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CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
~~No.: 405-11-002902-151~~
No.: 500-11-049737-154

S U P E R I O R C O U R T
Commercial Division
*Designated tribunal under the
Companies' Creditors Arrangement Act¹*

IN THE MATTER OF THE PROPOSED
PLAN OF COMPROMISE AND
ARRANGEMENT OF BLUBERI GAMING
TECHNOLOGIES INC., BLUBERI GROUP
INC., AND BLUBERI USA, INC.

"DEBTORS"

- and -

ERNST & YOUNG INC.

"MONITOR"

REPORT OF THE MONITOR
DATED NOVEMBER 16, 2015

INTRODUCTION

1. Ernst & Young Inc. ("EY" or the "Monitor") understands that Bluberi Group Inc., Bluberi Gaming Technologies Inc. and Bluberi USA, Inc. (collectively referred to herein as "Bluberi", the "Companies" or the "Petitioners") are seeking that this Court exercise its jurisdiction to issue an amended and restated initial order (the "Amended Initial Order") under the *Companies' Creditors Arrangement Act* (the "CCAA") in view of extending a stay of proceedings in favour of Bluberi and granting various other forms of relief, the whole as set out in the Proposed Initial Order.
2. On November 11, 2015, in the context of their efforts to restructure their affairs and business, the Petitioners filed a *Petition for the Issuance of an Initial Order* (the "Petition") in which they sought the issuance of an initial order under the CCAA and the appointment of EY to act as monitor in the CCAA Proceedings. Callidus Capital Corporation ("Callidus"), the main secured creditor of Bluberi, informed the Court of its intention to contest the Petition. We understand that a hearing on the contestation of Callidus is scheduled to take place on November 17, 2015.
3. In the interim, in light of the circumstances of the present file and in accordance with the exercise of its discretion, on November 12, 2015, the Court issued a limited initial order (the "Initial Order") which provided, *inter alia*, the following relief:

¹ *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.



- a) A stay of all proceedings against the Petitioners and their property, as well as against the directors and officers of the Petitioners, including an order preventing any party from interfering with the Petitioners' rights or from interrupting any supply of goods or services;
 - b) The appointment of EY as Monitor of the Petitioners under the CCAA with limited powers set out in the Initial Order, including the power to monitor the Petitioners' receipts and disbursements;
 - c) An order providing that any receipts of the Petitioners be remitted to and held in, and any disbursements on account of the Petitioners be made from specific operating bank accounts of the Petitioners, the whole under the supervision of the Monitor.
4. This report (the "Report") has been prepared by the Monitor in connection with its appointment to provide information to the Court for its consideration on the relief sought by the Petitioners.

PURPOSE

5. The purpose of this Report is to provide the following information to this Court:
- a) The terms of reference and disclaimer for the Report;
 - b) EY's qualifications to act as Monitor and retention;
 - c) Overview of the current context, including Bluberi' stakeholders, deadlock between Callidus and Bluberi, and Bluberi's CCAA application;
 - d) Bluberi's cash-flow projection for the eight (8) week period from November 11 to December 31, 2015;
 - e) The financial charge (Administration Charge) proposed in the Amended Initial Order;
 - f) The restructuring alternatives;
 - g) Monitor's Monitoring of the receipts and disbursements of the Companies for the period from November 12 to 16, 2015;
 - h) Conclusions and recommendations.

TERMS OF REFERENCE AND DISCLAIMER

6. In preparing this Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by Bluberi, discussions with management of Bluberi, mainly Gérald Duhamel, President, with the assistance of Marie-Claude Lapierre, Director of Operations of Bluberi, ("Management") and information from other third-party sources (collectively, the "Information"). Except as otherwise described in this Report in respect of Bluberi's cash flow projection statement:



- a) The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("GAAS") pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information; and,
 - b) Some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the *Chartered Professional Accountants Canada Handbook*, has not been performed.
7. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
 8. Take note that Mr. Duhamel and Ms. Lapierre, who have been our main contacts to obtain financial information from the Companies, have had difficulty obtaining updated, timely financial information due to the recent conflict between management and Callidus, as more fully explained in the Petition. Consequently, EY had access to limited financial information in order to prepare the present Report. Since the Initial Order was rendered on November 12, 2015, additional information has become available, which we are in the process of analyzing.
 9. Unless otherwise stated all monetary amounts contained herein are expressed in Canadian dollars.

EY'S QUALIFICATIONS TO ACT AS MONITOR AND RETENTION

10. EY is a trustee within the meaning of section 2 (1) of the *Bankruptcy and Insolvency Act (Canada)*. Further, EY is not subject to any of the restrictions on who may be appointed as Monitor as set out in section 11.7(2) of the CCAA.
11. EY has experience in complex restructurings including CCAA filings. Martin Rosenthal, who will have primary carriage of this matter, has led EY teams on numerous CCAA engagements and other court appointments. EY is independent from the Companies and Callidus.
12. EY has consented to act as Monitor should the Court grant the Petitioners' request to continue the CCAA proceedings.
13. The Monitor has retained Stikeman Elliott S.E.N.C.R.L. to act as its independent counsel.



14. EY, as Monitor, was first introduced to Bluberi on Friday, November 6, 2015 and was formally retained shortly thereafter. This involvement has enabled EY to form certain preliminary observations related to the relief being sought by the Petitioners, which observations are set out below.

OPERATIONAL CHALLENGES AND CURRENT LIQUIDITY SITUATION

15. A comprehensive background with respect to Bluberi, including recent events leading up to the CCAA application and the Petitioners' current state of affairs, can be found in the Petition and is therefore not repeated herein. Capitalized terms used herein and not otherwise defined have the meaning given to them in the Petition.
16. Bluberi Gaming Technologies Inc. ("Bluberi Gaming") is a Canadian gaming company, operating from its head office in Drummondville, Quebec, that specializes in the development, sale and deployment of casino games. It was founded by its sole director, Mr. Gérald Duhamel, in 1994. The majority of Bluberi Gaming's customers are casinos located across North America, a significant portion of which are operated on Native American /First Nations reserves.
17. Bluberi Group Inc. ("BGI") is a holding company. It is the sole shareholder of Bluberi Gaming and Bluberi USA, Inc., and is effectively held and controlled by Mr. Duhamel.
18. For the purposes of its operations in the United States, a corporation was incorporated under the laws of the State of Delaware under the name of Bluberi USA, Inc. ("Bluberi USA").
19. Callidus, as secured creditor, is Bluberi's principal creditor, with a secured debt of approximately \$86 million; approximately \$45 million of which constitutes actual working capital advanced through various credit facilities, the balance being interest accrued over the said capital, to which were added certain borrowing costs (e.g.: monitoring fees, facility fees, etc.).
20. The Applicant's banking arrangements include the use of so-called "blocked accounts" established under the terms of the credit agreements described below and held jointly by Bluberi and Callidus (the "Blocked Account"). Under the terms of the credit agreements, Bluberi must deposit all receipts into the Blocked Account controlled by Callidus, and Bluberi must obtain Callidus' consent prior to having funds made available for the Applicant's use. The credit facilities provide for the mechanism, terms and conditions upon which funds are to be made available.
21. As more fully described in the Petition, there currently appears to be an impasse between Callidus and Mr. Duhamel, sole voting shareholder of Bluberi, regarding the operations and affairs of the Companies. This impasse appears to have had an impact on the Petitioners' financial performance and may be causing uncertainty in the market and with certain of Bluberi' stakeholders.



Mr. Duhamel has indicated that this situation jeopardizes the future of Bluberi as well as its value.

22. In addition to the Companies and Callidus, the main stakeholders in this affair are:

- a) Employees: Bluberi Gaming employed approximately 150 people in the city of Drummondville, Quebec, many of whom were subject to recent temporary layoffs. Most of the employees earn relatively high wages as highly skilled employees in the field of technology, game development, game design, programming, engineering, and manufacturing. Bluberi Gaming also has an established team of sales, marketing, technical support and administration specialists. The majority of Bluberi employees are highly skilled in their field and Bluberi is virtually alone in its industry in the region, such that these skilled employees would surely have no other alternatives within the region of Centre-du-Québec should Bluberi Gaming cease its operations;
- b) Trade Creditors: As at November 2, 2015, Bluberi had approximately \$5.5 million of accounts payable (approximately \$3.3 million USD and \$1.2 million CAD), the majority of which are over thirty days past due;
- c) Shareholders (Gérald Duhamel and his Family Trusts): Owner of 100% of the voting shares and the preferred redeemable shares (redeemable at \$5,285,870);
- d) Gaming Regulators: Given the stringent licensing requirements, Bluberi's current standing with various gaming commissions and casinos is precarious or on the verge of becoming so, as a result of the financial situation of the Companies and the deadlock between Bluberi and Callidus. The loss of licenses would have a material adverse impact on the business. Mr. Duhamel is the representative and sole respondent for Bluberi Gaming with all of the Gaming Commissions and Native American tribes; and,
- e) Clients: Clients of Bluberi depend on service and maintenance offered by Bluberi.

The potential impact of the current situation on these stakeholders is more fully described in the Petition.

23. Given the foregoing and for the reasons set out in the Petitioners' materials filed in connection with their CCAA application, Bluberi seeks protection under the CCAA. The Proposed Monitor understands that the primary purpose and intent of these proceedings is to provide stability to Bluberi's operations, resolve the impasse with its main secured creditor, Callidus, and preserve the value of Bluberi for all of their stakeholders.

24. The Petitioners draft audited consolidated financial statements for the year ended December 31, 2014, dated October 22, 2015, reflect that the



Companies have a deficit (negative equity) of \$52.8M after incurring losses of \$14.1M in 2013 and \$22.8M in 2014. Furthermore, the auditor's report reflects that there is "...material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern". In addition to the foregoing, there are liquidity constraints due to the lack of further availability under the Companies' credit facilities. Due to these liquidity constraints, the Petitioners have been unable to pay all of their liabilities in the normal course of business and have been unable to pay all of their liabilities as they generally became due. Accordingly, it is the Monitor's view that the Petitioners are insolvent. Notwithstanding the foregoing, we understand that, based on recent evaluation reports obtained, the assets and operations of the Petitioners continue to have significant value and accordingly, a process that would allow interested parties to maximize such value would be appropriate.

BLUBERI'S CASH FLOW PROJECTION STATEMENT

25. Bluberi, with the assistance of the Monitor, has prepared an eight (8) week consolidated cash flow projection (the "Cash Flow Statement") for the period from November 11 to December 31, 2015 (the "Cash Flow Period") for the purpose of projecting the estimated results of Bluberi's planned operating activities during the Cash Flow Period. A copy of the Cash Flow Statement and main assumptions upon which it is based is attached as Appendix A to this Report.
26. The Cash Flow Statement is presented on a weekly basis during the Cash Flow Period and represents Management's estimates of the projected cash flow during the Cash Flow Period. The Cash Flow Statement has been prepared by Bluberi's Management, using probable and hypothetical assumptions set out in notes to the Cash Flow Statement (the "Probable and Hypothetical Assumptions" or the "Assumptions").
27. The Monitor has reviewed the Cash Flow Statement as to its reasonableness as required by Section 23(1)(b) of the CCAA.
28. Pursuant to this standard, the Monitor's review of the Cash Flow Statement consisted of inquiries, analytical procedures and discussion related to information supplied to it by certain key members of Management and employees of Bluberi. Since the Probable and Hypothetical Assumptions need not be supported, the Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Statement. The Monitor also reviewed the support provided by Management for the Probable and Hypothetical Assumptions and the preparation and presentation of the Cash Flow Statement.
29. One of the significant assumptions used by Bluberi to prepare the Cash Flow Statement is that the Court will permit the Petitioners to make future deposits received from its customers in its operating bank accounts under the control of the Petitioners. Presently, Bluberi must make all its deposits in a Blocked Account under the control of Callidus as set out in the Credit agreement



between Bluberi and Callidus.

30. Based on the Monitor's review, nothing has come to our attention that causes it to believe, in all material respects, that:
 - a) The Probable and Hypothetical Assumptions are not consistent with the purpose of the Cash Flow Statement;
 - b) As at the date of this Report, the Probable and Hypothetical Assumptions are not suitably supported and consistent with the plans of Bluberi or do not provide a reasonable basis for the Cash Flow Statement, given the Probable and Hypothetical Assumptions; or
 - c) The Cash Flow Statement does not reflect the Probable and Hypothetical Assumptions.
31. Since the Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow Statement will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report, or relied upon by us in preparing this Report.
32. The Cash Flow Statement has been prepared solely for the purpose described in the notes accompanying the Cash Flow Statement and readers are cautioned that it may not be appropriate for other purposes.
33. The Bluberi cash balance (operating bank accounts) as at November 11, 2015 is estimated at approximately \$54,000. The Bluberi Cash Flow Statement estimates that during the Cash Flow Period, it will have total receipts of \$4,769,000 and total disbursements of approximately \$2,977,000 resulting in a net cash inflow of approximately \$1,792,000, and a closing cash balance of \$1,846,000.

THE PROPOSED FINANCIAL CHARGE (ADMINISTRATION CHARGE)

34. As of the date of this Report, Bluberi has established its likely requirements with respect to a priority charge (Administration Charge), as provided in the Petition, but has yet to seek approval thereof pending a full hearing being held by this Court.
35. The Proposed Initial Order provides for a charge (the "Administration Charge") in favour of the Company's CCAA professionals, namely its legal counsel in this matter, Dentons Canada, S.E.N.C.R.L., the proposed Monitor, Ernst & Young Inc., and the proposed Monitor's legal counsel Stikeman Elliott, S.E.N.C.R.L.
36. An Administration Charge of \$250,000 is being sought as security for the professional fees and disbursements for services rendered both before and



after the making of the Initial Order in respect of these proceedings. The Monitor notes that the quantum of the Administration Charge sought by the Petitioners in the Amended Initial Order is in line with the administrative charges typically granted by tribunals in CCAA applications of this magnitude and complexity.

RESTRUCTURING ALTERNATIVES

37. The Petitioners require the interim relief requested in this Petition in order to pursue a value maximization strategy.
38. During the first 30 days subsequent to the Amended Initial Order being rendered, Bluberi will evaluate its alternatives to refinance/recapitalize the Companies, find a strategic partner to continue to develop its business plan and/or develop a sale process for its business for the benefit of all of its stakeholders, the whole subject to the approval and authorization of the Court.
39. The Monitor is of the view that the making of an order pursuant to Section 11 of the CCAA is necessary and in the best interests of stakeholders as a whole and that this Court would be justified in ordering a stay of proceedings, for an initial period of 30 days from the rendering of such order, subject to possible further extensions for such other periods as the Court may consider appropriate.
40. Based on the discussions held to date, EY has no reason to question Bluberi's good faith in initiating the present proceedings under the CCAA.

MONITOR'S MONITORING OF RECEIPTS AND DISBURSEMENTS OF THE COMPANIES FOR THE PERIOD FROM NOVEMBER 12 TO 16, 2015

41. As instructed by the Court upon the issuance of the Initial Order, the Monitor has monitored the Petitioners' receipts and disbursements for the period from November 12 to 16, 2015. The actual cash flow results approximated the projected results for the period ended November 15, 2015. A report will be provided by the Monitor during the contemplated Court hearing of November 17, 2015 should such reporting be requested.

CONCLUSIONS AND RECOMMENDATIONS

42. The Monitor has reviewed Bluberi's filing materials and has consented to continue acting as the Monitor of Bluberi should the Court decide to grant the relief sought by the Petitioners.
43. The Monitor believes that Bluberi should continue to benefit from the protection provided by the CCAA in order to provide a structured environment for the resolution of its impasse with Callidus in a manner that preserves Bluberi's value for the benefit of all stakeholders, allow the Company an opportunity to seek restructuring alternatives and ultimately, file a plan of arrangement.



All of which is respectfully submitted this 16th day of November 2015.

ERNST & YOUNG INC.,
in its capacity as the Monitor of
Bluberi Group Inc., Bluberi Gaming Technologies Inc.
and Bluberi USA, Inc.

A handwritten signature in black ink, appearing to read 'M. Rosenthal', written over a faint, illegible printed name.

Per: Martin P. Rosenthal, CPA, CA, CIRP
Senior Vice-President

Appendix A

Bluberi Group Inc. and subsidiaries
 Weekly cashflow projections
 For the period of November 11, 2015 to December 31, 2015

Week ended	14-Nov-15 \$CAD	21-Nov-15 \$CAD	28-Nov-15 \$CAD	5-Dec-15 \$CAD	12-Dec-15 \$CAD	19-Dec-15 \$CAD	26-Dec-15 \$CAD	31-Dec-15 \$CAD	Total \$CAD
Opening cash balance	54,100	-	748,443	1,411,111	2,165,954	1,583,558	2,392,830	2,302,671	54,100
Inflows									
Sales	52,000	674,123	-	-	-	-	-	-	726,123
Leasing and service	-	417,959	470,204	189,504	189,504	252,672	315,840	-	1,835,685
Primero A/R	-	-	682,500	682,500	-	682,500	-	-	2,047,500
Primero sale	-	-	-	-	-	-	-	-	-
Other royalties	-	-	12,982	66,695	-	-	-	-	79,677
Other (incl tax refund)	-	-	-	-	-	-	-	-	-
Total inflows	52,000	1,092,082	1,178,668	1,005,394	189,504	935,172	315,840	-	4,768,662
Outflows									
Purchases - components	-	232,739	-	-	300,000	-	-	300,000	832,739
Purchases - replacement parts	-	-	50,000	-	50,000	-	50,000	-	150,000
BMM (US games certificate)	-	-	50,000	-	50,000	-	50,000	-	150,000
Payroll	37,300	20,000	225,000	20,000	225,000	20,000	225,000	20,000	792,300
Group insurance	-	-	-	38,500	-	-	-	38,500	77,000
Corporate credit cards	-	35,000	30,000	5,000	5,000	5,000	30,000	5,000	115,000
Employee expense reports	-	28,000	3,000	3,000	3,000	3,000	3,000	3,000	46,000
Legal fees	-	250	250	250	250	250	250	250	1,750
Legal fees (CCAA)	-	-	40,000	40,000	40,000	40,000	15,000	15,000	190,000
Legal fees (Monitor)	-	-	20,000	20,000	20,000	20,000	10,000	10,000	100,000
Monitor fees (CCAA)	52,000	-	30,000	30,000	30,000	30,000	15,000	15,000	202,000
Other professional fees	-	-	-	50,000	-	-	-	-	50,000
Transport (incl brokerage)	-	12,500	5,500	2,500	12,500	2,500	2,500	5,500	43,500
Utilities (Hydro, Gaz metro)	16,800	-	30,000	15,000	-	-	-	15,000	76,800
Telecommunications	-	-	12,550	-	11,000	-	550	-	24,100
IT equipment	-	-	-	11,076	-	-	-	11,076	22,152
Other	-	2,650	1,650	1,650	1,650	2,650	1,650	1,650	13,550
Financial costs (interest)	-	-	-	-	-	-	-	-	-
Miscellaneous costs	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	350,000
Total outflows	106,100	343,639	516,000	250,552	771,900	125,900	406,000	456,552	2,976,643
Net cashflow	(54,100)	748,443	662,668	754,842	(582,396)	809,272	(90,160)	(456,552)	1,792,019
Closing cash balance	-	748,443	1,411,111	2,165,954	1,583,558	2,392,830	2,302,671	1,846,119	1,846,119

**In the matter of the proposed plan of compromise and
arrangement of BLUBERI GROUP INC., BLUBERI GAMING
TECHNOLOGIES INC.,
AND BLUBERI USA, INC.**

**PROBABLE AND HYPOTHETICAL ASSUMPTIONS TO THE
PROJECTED STATEMENT OF CONSOLIDATED CASH FLOW
For the period of eight (8) weeks from November 11 to December 31, 2015**

1. **Purpose:** The attached statement of projected consolidated cash flow has been prepared by Management to present the anticipated cash inflows and outflows resulting from current operations during the period of the initial stay of proceedings in virtue of the *Companies' Creditors Arrangement Act*, namely the period of eight (8) weeks from November 11 to December 31, 2015.

The significant probable and hypothetical assumptions made in preparing the projected consolidated cash flow statement are presented hereunder.

All receipts and disbursements are in \$CAD.

2. **Receipts:**

- 2.1 Bluberi will operate, utilize and administer its own cash management system, under the supervision of the Monitor, and per the Initial Order not be required to use the blocked accounts described in the Callidus credit agreement;

- 2.2 Projected receipts consist of:

- 2.2.1. Collection of \$674,123 from the sale of 24 gaming machines to a customer;
- 2.2.2. Continued collection of leasing and service recurring revenues (lease, royalties and profit sharing) from approximately 1,600 machines, and other royalties agreements; and,
- 2.2.3. Accounts receivable collection of ^{1000.40}\$2,047,500 from Primero as part of the agreement to sell the redemption games portion of Bluberi's business;

- 2.3 Projected receipts consist of: No cash inflows in the week ending December 31, 2015 due to the Christmas holidays.



3. Disbursements:

- 3.1 Wages: The projected wages and consultant costs are projected to be paid every two weeks. Wage payments are made using an external payroll service which collects and remits employee and employer source payroll deductions and contributions on behalf of the employer. Bi-weekly payroll is projected at \$225,000 to maintain Bluberi's operations. Gérald Duhamel and Marie-Claude Lapierre will not be receiving any compensation during the cash flow period;
- 3.2 Suppliers: All payments to suppliers should be made on COD basis;
- 3.3 Gaming cabinet components purchases of \$832,739 to complete the manufacturing of gaming machines according to the customers specification;
- 3.4 Replacement part purchases of \$150,000 to fulfill technical support service contracts;
- 3.5 Payments to BMM (US certification for new games) of \$150,000 to obtain certifications for new games;
- 3.6 Travelling salesmen and service technicians expenses of \$115,000 paid through corporate credit cards;
- 3.7 Fixed payment contracts: Payments are scheduled to be made on their due date;
- 3.8 Professional restructuring (CCAA) fees: Bluberi's legal counsel (\$190,000), without considering retainer already disbursed); CCAA monitor (\$202,000); Monitor's legal counsel fees (\$100,000);
- 3.9 Utility fees of \$76,800 to maintain service;
- 3.10 No fees and interests payments to be made to Callidus (main secured creditor); and,
- 3.11 The cash flow projections do not reflect the payment of certain arrears and severance payments due to employees, nor a provision for amounts which will not become due during the projection period. Furthermore, no provision has been made in the projections for payments to creditors from amounts owing prior to filing for protection under the CCAA.



Insolvent Person's Report on Cash-flow Forecast
(Section 10(2) of the *Companies' Creditors Arrangement Act*)

In the matter of the proposed plan of compromise
and arrangement of BLUBERI GROUP INC.,
BLUBERI GAMING TECHNOLOGIES INC., AND
BLUBERI USA, INC.

We, Bluberi Group Inc., Bluberi Gaming Technologies Inc., and Bluberi USA, Inc. ("Bluberi" or the "Companies"), have developed the assumptions and prepared the attached statement of consolidated cash-flow forecast of the Companies, as of the 11th day of November, 2015, consisting of a statement of consolidated cash-flow forecast for the eight (8) weeks from November 11 to December 31, 2015.

The probable and hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes accompanying the consolidated cash-flow forecast, and the probable and hypothetical assumptions are suitably supported and consistent with the plans of the Companies and provide a reasonable basis for the forecast. All such assumptions have been disclosed in notes 1. to 3.

Since the forecast is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The forecast has been prepared solely for the purpose described in the notes accompanying the statement of consolidated cash-flow forecast, using a set of probable and hypothetical assumptions set out in notes 1. to 3. Consequently, readers are cautioned that it may not be appropriate for other purposes.

DATED AT MONTREAL, this 11th day of November, 2015.

BLUBERI GROUP INC.,
BLUBERI GAMING TECHNOLOGIES INC.,
AND BLUBERI USA, INC.



Per: Mr. Gérald Duhamel
President and Secretary
of the Companies' Boards of Directors