

**STATEMENT OF EXECUTIVE COMPENSATION
FORM 51-102F6**

**VPN TECHNOLOGIES INC.
(the “Company”)**

(for the year ended June 30, 2021)

In this section “Named Executive Officer” (“NEO”) means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

During the year ended June 30, 2021, the Company had three NEOs: Paul Dickson, the President and CEO of the Company, Christopher P. Cherry, the CFO of the Company and Curtis Ingleton, the CTO of the Company.

Compensation Discussion and Analysis

The board of directors (the “Board”) of the Company has appointed a Compensation Committee whose responsibility relates to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure and equity-based compensation programs, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives.

The Compensation Committee makes recommendations to the Board and the Board then assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company.

The sole member of the Compensation Committee is Paul E. Dickson. Mr. Dickson is not considered an independent member of the Compensation Committee as he is the President and CEO of the Company.

Compensation Committee member Paul Dickson has been responsible for identifying executives, management, and operational talent for technology companies for over 25 years. In this time, Mr. Dickson has personally interviewed and employed over one-hundred individuals in various capacities including senior management. Often the National Trends Salary Guide, among other guides, has been referenced to further understand best practices that meet the competitive hiring market. Unique skill requirements, as such with the Company, are typically unavailable for reference in compensation guides, therefore the committee relies on our direct experience and internal valuation methods in consideration of compensation for both executives and operational management.

The compensation committee possesses the technical understanding needed to determine the value of a candidates skill set through applied practical analysis and cross-referenced compensation of closely matched executives in similar fields. Mr. Dickson, currently the sole member of the compensation committee, and established software developer specializing in fields related to potential executive candidates of interest, is duly suited in terms of skills and experience to make decisions on compensation policies and practices.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

Please refer to the Company’s Corporate Governance Disclosure Statement for additional details on how the Board and the Compensation Committee determines NEO compensation.

Philosophy and Objectives

The Company’s compensation policies and programs are designed to be competitive with similar technology companies and to recognize and reward executive performance consistent with the success of the Company’s business.

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executives; and (c) better aligning their interests with those of the Company's shareholders.

In determining and approving the base salary for each NEO, the Board and the Compensation Committee take into consideration available market data. A specific benchmark is not targeted and a formal peer group has not yet been established by the Compensation Committee.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its stock option plan.

Equity Participation

The Company believes that encouraging its NEO to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation has been accomplished through the Company's stock option plan. Stock options are granted to NEOs and consultants of the Company taking into account a number of factors, including the amount and term of options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board in consultation with the Compensation Committee.

Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

The Board has adopted a 10% rolling stock option plan (the "Plan").

The Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All stock option grants require approval of the Board.

The Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

Summary Compensation Table

Name and Principal Positions	Year ⁽¹⁾	Fees (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Paul E. Dickson ⁽³⁾ President and CEO	2021	74,500	Nil	25,720	Nil	Nil	Nil	Nil	100,220
	2020	58,000	Nil	15,222	Nil	Nil	Nil	Nil	73,222
	2019	120,000	Nil	Nil	Nil	Nil	Nil	Nil	120,000
Christopher P. Cherry ⁽⁴⁾ CFO	2021	47,213	Nil	25,720	Nil	Nil	Nil	Nil	72,933
	2020	34,200	Nil	15,222	Nil	Nil	Nil	Nil	49,422
	2019	36,000	Nil	Nil	Nil	Nil	Nil	Nil	36,000
Curtis Ingleton ⁽⁵⁾ CTO	2021	20,000	Nil	51,440	Nil	Nil	Nil	Nil	71,440
	2020	N/A	Nil	N/A	Nil	Nil	Nil	Nil	N/A
	2019	N/A	Nil	N/A	Nil	Nil	Nil	Nil	N/A

(1) Financial year ended June 30.

(2) All amounts shown were paid in Canadian currency, the reporting currency of the Company.

(3) Mr. Dickson was appointed as President and CEO of the Company on December 15, 2016.

(4) Mr. Cherry was appointed as CFO of the Company on December 21, 2016.

(5) Mr. Ingleton was appointed as CTO of the Company on February 17, 2021.

Incentive Plan Awards

The following table sets out all option-based awards outstanding as at June 30, 2021 for each NEO. There were no share-based awards granted to any of the NEOs:

Option-based Awards					
Name and Principal Positions	Year	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Paul E. Dickson President and CEO	2021	250,000	\$0.10	Feb. 3, 2025	18,750
		250,000	\$0.195	May 14, 2023	Nil
Christopher P. Cherry CFO	2021	250,000	\$0.10	Feb. 3, 2025	18,750
		250,000	\$0.195	May 14, 2023	Nil
Curtis Ingleton CTO	2021	500,000	\$0.195	May 14, 2023	Nil

(1) This amount is based on the difference between the market value of the securities underlying the options on June 30, 2021, which was \$0.175, being the last trading day of the common shares for the financial year and the exercise price of any outstanding options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested during the financial year ended June 30, 2021 for options awarded under the Existing Plan for the NEO, as well as the value earned under non-equity incentive plans for the same period.

Name	Year	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Paul E. Dickson President and CEO	2021	18,750	Nil	Nil
Christopher P. Cherry CFO	2021	18,750	Nil	Nil
Curtis Ingleton CTO	2021	Nil	Nil	Nil

Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control.

Director Compensation

During the most recently completed financial year ended June 30, 2021, the directors who were not NEOs received the following compensation for services provided to the Company:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Harvey D. Dick ⁽¹⁾	61,500	Nil	15,222	N/A	N/A	N/A	76,722
Richard Barnett ⁽²⁾	Nil	Nil	7,716	N/A	N/A	N/A	7,716
Lindsay Hamelin ⁽²⁾	Nil	Nil	7,716	N/A	N/A	N/A	7,716

(1) Mr. Dick served as a director of the Company from December 15, 2016 to February 17, 2021.

(2) Mr. Barnett has served as a director of the Company since June 18, 2021.

(3) Ms. Hamelin has served as a director of the Company since May 7, 2021.

Outstanding Option-Based Awards

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended June 30, 2021, including awards granted before the most recently completed financial year.

Name	Option-based Awards				
	Year	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Harvey D. Dick	2021	Nil	N/A	N/A	Nil
Richard Barnett	2021	75,000	\$0.195	May 14, 2023	Nil
Lindsay Hamelin	2021	25,000 75,000	\$0.10 \$0.195	May 14, 2022 May 14, 2023	1,875 Nil

Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, for involvement in special assignments during the most recently completed financial year.

The Company has its Plan for the granting of incentive stock options to the directors, officers, employees and consultants. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year ended June 30, 2021:

Name	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Harvey D. Dick	Nil	Nil	Nil
Richard Barnett	Nil	Nil	Nil
Lindsay Hamelin	1,875	Nil	Nil