AND

1,568,440 Common Shares and 784,220 Warrants issuable

Upon exercise of 1,568,440 outstanding Special Warrants

Price: \$0.18 per Unit and \$0.18 per Special Warrant

This short form prospectus is being filed to qualify the distribution: (i) a minimum (the "Minimum Unit Offering") of 8,333,334 units (the "Units") of SponsorsOne Inc. ("SponsorsOne", "SPO" or the "Corporation") and a maximum (the "Maximum Unit Offering") of 15,098,227 Units at a price of \$0.18 per Unit (the "Offering Price") for gross proceeds of up to \$1,500,000.12 under the Minimum Unit Offering and of \$2,717,681 under the Maximum Unit Offering (the "Unit Offering"); and (ii) 1,568,440 Units issuable for no additional consideration upon the deemed exercise of 1,568,440 issued and outstanding special warrants of the Corporation (the "Special Warrants"). Each Unit is comprised of one (1) common share of the Corporation ("Common Share") and one half (0.5) common share purchase warrant of the Corporation (each whole warrant, a "Warrant"). This short form prospectus also qualifies the issuance of up to 2,109,823 Agent Options (as defined herein) issuable to the Agent (as defined herein) pursuant to, among other things, the Unit Offering.

Units are being sold hereunder in accordance with an agency agreement (the "Agency Agreement") entered into under the Unit Offering between the Corporation and Emerging Equities Inc. (the "Agent") as of the date hereof. The Offering Price and the other terms of the Unit Offering were determined by negotiations between the Corporation and the Agent. See "Plan of Distribution".

The Special Warrants were issued on May 16, 2018 (the "Special Warrant Closing Date") pursuant to a special warrant indenture dated May 16, 2018 (the "Special Warrant Indenture") between the Corporation and TSX Trust Company (the "Special Warrant Agent"). The Special Warrants were sold on a private placement basis to purchasers in the provinces (collectively, the "Qualifying Provinces") of British Columbia, Alberta and Ontario (the "Special Warrant Offering" and together with the Unit Offering, the "Offering") at the Offering Price. **The Special Warrants are not available for purchase under this short form prospectus and no additional funds are to be received by the**

Corporation, nor any commission or fees payable by the Corporation in connection with the distribution of the Common Shares, Warrants and if applicable, the Penalty Shares (as defined below) issuable upon exercise of the Special Warrants. Pursuant to the Special Warrant Indenture, each Special Warrant is exercisable, without payment of any additional consideration, into one Unit at any time on or after the Special Warrant Closing Date, and all unexercised Special Warrants will be deemed to be exercised at 5:00 p.m. (Toronto time) on the date (the "Deemed Exercise Date") that is the earlier of: (i) the fifth business day (the "Qualifying Date") after the date on which the Corporation obtains the Final Passport System Decision Document (as defined below); and (ii) 120 days following the Special Warrant Closing Date. SponsorsOne has covenanted with subscribers for Special Warrants to use its best efforts to obtain a final decision document for a final Prospectus (as defined herein) issued by the Ontario Securities Commission ("OSC") on its own behalf and on behalf of securities commission and regulatory authorities in the Qualifying Provinces (a "Final Passport System Decision Document"). In the event that Final Passport System Decision Document is not obtained on or before the date that is 60 days following the Special Warrant Closing Date (being July 15, 2018) (the "Qualification Deadline"), each Special Warrant shall thereafter, at the Deemed Exercise Date, be deemed to be exercised for no additional consideration and without any further action on the part of the holder, a supplemental 0.1 of a Common Share (each whole share, a "Penalty Share") in addition to the one (1) Common Share and one half (0.5) Warrant which comprise the Unit. This short form prospectus qualifies the distribution of any Penalty Shares issuable upon exercise of the Special Warrants. See "Plan of Distribution".

Each Warrant which forms part of the Units in the Unit Offering and which are issuable upon deemed exercise of the Special Warrants will be issued pursuant to the terms of warrant indentures (the "Warrant Indentures") between TSX Trust Company (the "Warrant Agent"), as warrant agent thereunder. Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one (1) Common Share at an exercise price of \$0.30 per share for a period of twelve (12) months following the Deemed Exercise Date, provided that if the closing price at which the Common Shares trade on the Canadian Securities Exchange (the "CSE") (or any such other stock exchange in Canada as the Common Shares may trade at the applicable time) exceeds \$0.55 for five (5) consecutive trading days at any time following the date that is four months and one day after the Deemed Exercise Date, the Corporation may accelerate the expiry date of the Warrants (the "Reduced Warrant Term") to the date that is twenty-one (21) calendar days following the date a press release is issued by the Corporation announcing the Reduced Warrant Term.

The Common Shares are listed and posted for trading on the Canadian Securities Exchange (the "CSE") under the trading symbol "SPO". On May 15, 2018, the last trading day prior to the announcement of the Unit Offering, the closing price of the Common Shares on the CSE was \$0.20. On July 12, 2018, the last trading day prior to the date of this short form prospectus, the closing price of the Common Shares on the CSE was \$0.21.

	Price to the Public	Fees ⁽⁴⁾⁽⁵⁾	Net Proceeds to the Corporation ⁽²⁾
Per Special Warrant	\$0.18	\$0.018 ⁽¹⁾	\$0.162
Per Unit	\$0.18	\$0.018 ⁽²⁾	\$0.162
Minimum Offering ⁽³⁾	\$1,500,000.12	\$150,000.01	\$1,350,000.11
Maximum Offering ⁽³⁾	\$2,717,681	\$271,768	\$2,445,913

Notes:

- (1) Pursuant to a finder's fee agreement dated April 18, 2018, the Corporation paid Emerging Equities Inc. ("EEI") a fee equal to 10.0% of the aggregate gross proceeds of the sale of Special Warrants (other than in respect of the sale of Special Warrants to certain subscribers identified by another registered dealer who was paid the same commission as EEI for those sales) and issued options (the "Finder's Options") entitling EEI and the other registered dealer to purchase that number of units ("Finder's Units") equal to 10.0% of the total number of Special Warrants issued (other than in respect of the sale of Special Warrants to certain subscribers identified by another registered dealer who was issued Finder's Options in respect of such sales on the same terms). Each Finder's Option is exercisable for one Finder's Unit for a period of twenty four months from the Special Warrant Closing Date at the Offering Price. Each Finder's Unit issued pursuant to the Finder's Options shall be comprised of one (1.0) Common Share and one-half (0.5) of a warrant (each whole warrant, a "Finder's Warrant"). The Finder's Warrants shall be issued on substantially the same terms as the Warrants.
- (2) Pursuant to the Agency Agreement, the Corporation agreed to pay the Agent a fee equal to 10% of the gross proceeds of the Units sold under the Unit Offering and issue that number of options ("Compensation Options" and, together with the Sponsorship Options (as defined herein), the "Agent Options") equal to the number of

(iii)

the Units sold under the Unit Offering. Each Compensation Option shall be exercisable for one (1) Unit (the "Compensation Units" and, together with the Sponsorship Units, the "Agent's Units") at the Offering Price per Unit for a period of twenty four months from the date of closing of the Unit Offering (the "Unit Offering Closing Date"). Each Agent's Unit issued under the Compensation Options or Sponsorship Options, as the case may be, shall be comprised of one (1.0) Common Share and one-half (0.5) warrant (each whole warrant, a "Compensation Warrant" and, together with the Sponsorship Warrants, the "Agent's Warrants"). The Compensation Warrants shall be issued on substantially the same terms as the Warrants.

- (3) After deducting the fees payable to the Agent, but before deducting the expenses of the Offering, which are estimated to be \$300,000 in the aggregate (inclusive of the Sponsorship Fee (as defined below)), which will be paid by the Corporation out of the gross proceeds of the Offering.
- (4) The Corporation has granted to the Agent an option (the "Over-Allotment Option"), exercisable in whole or in part at the sole discretion of the Agent at any time until a date that is 30 days following the Unit Offering Closing Date, to purchase up to an additional 5,555,556 Units on the same terms, including the Offering Price, as set forth above. If the Over-Allotment Option is exercised in full the total Price to the Public, Fee and Net Proceeds to the Corporation set forth in the table above will be \$4,000,000, \$400,000 and \$3,600,000 respectively (before estimated expenses of \$300,000).
- (5) The Corporation has paid the Agent \$30,000 as a sponsorship fee (the "Sponsorship Fee") and will grant the Agent 600,000 options as compensation for sponsorship services under the Unit Offering (the "Sponsorship Options" and, together with the Finder's Options and Compensation Options, the "EEI Options"). Each Sponsorship Option is exercisable for one Unit ("Sponsorship Unit") for a period of twenty-four months from the Unit Offering Closing Date at the Offering Price. Each Sponsorship Unit issued pursuant to the Sponsorship Options shall be comprised of one (1.0) Common Share and one-half (0.5) of a warrant (each whole warrant, a "Sponsorship Warrant" and, together with the Finder's Warrants and Compensation Warrants, the "EEI Warrants"). The Sponsorship Warrants shall be issued on substantially the same terms as the Warrants.

The Corporation has applied for approval to list the Common Shares issuable under the Offering, including the Common Shares: (i) that form a part of the Units issuable under the Unit Offering and upon exercise of the Special Warrants; (ii) issuable as Penalty Shares pursuant to the terms of the Special Warrants; (iii) forming part of the Units issuable upon exercise of the Over-Allotment Option; (iv) issuable on exercise of the Warrants; (v) issuable on exercise of the EEI Options; and (vi) issuable on exercise of the EEI Warrants. Listing will be subject to the Corporation fulfilling all of the listing requirements of the CSE.

An investment in the securities of the Corporation should only be made by those persons who can afford the loss of their entire investment. Prospective investors should carefully consider the risk factors described in this short form prospectus or incorporated by reference herein. An investment in the securities of the Corporation involves a high degree of risk. Prospective investors should consider the risk factors described under "Risk Factors" in this short form prospectus and in the Corporation's Annual Information Form (as defined herein) and the other documents incorporated by reference in this short form prospectus, which can be found on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com, before purchasing the Units.

Any Common Shares and Warrants (and if applicable, Penalty Shares) issued upon the exercise of Special Warrants prior to the receipt of a Final Passport System Decision Document will be subject to relevant hold periods under applicable securities legislation.

It is anticipated that the Unit Offering Closing Date will occur as soon as possible after obtaining the Final Passport System Decision Document and is expected to occur on or about July 25, 2018, or such earlier or later date as may be agreed between the Corporation and the Agent but in any event, not later than 90 days after the date of the receipt for the final short form prospectus. See "Plan of Distribution".

This Unit Offering is not underwritten. This Unit Offering is made on a reasonable commercial efforts basis by the Agent who conditionally offers the Units, if, as and when issued by the Corporation and accepted by the Agent, in accordance with the terms and conditions contained in the Agency Agreement.

Subject to applicable laws and in connection with the Unit Offering, the Agent may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise

prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Except in certain limited circumstances: (i) the Common Shares and Warrants sold or issued hereunder will be registered and represented electronically through the non-certificated inventory ("NCI") system of CDS Clearing and Depository Services Inc. ("CDS") in "book-entry only" form; (ii) no certificates evidencing the Common Shares or Warrants will be issued to purchasers unless specifically requested; and (iii) purchasers of Units will receive only a customer confirmation from the Agent or other registered dealer who is a CDS depository participant ("Participant") and from or through whom a beneficial interest in the Common Shares or Warrants is purchased. Such request will need to be made through a Participant through whom the beneficial interest in the securities are held at the time of request. The Special Warrants have been issued as certificated securities. Upon exercise or deemed exercise of the Special Warrants, it is anticipated that evidence of ownership representing the underlying Common Shares and Warrants will be issued in non-certificated book-entry only form and registered to CDS or its nominee and deposited with CDS on the day following the date of exercise or the Deemed Exercise Date. No certificates evidencing Common Shares and Warrants issued upon exercise or deemed exercise of the Special Warrants will be issued to purchasers, except in certain limited circumstances, and registration will be made through the depository services of CDS.

Information contained on the website of the Corporation shall not be deemed to be a part of this short form prospectus or incorporated herein by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the Units.

Prospective investors should rely only on the information contained in or incorporated by reference into this short form prospectus. The Corporation has not authorized anyone to provide you with different or additional information. The Corporation is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this short form prospectus or incorporated by reference herein is accurate as of any date other than the date on the front of this short form prospectus or the date contained in the Annual Information Form or other document incorporated by reference into this short form prospectus, as applicable.

There is no market through which the Warrants or Special Warrants may be sold and investors may not be able to resell the Warrants or Special Warrants acquired pursuant to the Offering. This may affect the pricing of the Warrants and Special Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and Special Warrants and the extent of issuer regulation. See "Risk Factors".

Brad Herr, who is the Chief Financial Officer of the Corporation, resides outside of Canada and has appointed the Corporation, at its registered office set forth below, as his agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the person has appointed an agent for service of process.

The registered office of the Corporation is located at 365 Bay Street, Suite 400, Toronto, Ontario, Canada M5H 2V1 and the head office of the Corporation is located at 2 Campbell Drive, Suite 307C, Uxbridge, Ontario, Canada L9P 1H6.

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ADVISORIES

About this Prospectus

Readers should rely only on the information contained in this short form prospectus (including the documents incorporated by reference) and should not rely on some parts of this short form prospectus to the exclusion of others. The Corporation has not, and the Agent has not, authorized any other person to provide investors with additional or different information. If anyone provides you with additional, different or inconsistent information, including information or statements in media articles about the Corporation, readers should not rely on it. The Corporation is not, and the Agent is not, offering the Units in any jurisdiction in which the Unit Offering is not permitted. Investors should assume that the information contained in this short form prospectus is accurate only as of the date on the front of this short form prospectus and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this short form prospectus or of any sale of the Units.

Information contained in this short form prospectus should not be construed as legal, tax or financial advice and readers are urged to consult their own professional advisors in connection therewith.

The Corporation has not done anything that would permit the offering or distribution of securities under this short form prospectus in any jurisdiction where action for that purpose is required, other than in Ontario, British Columbia and Alberta. Investors are required to inform themselves about, and to observe any restrictions relating to, any offering or distribution of securities under this short form prospectus.

Forward-Looking Statements

This short form prospectus contain forward-looking statements and forward-looking information (collectively, "forward-looking statements"). These forward-looking statements relate to future events or the Corporation's future performance. All forward-looking statements contained herein that are not clearly historical in nature constitute forward-looking statements, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential", "continue", or the negative of these terms or other comparable terminology are generally intended to identify forward-looking statements. Such statements represent the Corporation's internal projections, estimates or beliefs concerning, among other things, an outlook on the estimated amounts and timing of capital expenditures, anticipated future debt levels and revenues or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. In addition, this short form prospectus may contain forward-looking statements attributed to third party industry sources. Neither the Corporation nor the Agent has independently verified any of the data from independent third-party sources referred to in this short form prospectus or ascertained the underlying assumptions relied upon by such sources. SponsorsOne believes that the expectations reflected in these forward-looking statements are reasonable, however, undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

Forward-looking statements in this short form prospectus include, but are not limited to, statements with respect to:

- how *SponsorCoin* and *SponsorCloud* will operate and function (as each is defined herein);
- ability of the Corporation to retain and attract skilled persons in the future;
- growth expectations within the Corporation;
- the use of proceeds from the Offering and cash on hand;
- the Corporation's future operating and financial results;
- schedules and timing of certain projects and the Corporation's strategy for growth;
- anticipated industry trends; and
- the listing of the Common Shares comprising the Units, issuable on deemed exercise of the Special Warrants and issuable upon exercise of the Warrants, EEI Options and EEI Warrants;
- obtaining all the required stock exchange and other approvals in connection with the Offering;
- expenses associated with the Offering;
- operating and administrative costs, costs of services and other costs and expenses;
- future liquidity and financial capacity;

- projections of market prices and costs;
- expectations regarding the Corporation's ability to raise capital;
- treatment under government regulatory and taxation regimes; and
- expectations regarding the timing and amounts of anticipated dividend payments.

Although the Corporation believes that the expectations reflected by the forward-looking statements are reasonable, the forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Corporation about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources including third party consultants, suppliers, regulators and other sources. The material factors and assumptions used to develop the forward-looking statements include but are not limited to:

- the satisfaction of the conditions to closing of the Unit Offering, including the receipt, in a timely manner, of regulatory and other required approvals;
- the use of the net proceeds of the Offering;
- no significant adverse changes to markets or competitive conditions;
- no significant delays of the development, construction or commissioning of the Corporation's projects that may result from the inability of suppliers to meet their commitments, lack of regulatory approvals or other governmental actions, harsh weather or other calamitous events;
- no significant unexpected technological or commercial difficulties that adversely affect the Corporation's development plans;
- continuing availability of economical capital resources and demand for the Corporation's products;
- no significant adverse legislative and regulatory changes, in particular changes to the legislation and regulation governing fiscal regimes and environmental issues; and
- stability of general domestic and global economic, market and business conditions.

In addition, forward-looking statements in documents incorporated by reference herein may be based on additional assumptions as disclosed in such documents. Readers are cautioned that the foregoing list of factors is not exhaustive. By its nature, forward-looking statements involve numerous inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur.

Risks and uncertainties are discussed more extensively under the heading "Risk Factors" in the AIF (as defined herein) which is incorporated by reference into this Prospectus.

The forward-looking statements contained in this short form prospectus are expressly qualified by the foregoing cautionary statements and are made as of the date of this short form prospectus. Except as may be required by applicable securities laws, the Corporation does not undertake any obligation to publicly update or revise any forward-looking statement to reflect events or circumstances after the date of this short form prospectus or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise. Investors should read this entire short form prospectus (and the documents incorporated by reference herein) and consult their own professional advisors to ascertain and assess the income tax and legal risks and other aspects of their investment in the Corporation.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with the securities commissions or similar authorities in the Qualifying Provinces. Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of SponsorsOne Inc. at 2 Campbell Drive, Suite 307C, Uxbridge, Ontario, Canada L9P 1H6 and are also available electronically at www.sedar.com.

The following documents filed by the Corporation with securities commissions or similar authorities in Canada are specifically incorporated into this Prospectus:

1. the amended and restated annual information form of the Corporation for the financial year ended December 31, 2017 dated July 13, 2018 (the "AIF");
2. the Statement of Executive Compensation dated July 3, 2018 for the year ended December 31, 2017;

3. the material change report dated July 3, 2018 in respect of the debt restructuring completed by the Corporation;
4. the material change report dated June 18, 2018 in respect of the extension of the expiration of certain outstanding warrants;
5. the amended and restated consolidated interim financial statements of the Corporation for the three months ended March 31, 2018 together with the notes thereto dated July 3, 2018 (the "Interim Financial Statements");
6. the amended and restated management's discussion and analysis of the financial condition and results of operations of the Corporation for the three months ended March 31, 2018, July 3, 2018 (the "Interim MD&A");
7. the audited consolidated financial statements of the Corporation as at and for the years ended December 31, 2017 and December 31, 2016 together with the notes thereto (the "Annual Financial Statements") and the auditors' report thereon, dated March 16, 2018;
8. the management's discussion and analysis of the financial condition and results of operations of the Corporation for the year ended December 31, 2017, dated March 19, 2018 (the "Annual MD&A");
9. the material change reported dated April 30, 2018 in respect of the appointment of Mr. Brad Herr as the Chief Financial Officer of the Corporation in replacement of Mr. Arvin Ramos;
10. the material change report dated January 15, 2018 in respect of the closing of a non-brokered private placement for gross proceeds of \$105,000 through the issuance of 2,625,000 units of the Corporation at a price of \$0.04 per unit with each unit consisting of one Common Share and one Common Share purchase warrant entitling the holder thereof to purchase one Common Share at an exercise price of \$0.05 for a period of 24 months after closing of such sale; and
11. the management information circular dated August 24, 2017 (the "Information Circular").

Any documents of the type required by National Instrument 44-101 – Short Form Prospectus Distributions to be incorporated by reference in a short form prospectus, including any annual information forms, material change reports (except confidential material change reports), marketing materials, financial statements and related management's discussion and analysis, business acquisition reports, information circulars, and press releases issued by the Corporation specifically referencing incorporation by reference into this Prospectus, if filed by the Corporation with the provincial securities commissions or similar authorities in Canada after the date of this Prospectus and before the distribution of the securities being qualified hereunder, are deemed to be incorporated by reference in this Prospectus.

Documents referenced in any of the documents incorporated by reference in this short form prospectus but not expressly incorporated by reference therein or herein and not otherwise required to be incorporated by reference therein or in this Prospectus are not incorporated by reference in this short form prospectus.

Any statement contained in this short form prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this short form prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as such terms are defined under applicable Canadian securities laws) that are used by the Agent in connection with the Unit Offering are not part of this short form prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this short form prospectus. Any template version of any marketing materials that has been, or will be, filed on SEDAR before the termination of the distribution under the Unit Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this short form prospectus.

CONVENTIONS

Words importing the singular number only include the plural and vice versa and words importing any gender include all genders. Unless otherwise specified, in this short form prospectus (including the documents incorporated by reference herein) all dollar amounts are stated in Canadian dollars, and all references to "dollars" or "\$" are to Canadian dollars. In this short form prospectus, unless otherwise indicated or the context otherwise requires, the terms "SponsorsOne", "Corporation", "we", "us" and "our" are used to refer to SponsorsOne Inc. inclusive of our subsidiaries.

The Interim Financial Statements and Annual Financial Statements, incorporated by reference in this short form prospectus, are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards.

The address of the Corporation's website is www.SponsorsOne.com. Information contained on the Corporation's website is not part of this short form prospectus nor is it incorporated by reference herein. Prospective investors should rely only on the information contained or incorporated by reference in this short form prospectus. The Corporation has not authorized any person to provide different information.

The Units and the Agent Options being qualified for distribution under this short form prospectus may only be distributed in those jurisdictions in which offers and sales of such securities are permitted. This short form prospectus is not an offer to sell or a solicitation of an offer to buy Units in any jurisdiction where it is unlawful to do so.

ELIGIBILITY FOR INVESTMENT

In the opinion of Nerland Lindsey LLP, tax counsel to the Corporation, based on the provisions of the Income Tax Act (Canada) (the "Tax Act") and the regulations thereunder in force on the date hereof, proposals to amend the Tax Act or the regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and the current published administrative policies and assessing practices of the Canada Revenue Agency, provided that the Common Shares are listed on a "designated stock exchange" (which currently includes the CSE) or the Corporation is a "public corporation" (as that term is defined in the Tax Act), the Common Shares and Warrants would be, if issued on the date hereof, "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan or a tax-free savings account (collectively referred to as the "Registered Plans") or a deferred profit sharing plan ("DPSP"), each as defined in the Tax Act, provided that, in the case of the Warrants, neither the Corporation nor any person dealing at non-arm's length with the Corporation is an annuitant, a beneficiary, an employer, or a subscriber under, or a holder of, the governing plan of such Registered Plan or DPSP.

Notwithstanding that the Common Shares and Warrants may be qualified investments for a trust governed by a Registered Plan, if any of such securities are a "prohibited investment" within the meaning of the Tax Act for a trust governed by a Registered Plan, the holder or the annuitant under the Registered Plan, as the case may be (the "Controlling Individual"), will be subject to a penalty tax as set out in the Tax Act. The Common Shares and Warrants will not be a "prohibited investment" provided that the Controlling Individual does not have a "significant interest" in the Corporation, within the meaning of the prohibited investment rules in the Tax Act, and deals at arm's length with the Corporation. In addition, the Common Shares and Warrants generally will not be a prohibited investment if such securities are "excluded property" as defined in the Tax Act for trusts governed by a Registered Plan.

THE CORPORATION

SponsorsOne Inc. was incorporated under the *Business Corporation Act (Ontario)* under the laws of the Province of Ontario on March 8, 1965 under the name "Superior Copper Mines Limited". The Corporation filed various articles of amendments dated August 8, 1972, March 6, 1979, March 3, 1988, May 9, 1989, January 8, 1990, February 26, 1997 and December 19, 2013 in respect of changes to share capital and other corporate matters including to change of its name to "Mountainview Explorations Inc.", then to "Banro Capital Group Inc." then to "International Infopet Systems Ltd." and finally to "SponsorsOne Inc."

MXM Nation Inc. ("MXM"), a wholly-owned subsidiary of the Corporation, was incorporated under that laws of the Province of Ontario on February 2, 2006 as "Deep Creek Ventures Inc.". On April 4, 2007, MXM changed its name to "MX Mechanics Inc." and on February 5, 2013 MXM changed its name to "MXM Nation Inc."

SponsorsOne Media Inc. ("SPM"), a wholly-owned subsidiary of the corporation, was incorporated under the laws of the State of Delaware on January 11, 2018.

The head office of SPO, MXM and SPM is located at 2 Campbell Drive, Suite 307C, Uxbridge, ON L9P 1H6 and the registered office is located at 365 Bay Street, Suite 400, Toronto, Ontario, Canada M5H 2V1.

Business of the Corporation

The Corporation works with companies to promote their product lines ("Brands") through social media marketing campaigns which include:

1. creating and producing video, audio, photography, graphics and other web content ("Entertainment Media");
2. developing a network ("Influencer Network Development") of people who have a Brand relevant presence in online social media to facilitate a connection amongst their followers to a particular Brand ("Influencer(s)");
3. facilitating the dissemination of, and interaction with, the Entertainment Media by the Influencers (the "Influencer Engagement"), using the proprietary platform ("SponsorsCloud") being developed by the Corporation;
4. tracking and evaluating the effectiveness of the Influencer Engagement using the proprietary analytics within SponsorsCloud ("Data Analytics");
5. working with Brands to develop customized incentive programs ("Smart Campaigns"), through SponsorsCloud, for Influencer Engagement and to reward this behavior with a proprietary crypto-currency ("SponsorCoin"); and
6. providing and application, SponsorsCloud, through which Influencers can: (i) use SponsorCoins to purchase discounted product from Brands on their own e-commerce sites; (ii) redeem SponsorCoins for cash from the Corporation; or (iii) trade SponsorCoins into other cryptocurrencies.

SponsorsCloud and SponsorCoin are designed to address the challenges faced by companies connecting Brands with Influencers, facilitating social media interaction, measuring the impact on such interactions and selectively rewarding the most effective interactions. Influencers are people in social media that have followings of people, who take actions based on what that Influencer buys, does and says. The term Influencers often has a connotation for large Influencers who sometimes charge fees for their social media influence. There are a lot of smaller influencers ("Micro-Influencers") who have significant followings, sometimes in niche marketing areas who can be influential as well. Social media marketing through Micro-Influencers is challenging due to the difficulty of engagement between Brands, Micro-Influencers, customers and social media advertising and there is little meaningful understanding of the return on investment, costs related to products/services and support given to customers/influencers with no communication channel post advertisement/sponsorship promotion, SPO is developing SponsorsCloud and patent pending SponsorCoin to address the foregoing issues by creating Influencer communities, including Micro-Influencers, for Brands.

USING MICRO-INFLUENCERS TO SUCCESSFULLY PROMOTE YOUR BUSINESS

WHY MICRO-INFLUENCERS



Technology Description and Development

The Corporation has spent approximately \$3,000,000 over the past 3 years developing the SponsorsCloud which is in the final stages of completion for commercialization. SponsorsCloud consists of the Central Ledger (as defined and described below), SponsorCoin, systems for the creation of Smart Campaigns and Data Analytics. Full user experience design of SponsorsCloud is complete with full web browser functionality including dash boards for administration by SPO, Brands and Influencers.

In order to complete the final stages of commercialization of SponsorsCloud, SPO is in the process of completing the following steps (the “Technology Development Phase I”): (i) moving the SponsorsCloud from beta servers into a fully operational production environment using the Amazon web platform, Amazon Web Services; (ii) simulations and testing to be ensure a stable server infrastructure; (iii) minor adjustments to the SponsorsCloud social media connectivity; (iv) finalization of the Amazon e-commerce integration for coupon & discount codes; and (v) final adjustments to the user interface. Management anticipates that the Technology Development Phase I will take approximately 8 weeks from the Unit Offering Closing Date.

Additional developments will include the addition of a mobile application which also requires additional modifications to the web interface of SponsorsCloud, including the following steps (the “Technology Development Phase II”): (i) finalize the mobile application user flows; (ii) integration of Shopify and Bigcommerce for redemptions with additional Brands e-commerce using those interfaces; (iii) optimizing the integration process for interaction of SponsorsCloud with all social media applications to accommodate the mobile application; (iv) additional scale testing to optimize and monitor the SponsorsCloud in conjunction with the mobile application; and (v) security upgrades to monitor SponsorsCloud. Management anticipates that Technology Development Phase II will take approximately 16 weeks from the date it is started.

SponsorCoin has been fully developed including its full management system, wallet and issuance technology that issues the SponsorCoin from the bank (the “SponsorsBank”) of SponsorsCloud. Each Influencer and Brand will have their own wallet within SponsorCloud to hold SponsorCoins. As of the date of this Prospectus, no SponsorCoins have been issued.

At the start of each marketing campaign for a Brand, SPO will create and issue SponsorCoins to a Brand who will use those SponsorCoins to reward Influencers for Influencer Engagement. Influencers then use them to purchase Brand product. At the time of purchase, the SponsorCoin moves from the Influencer back to the Brand for reuse into a new

Smart Campaign. If a Brand does not have enough SponsorCoins for their next Smart Campaign, SPO will issue more SponsorCoins from the SponsorsBank. The movement of SponsorCoins from the SponsorsBank to the Brand for their Smart Campaign, to the Influencer as a reward for Influencer Engagement and then back to the Brand for purchase of product is tracked over the entire life of each SponsorCoin. Data Analytics uses the data associated with this movement for analysis to determine the effectiveness of various types of Influencer Engagement and to refine future Smart Campaigns.

Ongoing costs related to SponsorsCloud will break down into 3 categories: (i) operational; (ii) maintenance; and (iii) development. Operational costs to run and host the servers at Amazon web platform, Amazon Web Services, are estimated at 2% of sales regardless of volume. SponsorsCloud has been designed and tested to automatically scales up to 1,000,000 transactions per second and when transaction volume is low, it automatically scales down to server utilization to reduce hosting and server charges. After its first year of operation, SPO anticipates annual maintenance costs of approximately \$250,000 to keep the server running and troubleshoot system errors. This function will be performed by a small team of external consultants consisting of systems engineers with one lead developer. After learning from the first year of operations, as customer requirements appear due to deployment within the target market segments, it is anticipated that additional development of SponsorsCloud will be implemented depending on needs and available funds. Additional development work will be performed by a small team of external consultants consisting of system engineers and a lead developer. SponsorsCloud currently has the full functionality to execute on the current business model. SPO cannot at this time predict what modifications or additions will be necessary or desirable and will make such determinations on a case by case basis depending on the anticipated costs and the anticipated associated revenue that could be associated with any such modifications.

Production of Entertainment Media

SPO created SponsorsOne Media in January, 2018 as a wholly owned Delaware corporation in the U.S. Its purpose is to engage directly with Brands to develop their digital marketing strategy including the production of Entertainment Media. Initially, Brands will not be required to pay for the creation of Entertainment Media up front, thereby making it more accessible to smaller Brands with limited budgets.

Once a Brand engages and contracts with SPO, SPO will work with the Brand to create Entertainment Media as part of an overall marketing program for the Brand. No Entertainment Media will be created unless specifically contracted by a Brand. The Entertainment Media will be created in various formats including 30 and 60 minute video segments which will be feature programs as well as videos as short as 2 minutes for Youtube and videos as short as 15 to 30 seconds for Facebook, Instagram, Twitter, Snapchat and Messenger. Links to the Brands and SponsorsCloud will be built into the content. Influencers will have no need to produce any content as SPO will create all Entertainment Media and provide the ability, through SponsorsCloud, to disseminate the Entertainment Media through existing social media distribution channels such as Amazon video, Netflix, Youtube, facebook, twitter, etc.

SPO will initially engage with Brands and produce short format Entertainment Media to determine whether such Brands garner significant social media interest to warrant the investment in the production of longer format Entertainment Media. SPO will initially commit to a set of services in order to get the Brand live within social media and on the SponsorsCloud platform.

Entertainment Media produced for the specialty food (“Specialty Food”) and fashion (“Fashion”) segments (“Verticals”) is planned with two different formats. The first format is a 30 min episode that features 5 Brands utilizing and entertain and educate format. Each Brand will get 5 minutes on in the episode and will mainly consist of introducing the Brand, their story, the product they make and how they make it. This 30-minute format is simply to introduce the Brand and test how the market responds to their story and their product. If a Brand gets significant attention in its 5 minute portion, SPO will launch that Brand in a 1 hour show that will be a more involved but will still follow the educate and entertain format. The 1-hour episode will feature the Brand explaining their back story in more detail on how it led to the product they are creating. The Brand will then present a complete product line to an advisory board that is made up of industry experts that will mentor the Brand in the show (hence education) all the way through to the launch and production of a product or product line. The goal of this show is to educate others on how to launch their business and succeed.

For the e-gaming (“E-Gaming”) sector the Entertainment Media is the live stream of the video gaming tournaments that are being played by finalists in a venue set up by SPO. Millions of viewers go on-line to watch eSports

tournaments and play the same games from the tournaments. SPO is also considering an educate and entertain content model for E-Gaming featuring some of the gamers that are working their way to the top of the leader board as a way to build a community around the game.

SPO has production equipment consisting of: (i) an ATC 32' trailer to haul its production equipment which was purchased in February, 2007; and (ii) a production rig consisting of a Haulmark Motorcoach which was acquired in March, 2011. Having its own production rig is expected to reduce the production costs associated with film and video for each of the Brands. Hotels, Airfare, food, travel, will be reduced for producing video content. The production rig is 100% allocated to the production of Entertainment Media and is only for business use related thereto. Prior to 2015, the production equipment was used to promote the MXM Nation brand, to provide race support and event marketing in Motocross. See "Equipment Loans" under "Use of Proceeds".

Influencer Network Development and Influencer Engagement

Influencer Network Development includes building networks of Influencers for each Brand concurrently, and in conjunction with, the production of Entertainment Media. Development starts with SPO researching and identifying effective Influencers that may want to engage with the Brand. SPO will start with current followers of the Brand on their various social media outlets as well as engage with large Influencers, in conjunction with Brands, to drive their followers to the Brand. SPO will then distribute the Entertainment Media it has created for that particular Brand through various social media channels such as Amazon video, Netflix, Youtube, facebook, twitter, etc. Individuals that receive and view any such Entertainment Media, will have a link to direct them to the Brand within SponsorsCloud. Many Influencers with large followings are represented by agents and can be identified and contracted with through those agencies. To date, no Influencers have been specifically identified in any Verticals. Influencer Network Development begins with short format Entertainment Media wherein SPO will assess the engagement levels, revenue generation, scalability of Influencer engagement and success of the Brand's ecommerce store, all of which is integrated into SponsorsCloud. Depending on the success of initial engagements, the Brand may warrant inclusion in longer format Entertainment Media (30 or 60 minute video segments). An example would be to have the top 5 identified Influencers included in the content production of the Entertainment Media (as a food taster or Fashion judge). Such campaigns will vary by Brand and the creative team at SPO will determine the strategy in conjunction with the Brand. SPO will reach the Influencers through distribution of Entertainment Media by distributors ("Distributors") such as Netflix, Amazon Prime Video, You Tube, Facebook as well as network and cable television that have high demand for media content. SPO is in discussions with numerous Distributors but has not yet entered into any definitive agreements. The Entertainment Media and reward incentives of SponsorCoin will entice the Influencer to connect to the Brand through SponsorsCloud. Large Influencers may be also be used to endorse Brands and encourage their social network to connect to the Brand directly. Once the initial connections are created, continuous campaigns are launched to create a viral effect to grow the Brand's community. As of the date of this Prospectus, SPO has not identified or contracted with any specific Influencers.

Influencer Incentive Programs

Each Brand will have a portal within SponsorsCloud that allows Influencers to access the Brand's e-commerce site (from within SponsorsCloud) to purchase Brand's products using SponsorCoins at various product discount levels ("Levels"). The Brand will have their store on either Amazon or on the SponsorsCloud platform where the Shopify e-commerce platform is being integrated. If the Brand's store is on Amazon, SPO generates a coupon code that is entered into the Amazon shopping cart to apply the discount and SponsorCoins to the sale. If the Brand is on the integrated ecommerce platform, the SponsorCoins and discount are fully integrated into the shopping cart and it's a seamless process.

SponsorCoins are always issued to the Brand at a par value of \$0.10 per SponsorCoin ("Full Par Value"). SponsorsCloud awards the SponsorCoins to Influencers based on the Brands criteria associated with a specific Smart Campaign. For instance, a Smart Campaign that is launched for a charity may have a different set of reward criteria than a campaign to drive Brand product sales. SponsorsCloud allows Brands to specify 5 discount Levels, the Influencer can achieve through actions defined by the Brand. In this example, there are 3 variables a Brand can adjust to incent Influencers in a Smart Campaign: (i) the number of SponsorCoins awarded for a specified task; (ii) higher discounts on Brand's products based on the Influencer's Level; and (iii) par value of the SponsorCoins at the time of purchase of Brand Products (the "Deemed Par Value").

When a Influencer connects to a Brand through the SponsorsCloud, they are provided specified actions to earn SponsorCoins, advance through Levels and obtain higher Deemed Par Value for their SponsorCoins. Each Brand can define their own criteria. An example Smart Campaign might look as follows:

Level	Discount on Brand's Product	Brand Specified Actions	Number of SponsorCoins Earned (Full Par Value)	Deemed Par Value of SponsorCoins
1	10%	1 2 3	600 (\$6.00) 700 (\$7.00) <u>800 (\$8.00)</u> 2,100 (\$21.00)	50% of Full Par Value
2	20%	1 2 3	600 (\$6.00) 700 (\$7.00) <u>800 (\$8.00)</u> 2,100 (\$21.00)	60% of Full Par Value
3	30%	1 2 3	600 (\$6.00) 700 (\$7.00) <u>800 (\$8.00)</u> 2,100 (\$21.00)	70% of Full Par Value
4	40%	1 2 3	600 (\$6.00) 700 (\$7.00) <u>800 (\$8.00)</u> 2,100 (\$21.00)	80% of Full Par Value
5	50%	1 2 3	600 (\$6.00) 700 (\$7.00) <u>800 (\$8.00)</u> 2,100 (\$21.00)	Full Par Value

In the above example, an Influencer engaging a Brand, may want to purchase a \$400 product from that Brand. If the Influencer:

1. completed all activities in Level 1, and stopped, they would have earned 2,100 SponsorCoins (\$21.00), at 50% of Full Par Value, which would give them a \$10.50 credit at check out, plus a 10% product discount for a total cost of \$349.50 or a savings of \$50.50;
2. completed all activities up to Level 2, and stopped, they would have earned 4,200 SponsorCoins (\$42.00), at 60% of Full Par Value, which would give them a \$25.20 credit at check out, plus a 20% product discount for a total cost of \$294.80 or a savings of \$105.20;
3. completed all activities up to Level 3, and stopped, they would have earned 6,300 SponsorCoins (\$63.00), at 70% of Full Par Value, which would give them a \$44.10 credit at check out, plus a 30% product discount for a total cost of \$235.90, or a savings of \$164.10;
4. completed all activities up to Level 4, and stopped, they would have earned 8,400 SponsorCoins (\$84.00), at 80% of Full Par Value, which would give them a \$67.20 credit at check out, plus a 40% product discount for a total cost of \$172.80, or a savings of \$227.20; and
5. completed all activities up to Level 5, and stopped, they would have earned 10,500 SponsorCoins (\$105.00), at Full Par Value, which would give them a \$105.00 credit at check out, plus a 50% product discount for a total cost of \$95, or a savings of \$305.00.

Specified actions can be whatever the Brand specifies and might include writing a post, re-tweeting or liking on Facebook. The Smart Campaign allows SPO to identify the Influencers, and specific actions, which have the highest impact for the Brands they connect to. All of this data is available to SPO for their Data Analytics to improve future Smart Campaigns.

SponsorsCloud has a scoring system that monitors each Influencer's activity and scores their authentic engagement with the Entertainment Media, the Brand and with other Influencers. Artificial intelligence programming is applied to identify authentic versus non-authentic patterns to apply a scoring system. This scoring system also will drive the

pricing of SponsorCoins allowing for dynamic pricing at the time of each transaction between the Brand and Influencer. SPO has a patent pending on this process for dynamically pricing SponsorCoins at the time of conducting a transaction. In the event an Influencer adds significant value to the campaign content that cannot be assessed by SponsorsCloud, the content will be placed into a remediation queue for the Brand to assess the reward to be granted. Testing has indicated that 98% of assessment is done automatically and 2% will need to be manually reviewed and assessed. When manual assessment is performed the system learns and can begin automatically assessing more complex conversations by the Influencer.

Revenue Model

Revenue will be recognized in four major categories: (i) shared revenue from Brands for sales of their products (“Marketing Revenue”); (ii) sponsorship revenue from Brand exposure by appearing in Entertainment Media (“Sponsorship Revenue”); (iii) compensation (or reimbursement) for the creation and production of Entertainment Media (“Production Revenue”); and (iv) revenue from Brands paying to access Data Analytics (“Data Analytics Revenue”).

Marketing Revenue will be negotiated with Brands in conjunction with the design of the overall marketing campaigns, including the creation of Entertainment Media, performing Influencer Network Development and implementing Smart Campaigns. Many Brands have current sales resulting from their ongoing marketing efforts before engaging with SPO. These marketing costs typically range from 15 to 25% of annual sales. SPO will negotiate with Brands for a percentage of sales which may include a smaller percentage for maintenance of existing sales levels, and a larger percentage for incremental sales. All of which will be tracked by establishing a baseline from the historical sales data from the Brands. These compensation levels will be negotiated on a case by case basis and need not be exclusive to online purchases through SponsorsCloud or other online sources such as the Brand’s e-commerce site, Shopify or Amazon. Marketing Revenue will be designed as a percentage of revenue, or even of incremental revenue if tracked specifically on sales through SponsorsCloud which can be tracked through the functionality of Data Analytics. To the extent that Marketing Revenue is to be based on incremental sales outside of SponsorsCloud, SPO and the particular Brand will establish a historical baseline from the sales records of the Brand and establish audit and reporting mechanisms with the Brand to calculate incremental sales. The percentages earned will vary from Brand to Brand. SPO currently has no contracts in place for the generation of Marketing Revenue and any such revenue will be subject to the successful identification of interested Brands, negotiation of Marketing Revenue terms with such Brands, and the successful implementation of Smart Campaigns that are designed and implemented with such Brands. There can be no assurance that any such revenues will be realized by SPO. Marketing Revenue is subject to negotiation with Brands and will be dependent on the success of Brand sales. The timing and amount of Marketing Revenue which may be earned, if any, cannot be determined at this time.

Sponsorship Revenue is expected to be derived from large Brands that want placement within the Entertainment Media SPO produces. Any such Brands would be identified and contracted with prior to featuring that Brand’s product in any Entertainment Media. An example is to place a car manufacturer in the content by driving up in a car from that particular Brand and ensuring it has a cameo in the content. Brands will pay a negotiated fee per episode for such a placement. SPO will negotiate with major Brands on a best efforts basis for each production block of Entertainment Media to earn revenue to offset the production costs. SPO currently has no contracts in place for the generation of Sponsorship Revenue and any such revenue will be subject to the successful identification of interested Brands and the negotiation of Sponsorship Revenue terms for the inclusion of such Brands in any Entertainment Media that SPO creates. SPO currently has no contracts in place for the creation of any Entertainment Media or for any Sponsorship Revenue and there can be no assurance that any such revenues will be realized by SPO. Sponsorship Revenue is subject to negotiation with Brands. The timing and amount of Sponsorship Revenue which may be earned, if any, cannot be determined at this time.

Production Revenue is revenue earned from Distributors who will use our Entertainment Media as content for their businesses. Initially, SPO will not be seeking for any Brands to pay upfront for the production of any Entertainment Media. SPO is in discussion with numerous Distributors but no contracts are in place to earn any Production Revenue at this time. However, some Distributors offer compensation to content providers based on viewer hours and some have bonus pools for discretionary distribution to top viewed content. In addition to Production Revenue that will be earned from viewer hours, management hopes to negotiate a significant distribution agreement with one major Distributor for each of the North American and International markets. SPO currently has no contracts in place for the generation of any Production Revenue and any such revenue will be subject to the successful creation of Entertainment

Media and the successful negotiation of rights to disseminate such Entertainment Media as content and to be paid for viewer hours of such Entertainment Media. There can be no assurance that any such revenues will be realized by SPO. Production Revenue is subject to negotiation with Brands and Distributors and will be dependent on the viewership of Entertainment Media. The timing and amount of Production Revenue which may be earned, if any, cannot be determined at this time.

Data Analytics requires a minimum of 18 months of sales data in order to become useful, valuable information for prospective Brands. As such, SPO does not anticipate any Data Analytics Revenue for approximately 24 months after the Unit Offering Closing Date. Access to Data Analytics will be priced per seat and seat price will be based on the size of the community connected to the Brand (and therefore the amount of data available). SPO currently has no contracts in place for the generation of revenue from Data Analytics and any such revenue will be subject to the successful implementation of SPO's business model to generate data and ultimately harvest and analyze such data in a manner that would prove valuable to Brands. There can be no assurance that any such revenues will be realized by SPO. Revenue from Data Analytics is subject to negotiation with Brands and will be dependent on their perceived value of the Data Analytics. The timing and amount of revenue from Data Analytics which may be earned, if any, cannot be determined at this time.

Assuming completion of only the Minimum Unit Offering, production of Entertainment Media in the e-gaming ("E-Gaming") market segment ("Vertical") will commence within 4 weeks of the Unit Offering Closing Date with production expected to take approximately 4 weeks. No revenue is expected from ticket sales for E-Gaming. Sponsorship Revenue would commence upon production if SPO is successful in negotiating placement of Brand products in the Entertainment Media to be produced for E-Gaming. Production Revenue would commence immediately upon completion of the production of Entertainment Media if SPO is successful in negotiating compensation from Distributors for use of the E-Gaming Entertainment Media. Marketing Revenue would commence as soon as Entertainment Media begins being distributed through SponsorsCloud if SPO is successful in negotiating with E-Gaming Brands for a share of revenue derived from the sale of that Brand's product(s). E-Gaming will be the first Vertical launch for SPO. Subject to available funds, subsequent tournaments will be staged in each quarter in 2019 and may be staged regionally in the United States and/or Canada. Assuming completion of the Minimum Unit Offering, SPO anticipates Sponsorship Revenue to commence in the third quarter of 2018 with Production Revenue and Marketing Revenue to commence in the fourth quarter of 2018. SPO currently has no contracts in place for any Sponsorship Revenue, Production Revenue or Marketing Revenue within the E-Gaming Vertical. Data Analytics Revenue is not expected within any Vertical for 24 months. The timing and amount of such revenues, if any, cannot be determined at this time.

Assuming completion of the Maximum Unit Offering, the Specialty Food Vertical will also be launched. In this Vertical, SPO did a casting call for a 3 minute show, that it intends to negotiate a launch for on one of the large Distributors, and over 1,000 Brands showed up to be interviewed. Assuming completion of the Maximum Unit Offering, we have narrowed the selection down to 15 Specialty Food Brands to start filming and will complete further interviews until 100 Brands are selected. Assuming completion of the Maximum Unit Offering, production of Entertainment Media will commence in the third quarter of 2018 with production expected to take approximately 6 weeks. Sponsorship Revenue would commence upon production of Entertainment Media. Production Revenue would commence immediately upon completion of the production of Entertainment Media. Marketing Revenue would commence as soon as Entertainment Media begins being distributed through SponsorsCloud. Assuming completion of the Maximum Unit Offering, SPO anticipates Sponsorship Revenue to commence in the fourth quarter of 2018 with Production Revenue and Marketing Revenue to commence in the first quarter of 2019. If the Maximum Unit Offering is not completed, revenues from the Specialty Food Vertical will be delayed until such time as SPO is able to secure sufficient financing to launch in this Vertical. SPO currently has no contracts in place for any Sponsorship Revenue, Production Revenue or Marketing Revenue within the Specialty Food Vertical. Data Analytics Revenue is not expected within any Vertical for 24 months. The timing and amount of such revenues, if any, cannot be determined at this time.

Assuming completion of the Maximum Unit Offering, the Fashion Vertical will also be launched. SPO has one Fashion customer which has been collaborating and testing with SPO for 2 years. In this Vertical, SPO has identified 10 similar and complementary Fashion Brands which will form the advisory board for a Fashion show which will be produced as Entertainment Media for use within that Vertical. Each of the 10 Fashion Brands were then asked to introduce 10 additional Fashion Brands resulting in 100 Fashion Brands to be interviewed and selected to come on to

the SponsorsCloud. Assuming completion of the Maximum Unit Offering, production of Entertainment Media will commence in the second quarter of 2019 with production expected to take approximately 6 weeks. Sponsorship Revenue would commence upon production of Entertainment Media. Production Revenue would commence immediately upon completion of the production of Entertainment Media. Marketing Revenue would commence as soon as Entertainment Media begins being distributed through SponsorsCloud. Assuming completion of the Maximum Unit Offering, SPO anticipates Sponsorship Revenue to commence in the second quarter of 2019 with Production Revenue and Marketing Revenue to commence in the third quarter of 2019. If the Maximum Unit Offering is not completed, revenues from the Fashion Vertical will be delayed until such time as SPO is able to secure sufficient financing to launch in this Vertical. SPO currently has no contracts in place for any Sponsorship Revenue, Production Revenue or Marketing Revenue within the Fashion Vertical. Data Analytics Revenue is not expected within any Vertical for 24 months. The timing and amount of such revenues, if any, cannot be determined at this time.

All Entertainment Media will be integrated into SponsorsCloud and ready for distribution by Influencers in time for distribution. All Entertainment Media will meet the criteria for inclusion in any, or potentially and eventually all Distributors as either short-form content or as traditional one-half hour or one-hour episodes. Distributors include but not limited to Netflix, Amazon Prime Video, You Tube, Facebook as well as network and cable television. It is also intended that all produced entertainment content be formatted in ways that allow for worldwide distribution using established North American and International Distributors. The production of all Entertainment Media for the launch in the Specialty Food Vertical will be created by external consultants, and overseen by Guy Zajonc for the Corporation. No additional employees are required any such launches. SPO expects this process to continue in multiple Verticals with multiple Brands as cash flow permits the production of Entertainment Media.

Management of SponsorCoin Crypto-currency

SponsorCoin is a proprietary architecture specifically designed for operation within SponsorsCloud to utilize social media and to monetization the authentic interaction of Influencers with Entertainment Media pertaining to Brands.

SPO is not performing an initial coin offering to the general marketplace and SponsorCoins will only operate within SponsorsCloud unless exchanged into other existing crypto-currencies.

At the start of each marketing campaign for a Brand, SPO will create and issue SponsorCoins, at no cost to the Brand, at an initial deemed price of \$0.10, with the total number issued typically equal to 5% of estimated sales of Brand products. For example, if a Brand believes that a product campaign should produce \$1,000,000 in sales, SPO would target \$50,000 worth of SponsorCoins. As more SponsorCoins issue within campaigns and are earned by Influencers, these SponsorCoins will move throughout SponsorsCloud as the base currency for trade between Brands and Influencers. Initially SPO issues the SponsorCoin into a Smart Campaign on behalf of the Brand. The Influencer earns these SponsorCoins and then uses them to purchase Brand product. The SponsorCoin at the time of purchase moves back to the Brand for reuse into a new Smart Campaign. If a Brand does not have enough SponsorCoins for their next Smart Campaign then SPO will issue new SponsorCoins. At some point the issuance of new SponsorCoins will slow as the supply will be used to support payments to Influencers and the payments for Brand product. SPO has built in controls that manage the amount of SponsorCoins redeemed by SPO in exchange for certain transactions within the system thereby redeeming SponsorCoins back to the SponsorsBank. Every time there is a trade, SPO will redeem a certain amount of SponsorCoins from the Brand, thus reducing the supply of SponsorCoins circulating in the system. SPO has the ability to change these redemption amounts to adjust the supply of SponsorCoins in circulation. The supply and demand system has been modeled similar to a country's central bank issuing currency and the associated deflationary results from over printing currency. SponsorsCloud has the functionality to redeem SponsorCoins back to SPO on a per transaction basis. SPO issues all SponsorCoins at a deemed value of \$0.10 per SponsorCoin but does not charge any Brand or Influencer for any SponsorCoins at any time. SponsorCoins are created per Brand campaign. These "fees" are not cash fees and do not generate any revenue for SPO but are a way of redeeming SponsorCoins back to SPO to reduce the float within SponsorsCloud. All transaction types have an associated SponsorCoin cost that SPO can adjust depending on supply and demand. This model has been built based on economic theories of money supply, deflation and inflationary factors against a single currency. SPO has the ability to adjust SponsorCoin costs for each Brand campaign to increase or reduce the float of SponsorCoins.

As a future offering, which SPO anticipates will take up to 24 months to implement, SponsorsCloud will have a US\$0.01 bid in the market to exchange SponsorCoins for cash (a "Cash Redemption") which will cost SPO 10% of the par value of the SponsorCoins. This will be accomplished by maintaining a cash reserve on the balance sheet from

sales. Once implemented, the user will be able to hit the bid for cash and SPO can transfer money to user's Paypal account. SPO will maintain a 10% cash reserve in USD from sales against the issued SponsorCoin.

SponsorCoins are not a true crypto-currency as they only operate within SponsorsCloud unless there is a Cash Redemption, in which case, they are retired. SponsorCoins will not be available to trade on any crypto-currency exchanges and SPO has no intention of developing or operating its own crypto-currency exchange. Once Cash Redemption becomes operational, SponsorsCloud will develop integration with select, existing, crypto-currency exchanges to facilitate the exchange of SponsorCoins into other crypto-currencies. In effect, the user will be completing a Cash Redemption, and rather than withdrawing this cash, the user will be able to access integrated crypto-currency exchanges directly through SponsorsCloud to move their funds to that exchange. Once funds are moved out of SponsorsCloud, they are governed by the particular exchange where they reside. SponsorsCloud will no longer have any access to, or responsibility for such funds and has no security protocols in place to protect against risk of theft or loss from such exchanges. If a user wishes to exchange SponsorCoins to a crypto-currency, it will cost SPO 10% of the par value of the SponsorCoin which is equal to \$0.01 per SponsorCoin, just as would occur for a Cash Redemption. No fees will be charged by SPO for any cash from the conversion of SponsorCoins being moved to any crypto-currency exchanges but such exchanges may pay origination fees to SPO for any new accounts which are opened to facilitate such transfers. No such agreements are in place and any such fees, if any, will be negotiated on a case by case basis with particular crypto-currency exchanges being integrated into SponsorsCloud. The user will be required to have opened an account with an approved crypto-exchange prior to any such transaction. SPO will maintain a reserve of capital to ensure the redemption process can be supported with cash when a conversion is requested. The redemption of SponsorCoin back to SPO will take the SponsorCoin out of the market and SPO will send cash to the account holders Crypto-currency account at an approved exchange. SPO has developed the API into the SponsorCoin wallet that allow for Crypto-Exchange integration. Discussion ensues with various crypto-currency exchanges for this integration but no contracts have been executed to proceed with such integration. Once the user redeems their SponsorCoin and moves off to an external Crypto-Exchange, SPO no longer controls the security outside the SponsorsCloud. This \$0.01 is the currency backing the SponsorCoins so the conversion to BitCoin and AltCoins is simple and based on the integrated exchanges current Bid/Ask on the desired crypto-currency. Being real time the trade can be executed at the click of a button from the SponsorsCloud and the cash transfer will happen in the background through Bank to Bank money transfers. A portion of the SPO cash reserve will be used to establish a line of credit with the exchanges bank in order to execute immediately while the cash transfer occurs and may take 24 hours to settle.

SponsorCoin integration will only be facilitated with crypto-currency exchanges that have fully complied with governing laws of applicable jurisdictions, including without limitation FINTRAC compliance and having implemented "know your client", anti-money laundering and counter terrorist financing policies. The integration of the SponsorCoin wallet with a crypto-currency exchange is part of the Technology Development Phase I, is under design and is anticipated to be completed by the end of 2018, the cost of which is included in our technology development expenses. However, Cash Redemption, and therefore integration with crypto-currency exchanges, will not be active on SponsorsCloud for approximately 24 months. The integration with an external crypto-currency exchange will include a real time pricing feed allowing the SponsorCoin wallet to perform real time conversion pricing against the SponsorCoin. While the functionality for Cash Redemption and integration with crypto-currency exchanges is being built into SponsorsCloud as part of Technology Development Phase I, any such transaction will require regulatory compliance with FINTRAC. SPO will not make this functionality live on SponsorsCloud until such time as the volume of transactions warrant taking the regulatory steps necessary to comply with FINTRAC.

Influencers are always incentivized to spend their SponsorCoins on Brands rather than selling to SPO for cash or converting to a crypto-currency. Using SponsorCoins to purchase Brand's products could be done at \$0.10 plus whatever discounts the Influencer has earned whereas selling to SPO or converting to a crypto-currency is done at \$0.01. In addition, purchasing products from Brands using SponsorCoins is, in and of itself, an activity that is rewarded towards earning more SponsorCoins and attaining higher discount Levels.

Influencers can gift their SponsorCoins to other users within SponsorsCloud or donate to charities which can use the SponsorCoins to purchase food and clothing for their cause from participating Brands on the system. Helping out charities that participate on the SponsorsCloud can increase a Influencer's desirability with Brands and be rewarded advancement through Levels.

Once the functionality is available, if the Influencer attempts to earn SponsorCoins with the attempt to only redeem at \$0.01, their social capital score will be extremely low and their rewards minimal. Unless they authentically engage with the Brands and buy products, their earning ability is minimal and therefore, their ability to buy other currencies will also be minimal.

The management team and development teams have been involved with cryptocurrencies since 2011 when the first BitCoins were launched. Management have built and operated the code base for a crypto-exchange all done in the lab to understand the inner workings and in 2013 did a full assessment on utilizing the block chain distributed ledger and smart contract technologies against a centralized proprietary system. The management and development team has been involved with the block chain evolution since the launch of BitCoin.

Security

Online platforms use ledgers for tracking all accounts and financial transactions. The general ledger is the backbone of any accounting system which holds financial and non-financial data for an organization. The collection of all accounts is known as the general ledger. Ledgers can either be centralized or distributed, each having advantages and disadvantages.

SponsorsCloud uses a centralized ledger due to the speed advantage which has been proven through testing to transact which SponsorsOne tested at a minimum of 100,000 transactions per second with test speeds up to 1,000,000 per second. This compares with speeds for distributed ledgers than can run between 100 to 500 transactions per second. Distributed ledgers provide more data and transactional control to the end user (and less to the owner) which is another reason SPO chose centralized architecture. Distributed ledgers can have security advantages because there is no central point of failure. For security, SponsorsCloud deploys an advanced rules based security policy system that protects data at the individual data element basis. Right now, systems platform deploy only at the infrastructure basis with firewalls and mass encryption which can be easily hacked. By securing each individual data element by user, polices will be maintained at the data level to ensure all usage of data conforms to the policy set by SPO's security team and the individual user on the system (Brands and Influencers). This level of security is akin to a smart contract on each data element and is representative of the next generation of security. SponsorsCloud is also investigating fraud and audit systems to monitor transactions and would allow SPO to easily reverse SponsorCoin awards and usage. These audit systems run advanced algorithms on pattern and deep learning such improper usage can be detected, reversed and users can be locked out. There are no immediate plans to implement any such fraud and audit system as SPO feels its current infrastructure design offers more than adequate protections.

Privacy Protection

Use of all information by SPO is approved in advance by all Brands and Influencers. Further the Influencer grants approval to their social media before any information is gathered. All use policies will be agreed in advance and all usage of data will be reported directly to the user within SponsorsCloud to document all rewards and expenditures of SponsorCoins. The payment of SponsorCoins compensates Influencers for both their Influencer Engagement and for the data associated with the earning and use of the SponsorCoin. This data forms a large part of the Data Analytics component of the overall business model of SPO.

Recent Developments

On March 28, 2018, the Corporation announced the appointment of Mr. Brad Herr and the new Chief Financial Officer of the Corporation and the resignation of Mr. Arvin Ramos from that position.

The Corporation received a Notice of (Re) Assessment (the "HST Assessment") from Canada Revenue Agency dated April 28, 2018 regarding GST / HST filings for the period from July 1, 2015 to December 31, 2017, which, if correct, would give rise to \$194,994.27 in HST payable. The Corporation's tax advisors have advised that there are valid grounds to appeal the assessment and the Corporation has therefore filed a Notice of Objection. Pending the outcome of the appeal process, the Corporation has booked the \$194,994.27 as an amount payable in its second quarter financial statements. The Corporation currently has \$25,978 in HST recoverable disclosed in its Interim Financial Statements which amount is unrelated to the HST Assessment.

On May 16, 2018, the Corporation issued 1,568,440 Special Warrants under the Special Warrant Indenture at the Offering Price for gross proceeds of \$282,319. Pursuant to the Special Warrant Indenture, each Special Warrant is

exercisable, without additional consideration, into one (1) Unit and, if applicable, Penalty Shares. See “Plan of Distribution”.

On June 18, 2018, the Corporation announced the extension of the expiry dates of 6,790,784 outstanding share purchase warrants (the "Warrants") that were issued pursuant to a private placement and debt settlement completed in July, 2016. Each Warrant entitles the holder to purchase one Common Share at a price of \$0.30 per share for a period of 24 months from the date of issuance which expires on July 4, 2018. Subject to Canadian Securities Exchange approval, the expiration of the Warrants will be extended to July 4, 2019. All other terms of the Warrants will remain the same.

On July 3, 2018, the Corporation reached agreements, with effective dates of June 15, 2018, with holders of accounts payable and accrued balances to extend, settle, or reduce the outstanding balances. Extensions (the “Extensions”) occurred with holders of \$154,271 of accounts payable. Such amounts bear interest at 12% per annum (with payment thereof deferred until July 31, 2019) and are now payable over a 3 year period with the first monthly payments commencing on July 31, 2019 with equal monthly installments sufficient to satisfy the debts in full by June 30, 2021. Accounts payable and accrued balances totaling \$1,227,823 were settled and / or written off in full for cash payments totaling \$30,632 (the “Settlements”). The Settlements were obtained from persons friendly to the Corporation who expressed a willingness to resolve old balances at reduced or zero payout. Lastly, the Corporation reclassified (the “Reclassifications”) accounts payable totaling \$473,639 as other liabilities – long term, on the basis that the amounts are disputed and management believes them to be without merit. The Extensions, Settlements and Reclassifications resulted in a reduction of accounts payable totaling \$1,855,733.

More Information

For more information on the business of the Corporation, see "General Development of the Business" in the Annual Information Form.

CONSOLIDATED CAPITALIZATION

The following table sets out the capitalization of SponsorsOne as at: (i) March 31, 2018 prior to giving effect to the Offering; (ii) May 31, 2018 prior to giving effect to the Offering; (iii) May 31, 2018 after giving effect to the Special Warrant Offering but prior to giving effect to the Unit Offering; (iv) May 31, 2018 after giving effect to the Minimum Unit Offering; and (v) May 31, 2018 after giving effect to the Maximum Unit Offering. The following table should be read in conjunction with the Interim Financial Statements, Interim MD&A, Annual Financial Statements and the Annual MD&A incorporated by reference in this short form prospectus.

Designation (authorized)	March 31, 2018 before giving effect to the Offering ⁽¹⁾⁽²⁾	May 31, 2018 before giving effect to the Offering ⁽¹⁾⁽²⁾ (unaudited)	May 31, 2018 after giving effect to the Special Warrant Offering but prior to the Unit Offering ⁽¹⁾⁽²⁾⁽³⁾⁽⁸⁾ (unaudited)	May 31, 2018 after giving effect to the Minimum Unit Offering ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ (unaudited)	May 31, 2018 after giving effect to the Maximum Unit Offering ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ (unaudited)
Shareholders' Capital					
<i>Common Shares (unlimited)</i>	\$5,130,592 (30,409,712 Common Shares)	\$5,130,592 (30,409,712 Common Shares)	\$5,262,039 (30,409,712 Common Shares)	\$6,047,393 (40,311,485 Common Shares)	\$6,918,092 (47,076,379 Common Shares)
<i>Special Warrants</i>	Nil	Nil	\$57,640 (1,568,440 Special Warrants)	Nil	Nil
<i>SPO Warrants</i>	\$1,316,400 (11,766,332 SPO Warrants)	\$1,316,400 (11,766,332 SPO Warrants)	\$1,316,400 (11,766,332 SPO Warrants)	\$1,316,400 (11,766,332 SPO Warrants)	\$1,316,400 (11,766,332 SPO Warrants)

<i>Warrants</i>	Nil	Nil	Nil	\$329,646 4,950,887 Warrants)	\$554,860 (8,333,334 Warrants)
<i>EEI Options</i> ⁽⁷⁾	Nil	Nil	\$5,764 (156,844 EEI Options)	\$105,879 (1,590,177 EEI Options)	\$150,922 (2,266,667 EEI Options)
<i>Debt</i>					
Equipment Loan ⁽⁹⁾	\$137,695	\$137,695	\$137,695	Nil ⁽¹⁰⁾	Nil ⁽¹⁰⁾
Legal Debt ⁽¹¹⁾	\$191,144	\$191,144	\$191,144	Nil ⁽¹¹⁾	Nil ⁽¹¹⁾

Notes:

- (1) As at March 31, 2018, the Corporation had an aggregate of 3,335,000 options to purchase Common Shares outstanding ("**Options**") at a weighted average exercise price of \$0.33. As at May 31, 2018, the Corporation had an aggregate of 3,335,000 Options at a weighted average exercise price of \$0.33.
- (2) As at March 31, 2018, the Corporation had an aggregate of 11,766,332 common share purchase warrants outstanding ("**SPO Warrants**") at a weighted average exercise price of \$0.21. As at May 31, 2018, the Corporation had an aggregate of 11,766,332 SPO Warrants at a weighted average exercise price of \$0.21. The exercise prices range from \$0.05 to \$0.30. 6,709,784 of the Warrants expire on July 5, 2018, 2,350,548 of the Warrants expire on May 8, 2020 and 2,625,000 of the Warrants expire on January 5, 2020.
- (3) 1,568,440 Special Warrants were issued on May 16, 2018 for gross proceeds of \$282,319 less the Finder's Fee of \$28,232 and the estimated expenses of the Special Warrant Offering of \$65,000 for net proceeds to Corporation of \$189,087. In addition to the Finder's Fee, the Corporation issued 156,844 Finder's Options. For additional information on the Special Warrant Offering, see "*The Corporation – Recent Developments*" and "*Plan of Distribution*".
- (4) Based on the issuance of 1,568,440 Common Shares and 784,220 Warrants pursuant to the terms of the Special Warrants and their deemed exercise on the receipt of the Final Passport System Decision Document. If the Final Passport Decision Document is issued after the Qualification Deadline, an additional 156,844 Penalty Shares will be issued. See "*Plan of Distribution*".
- (5) Assumes the issuance of 8,333,334 Units (8,333,334 Common Shares and 4,166,667 Warrants) for gross proceeds of \$1,500,000.12 under the Minimum Unit Offering less the Agent's Fee of \$150,000 and the estimated expenses of the Unit Offering of \$235,000 for net proceeds to the Corporation of \$1,115,000. In addition to the Agent's fee, the Corporation will issue 833,333 Compensation Options to the Agent in respect of the Minimum Unit Offering.
- (6) Assumes the issuance of 15,098,227 Units (15,098,227 Common Shares and 784,220 Warrants) for gross proceeds of \$2,717,681 under the Maximum Unit Offering less the Agent's Fee of \$271,768 and the estimated expenses of the Maximum Unit Offering of \$235,000 for net proceeds to the Corporation of \$2,210,913. In addition to the Agent's fee, the Corporation will issue 1,509,823 Compensation Options to the Agent in respect of the Maximum Unit Offering. If the Over-Allotment Option is exercised in full, the aggregate gross proceeds of the Maximum Unit Offering, the Agent's fee, the net proceeds and the number of Compensation Options will be \$3,717,681, \$371,768, \$3,110,913 and 2,065,378, respectively.
- (7) In connection with certain sponsorship activities undertaken by the Agent, the Corporation has paid the Agent fees totaling \$30,000 and has agreed to issue 600,000 Sponsorship Options on the Unit Offering Closing Date.
- (8) Assumes no Special Warrants are exercised, or have been deemed to have been exercised, into Common Shares and Warrants prior to the Unit Offering Closing Date and assumes the Qualification Date occurs on or after the same.
- (9) The Equipment Loans (as defined below) consists of two notes. The first note, originally for \$42,043 was refinanced in February 2012 for a five-year term bearing interest at 7.71%. This loan matured in February, 2017 and is currently past due. This loan is secured by equipment and has an outstanding balance on May 31, 2018 of \$28,519. The second note, originally for \$176,910, was also refinanced in February 2012 bearing interest at 7.10% maturing February 2028 and payments are delinquent. This loan is secured by equipment and has an outstanding balance on May 31, 2018 of \$109,177. Both loans are currently delinquent and the Corporation is working with the lenders to resolve the past due amounts.
- (10) Approximately \$139,000 of the proceeds of the Offering will be used to repay the Equipment Loans. See "*Use of Proceeds*".
- (11) Approximately \$30,000 of the proceeds of the Offering will be used to repay the Legal Debt (as defined below). See "*Use of Proceeds*".

USE OF PROCEEDS

Available Proceeds and Uses from the Special Warrant Offering

The net proceeds to the Corporation from the sale of Special Warrants issued pursuant to the Special Warrant Offering was approximately \$189,087 after deducting the Finder's Fee of \$28,232 and certain expenses of the Corporation

(including expenses relating to the preparation and filing of part of this short form prospectus) of \$65,000. The Corporation will not receive any additional cash proceeds upon the deemed exercise of the Special Warrants. Through the end of May, 2018, the net proceeds from the Special Warrant Offering was used as to \$30,000 for the Sponsorship Fee, \$75,000 on professional fees, contract services and personnel, \$12,000 on public company expenses, \$6,000 on office and general administrative costs, \$10,000 on accounts payable and \$44,000 as working capital to cover ongoing costs of operations.

As of March 31, 2018, excluding the non cash portion of the settlement of the Legal Debt, the Corporation's balance sheet showed \$1,996,483 in total accounts payable and accrued liabilities with \$37,686 in cash, cash equivalents and other receivables resulting in a working capital deficiency (the "Working Capital Deficiency") of \$1,958,797.

On May 31, 2018, excluding the non cash portion of the settlement of the Legal Debt, the Corporation had \$1,962,431 in total accounts payable and accrued liabilities with \$50,149 in cash, cash equivalents and other receivables resulting in the Working Capital Deficiency being \$1,912,282.

As a result of the Extensions and Reclassifications, \$627,910 in accounts payable will be moved to long term debt. As a result of the Settlements, \$1,227,823 in accounts payable will be settled for cash payment of \$30,632. After giving effect to the Extensions, Settlements and Reclassifications, excluding the cash payable for the Legal Debt, the Working Capital Deficiency is \$87,181.

During the quarter ended March 31, 2018, the Corporation incurred a net operating loss of \$499,944, which, after adjusting for non-cash items, resulted in negative cash flow from operations of \$123,631. This negative cash flow from operations was partially offset from cash flows generated by financing activities, including issuance of shares (\$15,000) and proceeds received from shares subscribed but not issued as of March 31, 2018 (\$58,579). Overall, for the quarter ended March 31, 2018, the Corporation generated negative cash of \$50,052 which reduced ending cash on March 31, 2018 to \$10,408.

During the 12 month period following the Unit Offering Closing Date, if the Corporation only completes the Minimum Unit Offering, other than expenses included in Technology Development Phase I and the E-Gaming Vertical Launch, the Corporation expects to incur, on average approximately \$30,450 in recurring monthly expenses. These expenses consist primarily of personnel costs (\$22,500), office expenses (\$450), professional fees (\$5,000) and other general corporate expenses (\$2,500). Under the Minimum Unit Offering, personnel costs for the first 12 month period following the Unit Offering Closing Date are expected to be \$130,000 for the President & CEO (which will include acting as project developer for the web development of SponsorsCloud under Technology Development Phase I), 60,000 for the President of SPM who is primarily in charge of the production of Entertainment Media, \$60,000 for the CFO, \$50,000 for the Executive Chairman and \$30,000 for 2 other office personnel. The Corporation expects revenues to begin late in the third quarter, 2018. As a result, the Corporation expects to incur approximately \$96,000 in negative quarterly cash flow through the third quarter of 2018. This negative cash flow will be funded from proceeds of the Unit Offering. SPO currently has no contracts in place for the generation of any revenue and any revenue generation will be subject to the successful implementation of SPO's business model. Revenue sources are subject to successful negotiation with Brands and will be dependent on the success of the business model. The timing and amount of revenue which may be earned, if any, cannot be determined at this time.

Following completion of the Unit Offering, the Corporation expects monthly operating costs to increase as described under Use of Proceeds below. Management will meet monthly to review anticipated revenues, expenses and working capital deficits and will adjust activities and expenditures to reach the point where revenues support recurring monthly expenses. The above discussion focuses on recurring monthly operating expenses and does not include budgets for product rollouts which are addressed separately in the use of proceeds section.

The Corporation expects to generate revenue beginning late in the third quarter of 2018. Initial revenues will consist of Sponsorship Revenue, Production Revenue and Marketing Revenue. SPO currently has no contracts in place for the generation of any revenue and any revenue generation will be subject to the successful implementation of SPO's business model. Revenue sources are subject to successful negotiation with Brands and will be dependent on the success of the business model. The timing and amount of revenue which may be earned, if any, cannot be determined at this time. See "Revenue Model". The net proceeds to the Corporation from the sale of the 8,333,334 Units issued

pursuant to the Minimum Unit Offering will be \$1,115,000 after deducting the Agent's Fee of \$150,000, and certain expenses of the Corporation of \$235,000 (including expenses relating to the preparation and filing of part of this short form prospectus).

Available Proceeds from the Maximum Unit Offering

The net proceeds to the Corporation from the sale of the 15,098,227 Units issued pursuant to the Maximum Unit Offering will be \$2,210,913 after deducting the Agent's Fee of \$271,768, and certain expenses of the Corporation of \$235,000 (including expenses relating to the preparation and filing of part of this short form prospectus). If the Over-Allotment Option is exercised in full, the net proceeds to the Corporation will be \$2,210,913 after deducting the Agent's Fee of \$371,768 and certain expenses of the Corporation of \$235,000 (including expenses relating to the preparation and filing of part of this short form prospectus).

Use of Proceeds

Historically, the Corporation has incurred operating losses during its development stage and has experienced recurring working capital deficits for most of its existence, particularly over the last five years while the SponsorsCloud and underlying technology were being developed. The current level of the technology is now positioned to support the Corporation's product rollout which will begin generating revenue in the late third and fourth calendar quarters of 2018. The proceeds of the Unit Offering, coupled with management's efforts to settle existing debts at reduced cash cost will, in management's opinion, provide enough capital to launch the Corporation's product line and begin generating revenue. Over the next twelve months, management will conduct monthly progress reviews to assure that marketing efforts are focused on revenue generation and cash flow.

Proceeds of the Unit Offering, without assuming the exercise of the Over-Allotment Option, are proposed to be used as follows, in order of priority:

<u>Use of Proceeds</u>	<u>Minimum Unit Offering</u>	<u>Maximum Unit Offering</u>
Working Capital Deficiency	\$ 87,181	\$ 87,181
Equipment Loans	\$ 137,695	\$ 137,695
Legal Debt	\$ 30,000	\$ 30,000
HST Assessment	\$ 195,000	\$ 195,000
Technology Development Phase I	\$ 145,000	\$ 145,000
Technology Development Phase II	Nil	\$ 340,000
E-Gaming Vertical Launch	\$ 100,000	\$ 100,000
Fashion Vertical Launch	Nil	\$ 148,000
Specialty Food Vertical Launch	Nil	\$ 280,000
Working Capital	\$ 420,124	\$ 748,037
Total	\$1,115,000	\$2,210,913

Available Proceeds and Uses from the Over-Allotment

If the Over-Allotment Option exercised in full, the additional \$900,000 net proceeds will be used as General Working Capital and to produce additional Entertainment Media in the Fashion Vertical and other Verticals to accelerate business development.

Equipment Loans

The Corporation has 2 loans outstanding (the "Equipment Loans") which facilitated the purchase of a vehicle and related equipment which will be used for the mobile production of Entertainment Media. In February 2007, a company controlled by an officer of the Corporation entered into a loan agreement for the purchase of equipment. As the Corporation holds an exclusive use agreement over the equipment, which was obtained for the benefit of the Corporation, and the Corporation has agreed to pay for all reasonable costs associated with using and financing the equipment, the equipment and corresponding loan obligation are recorded on the Corporation's records. The loan amount was \$42,043, maturing February 2023 bearing interest at 6.69%. The loan was refinanced at 7.71% for another five years effective February 2012 and payments are in arrears. The equipment serves as collateral for the loan. As at December 31, 2017 the balance of this loan was \$28,519. At the date hereof, the principal balance of this loan is \$28,519. In March 2011, an officer of the Corporation entered into a loan agreement for the purchase of additional equipment. As the Corporation holds an exclusive use agreement over the equipment, which was obtained for the

benefit of the Corporation, and the Corporation has agreed to pay for all reasonable costs associated with using and financing the equipment, the equipment and corresponding loan obligation are recorded on the Corporation's records. The loan amount was \$176,910, maturing February 2028 bearing interest at 7.64%. The loan was refinanced at 7.10% in August 2013, with the maturity date unchanged and payments are in arrears. The equipment serves as collateral for the loan. As at December 31, 2017, the balance of this loan was \$109,177. At the date hereof, the Equipment Loans have a total principal balance of \$137,695 which are classified in default as current as payments are past due and the loans are now in default and the lenders have demanded immediate repayment.

Legal Debt

The Corporation has an agreement with its former legal counsel, for settlement of approximately \$191,144 in outstanding amounts owed by the Corporation (the "Legal Debt") by the payment of \$30,000 and the issuance of 400,000 Common Shares at a deemed price of \$0.18 per Common Share.

HST Assessment

The amount allocated to the HST Assessment reflects payment in full of the amounts assessed. Management disputes the HST Assessment, is appealing and expects that there will be a significant reduction or elimination of the HST Assessment upon consideration of all relevant factors by the taxing authorities. To the extent this liability is reduced, the amounts will increase working capital available for other purposes.

Technology Development

Assuming the Corporation competes only the Minimum Unit Offering, the Corporation will use approximately \$145,000 of the proceeds for Technology Development Phase I which will commence immediately after the Unit Offering Closing Date and is expected to take approximately 8 weeks. Assuming the Corporation completes the Maximum Unit Offering, the Corporation will use approximately an additional \$340,000 for Technology Development Phase II which will commence immediately after the Unit Offering Closing Date and is expected to take approximately 16 weeks. Anticipated costs of development are as follows:

	Total Budget \$CAD Technology Development Phase I ⁽¹⁾	Total Budget \$CAD Technology Development Phase II ⁽²⁾	Total Budget \$CAD Technology Development Phase I and II Combined
Web Application Development			
Developers ⁽³⁾	60,000	115,000	175,000
Project Manager	60,000	60,000	120,000
Mobile Application Development			
Developers	0	65,000	65,000
Server & IT Infrastructure			
AOS System	0	20,000	20,000
Server Costs	5,000	(already incurred)	5,000
Developers	5,000	20,000	25,000
User Interface Development			
Outsourced team/ 4 full sessions	15,000	60,000	75,000
TOTAL	145,000	340,000	485,000

- Includes: (i) moving the SponsorsCloud from beta servers into a fully operational production environment using the Amazon web platform, Amazon Web Services; (ii) simulations and testing to be ensure a stable server infrastructure; (iii) minor adjustments to the SponsorsCloud social media connectivity; (iv) finalization of the Amazon e-commerce integration for coupon & discount codes; and (v) final adjustments to the user interface.
- Includes: (i) finalize the mobile application user flows; (ii) integration of Shopify and Bigcommerce for redemptions with additional Brands e-commerce using those interfaces; (iii) optimizing the integration process for interaction of SponsorsCloud with all social media applications to accommodate the mobile application; (iv) additional scale testing to optimize and monitor the SponsorsCloud in conjunction with the mobile application; and (v) security upgrades to monitor SponsorsCloud.

3. The Corporation's President and CEO, Mr. Myles Bartholomew, will perform these functions if the Corporation is only successful in raising the Minimum Unit Offering.

In the event the Corporation does not complete the Maximum Unit Offering, Technology Development Phase II will be delayed until such time as sufficient funds are available.

Vertical Launches

Spending to launch each of the anticipated Verticals, as reflected hereunder, is based upon the cost of production of Entertainment Media. The Verticals to be launched, in order of priority, will be: (i) E-Gaming; (ii) Fashion; (iii) Specialty Food.

E-Gaming

Assuming the Corporation only completes the Minimum Unit Offering, the Corporation will use approximately \$100,000 for launch in the E-Gaming Vertical. The Entertainment Media for the launch in the e-Gaming Vertical will consist of the production and launch the first of an initial 5 quarterly tournaments on a stage in the Los Angeles area. Production is expected to commence within approximately 4 weeks of the Unit Offering Closing Date and is expected to take approximately 4 weeks. Anticipated costs of production are as follows:

Project Development Costs	Total Budget \$CAD
Project Development Costs Total	3,000
Production Unit	
Production Unit Total	19,000
Technical Unit	
Technical Unit Total	13,000
Post Production - Live Broadcast	
Post Production Total	58,000
Contingency	7,000
Total Production Costs	100,000

Fashion Vertical

Assuming the Corporation completes the Maximum Unit Offering, the Corporation will use approximately \$148,052 for launch in the Fashion Vertical. The Entertainment Media for the launch in the Fashion Vertical will consist of 3 episodes at one-half hour each. Assuming the Corporation completes the Maximum Unit Offering, production is expected to commence within approximately 4 weeks of the Unit Offering Closing Date and is expected to take approximately 6 weeks. Anticipated costs of production are as follows:

Project Development Costs	Total Budget \$CAD
Project Development Costs Total	3,900
Production Unit	
Production Unit Total	23,300
Technical Unit	
Technical Unit Total	29,400
Post Production - Live Broadcast	
Post Production Total	78,000
Contingency	13,400
Total Production Costs	148,000

Specialty Food

Assuming the Corporation completes the Maximum Unit Offering, the Corporation will use approximately \$280,002.86 for launch in the Specialty Food Vertical. The Entertainment Media for the launch in the Specialty Food Vertical will consist of 15 fully produced 5-minute video segments for each featured Brand. Assuming the Corporation completes the Maximum Unit Offering, production is expected to commence within approximately 4 weeks of the Unit Offering Closing Date and is expected to take approximately 6 weeks. Anticipated costs of production are as follows:

Project Development Costs		TOTAL BUDGET \$CAD
	Development	\$15,300
	Project Development Costs Total	\$15,300
Production Unit		
	Production Staff	\$116,000
	Production Travel	\$21,000
	Talent & Related Expenses	\$10,000
	Production Unit Total	\$147,000
Technical Unit		
	Production Crew	\$29,000
	Gear & Equipment	\$7,000
	Studio & Location Expenses	\$3,100
	Technical Unit Total	\$39,100
Post Production		
	Editing	\$22,500
	Graphics & Animation (Digital Web)	\$8,400
	Music & Audio	\$2,000
	Post Audio	\$5,000
	General Expenses	\$18,300
	Post Production Total	\$56,200
	Contingency - 10%	\$22,400
	Total Production Costs	\$280,000

The Corporation's business objectives that it hopes to meet with the proceeds of the Minimum Unit Offering include:

- Technology Development Phase I is necessary to bring the SponsorsCloud web application to commercial operation after 3 years of development work.
- Achieve first revenue from SponsorsCloud and proof of concept through the launch in the E-Gaming Vertical which the Corporation believes will occur by the end of December 2018.
- Strengthen the balance sheet of the Corporation and ease burden on cash flow by retiring the Equipment Loans and Legal Debt. The Minimum Unit Offering must be completed in order to fund this objective. The Corporation expects to complete this in July, 2018.

The additional business objectives that the Corporation hopes to meet with the additional proceeds if the Maximum Unit Offering is sold include:

- Technology Development Phase II includes completion of the mobile application for SponsorsCloud.
- Execute the business model with the Specialty Food Vertical Launch and Fashion Vertical Launch.

The use of the net proceeds of the Unit Offering by the Corporation is consistent with the Corporation's above stated business objectives. While the Corporation believes that it has the skills and resources necessary to accomplish its stated business objectives, there are a number of inherent risks. See "Risk Factors" in this short form prospectus and in the AIF.

While the Corporation intends to use the net proceeds from the Unit Offering as stated above, there may be circumstances where a re-allocation of the net proceeds may be advisable for business reasons that management believes are in the Corporation's best interests. Due to the nature of the technology industry, budgets are regularly reviewed in light of the success of the expenditures and other opportunities that may become available to the Corporation. Accordingly, while the Corporation intends to spend the funds available to it as stated in this short form prospectus, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See "Risk Factors".

During the fiscal year ended December 31, 2017 and for the three months ended March 31, 2018, the Corporation had negative cash flows from operating activities. To the extent the Corporation has negative cash flows in future periods, the Corporation may use a portion of its general working capital as well as proceeds from the Unit Offering to fund such negative cash flow. If the Corporation does not have sufficient working capital, it will be necessary for the Corporation to raise additional funds through debt financing, equity financing, a combination thereof or such other means of financing as may be available to the Corporation. Although the Corporation is confident, as a result of its current stage of development and the allocation of the proceeds from the Minimum Unit Offering that it will have sufficient working capital, there is no assurance that additional funds will be available on terms acceptable to the Corporation. Given the anticipated general and administrative cost levels of the Corporation and the Corporation's projected expenses, after taking into account the Corporation's working capital position, it is expected that the Corporation will not have a working capital deficiency assuming completion of the Minimum Unit Offering or the Maximum Unit Offering. See "Risk Factors – Negative Operating Cash Flow, Going Concern and Future Financing".

PLAN OF DISTRIBUTION

Special Warrant Offering

On the Special Warrant Closing Date, the Corporation completed the sale of 1,568,440 Special Warrants on a private placement basis pursuant to exemptions from the prospectus requirements of applicable securities legislation. In connection with the Special Warrant Offering, the Corporation paid EEI the Finder's Fee in the amount of \$24,218 (and additional finder's fees of \$4,014 to another registered dealer) and issued 134,544 Finder's Options (and additional Finder's Options of 22,300 to another registered dealer). EEI will not receive any additional fees in respect of the distribution of the Common Shares, Warrants and if applicable, Penalty Shares underlying the Special Warrants to be qualified by this short form prospectus.

The Special Warrants were created and issued pursuant to the provisions of the Special Warrant Indenture. The Special Warrant Indenture provides, among other things, that holders of Special Warrants are entitled to receive, at any time after the Special Warrant Closing Date, in respect of each Special Warrant held, without the payment of additional consideration and without any further action on the part of the holder, one Common Share and one-half of a Warrant, subject to adjustment in certain circumstances. All unexercised Special Warrants will be deemed to be exercised, at 5:00 p.m. (Toronto time), on the earlier of: (i) five days following the issuance of the Final Passport System Decision Document; and (ii) one hundred and twenty days following the May 16, 2018 (being September 13, 2018).

Pursuant to subscription agreements with the subscribers of the Special Warrants, SponsorsOne has agreed to use its best efforts to obtain a Final Passport System Decision Document by no later than the Qualification Deadline. In the event that the Final Passport System Decision Document is not obtained on or before the Qualification Deadline, each Special Warrant shall thereafter be exercisable for no additional consideration and without any further action on the part of the holder into one (1) Common Share, one tenth (0.1) of a Penalty Share and one-half (0.5) of a Warrant. This short form prospectus qualifies the distribution of any Penalty Shares issuable upon exercise of the Special Warrants.

Any Units issued upon the exercise of Special Warrants prior to the issuance of a Final Passport System Decision Document will be subject to relevant hold periods under applicable securities legislation. Since the Special Warrant Closing Date, no Special Warrants have been exercised.

Unit Offering

Pursuant to the Agency Agreement, the Agent has agreed to offer for sale, on a commercially reasonable best efforts basis, a minimum of 8,333,334 Units and a maximum of 15,098,227 Units at the Offering Price for gross proceeds of \$1,500,000.12 and \$2,717,681. The Unit Offering is being made in the Qualifying Provinces and, subject to applicable law, may be offered in such other jurisdictions as may be agreed between the Corporation and the Agent.

The Unit Offering is not underwritten. The Unit Offering is made on a commercially reasonable best efforts basis by the Agent who conditionally offers the Units, if, as and when issued by the Corporation and accepted by the Agent, in accordance with the terms and conditions to be contained in the Agency Agreement to be entered into between the Corporation and the Agent. The obligations of the Agent pursuant to the Agency Agreement may be terminated based on the Agent's assessment of the state of the financial markets or if certain events set out in the Agency Agreement occur, including any material adverse change in the business, affairs or financial condition of the Corporation.

Assuming receipt of subscriptions for at least the amount of the Minimum Unit Offering, it is anticipated that the Unit Offering Closing Date will occur as soon as possible after obtaining the Final Passport System Decision Document and is expected to occur on or about July 25, 2018, or such earlier or later date as may be agreed between the Corporation and the Agent, but in any event, not later than 90 days after the date of the receipt of for the final short form prospectus. The Agent, who is a registered dealer, will hold in trust all funds received from subscriptions until the Minimum Unit Offering has been raised. If the amount of the Minimum Unit Offering is not raised within the distribution period, the Agent must return the funds to the subscribers without any deduction.

Subscriptions for the Unit Offering will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

The Corporation has granted to the Agent the Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Agent at any time during the period commencing on the date of this short form prospectus and ending on the date that is not later than the date that is 30 days following the Unit Offering Closing Date, to purchase up to an additional 5,555,556 Units at the Offering Price. This short form prospectus qualifies the Units being issued pursuant to the Over-Allotment Option.

In consideration for the services provided by the Agent in connection with the Unit Offering and pursuant to the terms of the Agency Agreement, the Corporation has agreed to pay the Agent a cash amount equal to 10.0% of the aggregate gross proceeds of the Unit Offering (including for greater certainty, any proceeds raised through the sale of Units pursuant to the exercise of the Over-Allotment Option) and issue that number of Compensation Options equal to the number to 10% of the number of Units sold pursuant to the Unit Offering. In addition, the Corporation has agreed to pay certain expenses incurred by the Agent in connection with the Unit Offering as set out in the Agency Agreement and indemnify the Agent, their affiliates and their respective partners, directors, officers and employees against certain liabilities and expenses and to contribute to payments that the Agent may be required to make in respect thereof.

Pursuant to policy statements of certain Canadian provincial securities commissions and similar authorities, the Agent may not, throughout the period of distribution, bid for or purchase Common Shares for its own account or for accounts over which it exercises control or direction. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. Such exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and stock exchanges, including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada, relating to market stabilization and passive market-making activities, and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Subject to applicable laws, pursuant to the first-mentioned exception, in connection with the Unit Offering, the Agent may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

General Matters pertaining to the Unit Offering

The Offering Price and the other terms of the Unit Offering were determined by negotiations between SponsorsOne and the Agent. SponsorsOne has agreed to indemnify the Agent and their directors, officers, employees, partners and Agent against certain liabilities and expenses in respect of the Unit Offering.

The Common Shares and Warrants comprising the Units and issuable upon exercise of the Special Warrants have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and accordingly, may not be offered or sold within the United States or to or for the account or benefit of U.S. persons unless the securities are registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available.

None of the Common Shares and Warrants comprising the Units have been or will be registered under the U.S. Securities Act, or any state securities laws, and accordingly may not be offered, sold or delivered within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Agency Agreement, and as expressly permitted by applicable laws of the United States, the Agent will not offer, sell or deliver any securities within the United States. The Agency Agreement will permit the Agent, by or through their U.S. registered broker-dealer affiliates, to offer and sell Units in the United States to Accredited Investors or "qualified institutional buyers" within the meaning of Rule 144A, provided such offers and sales are made in transactions in accordance with Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder and similar exemptions under applicable state securities laws. Moreover, the Agency Agreement will provide that the Agent will offer and sell the Units outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

Any Units that are sold in the United States will be restricted securities within the meaning of Rule 144(a)(3) of the U.S. Securities Act and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act. In addition, until 40 days after the commencement of the Unit Offering, any offer or sale of Units offered within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the U.S. Securities Act.

The Corporation has agreed that it will not, without the prior consent of the Agent, which consent shall not be unreasonably withheld or delayed, directly or indirectly, offer or announce the offering of, or enter into or make any agreement or understanding, to issue, sell or exchange or otherwise dispose of (or announce any intention to effect the foregoing) any Units or any securities exchangeable for or convertible into Common Shares, at any time prior to the Unit Offering Closing Date, other than: (i) the grant or exercise of stock options (not in excess of the number of options allowable under the Corporation's existing stock option plan); and (ii) the issue of Common Shares upon exercise of outstanding SPO Warrants or other previously issued securities convertible or exchangeable into Common Shares.

Except in certain limited circumstances: (i) the Units will be issued and deposited in electronic form with CDS or its nominee pursuant to the book based system administered by CDS; (ii) no certificates evidencing the Units will be issued to purchasers of Units; and (iii) purchasers of Units will receive only a customer confirmation from the Agent or other registered dealer who is a Participant and from or through whom a beneficial interest in the Units is purchased. Notwithstanding the foregoing, all purchasers of Units in the United States that are Accredited Investors will receive Units issued in certificated, individually registered form.

The issued and outstanding Common Shares are listed and posted for trading on the CSE under the trading symbol "SPO". On July 12, 2018, the last trading day prior to the date of this short form prospectus, the closing price of the Common Shares on the CSE was \$0.21. The Corporation has applied for approval to list the Common Shares issuable under the Offering, including the Common Shares: (i) that form a part of the Units issuable under the Unit Offering and upon exercise of the Special Warrants; (ii) issuable as Penalty Shares pursuant to the terms of the Special Warrants; (iii) forming part of the Units issuable upon exercise of the Over-Allotment Options; (iv) issuable on exercise of the Warrants; (v) issuable on exercise of the EEI Options; and (vi) issuable on exercise of the EEI Warrants. Listing will be subject to the Corporation fulfilling all of the listing requirements of the CSE.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Common Shares

SponsorsOne is authorized to issue an unlimited number of Common Shares without par value and without special rights or restrictions attached. As of July 13, 2018 there were 30,409,712 Common Shares issued and outstanding. Each Common Share ranks equally with all other Common Shares with respect to distribution of assets upon dissolution, liquidation or winding-up of the Corporation and payment of dividends. The holders of Common Shares are entitled to one vote for each share on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the board of directors of the Corporation. The holders of Common Shares have no pre-emptive or conversion rights. The rights attaching to the Common Shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.

Special Warrants

The Special Warrants were issued pursuant to the Special Warrant Indenture. Each Special Warrant entitles the holder to acquire one (1) Unit on the earlier of: (i) 120 days following the Special Warrant Closing Date; and (ii) the fifth business day following the receipt of the Final Passport System Decision Document. In the event that the Qualification Condition is not met prior to the Qualification Deadline, holders of each Special Warrant will be entitled to receive, for no additional consideration and in addition to one (1) Unit, one-tenth of a Penalty Share being upon the exercise or deemed exercise of each Special Warrant. See "*Plan of Distribution*" herein for a description of the conversion rights with respect to the Special Warrants.

Agent Options

Each Agent Option entitles the Agent to acquire one Agent's Unit for the Offering Price for a period of twenty four (24) months from the date of issuance thereof. Each Agent's Unit is comprised of one (1) Common Share and one-half of one Agent's Warrant.

Warrants

The Warrants will be issued pursuant to the Warrant Indenture to be entered into between the Corporation and TSX Trust Company, as warrant agent. Each whole Warrant entitles the holder thereof to acquire, subject to adjustment in certain circumstances, one additional Common Share at an exercise price of \$0.30 per share for a period of twelve (12) months following the applicable date of issuance as the case may be, provided that if the closing price at which the Common Shares trade on the CSE (or any such other stock exchange in Canada as the Common Shares may trade at the applicable time) exceed \$0.55 for five (5) consecutive trading days at any time following the date that is four months and one day after the Unit Closing Date, the Corporation may accelerate the expiry date of the Warrants to the date that is twenty-one (21) calendar days following the date a press release is issued by the Corporation announcing such Reduced Warrant Term. The Agent's Warrants will be issued on terms substantially similar to those of the Warrants other than the expiry date, which will be set at the date that is twenty four (24) months following the Unit Offering Closing Date and not subject to the Reduced Warrant Term.

PRIOR SALES

The following table summarizes the issuances by the Corporation of Common Shares or securities convertible into Common Shares in the 12-month period prior to the date of this Prospectus:

Type of Security ⁽¹⁾⁽²⁾	Type of Issuance	Number of Securities ⁽³⁾	Price per Security ⁽⁴⁾	Date of Issuance
Common Shares	Private Placement	2,350,548	\$0.05	May 8, 2017
Common Share purchase warrants	Private Placement	2,350,548	\$0.15	May 8, 2017
Common Shares	Private Placement	2,625,000	\$0.04	January 5, 2018
Common Share purchase warrants	Private Placement	2,625,000	\$0.05	January 5, 2018
Options	Grant	1,450,000	\$0.30	January 10, 2018
Special Warrants ⁽⁵⁾	Private Placement	1,568,440	\$0.18	May 16, 2018

Finders Options ⁽⁶⁾	Private Placement	156,844	\$0.18	May 16, 2018
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Notes:

- (1) A reference to "options" represents incentive stock options granted pursuant to the Corporation's incentive stock option plan.
- (2) A reference to "Common Share purchase warrants" represents one full warrant entitling the holder thereof to acquire 1 Common Share for a set price.
- (3) For options and warrants, this represents the maximum number of Common Shares issuable upon exercise of the option or warrant.
- (4) For options and warrants, this represent the exercise price.
- (5) Each Special Warrant is exercisable, for no additional consideration, into one (1) Unit which is comprised of one (1) Common Share and one half (0.5) of a Warrant.
- (6) Each Finders Option is exercisable for one Finder's Unit for a period of twenty four months from the Special Warrant Closing Date at the Offering Price.

TRADING PRICE AND VOLUME

The Common Shares are listed on the CSE under the trading symbol "SPO". The following table sets forth information relating to the trading of the Common Shares on the CSE for the periods indicated.

Month	High – Price (\$)	Low – Price (\$)	Volume
May 2017	0.05	0.05	69,000
June 2017	0.05	0.045	38,500
July 2017	0.045	0.035	129,000
August 2017	0.04	0.025	532,333
September 2017	0.03	0.02	1,077,900
October 2017	0.03	0.025	173,000
November 2017	0.075	0.02	1,917,136
December 2017	0.30	0.03	5,656,783
January 2018	0.345	0.13	3,361,260
February 2018	0.245	0.13	1,078,666
March 2018	0.26	0.18	531,372
April 2018	0.305	0.17	491,793
May 2018	0.22	0.19	731,565
June 2018	0.22	0.205	460,860
July 1 - 13, 2018	0.22	0.21	10,500

On July 12, 2018, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the CSE was \$0.21.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Nerland Lindsey LLP, tax counsel to the Corporation, the following is, as of the date of this short form prospectus, a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires and is a beneficial owner of Common Shares and Warrants acquired pursuant to this Offering, and who, for the purposes of the Tax Act, and at all relevant times, deals at arm's length with, and is not affiliated with the Corporation and the Agent, and who acquires and holds the Common Shares, and any Common Shares acquired pursuant to the exercise of a Warrant (hereinafter collectively referred to as "Common Shares") and the Warrants as capital property (a "Holder"). Generally, the Common Shares and Warrants will be considered to be capital property to a Holder thereof provided that the Holder does not use the Common Shares or Warrants in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii), an interest in which would be a "tax shelter investment" as defined in the Tax Act; (iv) that has made a functional currency reporting election under the Tax Act; or (v) that has or will enter into a "derivative forward agreement" or "synthetic

disposition arrangement", as each term is defined in the Tax Act, with respect to the Shares or Warrants. Such Holders should consult their own tax advisors.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of the Units, controlled by a non-resident corporation for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring Units.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof, counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "CRA") and all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals"). This summary assumes that the Tax Proposals will be enacted substantially as proposed; however, no assurance can be given that the Tax Proposals will be enacted as proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or the CRA's administrative policies or assessing practices, whether by legislative, governmental or judicial decision or action, nor does it take into account any provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Allocation of Cost

The total purchase price of a Unit to a Holder must be allocated on a reasonable basis between the Common Share and the Warrant to determine the cost of each to the Holder for purposes of the Tax Act. For its purposes, the Corporation intends to allocate \$0.18 of the Unit Price as consideration for the issue of each Common Share and \$0.00 as consideration for the issue of each Warrant. Although the Corporation believes that its allocation is reasonable, it is not binding on the CRA or the Holder. The Holder's adjusted cost base of the Common Share will be determined by averaging the cost allocated to the Common Share with the adjusted cost base to the Holder of all Common Shares owned by the Holder as capital property immediately prior to such acquisition.

Exercise of Warrants

The exercise of an Warrant to acquire a Common Share will be deemed not to constitute a disposition of property for purposes of the Tax Act. As a result, no gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Common Share. When a Warrant is exercised, the Holder's cost of the Common Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Common Share. The Holder's adjusted cost base of the Common Share so acquired will be determined by averaging the cost of the Common Share with the adjusted cost base to the Holder of all Common Shares owned by the Holder as capital property immediately prior to the relevant time.

Holders Resident in Canada

The following section of this summary is generally applicable to a Holder who, for the purposes of the Tax Act, is or is deemed to be resident in Canada at all relevant times ("Resident Holder"). A Resident Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Common Shares, and every other "Canadian security" (as defined in the Tax Act), held by such person, in the taxation year of the election and each subsequent taxation year to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors regarding this election.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

Dividends

Dividends received or deemed to be received on the Common Shares will be included in computing a Resident Holder's income. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (as defined in the Tax Act). An enhanced dividend tax credit will be available to individuals in respect of "eligible dividends" designated by the Corporation to the Resident Holder in accordance with the provisions of the Tax Act.

Dividends received or deemed to be received by a Resident Holder that is a corporation on the Common Shares must be included in computing its income but generally will be deductible in computing its taxable income. A Resident Holder that is a "private corporation" or a "subject corporation" (as defined in the Tax Act), may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing taxable income. In addition, pursuant to changes to the Tax Act that were introduced in the 2018 federal budget that was released on February 27, 2018 (the "2018 Budget"), such a Resident Holder may be required to reduce its business limit on a straight-line basis to the extent that it, together with other corporations associated with it, receive certain investment income in an amount exceeding \$50,000 for a particular taxation year. Such Resident Holders should consult their own tax advisor regarding the 2018 Budget.

In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Dispositions of Shares and Warrants

Upon a disposition (or a deemed disposition) of a Common Share or a Warrant (other than on the exercise thereof), a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such security to the Resident Holder. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "taxable capital gain") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "allowable capital loss") realized in a taxation year from taxable capital gains realized in the year by such Resident Holder. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of Common Shares by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstances specified by the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year which will include taxable capital gains.

Minimum Tax

Capital gains realized and dividends received by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the application of the minimum tax.

RISK FACTORS

Given the speculative nature of the business of the Corporation, an investment in the Corporation should only be considered by those persons who can afford a total loss of their investment. The risks presented below should not be considered to be exhaustive and may not represent all of the risks that the Corporation may face. It is believed that these are the factors that could cause actual results to be different from expected and historical results. Additional risks and uncertainties not presently known to the Corporation or that the Corporation currently deems immaterial may also impair the Corporation's business operations. If any of the risks described below occur, the Corporation's business, financial condition, liquidity and results of operations could be materially harmed:

Working Capital Deficiency

The Corporation has a significant working capital deficiency. The Corporation intends to negotiate with creditors and reach settlement of accounts at less than face value, extend terms of payment beyond twelve months and obtain debt forgiveness from certain parties. The Corporation has not yet finalized these settlements but management and there can be no assurances that such agreements will take place.

Insurance Coverage

The Corporation currently has no insurance coverage of any kind. The Corporation will require insurance coverage for a number of risks, including business interruption, environmental matters and contamination, personal injury and property damage. The Corporation intends to obtain director and officer and general commercial liability insurance in the near future but until that occurs, the Corporation has no coverage. Although the Corporation believes that it will have insurance in place before any the events and amounts of liability are incurred, there can be no assurances. The Corporation believes they will be able to obtain insurance coverage covered by its insurance policies will be reasonable, taking into account the risks relevant to its business, and the fact that agreements with users contain limitations of liability, there can be no assurance that such coverage will be available or sufficient to cover claims to which the Corporation may become subject. If insurance coverage is unavailable or insufficient to cover any such claims, the Corporation's financial resources, results of operations and prospects could be adversely affected.

Discretion in the Use of Proceeds

Management will have broad discretion concerning the use of the proceeds of the Offering, as well as the timing of their expenditure. As a result, purchasers will be relying on the judgment of management for the application of the proceeds of the Offering. Management may use the net proceeds of the Offering in ways that purchasers may not consider desirable. The results and the effectiveness of the application of the net proceeds are uncertain. If the proceeds are not applied effectively, the results of the Corporation's operations may suffer.

Negative Operating Cash Flow, Going Concern and Future Financing

The Corporation has had negative cash flow since inception and projects negative operating cash flow to continue for the near term. The Corporation's failure to achieve profitability and positive operating cash flows could have a material adverse effect on the Corporation's business, financial condition, operating results, ability to access additional equity or bank debt. Given the anticipated general and administrative cost levels of the Corporation and the Corporation's expected expenditures to develop its business, after taking into account the Corporation's working capital position, it is expected that the Corporation will have a working capital deficiency in the foreseeable future, in the absence of access to additional capital or further reduction of general and administrative costs in the interim.

SponsorsOne currently has no revenue and anticipates that the proceeds of the Minimum Unit Offering will be sufficient to begin earning revenue. If revenues and expenses fluctuate from forecasts, or if management is unable to negotiate favorable terms with parties who are currently owed funds, the Corporation may require additional financing. Accordingly, the Corporation's continued operations may be dependent on its ability to obtain additional financing, which will depend on the Corporation's ability to obtain such capital through debt financing, equity financing, a combination thereof or such other means of financing as may be available to the Corporation.

Although the Corporation is confident that the proceeds from the Minimum Unit Offering will be sufficient to begin earning revenue, there can be no assurance that additional financing will be available if needed or on terms acceptable to SponsorsOne. In addition, capital markets can be volatile which could limit SponsorsOne's ability to obtain new financing.

Crypto-currency Regulatory Regimes

The regulation both in Canada and globally of cryptocurrencies, including *SponsorCoin*, is in a nascent stage continues to evolve any may restrict the use of *SponsorCoin* or otherwise impact the demand for or value of *SponsorCoin* in the future.

Dependence on Proprietary Technology and Limited Protection Thereof

The Corporation will be relying on a combination of trademark, copyright, patent and trade secret law, as well as confidentiality restrictions contained in certain confidentiality agreements, to establish and protect the Corporation's proprietary rights in its intellectual property. As a result, the Corporation may not be able to adequately prevent a competitor, business partner or customer from creating or obtaining an illegal copy of its software or otherwise using it for inappropriate purposes such as reverse engineering.

Rapid Technological Change

The advertising industry as it relates to social and digital media marketing is characterized by rapid technological change, changes in user and customer requirements and preferences, frequent new product and service introductions embodying new technologies and emergence of new industry standards and practices that could render the Corporation's existing products and systems obsolete and can exert price pressures on existing products. It is critical to the Corporation's success that it is able to anticipate and react quickly to changes in technology or in industry standards and successfully develop and introduce new, enhanced and competitive products on a timely basis. The Corporation cannot give assurance that it will successfully develop new products or enhance and improve its existing products, that new products and enhanced and improved existing products will achieve market acceptance or that the introduction of new products or enhanced existing products by others will not render the Corporation's products obsolete. The process of developing new technology is complex and uncertain, and, if the Corporation fails to accurately predict customers' changing needs and emerging technological trends, its business could be harmed. The Corporation must commit significant resources to developing new products before knowing whether its investments will result in products the market will accept. To remain competitive, the Corporation may be required to invest significantly greater resources than currently anticipated in research and development and product enhancement efforts and may result in increased operating expenses.

Limited Operating History and Sales

The Corporation has a limited operating history on which to base an evaluation of its business, financial performance and prospects. The Corporation's business and prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stage of development. The Corporation is in an early stage and is introducing new products and the Corporation's revenues may be materially affected by the decisions, including timing decisions, regarding the introduction of products, efforts to develop a customer base, and other efforts as the Corporation moves from the development stage to an operational stage. In addition, it is also difficult to evaluate the viability of the Corporation's *SponsorsCloud* platform because the Corporation has had limited experience in addressing the risks, expenses and difficulties frequently encountered by tech companies in their early stage of development, particularly companies in new and rapidly evolving markets such as the Corporation's target markets. There can be no assurance that the Corporation will be successful in addressing these risks, and the failure to do so in any one area could have a material adverse effect on the Corporation's business, prospects, financial condition and results of operations.

History of Operating Losses

For the year ended December 31, 2017, the Corporation recorded a net loss from operations. The financial statements have been prepared using International Financial Reporting Standards applicable to a going concern.

No Assurance of Profitability

The Corporation cannot give assurances that it will not incur net losses in the future. The limited operating history makes it difficult to predict future operating results. The Corporation is subject to the risks inherent in the operation of a new business enterprise in an emerging business sector, and there can be no assurance that the Corporation will be able to successfully address these risks.

Future Capital Needs; Uncertainty of Additional Funding

The Corporation may not be able to fully implement and execute its business strategy without additional financing. There can be no assurance that such additional financing will be available, and if available, there can be no assurance that the cost of obtaining such financing will be on favourable or reasonable commercial terms or that financing will not result in substantial dilution to the Corporation's shareholders.

PROMOTER

Myles Bartholomew was, within the last two years, considered to be a "promoter" as that term is defined in the *Securities Act (Ontario)* having taken initiative in our organization. As of the date hereof, Mr. Bartholomew beneficially owns, controls or directs, directly or indirectly, 6,027,719 Common Shares, representing 21.69% of the currently issued and outstanding Common Shares. Mr. Bartholomew has received compensation from SPO, as described below but has not received anything else of value from SPO except as set forth below and elsewhere in this prospectus.

On January 1, 2013, Mr. Bartholomew entered into a CEO management consulting agreement with MXM, the obligations of which were assumed by SPO after its acquisition of MXM. As compensation for his services, Mr. Bartholomew was paid \$30,000 in fees in 2015; \$15,000 in 2016; \$29,000 in 2017 and is being paid \$10,000 per month which commenced January 1, 2018. In addition to the cash fees paid to Mr. Bartholomew in 2015 and 2016, Mr. Bartholomew accrued an additional \$275,088 in compensation. On July 4, 2016, Mr. Bartholomew converted \$275,088 of accrued compensation into 1,833,919 Common Shares and 1,833,919 Common Share purchase warrants, each exercisable into 1 Common Share for a period of 1 year at \$0.30 per Common Shares. Mr. Bartholomew has been granted 200,000 stock options to purchase Common Shares at a strike price of \$0.30 on January 1, 2013 (now expired), 100,000 stock options to purchase Common Shares at a strike price of \$0.15 on January 4, 2016 and 100,000 stock options to purchase Common Shares at a strike price of \$0.30 on January 10, 2018.

For additional information on the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by Mr. Bartholomew, please see the disclosure under the heading "Statement of Executive Compensation" in the Information Circular.

EXPERTS

Certain tax matters relating to the Unit Offering were passed upon by Nerland Lindsey LLP, tax counsel to the Corporation. Certain legal matters relating to the Special Warrant Offering and Unit Offering were passed upon by Bryce Bonneville on behalf of the Corporation and certain matters relating to the Unit Offering were passed upon by Burnet, Duckworth & Palmer LLP on behalf of the Agent.

None of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Corporation or of any associate or affiliate of the Corporation.

MNP LLP, are the auditors of the Corporation and have confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

AUDITORS, TRANSFER AGENT AND REGISTRAR, SPECIAL WARRANT AGENT AND WARRANT AGENT

The auditors of the corporation are MNP LLP, at its principal offices in Toronto, Ontario.

The transfer agent and registrar for the Common Shares is TSX Trust Company, at its principal offices in Toronto, Ontario.

RIGHTS OF WITHDRAWAL AND RESCISSION

Special Warrant Offering

Pursuant to the terms of the subscription agreements between the Corporation and the purchasers of Special Warrants, the Corporation has granted to each holder of a Special Warrant a contractual right of rescission of the private

placement transaction pursuant to which the Special Warrants were initially acquired (i.e. the Special Warrant Offering). The contractual right of rescission provides that if a holder of a Special Warrant who acquires a Unit on exercise of the Special Warrant as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of this Prospectus or an amendment to this Prospectus contains a misrepresentation: (a) be entitled to rescission of both the holder's exercise of its Special Warrant and the private placement transaction under which the Special Warrant was initially acquired; and (b) be entitled in connection with the rescission to a full refund of all consideration paid to the Agent, on the acquisition of the Special Warrant. In the event such holder is a permitted assignee of the interest of the original Special Warrant subscriber, such permitted assignee is entitled to exercise the rights of rescission and refund as if such permitted assignee was the original subscriber.

Unit Offering

Securities legislation in certain of the Provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province of residence. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's Province for the particulars of these rights or consult with a legal adviser.

Warrants

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: July 13, 2018

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

By: signed "Myles Bartholomew"
Myles Bartholomew
Chief Executive Officer, President
and a Director

By: signed "Brad Herr"
Brad Herr
Chief Financial Officer

By: signed "Gary Bartholomew"
Gary Bartholomew
Director

By: signed "Doug Beynon"
Doug Beynon
Director

CERTIFICATE OF THE PROMOTER

Dated: July 13, 2018

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

By: signed "Myles Bartholomew"
Myles Bartholomew
Chief Executive Officer

CERTIFICATE OF THE AGENT

Dated: July 13, 2018

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

EMERGING EQUITIES INC.

By: *signed "James Hartwell"*
James Hartwell
President and Chief Executive Officer