PEEKS SOCIAL LTD.

June 20, 2019

DEFAULT ANNOUNCEMENT

Peeks Social Ltd. (the "Corporation") provides this default announcement indicating the Corporation's anticipated failure to file its annual financial statements for the year ended February 28, 2019 and related management discussion and analysis and certifications (collectively, the "Financial Statements") before the prescribed filing deadlines.

The Corporation's failure to file its Financial Statements on time is due to the following circumstances:

- The Corporation's long-time CFO resigned in November 2018, and while the Controller was promoted to the CFO position on an Interim 90 day basis, the Corporation needed to find the right candidate. The new CFO and a new Controller were hired and started the week of May 6, 2019.
- The Corporation recently engaged a new auditor on June 17, 2019.
- The acquisition by the Corporation of a private company on May 2, 2018, has added to the complexity of the Corporation's audit. Although the Corporation filed audited statements of the private company as part of its Information Circular dated March 19, 2018, the period subsequent, as consolidated with the Corporation, requires an audit and accordingly, it has added to the complexity and time required to complete the Corporation's audit.

Considering the foregoing factors, it is the Corporation's submission that the present circumstances warrant the imposition of a Management CTO, rather than a CTO, as contemplated under National Policy 12-203 – *Cease Trade Order Orders for Continuous Disclosure Defaults* ("NP 12-203"). The Corporation has applied for a Management CTO, however there is no assurance that it will be granted.

The Corporation's Financial Statements are required to be filed within three months of the original filing deadline of June 28, 2019. The Corporation's failure to file such within such three month period may result in the securities commissions or regulators imposing an Issuer Cease Trade Order.

The Corporation fully expects to file its Financial Statements prior to the end of the additional three month period as prescribed by NP 12-203. Further, the Corporation confirms that it intends to satisfy the requirements to provide Default Status Reports as prescribed by NP 12-203 so long as it remains in default of its requirements to file its Financial Statements within the prescribed period of time. Should the Corporation fail to file the appropriate Default Status Reports as prescribed by NP 12-203, the securities commissions or regulators may, as a result of such failure, impose an Issuer Cease Trade Order.

The Corporation confirms that there are no insolvency proceedings against the Corporation as of the date herein. The Corporation also confirms that there is no other material information concerning the affairs of the Corporation that have not been generally disclosed as of the date herein.