



Form 51-102F6V
Statement of Executive Compensation – Venture Issuers

Dated: June 29, 2020

(All figures in Canadian dollars unless otherwise noted)

Objective: The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Definitions:

For the purpose of this Statement of Executive Compensation, in this form:

- (a) **“Company”** means Ynvisible Interactive Inc.;
- (b) **“company”** includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;
- (c)
- (d) **“compensation securities”** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units 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;
- (e) **“named executive officer”** or **“NEO”** means each of the following individuals:
 - (i) 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;
 - (ii) 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;
 - (iii) 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;
 - (iv) 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;
- (f) **“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; and
- (g) **“underlying securities”** means any securities issuable on conversion, exchange or exercise of compensation securities.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and named executive officer compensation, excluding options and compensation securities

The following table sets forth all compensation, excluding options and compensation securities, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, for the two most recently completed financial years, to each NEO and director of the Company, in any

capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

Table of compensation excluding compensation securities							
Name And position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jani-Mikael Kuusisto ⁽²⁾ CEO and Director	2019	158,731 ⁽³⁾	Nil	Nil	Nil	Nil	158,731 ⁽³⁾
	2018	184,384	Nil	Nil	Nil	Nil	184,384
Darren Urquhart ⁽⁴⁾ CFO	2019	30,000	Nil	Nil	Nil	Nil	30,000
	2018	30,000	Nil	Nil	Nil	Nil	30,000
Inês Henriques ⁽⁵⁾ COO and former Director	2019	97,896 ⁽³⁾	Nil	Nil	Nil	Nil	97,896 ⁽³⁾
	2018	113,576	Nil	Nil	Nil	Nil	113,576
Alexander Helmel ⁽⁶⁾ former President , former CEO and current Director	2019	30,000	Nil	Nil	Nil	Nil	30,000
	2018	27,500	Nil	Nil	Nil	Nil	27,500
Benjamin LeBoe ⁽⁷⁾ Director	2019	12,000	Nil	Nil	Nil	Nil	12,000
	2018	7,000	Nil	Nil	Nil	Nil	7,000
Duarte Mineiro ⁽⁸⁾ Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Leif Ljungqvist ⁽⁹⁾ Director	2019	34,624 ⁽¹⁰⁾	Nil	Nil	Nil	Nil	34,624 ⁽¹⁰⁾
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Michael Robinson ⁽¹¹⁾ Director	2019	1,500	Nil	Nil	Nil	Nil	1,500
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Martin Burian ⁽¹²⁾ former Director	2019	10,500	Nil	Nil	Nil	Nil	10,500
	2018	11,000	Nil	Nil	Nil	Nil	11,000
Robert Friesen ⁽¹³⁾ former Director	2019	N/A	N/A	N/A	N/A	N/A	N/A
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Richard Vaive ⁽¹⁴⁾ former Director	2019	N/A	N/A	N/A	N/A	N/A	N/A
	2018	Nil	Nil	Nil	Nil	Nil	Nil

(1) Year ended December 31st

(2) Jani-Mikael Kuusisto was appointed Chief Executive Officer and a director of the Company on January 19, 2018.

(3) Compensation paid in European euro (Average exchange rate over period of 1.4856 Canadian dollar per 1 European euro reflected above)

(4) Darren Urquhart was appointed Chief Financial Officer of the Company on April 26, 2013.

(5) Inês Henriques was appointed Chief Operating Officer of the Company January 19, 2018, and she served as a director from May 25, 2018, to November 21, 2019.

(6) Alexander Helmel served as President of the Company from March 1, 2006, to January 29, 2018, and as CEO of the Company from August 27, 2017, to January 19, 2019. He has served as a director since March 1, 2006.

(7) Benjamin LeBoe was elected a director of the Company on May 25, 2018.

(8) Duarte Mineiro was appointed a director of the Company on January 19, 2018.

(9) Leif Ljungqvist was appointed a director of the Company on November 14, 2019.

(10) Compensation includes board fees and consulting fees (exchange rate reflected above is as at December 31, 2019: 0.1394 Canadian dollar per 1 Swedish krona)

(11) Michael Robinson was appointed a director of the Company on November 18, 2019.

(12) Martin Burian served as a director of the Company from January 19, 2018, to November 21, 2019.

(13) Robert Friesen resigned as a director of the Company on January 19, 2018.

(14) Richard Vaive resigned as a director of the Company on January 19, 2018.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or one of its subsidiaries during the financial year ended December 31, 2019, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and percentage of class ⁽²⁾	Date of issue or grant	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 ⁽³⁾ (\$)	Expiry Date
Jani-Mikael Kuusisto ⁽⁴⁾ CEO and Director	Options	150,000 2.77%	May 1, 2019	\$0.37	\$0.37	\$0.245	May 1, 2024
Darren Urquhart ⁽⁵⁾ CFO	Options	50,000 0.92%	May 1, 2019	\$0.37	\$0.37	\$0.245	May 1, 2024
Inês Henriques ⁽⁶⁾ COO and former Director	Options	150,000 2.77%	May 1, 2019	\$0.37	\$0.37	\$0.245	May 1, 2024
Alexander Helmel ⁽⁷⁾ former President and CEO and current Director	Options	100,000 1.85%	May 1, 2019	\$0.37	\$0.37	\$0.245	May 1, 2024
Benjamin LeBoe ⁽⁸⁾ Director	Options	100,000 1.85%	May 1, 2019	\$0.37	\$0.37	\$0.245	May 1, 2024
Leif Ljungqvist ⁽⁹⁾ Director	Options	100,000 1.85%	October 2, 2019	\$0.30	\$0.29	\$0.245	October 2, 2024
Michael Robinson ⁽¹⁰⁾ Director	Options	200,000 3.70%	December 18, 2019	\$0.20	\$0.20	\$0.245	December 18, 2024
Martin Burian former Director	Options	100,000 1.85%	May 1, 2019	\$0.37	\$0.37	\$0.245	May 1, 2024

⁽¹⁾ All options vest 1/3 at four months, eight months, and 12 months from date of grant.

⁽²⁾ Percentage of class represents percentage of compensation securities granted over the total number of compensation securities of the Company outstanding as of December 31, 2019.

⁽³⁾ Closing price of the Company's common shares as at December 31, 2019

⁽⁴⁾ As at December 31, 2019, in addition to the options noted in the table above, Jani-Mikael Kuusisto held 450,000 options exercisable at \$0.30 until January 19, 2023, as granted January 19, 2018.

⁽⁵⁾ As at December 31, 2019, in addition to the options noted in the table above, Darren Urquhart held 100,000 options exercisable at \$0.30 until January 19, 2023, as granted January 19, 2018.

⁽⁶⁾ As at December 31, 2019, in addition to the options noted in the table above, Inês Henriques held 300,000 options exercisable at \$0.30 until January 19, 2023, as granted January 19, 2018.

⁽⁷⁾ As at December 31, 2019, in addition to the options noted in the table above, Alexander Helmel held 200,000 options exercisable at \$0.30 until January 19, 2023, as granted January 19, 2018.

⁽⁸⁾ As at December 31, 2019, in addition to the options noted in the table above, Benjamin LeBoe held 100,000 options exercisable at \$0.30 until May 25, 2023, as granted May 25, 2018.

⁽⁹⁾ As at December 31, 2019, Leif Ljungqvist held no other options than those noted in the table above.

⁽¹⁰⁾ As at December 31, 2019, Michael Robinson held no other options than those noted in the table above.

⁽¹¹⁾ As at December 31, 2019, in addition to the options noted in the table above, Martin Burian held 100,000 options exercisable at \$0.30 until January 19, 2023, as granted January 19, 2018.

Exercise of Compensation Securities by NEOs and Directors

There were no compensation securities exercised by a director or NEO of the Company during the financial year ended December 31, 2019.

Stock Option Plans and Other Incentive Plans

10% “rolling” Share Option Plan (Option-Based Awards)

The Company has in place a 10% “rolling” share option plan dated for reference April 12, 2018 (the “Share Option Plan”), and last approved by shareholders of the Company on July 4, 2019, wherein an aggregate of 10% of the issued and outstanding Common Shares at the time an option is granted, less any outstanding options, are available for issuance to eligible optionees. The Share Option Plan was established to provide 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 of directors based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the board of directors. The Share Option 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.

The Share Option Plan is a 10% maximum rolling plan. Options granted under the Share Option Plan are not exercisable for a period longer than 10 years and the exercise price must be paid in full upon exercise of the option.

The Share Option Plan is subject to the following restrictions:

- (a) The Company must not grant an option to any one individual director, officer, employee, management company employee, consultant or company consultant (the “Service Provider”) in any 12-month period that exceeds 5% of the outstanding Common Shares, unless the Company has obtained approval to do so by a majority of the votes cast by the shareholders of the Company eligible to vote at a shareholders’ meeting, excluding votes attaching to Common Shares beneficially owned by insiders and their associates (“Disinterested Shareholder Approval”);
- (b) The aggregate number of options granted to a Service Provider conducting investor relations activities in any 12-month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, without the prior consent of the TSXV;
- (c) The Company must not grant an option to any one individual consultant in any 12-month period that exceeds 2% of the outstanding Common Shares calculated at the date of the grant of the option, without the prior consent of the TSXV;
- (d) The aggregate number of Common Shares reserved for issuance under options granted to insiders must not exceed 10% of the outstanding Common Shares (in the event that the Share Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Company has obtained Disinterested Shareholder Approval to do so;
- (e) The aggregate number of Common Shares issued for option to insiders in any 12-month period must not exceed 10% of the outstanding Common Shares (in the event that the Share Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Company has obtained Disinterested Shareholder Approval to do so;
- (f) The issuance to any one Optionee within a 12-month period of a number of Common Shares must not exceed 5% of outstanding Common Shares unless the Company has obtained Disinterested Shareholder Approval to do so;

- (g) Any one Person engaged in Investor Relations Activities for the Company must vest in stages over a 12-month period with no more than 1/4 of the Options vesting in any three-month period; and
- (h) The exercise price of an option previously granted to an insider must not be reduced, unless the Company has obtained Disinterested Shareholder Approval to do so.

Material Terms to the Share Option Plan

The following is a summary of the material terms of the Share Option Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Share Option Plan;
- (b) Options granted under the Share Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;
- (c) For options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) If there is a takeover bid for all or any of the issued and outstanding Common Shares, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall become exercisable in full to enable the Optioned Shares to be issued and tendered to such bid, subject to prior written approval of the TSX Venture Exchange;
- (e) An Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (f) If an Optionee dies, any vested option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (g) In the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (h) The exercise price of each option will be set by the Board at the time such Option is allocated under the Share Option Plan, and cannot be less than the Discounted Market Price (as defined in the Share Option Plan);
- (i) Vesting of Options shall be at the discretion of the Board, and will generally be subject to:
 - (i) The Service Provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or
 - (ii) The Service Provider remaining as a Director of the Company or any of its affiliates during the vesting period;

- (j) The Share Option Plan contains a black-out provision restricting all or any of the Company's Service Providers to refrain from trading in the Company's securities until the restriction has been lifted by the Company;
- (k) No vesting requirements will apply to options granted under the Share Option Plan other than as required by TSXV policies; however, a four month hold period will apply to all Common Shares from the date of grant for all Options granted to:
 - (i) Insiders of the Company; or
 - (ii) Where Options are granted to any Service Provider, including Insiders, where the exercise price is at a discount to the Market Price; and
- (l) The Board reserves the right in its absolute discretion to amend, modify or terminate the Share Option Plan with respect to all Common Shares in respect of options which have not yet been granted under the Share Option Plan. Any amendment to any provision of the Share Option Plan will be subject to any necessary Regulatory approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the Share Option Plan to Service Providers.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the Share Option Plan may be made by the Board without further shareholder approval.

Accordingly, the Share Option Plan also provides that the Board may, without shareholder approval:

- (i) amend the Share Option Plan to make amendments which are of a typographical, grammatical or clerical nature only;
- (ii) amendments of a housekeeping nature;
- (iii) change the vesting provisions of an option granted under the Share Option Plan, subject to prior written approval of the TSX Venture, if applicable;
- (iv) change the termination provision of an Option granted under the Share Option Plan if it does not entail an extension beyond the lesser of the original expiry date of such Option, or 12 months from termination;
- (v) make such amendments to the Share Option Plan as are necessary or desirable to reflect changes in securities laws applicable to the Company or any requested changes by the TSX Venture;
- (vi) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (vii) amend the Share Option Plan to reduce, and not to increase, the benefits of this Share Option Plan to Service Providers.

Employment, Consulting and Management Agreements

At year ended December 31, 2019, below is a description of the employment agreements entered into with the Company and its operating subsidiaries:

- (i) YD Ynvisible, S.A., a subsidiary of the Company, entered into an employment agreement with Jani-Mikael Kuusisto dated August 12, 2016, whereby Jani-Mikael Kuusisto agreed to act as General Manager (as of January 19, 2018, Chief Executive Officer) of the Company in return for a gross annual salary of 106,846€ (one hundred and six thousand eight hundred and forty six Euros) (equivalent to \$158,731 using average exchange rate over period of 1.4856 Canadian dollar per 1 Euro), with six months severance pay upon termination by the Company; and
- (ii) YD Ynvisible, S.A., a subsidiary of the Company, entered into an employment agreement with Inês Henriques dated October 1, 2010 (first signed by YDreams on March 6, 2007 and then transferred to YD Ynvisible, S.A. on October 1, 2010) whereby Inês Henriques agreed to act as Chief Executive Officer (as of January 19, 2018, Chief Operating Officer) of the Company in return for a gross annual salary of 65,896€ (sixty five thousand eight hundred and ninety six Euros) (equivalent to \$97,896 using average exchange rate over period of 1.4856 Canadian dollar per 1 European euro), with the termination clauses established by Portuguese Labour Law.

Jani-Mikael Kuusisto and Inês Henriques will be awarded bonus compensation based on the delivery of certain performance milestones. Payment will be paid in the month following the completion of the milestone and will be paid as a one-time payment as a certain percentage of annual salary. Milestones and related bonus will be paid as outlined in the following table:

Milestone	% Bonus (as percentage of annual salary)
Bring production capacity to 250K ECDs/month	2
Bring production capacity to 1M ECDs/month	3
Sign 2 meaningful contracts with companies/consultants with access to clients	2
Sign 2 meaningful contracts with companies with complementing supply and possible end client relationships	2
Achieve CDN\$400K cumulative revenue	2
Achieve CDN\$800K cumulative revenue	3
Achieve CDN\$1.2M cumulative revenue	3
Sign and announce jointly funded research project	3
Sign and announce 2nd jointly funded research project	4
File 2 new patent applications	2
File a further 2 new patent applications (4 total)	2
File a further 2 new patent applications (6 total)	2
Have a patent granted	1
Have a second patent granted	1
Milestone	% Bonus (as percentage of annual salary)
Make 2 invited speeches at industry conferences	2
Make a further 3 invited speeches at industry conferences	3
Achieve 10 meaningful mentions in the media	3
Total Achievable:	40%

Oversight and Description of Director and NEO Compensation

Executive compensation is set to attract and retain the best available talent while efficiently utilizing available resources. The Company compensates executive management with a package typically including a base salary (“Base Salary”), an incentive compensation plan (“Incentive Compensation”) and equity compensation (the “Equity Compensation”) designed to be competitive with comparable employers. In considering executive management’s compensation, the Board takes into consideration the financial condition of the Company. The Base Salary is set in comparison to the comparable positions in the market and in the industry, the Incentive Compensation is used as a short-term incentive to achieve Company objectives, and the Equity Compensation is designed to allow the participants to enjoy the benefits of any increase in company valuation and share price, should such an increase occur. Executive compensation is designed to reward activities and achievements that are aligned with the long-term interests of the Company’s shareholders.

The Base Salary, Incentive Compensation and Equity Compensation for the Company’s NEOs, including the CEO and the CFO is determined by the Company’s Compensation Committee. The Company’s Compensation Committee determines compensation and incentive awards for the directors and senior officers of the Company. The Compensation Committee also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company’s senior management. The Board reviews the compensation of senior management on a semi-annual basis taking into account compensation paid by other issuers of similar size and activity.

Philosophy and Objectives

The compensation program for the senior management of the Company is designed with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified 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 compensating its senior management, the Company has employed a combination of base salary, bonus compensation and equity participation through its Option Plan. Recommendations for senior management compensation are presented to the Ynvisible Board for review.

The Company currently does not have in place any formal policies to prevent a director or NEO 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 such director or NEO.

Elements of Compensation

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its share option plan. Recommendations for senior management compensation are presented to the Board for review.

Base Salary or Consulting Fees

In the Board’s view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Equity Participation

Share options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Compensation Committee.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Benefits and Perquisites

The Company does not, as of the date of this Statement of Executive Compensation, offer any benefits or perquisites to its NEOs other than potential grants of incentive share options as otherwise disclosed and discussed herein.

Pension Disclosure

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.
