

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 – NAME AND ADDRESS OF COMPANY

ANC CAPITAL VENTURES INC. (the “Company”)
2500 – 700 West Georgia Street
Vancouver, BC V7Y 1B3

ITEM 2 – DATE OF MATERIAL CHANGE

February 16, 2021

ITEM 3 – NEWS RELEASE

The Company issued a news release relating to the material change on March 5, 2021 which was disseminated through Canada Stockwatch and Market News Publishing Inc. and filed on SEDAR with the securities commissions of British Columbia, Alberta and Ontario.

ITEM 4 – SUMMARY OF MATERIAL CHANGE

The Company announced that it has entered into a non-binding term sheet with VIP Entertainment Group Inc. (“**VIP Entertainment**”) dated February 16, 2021 (the “**Term Sheet**”). Pursuant to the Term Sheet, ANC and VIP Entertainment intend to complete a business combination intended to constitute the Company’s Qualifying Transaction, as such term is defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange (the “**Proposed Transaction**”). The Proposed Transaction will result in the company acquiring all of the issued and outstanding equity of VIP Entertainment (the “**VIP Entertainment Shares**”) in exchange for 1.16739 (“**Exchange Ratio**”) common shares of ANC (each, an “**ANC Share**”). Convertible securities of VIP Entertainment will be exchanged on the equivalent Exchange Ratio.

ITEM 5 – FULL DESCRIPTION OF MATERIAL CHANGE

See attached news release.

ITEM 6 – RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7 – OMITTED INFORMATION

Not applicable.

ITEM 8 – EXECUTIVE OFFICER

The following executive officer of the Company is knowledgeable about the material change and this Report:

Randy Clifford, Chief Executive Officer
Telephone: (780) 466-6006

ITEM 9 – DATE OF REPORT

March 8, 2021

**ANC CAPITAL VENTURES INC.
ANNOUNCES PROPOSED QUALIFYING TRANSACTION WITH
VIP ENTERTAINMENT GROUP INC.**

NOT FOR DISSEMINATION IN THE U.S. OR THROUGH U.S. NEWSWIRE

Vancouver, British Columbia – March 5, 2021 / ANC Capital Ventures Inc. (TSXV: ANCV.P) (“**ANC**” or the “**Company**”) a capital pool company, is pleased to announce that it has entered into a non-binding term sheet with VIP Entertainment Group Inc. (“**VIP Entertainment**”) dated February 16, 2021 (the “**Term Sheet**”). Pursuant to the Term Sheet, ANC and VIP Entertainment intend to complete a business combination intended to constitute ANC’s Qualifying Transaction, as such term is defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange (the “**Proposed Transaction**”). The Proposed Transaction will result in ANC acquiring all of the issued and outstanding equity shares of VIP Entertainment (the “**VIP Entertainment Shares**”) in exchange for 1.16739 (“**Exchange Ratio**”) common shares of ANC (each, an “**ANC Share**”). Convertible securities of VIP Entertainment will be exchanged on the equivalent Exchange Ratio.

The Proposed Transaction is subject to, among other things, receipt of the requisite shareholder approval of VIP Entertainment, final approval of the TSX Venture Exchange (the “**Exchange**”) and standard closing conditions, including the conditions described below. Subject to satisfactory completion of due diligence, the parties expect to close the Proposed Transaction on or before May 15, 2021 (or such other date as may be mutually agreed between ANC and VIP Entertainment) (“**Closing**”).

The Proposed Transaction is not a Non Arm’s Length Qualifying Transaction pursuant to Section 2.1 of the Policy and, as such, the Company is not required to obtain shareholder approval for the Proposed Transaction.

Upon completion of the Proposed Transaction, ANC will continue on with the business of VIP Entertainment (the Company after completion of the Proposed Transaction is referred to herein as the “**Resulting Issuer**”).

The Proposed Transaction

Pursuant to the Proposed Transaction, the Resulting Issuer will acquire all of the issued and outstanding VIP Entertainment Shares such that each shareholder of VIP Entertainment (including those becoming shareholders as a result of the Offering as defined below) (each, a “**VIP Entertainment Shareholder**”) will receive approximately 1.16739 common shares of the Resulting Issuer, (each, a “**Resulting Issuer Share**”) for each VIP Entertainment Share held.

It is anticipated that a total of 63,300,000 Resulting Issuer Shares (plus such number of Resulting Issuer Shares required in exchange for the Offering VIP Entertainment Shares) will be issued in exchange for all the VIP Entertainment Shares. Upon completion of the Proposed Transaction, the former VIP Entertainment Shareholders, including those under the Offering (as defined herein), will hold approximately 82% of the Resulting Issuer Shares (giving effect to the Offering), shareholders participating in the Offering will hold approximately 10% of the Resulting Issuer Shares and the ANC Shareholders will hold approximately 7% of the Resulting Issuer Shares (after giving effect to the Offering). Upon Closing, the name of the Resulting Issuer will be changed to “VIP Entertainment Technologies Inc.” or such other name as may be acceptable to ANC, VIP Entertainment and the Exchange. All convertible securities will also be exchanged for Resulting Issuer equivalent securities adjusted for the Exchange Ratio. The deemed price for TSXV purposes is based on the closing price of ANC and was \$0.08 per Share.

VIP Entertainment will pay a finder’s fee upon completion of the Transaction to Market Tactic Media Limited, an arm’s length party, in the amount of \$63,750 payable in Resulting Issuer Shares at the Offering Price (as defined

herein).

All ANC Shares issued pursuant to the Proposed Transaction will be freely tradable under applicable Canadian securities legislation but may be subject to an Exchange imposed restriction on resale. In addition, certain ANC Shares issued in the United States or to or for the benefit of U.S. Persons (as such term is defined under Regulation S of the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) will be “restricted securities” within the meaning of Rule 144(a)(3) of the U.S. Securities Act.

Certain of the ANC Shares to be issued to the VIP Entertainment Shareholders pursuant to the Proposed Transaction, including up to 100% of the securities to be issued to “Principals” (as defined under Exchange policies), will also be subject to escrow provisions imposed pursuant to the policies of the Exchange.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the U.S. Securities Act, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Brokered Equity Financing

VIP Entertainment anticipates entering into an engagement letter (the “**Engagement Letter**”) with a registered broker dealer (the “**Agent**”) pursuant to which the Agent will act as agent on a “commercially reasonable efforts” private placement of VIP Entertainment Shares for gross proceeds of a minimum of \$2.1 million (“**Minimum Offering**”) and a maximum of \$3.1 million (collectively the “**Offering**”). The VIP Entertainment Shares will be offered at an issuance price of \$0.25 per VIP Entertainment Share (the “**Offering Price**”). Completion of the Minimum Offering is a condition precedent to the completion of the Proposed Transaction. The Offering VIP Entertainment Shares will be exchanged for Resulting Issuer Shares upon completion of the Proposed Transaction on the Exchange Ratio.

In connection with the Financing, the Agent will be paid an 8% cash commission and 8% broker warrants (“**Broker Warrants**”). Each Broker Warrant is exercisable for one VIP Entertainment Share at an exercise price of \$0.25 per VIP Entertainment Share for a period of 24 months following the date of issuance of thereof.

The net proceeds of the Offering are expected to be used to advance VIP Entertainment’s products, marketing and for working capital and general corporate purposes.

Conditions to Proposed Transaction

Prior to completion of the Proposed Transaction (and as conditions of closing), among other things:

- the Resulting Issuer shall meet the initial listing requirements of a Tier 2 Exchange technology issuer pursuant to Policy 2.1 of the Exchange;
- ANC will have taken all necessary steps to have its name changed from “ANC Capital Ventures Inc.” to “VIP Entertainment Technologies Inc.” or such other name as the parties may determine and which is acceptable to the Exchange and applicable regulatory authorities;
- All of the current directors and officers of ANC, will have resigned and the incoming directors and officers of the Resulting Issuer shall have been appointed;
- receipt of all required consents, waiver and approvals from the Exchange, any securities regulatory authority and any other third party having jurisdiction, including approval from the Exchange for the Proposed Transaction as its Qualifying Transaction and the listing of the Resulting Issuer shares on the Exchange.

Sponsorship of a Qualifying Transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies. The parties will be seeking an exemption of any requirement for a Sponsor, but in the event an exemption is not available, will seek a sponsorship relationship for this transaction with an Exchange member firm, and will update the markets accordingly.

About VIP Entertainment

VIP Entertainment is a private company under the *Business Corporations Act* (Alberta) incorporation on February 22, 2016 as Well Accent Investments Ltd. Its name was changed to VIP Bets Inc. on July 23, 2018 and then subsequently again to VIP Entertainment Group Inc. on October 24, 2019. The head office of VIP Entertainment is located at Suite 650 816 7th Ave SW Calgary, AB and its registered office is located at Suite 1000, 250 2nd Ave SW Calgary, AB.

VIP Entertainment was formed in 2016 to deliver sports betting, casino games and poker to the top tiers of sports bettors and poker players. VIP business and its offerings are legal in 156 countries and is licensed in Curacao under gaming license GLH-OCCHKW070390. VIP Entertainment is a legally licensed operator and continuously adheres to all Anti-Money Laundering legislation. VIP Entertainment has full disclosure global banking and combined with its regulatory compliance is ahead of the market.

VIP Entertainment creates a personalized VIP Entertainment experience for the customer by continually rolling out the virtual red carpet and giving users more of what they want, bigger bets, bigger bonuses and better service. By utilizing an industry leading platform, VIP Entertainment has recognized the desire for players to feel like a VIP at VIP Entertainment and more than just an anonymous online user.

Following the completion of the Transaction, Randy Jennings and Theresa Jennings will each hold in excess of 10% of the Resulting Issuer Shares. They will each hold approximately 13,424,985 Resulting Issuer Shares.

Proposed Management of the Resulting Issuer

Subject to Exchange approval, it is currently anticipated that all of the current officers and all of the current directors of ANC, will resign from their respective positions with ANC. It is currently anticipated that Directors and Executive Officers (as such term is defined in the policies of the Exchange) of the Resulting Issuer will be as follows:

Joel Donais – Proposed CEO & Director of the Resulting Issuer, Age 38

Mr. Donais has been with VIP Entertainment for the last three years and has been involved in all facets of the business. He has overseen the marketing and customer service departments as well as the trading/risk management. He has over 10 years' experience in Management, Sales, Marketing and Business Development in various industries including technology and the resource industry both within Canada and internationally

It is anticipated that Mr. Donais will devote 100% of his time to the business of the Resulting Issuer, or such other time and expertise as may reasonably be required by the Resulting Issuer.

Charidy Lazorko – Proposed CFO of the Resulting Issuer, Age 41

Ms. Lazorko is a CPA, CGA with over 15 years of public company experience and financial services, with an emphasis in corporate restructuring, amalgamations and asset acquisitions. She formerly served as the Chief Financial Officer of Blackhawk Resource Corp. and UMG Media Ltd. Additionally, she has acted as a financial advisor for a multitude of other private company transactions. Ms. Lazorko has been an officer of numerous public companies on the TSXV.

It is anticipated that Ms. Lazorko will devote 60% of her time to the business of the Resulting Issuer, or such other time and expertise as may reasonably be required by the Resulting Issuer.

Dave Antony - Proposed Director of the Resulting Issuer, Age 58

Mr. Antony has over 25 years' experience in assisting companies, structuring transactions, accessing capital, and corporate governance. He has been a director or officer of numerous public and private companies in industries including: Esports, Daily Fantasy Sports, Regulated Gaming, Loyalty/Media Marketing and Natural Resources. The companies he's been involved with have raised in excess of \$750M while involved, by way of equity, secured debt and convertible debt.

Mr. Antony was involved with the Toronto Stock Exchange – Venture as Chairman of Alberta Local Advisory Committee for 7 years and Member of National Advisory Committee for 5 years.

It is anticipated that Mr. Antony will devote such time and expertise as may reasonably be required by the Resulting Issuer.

Michael Mansfield - Proposed Director of the Resulting Issuer, Age 58

Mr. Mansfield has over 20 years' experience in the public markets as a portfolio manager and investment advisor specializing in the Canadian venture market working with both private and public investors and companies. He has a track record of successfully taking public over a hundred companies through the completion of qualifying transactions by Capital Pool Corporations and secondary financings.

Mr. Mansfield was involved with the Toronto Stock Exchange – Venture as a member of Alberta Local Advisory Committee for numerous years.

It is anticipated that Mr. Mansfield will devote such time and expertise as may reasonably be required by the Resulting Issuer.

Scott Seguin - Proposed Director of the Resulting Issuer, Age 48

Mr. Seguin has over 25 years of experience as a new venture start-up entrepreneur, successful business owner, and consultant focused on finance, streamlining operations, and business strategy. He has built up and sold several businesses involved in the hemp industry, the finance industry, and the construction industry. Mr. Seguin has sat as an officer and director of numerous public and private companies.

It is anticipated that Mr. Seguin will devote such time and expertise as may reasonably be required by the Resulting Issuer.

Trevor Wong-Chor - Proposed Corporate Secretary of the Resulting Issuer, Age 52

Mr Wong-Chor is a partner with DLA Piper (Canada) LLP (and its predecessor firms) since September, 2004. Prior thereto, Partner and Associate at Borden Ladner Gervais LLP (and its predecessor firms) from 1998 to 2004. He is a corporate secretary or director of a number of public and private companies.

Trading Halt

Trading in the ANC Shares was halted on February 16, 2021, pending announcement of the Proposed Transaction, and will remain halted pending the satisfaction of all applicable requirements pursuant to Policy 2.4 of the Exchange. Further information concerning the Proposed Transaction, including financial statement information regarding VIP Entertainment, respecting the Proposed Transaction will be provided in a subsequent news release.

Further Information

All information contained in this news release with respect to ANC and VIP Entertainment was supplied by the parties respectively, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

For further information about VIP Entertainment please contact:

Joel Donais
Chief Executive Officer and Director
587-436-5635

For further information about the Company please contact:

ANC Capital Ventures Inc.
Randy Clifford
Chief Executive Officer and Director
780-466-6006

All information contained in this news release with respect to ANC and VIP Entertainment was supplied by the parties, respectively, for inclusion herein, and ANC and its directors and officers have relied on VIP Entertainment for any information concerning such party.

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, Exchange final acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

This press release contains statements that constitute "forward-looking information" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation, all statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements contained in this press release include, without limitation, statements regarding: the terms, conditions, and completion of the Proposed Transaction or the Minimum Offering and the negotiation of definitive

transaction documentation; the business and operations of the Company; and use of funds. In making the forward-looking statements contained in this press release, the Company has made certain assumptions, including that: due diligence will be satisfactory; the Offering will be completed on acceptable terms; all applicable shareholder, and regulatory approvals for the Proposed Transaction will be received; and there would not be changes in the conditions under which the Proposed Transaction would complete, including regulatory changes or the operating environment for the Company or VIP. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: results of due diligence; availability of financing; delay or failure to receive board, shareholder or regulatory approvals; and general business, economic, competitive, political and social uncertainties and economic risks associated with current unprecedented market and economic circumstances due to the COVID-19 pandemic. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

United States Advisory

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.