



ePlay Digital Inc.

(the "Company")

Form 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuers

(for financial years ended December 31, 2020 and December 31, 2019)

GENERAL

The following information, dated as of March 25, 2022, is provided as required under Form 51-102F6V for Venture Issuers (the "Form"), as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*.

For the purposes of this Form:

"Company" means ePlay Digital Inc.;

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

"NEO" or "named executive officer" means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer ("CEO"), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer ("CFO"), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

"plan" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

For the purposes of this section, and in accordance with the foregoing definition:

During the financial years ended December 31, 2020 and December 31, 2019, the NEOs of the Company were: Trevor Doerksen (CEO and President) and Dong H. Shim (CFO). The director of the Company who was not a NEO during the financial year, was Lew Turnquist.

The Company has authorized share structure of an unlimited number of common shares with no par value and an unlimited number of preferred shares without par value. The current issued and outstanding shares are 84,527,789 common shares and no preferred shares. The Company's common shares are listed on the Canadian Securities Exchange ("CSE") under stock symbol "EPY".

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of compensation paid by the Company to each NEO and director of the Company for the three (3) most recently completed financial years of the Company ended December 31, 2020, December 31, 2019 and December 31, 2018. Options and compensation securities are disclosed under the heading "**Stock Options and Other Compensation Securities**" below.

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Trevor Doerksen <i>CEO, President and Director</i>	2020	77,036	Nil	Nil	Nil	Nil	77,036
	2019	146,765	Nil	Nil	Nil	Nil	146,765
	2018	140,759	Nil	Nil	Nil	Nil	140,759
Dong H. Shim <i>CFO and Secretary</i>	2020	35,900	Nil	Nil	Nil	Nil	35,900
	2019	67,930	Nil	Nil	Nil	Nil	67,930
	2018	64,910	Nil	Nil	Nil	Nil	64,910
Manfred von Nostitz <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Lew Turnquist <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

None of the NEOs or Directors receive perquisites or personal benefits worth in aggregate 10% or more of their total salary, or any post-retirement benefits (including insurance).

There are no employment, consulting or management agreements under which compensation is paid to a NEO or Director.

Stock Option Plan

The Company has a stock option plan ("**Option Plan**") in place which provides for the issuance of stock options (an "**Option**") to acquire, at any time, up to a maximum of 10% of the Company's issued and outstanding Common Shares, including previously granted stock options. The Option Plan is considered a "rolling" stock option plan as the number of Common Shares reserved under the Option Plan increases with the number of the Company's issued and outstanding Common Shares.

The purpose of the Option Plan is to provide certain directors, officers and key employees of, and certain other persons who provide services to, the Company and its subsidiaries (the "**Optionees**") with an opportunity to purchase the Company's Common Shares and benefit from any appreciation in the value of the Company's

Common Shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Common Shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company. Under the Option Plan, an option must be exercised within a period of five years from the date of grant. Within this five year period, the Company's Board may determine the period during which an option may be exercised. Any amendment to the Option Plan may require shareholder approval. If ratification of the Plan or a modified version thereof is not obtained, the Company will not proceed to grant options under the Plan.

The following is a summary of the principal terms of the Option Plan:

Eligible Participants: The Option Plan provides that stock options may be granted to the Company's directors, officers, employees and consultants (and those of its subsidiaries).

Shares Available for Issuance: The Option Plan is considered a "rolling" stock option plan, as the number of shares available for issue under the Option Plan increases with the number of the Company's issued and outstanding shares. The maximum number of Common Shares that may be issuable under the Option Plan is a number equal to 10% of the number of issued and outstanding Common Shares on a non-diluted basis at any time. The Option Plan is also considered an "evergreen" stock option plan as when an option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares reserved for issuance under that expired or terminated stock option again become available for the purposes of the Option Plan. Any stock option outstanding when the Option Plan is terminated will remain in effect until such option is exercised or it expires.

Limitations on the Grant of Options: The Option Plan provides that it is solely within the discretion of the Board to determine who should receive stock options, in what amounts and for what term, subject to the following conditions:

- (a) The maximum number of Options which may be granted to any one director, officer, employee in any 12 month period shall be 5% of the Company's issued and outstanding Common Shares unless the Company has obtained disinterested shareholder approval, if required by the regulatory rules;
- (b) If required by the regulatory rules, disinterested shareholder approval is required to the grant to Insiders, within a 12 month period, of a number of Options which, when added to the number of outstanding stock options granted to Insiders within the previous 12 months, exceed 10% of the issued shares;
- (c) The expiry date of an Option shall be no later than the tenth anniversary of the grant date of such option;
- (d) The maximum number of Options which may be granted to any one consultant within a 12-month period must not exceed 2% of the Company's issued and outstanding Common Shares; and
- (e) The maximum number of Options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 1% of the Company's issued and outstanding Common Shares and such options must vest in stages over 12 months with no more than 25% of the options vesting in any three month period.

Exercise Price: The price at which an Option holder may purchase a Common Share upon the exercise of a stock option will be as set out in the option certificate issued in respect of the option and in any event will not

be less than the market price of the Common Shares as of the date of the grant of the stock option (the “**Award Date**”). The market price of the Common Shares for a particular Award Date will typically be the closing trading price of the Company’s Common Shares on the day immediately preceding the Award Date. In no case will a stock option be exercisable at a price less than the minimum prescribed by the CSE or the applicable regulatory authorities that would apply to the award of the stock option in question.

Expiration or Termination: Under the Option Plan, a stock option will expire immediately in the event an employee ceases to be an employee of the Company as a result of termination for cause. In the event an employee ceases to be an employee as a result of resignation or termination without cause, a stock option will expire 30 days after the end of an employee’s notice period or at such other date as determined by the Board. In addition, a stock option will expire, unless otherwise determined by the Board, 30 days after: (i) a director ceases to be a director; and (ii) the expiration of a service provider’s contract. In the event of the death of an option holder, the expiry date shall be the first anniversary of the option holder’s date of death.

Vesting: Stock options granted to directors, officers, employees or service providers will vest as determined by the Board. In the event of a change of control, all options outstanding will vest immediately and be exercisable.

Amendments to the Plan: The Board of Directors of the Company may amend any existing Option or the Option Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) Materially decrease the rights or benefits accruing to an Option Holder; or
- (b) Materially increase the obligations of an Option Holder;

Then unless otherwise excepted out by a provision of the Option Plan, the board of Directors must also obtain the written consent of the Option Holder in question to such amendment. If at the time the exercise price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced exercise price until the reduction in exercise price has been approved by disinterested shareholders of the Company, if required by the CSE.

As of the date of this Circular, there are 9,029,557 stock options issued and outstanding under the Option Plan (9.1% of the issued and outstanding share capital).

A copy of the Option Plan is available under the Company’s profile on SEDAR at www.sedar.com, or from the Company upon request.

Stock Options and Other Compensation Securities

Outstanding Compensation Securities of NEOs and Directors

The following table provides a summary of all option-based awards granted or issued to each director and Named Executive Officer in the most recently completed financial years of the Company ending on December 31, 2020.

The Company does not have any other equity incentive plans other than its rolling Option Plan.

Name and position	Type of compensation security	# of compensation securities, # of underlying securities and % of class ⁽¹⁾	Date of issue or grant (Fiscal 2020)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Trevor Doerksen <i>CEO, President and Director</i>	Stock options	264,000	Nov 14, 2017	\$0.19	\$0.19	\$0.04	Nov 14, 2022
	Stock options	264,000	Nov 7, 2018	\$0.15	\$0.15	\$0.04	Nov 7, 2022
	Stock options	500,000	Aug 12, 2019	\$0.10	\$0.09	\$0.04	Aug 12, 2023
	Stock options	200,000	Sep 15, 2021	\$0.195	\$0.195	\$0.04	Sep 24, 2024
Dong H. Shim <i>CFO and Secretary</i>	Stock options	73,333	Nov 14, 2017	\$0.19	\$0.19	\$0.04	Nov 14, 2022
	Stock options	73,333	Nov 7, 2018	\$0.15	\$0.15	\$0.04	Nov 7, 2022
Manfred von Nostitz <i>Director</i>	Stock options	64,533	Nov 14, 2017	\$0.19	\$0.19	\$0.04	Nov 14, 2022
	Stock options	64,533	Nov 7, 2018	\$0.15	\$0.15	\$0.04	Nov 7, 2022
	Stock options	500,000	Aug 12, 2019	\$0.10	\$0.09	\$0.04	Aug 12, 2023
	Stock options	200,000	Sep 15, 2021	\$0.195	\$0.195	\$0.04	Sep 24, 2024
Lew Turnquist <i>Director</i>	Stock options	64,533	Nov 14, 2017	\$0.19	\$0.19	\$0.04	Nov 14, 2022
	Stock options	64,533	Nov 7, 2018	\$0.15	\$0.15	\$0.04	Nov 7, 2022
	Stock options	500,000	Aug 12, 2019	\$0.10	\$0.09	\$0.04	Aug 12, 2023
	Stock options	200,000	Sep 15, 2021	\$0.195	\$0.195	\$0.04	Sep 24, 2024

⁽¹⁾ No compensation security had been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company's financial year ended December 31, 2020.

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised during the years ended December 31, 2018 through December 31, 2020.

Employment, Consulting and Management Agreements

Consulting Agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

Termination and Change of Control Benefits

There is no contract, agreement, plan or arrangement between the Company and its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of the Company or a change in a Named Executive Officer's responsibilities.

Oversight and description of Director and NEO Compensation

Compensation, Philosophy and Objectives

Risks Associated with the Company's Compensation Practices

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments.

Debt payable

Accounts payable and accrued liabilities includes \$47,214, \$15,250 and \$Nil as at December 31, 2020, December 31, 2019 and December 31, 2018 owed to related parties, respectively. Amounts due to related parties are unsecured, non-interest bearing and due on demand.

Hedging by Named Executive Officers or Directors

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepared variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Form, entitlement to grants of Options are the only equity security element awarded by the Company to its executive officers and directors as detailed under heading “**Stock Option Plans and Other Incentive Plans**” above.

Pension Disclosure

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.