

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**

March 5, 2021

3. **News Release**

A press release disclosing the material change was released on March 8, 2021, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company closed a non-brokered private placement financing for gross proceeds of \$563,948 through the issuance of 3,759,658 units in the capital of the Company (the “**Units**”) at a price of \$0.15 per Unit (the “**Private Placement**”).

5. **Full Description of Material Change**

The Company closed a non-brokered private placement financing for gross proceeds of \$563,948 through the issuance of 3,759,658 Units at a price of \$0.15 per Unit.

Each Unit is comprised of one common share in the capital of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one Common Share at a price of CDN\$0.20 per Common Share for a period of three (3) years from the date of issuance. The Common Shares shall be subject to contractual resale restrictions providing that the Common Shares may only be sold, transferred, optioned, encumbered, pledged or hypothecated in any way, except as follows: (i) as to 25% on the date which is four months from the date of issuance; (ii) as to 25% on the date which is eight months from the date of issuance; (iii) as to 25% on the date which is twelve months from the date of issuance; and (iv) as to 25% on the date which is sixteen months from the date of issuance. Gross proceeds raised from the Private Placement will be used for working capital and general corporate purposes. The securities issued upon closing of the Offering are subject to a hold period until July 6, 2021, pursuant to applicable securities laws.

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, 713,333 Units were issued to insiders (the “**Insider**”) 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.

(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.

(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 Offering, the following securities were issued to the Insiders of the Company:

Name	Position	Number of Units	Aggregate Price
Aeternum Asset Advisors Inc. – a company beneficially owned and controlled by Emma Fairhurst	10% Security Holder	525,000	\$78,750
Braxton Corporate Advisors Inc. - a company beneficially owned and controlled by Jon Gill	Director and Officer	188,333	\$28,250
	TOTAL	713,333	\$107,000.00

(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, Ms. Fairhurst beneficially owned and controlled, directly or indirectly, 7,400,000 Common Shares, 4,500,000 Warrants and 750,000 stock options. Upon closing of the Offering, Ms. Fairhurst, beneficially owns and controls, directly or indirectly, an aggregate of 7,925,000 Common Shares, 5,025,000 Warrants and 750,000 stock options, representing approximately 25.24% of the issued and outstanding Common Shares on an undiluted and 36.83% on a partially diluted basis.

Prior to the completion of the Offering, Mr. Gill beneficially owned and controlled, directly or indirectly, 1,505,682 Common Shares and 500,000 stock options. Upon closing of the Offering, Mr. Gill beneficially owns and controls, directly or indirectly, an aggregate of 1,694,015 Common Shares, 188,333 Warrants and 500,000 stock options, representing approximately 0.13% of the

issued and outstanding Common Shares on an undiluted and a 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 March 1, 2021, approving the Offering. 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, 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. 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.

- (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 by the Insider 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 Insider 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 16th day of March, 2021.

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.