

**EARLY WARNING REPORT PURSUANT TO  
NATIONAL INSTRUMENT 62-103  
AND THE PROVISIONS OF APPLICABLE SECURITIES LEGISLATION**

**1. Security and Reporting Issuer**

*1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities*

Hapuna Ventures Inc. (the “Company”) with a head office at Suite 1116, 207 West Hastings Street, Vancouver, BC V6B 1H7.

Common Shares in the capital of the Company.

*1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place*

The transactions that triggered this was a subscription under a private placement financing of the Company.

**2. Identity of Acquiror**

*2.1 State the name and address of the acquiror.*

Yi Cao (“Cao”) located at Suite 1116, 207 West Hastings Street, Vancouver, BC V6B 1H7.

*2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.*

February 21, 2018.

*2.3 State the name of any joint actors.*

None.

**3. Interest in Securities of the Reporting Issuer**

*3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror’s securityholding percentage in the class of securities.*

On February 21, 2017, Cao purchased 500,000 units of the Company at a price of \$0.10 per unit for total purchase price of \$50,000. Each unit consists of one common share of the Company and one share purchase warrant of the Company, with each warrant entitling Cao to purchase an additional share of the Company at a price of \$0.10 per share for a period of five years from the date of issue.

The purchase of securities resulted in an increase in Cao’s holdings from none to 14.8% of the issued and outstanding common shares of the Company on an undiluted basis and an increase

from none to 25.8% of the issued and outstanding common shares of the Company on a diluted basis.

3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.*

See Item 3.1 above.

3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

Immediately prior to the completion of the transactions set forth in Item 3.1 above, Cao owned no securities of the Company.

Immediately after completion of the transactions set forth in Item 3.1 above, Cao owned 500,000 common shares of the Company, and 500,000 share purchase warrants, representing 14.8% of the issued and outstanding common shares of the Company on an undiluted basis and 25.8% of the issued and outstanding common shares of the Company on a diluted basis.

3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which:*

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

See Item 3.4.

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

See Item 3.4.

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

See Item 3.4

3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

Not Applicable.

3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

Not Applicable.

#### **4. Consideration Paid**

4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

Cao acquired the units for a total of \$50,000.

4.2 *In the case of a transaction or other 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, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

See Item 3.1.

4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

See Item 3.1.

#### **5. Purpose of Transaction**

5.1 *State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer.*

The acquisition by Cao of the units of the Company was made for investment purposes.

Cao may increase or reduce the investment in the Company according to market conditions or other relevant factors.

#### **6. Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

Not Applicable.

#### **7. Change in Material Fact**

*If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.*

Not Applicable.

**8. Exemption**

*If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.*

Not Applicable.

**9. Certification**

I, as acquiror, certify that the information in this report is true and complete in every respect.

DATED the 21st day of February, 2018.

*“Yi Cao”*

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YI CAO