CELLBROADCAST GROUP INC.

Executive Compensation Disclosure for the Year Ended June 30, 2019

October 24th, 2019

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

Cellbroadcast Group Inc. (the "Corporation") was largely inactive during fiscal 2019 and had been in that state since approximately 2006. It is intended that once the Corporation resumes trading, the objectives of the executive compensation policy of the Corporation will be to attract and retain individuals of high calibre to serve as officers of the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of executive officers with the long-term interests of the shareholders. These objectives are designed to ensure that the Corporation grows on an absolute basis as well as to grow cash-flow and earnings per share. The Corporation's primary compensation policy is to pay for performance and, accordingly, the performance of the Corporation and of the acting Chief Executive Officer as an individual are both intended to be examined by the Board of Directors (the "Board").

Neither the Board nor any committee thereof sets specific performance objectives in assessing the performance of the officers in the Corporation, rather the Board uses their experience and judgment in determining an overall compensation package for the officers.

The following executive officers of the Corporation during the twelve months ended June 30, 2019 are considered to be Named Executive Officers for the purposes of this Circular:

Shelley Germann – Acting Chief Executive Officer

Components of Compensation Plan

Base Salaries

The Corporation intends to pay base salaries that are competitive with, but less than, those of comparable companies in the technology industry. The Board compares the base salary of the Named Executive Officers of the Corporation with that of similar companies in the technology industry and expects to set compensation levels at approximately the industry average for such positions while attempting to adjust for the Corporation's size, at the start of the year. Factors looked at in assessing peer companies include total revenue, total assets, funds from operations, total level of capital expenditures, total operating and general and administrative expenses and number of employees. The Board expects to use lower base salaries for its senior management to take into account the equity positions of these individuals.

Bonuses

The Corporation has not established a bonus plan for its executive officers and employees, but bonus entitlement is available at the discretion of the Board. During the fiscal year ended June 30, 2019, the Corporation did not award any bonus payments to any of the then current directors or officers.

Long-Term Incentive Compensation Program

It is intended that the Corporation will implement a long-term incentive program once it resumes trading and key to this program is a stock option plan (the "Stock Option Plan") which the Corporation intends to implement at some point in the future. The purpose of the Stock Option Plan will be to allow the Corporation to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Corporation. The granting of such options is intended to align the interests of such persons and those of the shareholders of the Corporation (the "Shareholders"). Options will be exercisable over periods of up to five (5) years as determined by the Board of the Corporation and are required to have an exercise price no less than the market price prevailing on the date the option is granted less applicable discount, if any, permitted by the policies of any stock exchange on which the shares of the Corporation may then be trading and approved by the Board. Pursuant to the Stock Option Plan, the Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Corporation and its subsidiaries or employees or companies providing management or consulting services to the Corporation or its subsidiaries. Previous grants of options will be taken into account when considering new grants under the Stock Option Plan.

Managing Compensation Risks

The Corporation's compensation policy is intended to encourage behaviour which aligns the long-term interests of its executives with Shareholders. The Board expects to accomplish risk oversight in the following ways:

- 1. the Board considers specific performance factors that tie to the short and long-term objectives of the Corporation; and
- 2. the Corporation's long-term incentive plans being designed such that equity incentive awards (stock options) vest over a period of time and therefore encourage the executive management team to continue to deliver favourable results over a longer period of time and reduce the risk of actions which may have short-term advantages.

The Board did not identify any risks arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

<u>Trade in Securities of the Corporation</u>

The Corporation does not have any written policies which prohibit a Named Executive Officer (as defined below) or director from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

Compensation Governance

The Board exercises general responsibility regarding overall compensation of executive officers of the Corporation. The Board is responsible for the annual review of: (i) executive compensation policies, practices and overall compensation philosophy; (ii) total compensation packages for all employees who receive aggregate annual compensation in excess of \$150,000; (iii) bonuses and grants of stock options under the Stock Option Plan; and (iv) major changes in benefit plans.

The Board was comprised as of June 30, 2019 of Ms. Shelley Germann. Ms. Shelley Germann is not independent as she was serving as an executive officer of the Corporation at this time. Since the fiscal year ended June 30, 2019, the Corporation has appointed two new directors, being Ronald Kapeller and Kimberley Zacharias.

Each of the members of the Board has or had experience relevant to his responsibilities in executive compensation through various previous and continuing board and senior management positions held in other reporting issuers as well as private companies.

Summary Compensation Table

The following table provides a summary of compensation earned during the fiscal years ended June 30, 2019, June 30, 2018 and June 30, 2017 by the Corporation's President and Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO", and together with the CEO, the "Named Executive Officers"). Except as disclosed below, no executive officer of the Corporation received in excess of Cdn. \$150,000 by way of salary, bonuses or other compensation during the fiscal year ended June 30, 2019.

Non-equity

					compensation (\$)				
Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option- based awards (\$) ⁽¹⁾	Annual incentive plans	Long- term incenti ve plans	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Shelley Germann ⁽²⁾ Chief Executive	2019	Nil	Nil	Nil Nil	Nil	Nil	Nil	Nil	Nil

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option- based awards (\$) ⁽¹⁾	Non-ed incentiv compen (\$)	e plan sation	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Officer	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil		Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The amounts disclosed herein for the option based awards are calculated based on the fair value of the options granted during the fiscal year based on their fair value of each grant as at the grant date using the Black-Scholes model using the following assumptions on each grant date: the grant price, the risk free interest rate and the volatility of the Shares up to the grant date.
- (2) No amounts were paid to Ms. Shelley Germann for her role as a director of the Corporation, except as disclosed above.

Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards as of June 30, 2019

	Option-based Awards							
Name and principal position	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the- money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of option-based awards that have not vested	Market or payout value of vested option- based awards not paid out or distributed (\$)	
Shelley Germann Chief Executive Officer	Nil	Nil	N/A	Nil	Nil	Nil	Nil	

Note:

(1) There are currently no outstanding share-based awards

Incentive Plan Awards – Value Vested or Earned during the Fiscal Year Ended June 30, 2019

Name and principal position	Option-based awards – Value	Share-based awards – Value	Non-equity incentive plan	
	vested	vested	compensation – Value earned	
	(\$)	(\$)	(\$)	
Shelley Germann Chief Executive Officer	Nil	N/A	N/A	

Retirement Plans

The Corporation has no retirement plans for its directors, officers or employees.

Termination and Change of Control Benefits

There are no employment contracts or other compensation plans or arrangements with regard to any of the officers which provide for specific compensation in the event of resignation, retirement, other termination of employment or from a change of control of the Corporation or from a change in an officer's responsibilities following a change of control.

Director Compensation

Except as otherwise disclosed herein, no compensation was paid or is payable to the directors of the Corporation, in their capacity as directors, for the year ended June 30, 2019. The directors of the Corporation were not reimbursed for

expenses incurred in carrying out their duties, including expenses incurred to attend directors' meetings and meetings of committees of directors for the year ended June 30, 2019.

Director Compensation Table

The following table sets forth details of director compensation for the fiscal year ended June 30, 2019.

	Fees earned	Share- based awards	Option- based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total	
Name ⁽¹⁾	(\$)	(\$)	(\$) ⁽²⁾	(\$)	(\$)	(\$)	(\$)	
N/A	Nil	Nil	Nil	Nil	Nil	Nil	Nil	

Notes:

- (1) Disclosure for Ms. Germann is included in the summary compensation table for Named Executive Officers. Ms. Germann did not receive any compensation for serving as a director of the Corporation, except as otherwise described herein.
- (2) The amounts disclosed herein for the option-based awards are calculated based on the fair value of the options granted during the fiscal year ended June 30, 2019 based on their fair value of each grant as at the grant date using the Black-Scholes model using the following assumptions on each grant date: the grant price, the risk free interest rate and the volatility of the shares up to the grant date.

Outstanding Share-based Awards and Option-based Awards

The following table sets forth details of options to purchase shares granted to non-employee directors which were outstanding at the end of the fiscal year ended June 30, 2019.

	Option-based Awards						
Name of Director	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)(1)	Number of shares or units of shares that have not vested (#)	Market or payout value of option-based awards that have not vested (\$)	Market or payout value of vested option-based awards not paid out or distributed (\$)
N/A	Nil	N/A	N/A	Nil	Nil	Nil	Nil

Notes:

(1) There are currently no outstanding share-based awards

Incentive Plan Awards - Value Vested or Earned

The following table summarizes, for each of the non-employee directors, the value of options vested, and the value of any other non-equity incentive plan compensation earned, during the fiscal year ended June 30, 2019.

	Option-based awards – Value vested	Share-based awards – Value vested	Non-equity incentive plan compensation – Value earned		
Name of Director	(\$)	(\$)	(\$)		
N/A	Nil	Nil	Nil		

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Corporation did not have an equity compensation plan under which equity securities are authorized for issuance as at June 30, 2019.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this document, none of the Corporation's directors or executive officers or their respective associates or affiliates are indebted to the Corporation.