

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Blocplay Entertainment Inc. (the “**Company**”)  
217 Queen Street West, Suite 401  
Toronto, Ontario M5V 0R2

2. **Date of Material Change**

November 2, 2020

3. **News Release**

A press release disclosing the material change was released on November 2, 2020, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

On November 2, 2020 the Company announced a non-brokered private placement financing of up to \$1,000,000 through the issuance of 10,000,000 common shares in the capital of the Company (the “**Common Shares**”) at a price of \$0.10 per Common Share (the “**Private Placement**”). Gross proceeds raised will be used for working capital and general corporate purposes as well as the repayment of certain debts owed to various creditors of the Company.

In addition, the Company announced that it has closed the first tranche of the Private Placement (the “**Offering**”), through the issuance of 3,000,000 Common Shares for gross proceeds of \$300,000. The securities issued upon closing of the Offering are subject to a hold period until March 3, 2021.

In addition to the Offering, the Company settled an aggregate of \$115,514.02 of indebtedness through the issuance of 1,155,140 Common Shares at a price of \$0.10 per Common Share (the “**Debt Settlement**”).

5. **Full Description of Material Change**

The Company announces that it has closed the first tranche of the Private Placement, through the issuance of 3,000,000 Common Shares for gross proceeds of \$300,000. The securities issued upon closing of the Offering are subject to a hold period until March 3, 2021.

Pursuant to the Offering, Australian Consolidated Venture Capital Pty Ltd. (“**ACVC**”) acquired an aggregate of 3,000,000 Common Shares. Prior to the completion of the Offering, ACVC held an aggregate of 900,000 Common Shares, representing approximately 9.83% of the issued and outstanding Common Shares on a non-diluted basis. Upon completion of the Offering and the Debt Settlement, ACVC beneficially owns and controls, an aggregate of 3,900,000 Common Shares, representing approximately 29.31% of the issued and outstanding Common Shares on a non-diluted basis.

The Company also wishes to announce that it has entered into debt conversion agreements with arm’s length and non-arm’s length creditors, pursuant to which the Company has settled an aggregate of \$115,514.02 of indebtedness through the issuance of 1,155,140 Common Shares at a price of \$0.10 per Common Share. The Common Shares issued pursuant to the debt settlement

are subject to a four-month hold period and completion of the transaction remains subject to final acceptance of the Canadian Securities Exchange.

In addition, the Company announces that Mr. Jordan Manzer has resigned as a director of the Company. The Company wishes to thank Mr. Manzer for his contributions and wishes him all the best in his future endeavors. The Company is pleased to announce has appointed Mr. Harrison Reynolds as a director of the Company to fill the vacancy created by Mr. Manzer's resignation.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”).

**(a) a description of the transaction and its material terms:**

In connection with the Offering, 393,885 Common Shares were issued to insiders (collectively, the “Insiders”) of the Company.

**(b) the purpose and business reasons for the transaction:**

Gross proceeds raised will be used for working capital and general corporate purposes as well as the repayment of certain debts owed to various creditors of the Company.

**(c) the anticipated effect of the transaction on the issuer's business and affairs:**

The Company plans to use the net proceeds of the Offering for working capital and general corporate purposes as well as the repayment of certain debts owed to various creditors of the Company.

**(d) a description of:**

**(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:**

In connection with the the Debt settlement, the following securities were issued to the Insiders of the Company:

<b>Name</b>	<b>Position</b>	<b>Number of Common Shares</b>	<b>Aggregate Price</b>
Irwin Professional Corporation, a company beneficially owned and controlled by Chris Irwin	Officer and Director	223,010	\$22,301

Braxton Management Partners Inc., a company beneficially owned and controlled by Jon Gill	Officer and Director	120875	\$12,087.50
Arvin Ramos	Officer	50000	\$5,000
	<b>TOTAL</b>	<b>393,885</b>	<b>\$39,388.50</b>

- (ii) **the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (I) for which there would be a material change in that percentage:**

Prior to the completion of the Offering and the Debt Settlement, Mr. Irwin held, directly or indirectly 22,575 Common Shares. Upon closing of the Offering, Mr. Irwin holds an aggregate of 245,585 Common Shares, representing approximately 1.84% of the issued and outstanding Common Shares on an undiluted and a partially diluted basis.

Prior to the completion of the Debt Settlement, Mr. Gill did not hold any securities. Upon closing of the Offering, Mr. Gill holds an aggregate of 120,875 Common Shares, representing approximately 0.91% of the issued and outstanding Common Shares on an undiluted and partially diluted basis.

Prior to the completion of the Debt Settlement, Mr. Ramos did not hold any securities. Upon closing of the Offering, Mr. Ramos holds an aggregate of 50,000 Common Shares, representing approximately 0.37% of the issued and outstanding Common Shares on an undiluted and partially diluted basis.

- (e) **unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

A resolution of the board of directors was passed on November 2, 2020, approving the Offering and the Debt Settlement. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

- (f) **A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

(g) **disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

(i) **that has been made in the 24 months before the date of the material change report:**

Not applicable.

(ii) **the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

(h) **the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than the subscription agreements to purchase the Common Shares pursuant to the Offering and the debt conversion agreements entered into purchase to the Debt Settlement, the Company did not enter into any agreement with an interest party or a joint actor with an interested party in connection with the Offering or the Debt Settlement. To the Company's knowledge, no related party to the Company entered into any agreement with an interest party or a joint actor with an interested party, in connection with the Offering or the Debt Settlement.

(i) **disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The participation in the Offering and the Debt Settlement by the Insiders is exempt from the formal valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 – Protection of Minority Securityholders in Special Transactions (“**MI 61-101**”) as neither the fair market value of securities being issued to the Insiders nor the consideration paid by the Insiders exceeded 25% of the Company's market capitalization.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer**

For further information, contact Chris Irwin, President and Chief Executive Officer of the Company at (416) 361-2517.

9. **Date of Report**

This report is dated at Toronto, this 9<sup>th</sup> day of November, 2020.

## **Cautionary Statement Regarding Forward-Looking Information**

*This material change report contains certain "forward-looking information" within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.*