



FANDOM SPORTS MEDIA CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

SIX MONTHS ENDED JULY 31, 2018

The following management discussion and analysis (“MD&A”) of the financial position and results of operations for FANDOM SPORTS Media Corp. (the “Company” or “FANDOM SPORTS”) should be read in conjunction with the audited consolidated financial statements and notes thereto for the six months ended July 31, 2018. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian Dollars.

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company’s actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by law, the Company undertakes no obligation to release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to future price levels, success of technology development, success of marketing and product adoption, development time lines, currency fluctuations, requirements for additional capital, unanticipated expenses, trademark or patent disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future price levels; accidents, labor disputes and other risks of the technology industry; delays in obtaining approvals or financing.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.



1.1 Date of Report: October 1, 2018

1.2 Overall Performance

FANDOM SPORTS Media Corp., the “Company” is a publicly listed company incorporated in Canada under the *British Columbia Corporations Act* on May 12, 2006. The Company is listed on the Canadian Securities Exchange under the trading symbol “FDM” and on the OTCBQ under the trading symbol “FDMSF”.

FANDOM SPORTS Media is a sports entertainment company that aggregates, curates and produces unique fan-focused content. *“FANDOM SPORTS exists to allow sports fans to unleash their primal sports passions; to express their adoration for their teams and players, as well as their deep scorn for their opponents. We facilitate uncensored and unfiltered dialogue, rewarding die-hard fans for their vehemence. Together we celebrate the victories of your champions and make fun of the losses of your rivals; always delivering and creating the most provocative and entertaining sports content.”*

The Company's ability to continue is a going concern, to fund its technology developments and acquisitions and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company's ability to continue as a going concern. While the Company is expanding its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

The address of the Company's head office and principal place of business is suite #830 -1100 Melville Street, Vancouver, B.C. Canada V6E 4A6 and the registered and records office is located at 885 West Georgia Street, suite #900, Vancouver, B.C., Canada, V6C 3H1. The Company maintains a website at <http://www.fandomsports.net>.

Change of Auditor

The Company changed its Auditors during the month of December, 2015. Pursuant to NI 51-102, the Company filed a notice of Change of auditor package on www.sedar.com.

Principle Products

FANDOM SPORTS App

The Company's FANDOM SPORTS APP is the ultimate mobile only application for unfiltered raw sports talk. We allow passionate sports fans to unleash their primal sports passions, pick fights and earn rewards. The PLATFORM is built and further developed for fan engagement, which gives users the ability to interact and challenge fellow sports fanatics, bloggers, athletes and tastemakers to debate the most current sports related topics while being rewarded for their participation. The FANDOM SPORTS App employs a proprietary 'argument engine', which is a mobile only sports-centric argument resolution platform. “FANDOM LIFE” is a comprehensive mobile sports experience, giving the sports fan a front row seat to the hottest debates in sports. All day, every day. The one thing that sports fans love more than watching their favorite sport is arguing about the game and the athletes.

FANDOM SPORTS operates on a mobile device (currently both iOS and Android) targeting “super fans” who aspire to show the world they know sports better than the experts - giving them a chance to prove it.

RTO Transaction

On August 30, 2015, Tosca Resources Corp. (“Tosca”) completed a Share Exchange Agreement with Hatchitech Technologies Corp. (“Hatchitech”), a private company incorporated on February 21, 2011 under the laws of British Columbia, Canada. On September 4, 2015, the Company began trading on the Canadian Securities Exchange under the trading symbol “HAT” (now “FDM”). The transaction was accounted for as an acquisition of Tosca by Hatchitech, resulting in a reverse take-over (“RTO”). Immediately following the RTO, Tosca changed its name to Hatch Interactive



Technologies Corp. and on August 3, 2016 to FANDOM SPORTS Media Corp. On February 10, 2016, Hatchitech changed its name to Fandom Media Group Inc. For the purposes of this MD&A, the “Company” refers to Hatchitech prior to the date of the RTO and the consolidated entity thereafter.

1.3 Selected Annual Information

N/A (Annual requirement)

1.4 Results of Operations for the period ended July 31, 2018

Revenue:

The Company is in the development stage and does not generate any revenues. To date the Company has not earned any significant revenues.

Six months ended July 31, 2018:

General and Administrative Expenses:

General and Administrative expenses rose by \$508,409 to \$1,282,264 during the six months ended July 31, 2018 (2017: \$773,855). During the six months ended July 31, 2018, the Company continued to develop its flagship mobile application. The Company reached its goal of launching the FANDOM SPORTS commercial version of the Android mobile application in the spring of 2018 (see news release dated April 16, 2018). The Company is continuing to develop the FANDOM SPORTS APP product with further enhancements and user features.

Significant expenses incurred during the six months ended July 31, 2018 compared to 2017:

- Consulting and Management fees increased \$202,173 to \$413,284 (2017: \$211,111). The Company added a new CEO & President, a COO & director, and a CCO to its management team between the two periods which attributed to the rise in costs.
- Travel increased \$96,913 to \$154,989 (2017: \$58,076) as in-person product development meetings have necessitated worldwide travel for management and consultants of the Company.
- Legal and Audit increased \$121,016 to \$131,365 (2017: \$10,349) due to significant costs associated with the application for trademarks associated with the Company's intellectual property.
- Marketing and Promotion increased \$222,837 to \$293,299 (2017: \$70,462) due to costs associated with the marketing of the launch of the most recent version of the Company's mobile application.
- The Company recognized \$239,800 in stock-based compensation during the period ended July 31, 2018 (2017: \$358,488)

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, the uncertainty of social media and marketing trends, and the uncertainty of fundraising activities.

Three months ended July 31, 2018:

General and Administrative Expenses:

General and Administrative expenses rose by \$265,733 to \$858,155 during the three months ended July 31, 2018 (2017: \$592,422). During the three months ended July 31, 2018, the Company continued to develop its mobile application suite. The Company is continuing to develop the FANDOM SPORTS product with further enhancements and user features.



Significant expenses incurred during the three months ended July 31, 2018 compared to 2017:

- Consulting and Management fees increased \$140,150 to \$269,423 (2017: \$129,273). The Company has added a new CEO & President, a COO & director, and a CCO to its management team since May of 2017 which attributed to the rise in costs.
- Legal and Audit increased \$102,859 to \$108,758 (2017: \$5,899) due to significant costs associated with the application of trademarks for the Company's intellectual property.
- Marketing and Promotion increased \$119,116 to \$180,072 (2017: \$60,956) due to costs associated with the promotion and marketing of the new version of the Company's mobile application.
- The Company recognized \$239,800 in stock-based compensation during the period ended July 31, 2018 (2017: \$289,288).

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, the uncertainty of social media and marketing trends, and the uncertainty of fundraising activities.

1.5 Summary of Quarterly Results

This financial data has been prepared in accordance with IFRS accounting principles and all figures are stated in Canadian dollars. The Company's quarterly results are summarized as follows:

Three months ended	Total revenues	Net loss (\$)	Loss Per Share (basic and diluted) (\$)
July 31, 2018	Nil	858,155	0.01
April 30, 2018	Nil	424,109	0.003
January 31, 2018	Nil	2,887,327	0.03
October 31, 2017	Nil	635,491	0.01
July 31, 2017	Nil	592,421	0.006
April 30, 2017	Nil	181,434	0.003
January 31, 2017	Nil	800,212	0.01
October 31, 2016	Nil	275,284	0.004

The Company has been developing the FANDOM SPORTS mobile application throughout the quarters listed above and built a POC to IBM Blockchain solution for commercial development in fiscal year 2018. Major fluctuations are due to key short term strategic consultants, development and technology implementation and associated programs. During the summer of 2017, the iOS MVP version of the mobile application was launched and the Company has continued to refine the Android version of the product based on old backend delivered by the technology developer selected in August 2016. The three months ended January 31, 2017 had an extra-ordinary non-cash cost due to debt settlement of \$313,429. The quarter ended January 31, 2018 saw increased costs due to the write down of intangibles from the previously developed web and mobile MVP application versions totaling \$1,261,715 and bonus payments totaling \$625,000 to two management consultants which were immediately invested back into the Company as part of the February 2018 private placement demonstrating their long-term commitment to the Company. The three months ended April 30, 2018 continued to see the Company's development of its mobile application as did the quarter ended July 31, 2018 during which marketing consultants and marketing programs were tested to provide valuable feedback for user acquisition mechanisms in addition to trademark procedures to guard the Company's intellectual property.



1.6 Liquidity

At July 31, 2018, the Company had a working capital of \$2,228,166 compared to working capital of \$3,059,700 as at January 31, 2018. Accounts payable and accrued liabilities at July 31, 2018 were \$347,171, (January 31, 2018: \$320,725).

The Company has financed its operations to date primarily through the issuance of common shares and debt. The Company believes that it has sufficient working capital for its short-term corporate obligations but generation of additional capital will be required for future operations until sufficient revenue can be generated from the Company's PLATFORM and mobile applications. As the Company cannot predict the time at which revenue will exceed expenses, the Company continues to seek capital through various means including the issuance of equity and/or debt.

In management's view, given the nature of the Company's operations, which consist of the development of the PLATFORM and the mobile applications, the most relevant financial information relates primarily to current liquidity, solvency and planned development expenditures. The Company's financial success will be dependent upon the extent to which it can complete development of its current core products and the user absorption the products receive. Such development may take longer than expected and the amount of resulting revenue, if any, is difficult to determine. The value of the core products is largely dependent upon many factors beyond the Company's control, including sports entertainment and media trends and marketing trends.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

1.7 Capital Resources

At July 31, 2018 the capital of the Company consists of cash in the bank, and GST recoverable totaling \$2,533,943. The Company will have to generate additional cash from equity and/or debt raised through the Canadian public markets to meet its commitments.

During the period ended July 31, 2018 the Company raised \$1,199,800 through the issuance of common shares.

1.8 Off Balance Sheet Arrangements

At July 31, 2018, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

1.9 Transactions with Related Parties

Key Management Compensation

During the six months ended July 31, 2018, the Company has incurred charges from directors and senior management, or companies controlled by them, for management fees and consulting fees as outlined in the table below:

Name	Role	2018	2017
William McGraw *	Former Director and former President	-	\$30,000
Blair Naughty *	Former Director and former CEO	-	\$30,000



(1) Henri Holm **	CEO (present)	\$72,000	-
Allen Ezer **	COO and Director	\$80,000	-
(2) Jonna Birgans **	CCO and President	\$59,720	-
Alexander Helmél	CFO	\$24,000	\$16,200
		\$235,720	\$76,200

(1) Henri Holm was appointed CEO and President of the Company on July 11, 2017 replacing Blair Naughty and William McGraw. Mr. Naughty resigned as a director on January 24, 2018.

(2) On August 1, 2018, Ms. Jonna Birgans was appointed President and CCO of the Company. Mr. Holm remains as CEO of the Company.

** See bonus payment detail below.

On July 11, 2017, the Company and Mr. Holm entered into an Executive Agreement for Mr. Holm's services in the capacity of President and Chief Executive Officer at a monthly rate of CAD\$12,000. Termination of Mr. Holm's contract would require six-month's notice by the Company or three-month's notice by Mr. Holm, and termination pay will be no less than \$72,000. The Company granted Mr. Holm 1,800,000 incentive stock options with an exercise price of \$0.19 per common share (Expiring June 4, 2022). On September 22, 2017, the Company issued 2,000,000 common shares at a fair value of \$200,000 pursuant to the Executive Agreement. The Company will pay two bonuses of \$250,000 each to Mr. Holm on May 11, 2018 and 2019, respectively. As at January 31, 2018, the Company accrued bonus payable of \$162,500. During the year ended January 31, 2018, the Company issued 5,000,000 units to settle \$250,000 accounts payable and recorded a loss on settlement of \$89,519.

Mr. Naughty (former CEO and President) and a Director of the Company, entered into a consulting contract with the Company whereby Mr. Naughty was paid \$5,000 monthly for his services. The contract expired on October 31, 2017. During the year ended January 31, 2018, the Company issued 900,000 units to settle \$45,000 accounts payable and recorded a loss on settlement of \$16,113.

The Company entered into an agreement with Lumina Global Partners for the services of the Company's Chief Operating Officer (COO), Mr. Allen Ezer, whereby Lumina is paid \$10,000 monthly for his services plus HST. Termination of Mr. Ezer's contract would require six-month's notice by the Company or three-month's notice by Mr. Ezer, and termination pay will be no less than \$67,800. In connection with the agreement, the Company granted Mr. Ezer 1,000,000 incentive share purchase options on August 1, 2017 with an exercise price of \$0.17 per common share (Expiring July 31, 2022). During the year ended January 31, 2018, the Company paid a signing bonus of \$375,000 to Mr. Ezer to extend the agreement for a minimum of two additional years. The bonus funds were immediately invested into the Company's subsequent private placement financing which closed on February 9, 2018. Mr. Ezer resigned in July 2018 and the services agreement with Lumina Global Partners was subsequently terminated.

The Company entered into an agreement with Jonna Birgans for the services of the Company's Chief Content Officer (CCO). Ms. Birgans is paid USD\$7,500 monthly for her services. Termination of Ms. Birgans' contract would require six-month's notice by the Company or three-month's notice by Ms. Birgans, and termination pay will be no less than USD\$45,000. In connection with the agreement, the Company granted Ms. Birgans 500,000 incentive share purchase options on August 1, 2017 with an exercise price of \$0.17 per common share and expiry date of July 31, 2022. During the year ended January 31, 2018, the Company paid a signing bonus of \$250,000 to Ms. Birgans to extend the agreement for a minimum of two additional years. The bonus funds were immediately invested into the Company's subsequent private placement financing which closed on February 9, 2018.

The Company entered into an agreement with Alexander Helmél for the services of the Company's Chief Financial officer (CFO). Mr. Helmél is paid \$4,000 monthly for his services plus GST. Termination of Mr. Helmél's contract would require six-month's notice by the Company or three-month's notice by Mr. Helmél, and termination pay will be no less than \$24,000. In connection with this agreement, the Company granted Mr. Helmél 500,000 incentive stock options on January 22, 2018 with an exercise price of \$0.30 per common share and expiry date of January 21, 2023. In addition, and pursuant to the agreement, the Company granted an additional 500,000 stock options at \$0.09 on July 24, 2018 with a five year term.



As at July 31, 2018, \$Nil (January 31, 2018, \$12,042) due to directors and senior management or companies controlled by directors and senior management, was included in accounts payable (Note 8).

1.10 Second Quarter

The second quarter's focus consisted of the following key elements:

- **Trademark:** During the second quarter, the Company completed the process of the application for certain trademarks ("FANCOIN") Trademarks in Europe, North America, and parts of Asia.
- **Product development:** The Company, with its development partner HHS Technology Group, continued development of iOS and Android products with a launch announcement expected for Q4. The upcoming product is expected to contain multiple enhancements and will incorporate technology partnerships established in Q1, namely, GameLayer (MysteryBox), MOVI SDK (Video Technology), and Kiip.me SDK.
- **IR and investment advisory:** The Company has signed a two-year agreement with LehmanBush, a consulting and investment advisory firm headquartered in Beijing, China designed to focus on strategic sports entertainment partner selection and expansion-related resourcing. The company also engaged Mr. Eric Bau as IR Manager to help Fandom Sports connect with the North American investment community.
- **Marketing:** The Company launched digital marketing programs with the Samsung store and implemented its interactive four-week FANDOM WORLD CUP marketing program in connection with the FIFA World Cup soccer matches where passionate fans helped to contribute to a sizable uptick across Fandom Sports' social channels in terms of downloads, likes, and engagement.
- **Advisors:** The Company added Mr. Vikas Ranjan (current serving as president, is a co-founder, and sits on the board of directors for Gravitas Financial Inc., a Toronto – based investment holding and merchant banking firm.) to its team of advisors.
- **Subsidiary:** The Company established 100-per-cent-owned subsidiary Fandom Sports Oy, to run global esports operations out of Helsinki, Finland.

Highlights (second quarter ending July 31, 2018)

On July 24, 2018, the Company announced that it has increased its ability to communicate with global investors by opening a dedicated investor relations manager position. Eric Bau is familiar with the North American investment community and is excited to reconnect with the community on behalf of Fandom Sports.

On July 23, 2018, the Company announced that it has signed a two-year agreement with LehmanBush, a consulting and investment advisory firm headquartered in Beijing, China. The agreement is designed to focus on strategic sports entertainment partner selection and expansion-related resourcing. LehmanBush's role will be to craft and source various market entry opportunities in consultation with the Fandom Sports senior management team and to identify and select potential strategic partners throughout mainland China for business and corporate development purposes. This regional expansion is based on the previously announced global blockchain-based sports entertainment platform that Fandom Sports will launch during the fourth quarter of 2018.

On July 17, 2018, the Company announced that it has concluded its four-week interactive campaign this week. The #WearYourColors campaign celebrated and rewarded fans who showcased their passion for soccer with expressive tattoos, body paint or colourful comments. The campaign, which coincided with the largest sporting event in the world, The FIFA World Cup, watched by nearly half of the world's population, approximately 3.4 billion people, helped spark a sizable uptick across Fandom Sports' social channels in terms of downloads, likes and engagement. Since inception of the campaign, the social element achieved more than 600,000 impressions, and Fandom's Instagram account saw a 410-per-cent increase in followers.



On June 19, 2018, the Company announced that in conjunction with a U.S.-focused digital marketing campaign, Fandom Sports Media Corp.'s Fandom Sports app has been approved to the Galaxy app store. Acceptance into the store ensures exposure to high-quality Android users for Galaxy versions 7, 8 and 9.

On May 31, 2018, the Company announced that it has added Vikas Ranjan to its team of advisers. Mr. Ranjan is an entrepreneurial-minded management professional with an MBA from McGill University. Mr. Ranjan currently serves as president, is a co-founder and sits on the board of directors for Gravitas Financial Inc., a Toronto-based investment holding and merchant banking firm.

On May 24, 2018, the Company announced that design work for its gamification-focused product, with an innovative user interface, has begun. Fandom Sports has put a team in place, which has spearheaded the creative direction for highly touted projects such as the NBA International, NASCAR, the Sporting News and Flywheel Sports mobile apps.

On May 17, 2018, the Company announced that it had retained the services of an industry-leading mobile app marketing and strategy firm. The primary purpose of the initial digital campaigns is to increase growth and discovery, drive engagement, refine potential revenue opportunities, and better position the Fandom Sports app for the successful rollout of its v2 product, scheduled for release in early Q4 2018.

1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

1.12 Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1.13 Adoption of New Accounting Policies

The Company adopted new accounting policies as disclosed in the accompanying financial statements.

New standards not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") but are not yet effective (as at January 31, 2018) and, accordingly, have not been applied in preparing these financial statements. The Company has not yet assessed the potential impact of these standards on its financial reporting.

1.14 Financial Instruments and Other Risks

As at July 31, 2018, the Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and loans due to affiliates. The carrying value of these financial instruments approximate their fair values.

Fair Value



The Company classifies its fair value measurements in accordance with an established hierarchy that priorities the inputs in valuation techniques used to measure fair value as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 Inputs other than quoted prices that are observable for the assets or liabilities either directly or indirectly, and
- Level 3 Inputs that are not based on observable market data

Cash is carried at fair value using a Level 1 fair value measurement. The carrying value of receivables and accounts payable approximate their fair value because of the short-term nature of these instruments.

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. Cash deposits and term deposits are maintained with a financial institution of reputable credit and are redeemable on demand. Amounts receivable consists primarily of GST returns due from Revenue Canada. The Company's opinion is that credit risk is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At July 31, 2018, the Company had cash and cash equivalents of \$2,516,834 to settle accounts payable and accrued liabilities of \$347,171. Readers' attention is drawn to Note 1 of the financial statements regarding going concern issue of the Company and section 1.6 of this MD&A.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, marketing prices and/or stock market movements (price risk).

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash and cash equivalents bear interest at market rates. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature or being non-interest bearing.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The foreign currency risk for the Company is low.

Commodity Price risk

The Company is not exposed to commodity price risk.

Other Risks

Fandom's limited operating history

The Company has no operating history, and no history of earnings or profits. It currently has no customers or means of cash flow from operations. As such, the Company'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. As the Company is in an early stage and is only introducing its service to the public, it is very difficult to evaluate the viability of the Company's business. The Company has no experience in addressing the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly companies in new and rapidly evolving markets such as the Company's target markets. There can be no assurance that the Company 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 Company's business, prospects, financial condition and results of operations. There is no assurance that the Company's business will be a success.

Need for funds

In the short term, the continued operation of the Company will be dependent upon its ability to procure additional financing. The Company must obtain such financing through a combination of equity and debt financing and there can be no assurance that the Company can raise the required capital it needs to build and expand the Company's business. Without this additional financing, the Company may be unable to advance the Company's business model, and the Company will likely fail. There can be no certainty that the Company can obtain these funds, in which case any investment in the Company may be lost.

The raising of equity funding will also result in dilution of the equity position held by the Company's shareholders.

Operational Risks

The Company will be affected by a number of operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Unforeseen Competition

There can be no assurance that significant competition will not enter the market and offer any number of similar services to those provided by the Company. Such competition could have a significant adverse effect on the growth potential of the Company's business by effectively dividing the existing market for such products and services.

Trends

The Company's success depends on the continuation of sports entertainment and media consumption popularity on mobile devices and the ability of products to add new users, sell brand sponsorship and generate revenue. Future revenues will be largely dependent on the company's ability to generate revenue from third parties advertising within the Company's products. Changes in media trends which affect user adoption and marketing habits may significantly affect the Company's ability to collect revenue in the future. If third party marketers decide that the Company's products are experimental or unproven, or if third party policies limit our ability to deliver or target advertising on mobile devices, or if adverse legal developments arise relating to advertising, including legislative and regulatory developments and developments in litigation, or if our products are unable to sustain or increase the value of our ads or marketers' ability to analyze and measure the value of our ads, or if trends for advertising on mobile devices or on personal computers changes, our advertising revenue could be adversely affected.



Dependence on Personnel

The Company's future success depends substantially on the continued services of its executive officers and its key development personnel. If one or more of its executive officers or key development personnel were unable to unwilling to continue in their present positions, the Company might not be able to replace them easily or at all. In addition, if any of its executive officers or key employees joins a competitor or forms a competing company, the Company may lose know-how, key professionals and staff members.

Management of Growth

The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Data Security Risks

The Company will utilize servers with significant amounts of data stored thereon. Should the Company be responsible for the loss of any or all of the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data stored at the Company's premises or within the aforementioned servers will be confidential. Anyone who is able to circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Trading of the Company's Shares

There can be no assurance that the trading price of the Company's shares will go up. Further, there can be no assurance that there will be sufficient liquidity so as to permit investors to buy or sell the Company's shares at any time, in quantities desired, or which not adversely affect the stock price. As noted above, the Company's continued operation will be dependent upon its ability to procure additional financing. There can be no assurance that any such financing will be obtained at higher or ever-increasing prices, or that such financings will not put downward pressure on the Company's share price.

Dividends

The Company has not paid dividends to shareholders in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance growth, and where appropriate, to pay down debt.

Officer and Director Conflicts

Because directors and officers of the Company and/or the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other technology companies, the directors and officers of the Company may have a conflict of interest in conducting their duties. There can be no assurance such conflicts of interests will be resolved to the benefit of the Company.

1.15 Other MD&A Requirements

This MD&A should be read in conjunction with the audited consolidated financial statements for the twelve months ended January 31, 2018. This MD&A is intended to assist the reader's understanding of FANDOM SPORTS Media Corp. and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at www.sedar.com.



This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines to ensure transparency and accountability to shareholders. The board's audit committee meets with management to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The audit committee is free to meet with the independent auditors throughout the year.

Summary of Outstanding Share Data (as at the date of this report)

	Number Issued and Outstanding
Common shares	138,408,336
Stock Options	10,930,000
Warrants	54,955,466
Fully Diluted	204,293,802

1.16 Subsequent Events

- a) On August 16, 2018 the Company announced that it will give its users and fans a chance to prove their fandom by becoming contributing writers for the Fandom Sports app.
- b) On September 6, 2018 the Company announced that it has just completed a major milestone with the technology team during a trip to Kiev, Ukraine. The tech conference validated the platform development milestones when Fandom Sports' global team reviewed the current status as part of the show and tell review session for the upcoming platform and product release in Q4 2018. The Fandom team is excited and wants to share this monumental moment with everyone who supported management's vision through investing and supporting its growing brand, so it invites valued shareholders to participate in a town-hall-style conference call.
- c) On September 13, 2018, the Company announced that it has completed a major milestone with the IBM blockchain-based sports entertainment platform implementation which has validated the platform's global reach and ability to host multiple apps simultaneously. The Fandom Sports ecosystem will be covering two separate applications: live sports and esports.

OTHER INFORMATION

Approval

The Board of Directors of FANDOM SPORTS Media Corp. has approved the disclosure contained in this MD&A.