

**EARLY WARNING REPORT
FILED PURSUANT TO
NATIONAL INSTRUMENT 62-103**

1. Name and Address of the offeror:

Difference Capital Funding Inc. ("Difference Capital")
130 King Street West
Suite 2950
Toronto, Ontario M5X 1C7

2. Name of the reporting issuer with respect to which this report is filed:

LiveReel Media Corporation (the "Company")

3. Designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:

Difference Capital entered into five (5) separate stock purchase agreements with arms-length third parties whereby it acquired 20,648,150 common shares in the capital of the Company. The purchase price paid in each case was \$0.005 per share, which amount was below the closing market price on the date proceeding the trades.

This transaction is exempt from the formal take-over provisions of the *Securities Act* (Ontario) (the "Act") pursuant to section 100.1(1) of the Act.

4. The designation and number or principal amount of securities and the Offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligation to file the news release:

Difference Capital and its affiliates beneficially owns 20,648,150 common shares in the capital of the Company, representing approximately 87.8% of the issued and outstanding voting securities of the Company on a fully-diluted basis.

5. The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph (4) over which:

- (a) the offeror, either alone or together with any joint actors, has ownership and control;**

Reference is made to Item 3. Difference Capital has no joint actors with respect to its ownership of securities of the Company.

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

Not applicable.

- (c) the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 6. Name of the market in which the transaction or occurrence that gave rise to the news release took place.**

Not applicable.

- 7. The value of consideration, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence that gave rise to the obligation to file a news release.**

The common shares were purchased from arms-length parties at a price of \$0.005 per share.

- 8. Purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

Difference Capital purchased the common shares for investment purposes. Difference Capital may increase or decrease its ownership interest in the Company depending on, among other factors, market conditions. It has no present intention to change its holdings of securities of the Company.

- 9. General nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities.**

The common shares were purchased from arms-length third party sellers pursuant to stock purchase agreements having terms customary for a transaction of this nature.

10. Names of any joint actors in connection with the disclosure required by this report.

Difference Capital has no joint actors with respect to its ownership of securities of the Company.

11. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value, in Canadian dollars, of the consideration paid by the offeror.

The common shares were issued at a subscription price of \$0.005 per share.

12. If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities.

Not applicable.

13. If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance

Not applicable.

DATED at Toronto, Ontario this 22th day of March, 2013.

DIFFERENCE CAPITAL FUNDING INC.

Per: "Henry Kneis"
Henry Kneis, COO & CFO