Form 51-102F4
Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of Company

New Wave Esports Corp. (formerly Trueclaim Exploration Inc.) (the "**Company**")
Suite 401, 217 Queen Street West
Toronto, ON
M5V 0R2

1.2 Executive Officer

The name and business telephone number of an executive officer of the Company who is knowledgeable about the Acquisition (as defined below) and this business acquisition report (the "**Report**") is Trumbull Fisher, President, telephone 416-917-5847.

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

On February 7, 2020, the Company completed the acquisition of all of the issued and outstanding securities of Even Matchup Gaming Inc. ("**EMG**") not previously held by the Company (the "**Acquisition**"). The Company previously held an 18% stake in EMG. The Acquisition was completed pursuant to a definitive share purchase agreement (the "**Share Purchase Agreement**") entered into on November 28, 2019 among the Company, EMG and Joseph Cribari and Neil Duffy (collectively, the "**Vendors**").

EMG is a Toronto-based events production and broad cast company with its primary business focusing on being a leading esports and competitive gaming event organizer, broadcaster, and player management company that produces onsite and online tournaments.

Further details regarding the Acquisition, please refer to the Company's public disclosure record under the Company's SEDAR profile at www.sedar.com.

2.2 Acquisition Date

The date of the Acquisition was February 7, 2020.

2.3 Consideration

Pursuant to the Share Purchase Agreement, the aggregate purchase price paid to the Vendors was $1,230,000 payable in a combination of $550,000 cash (the "**Cash Consideration**") and 7,555,555 common shares in the capital of the Company (the "**Consideration Shares**") issued on February 7, 2020 at a deemed price per Consideration Share of $0.09. The Cash Consideration is payable in tranches, with $350,000 paid on February 7, 2020 and the remainder to be paid in installments over the six months following February 7, 2020. A portion o f the Consideration Shares is subject to a contractual lock up and will be released to the Vendors of EMG in installments over twelve months following the closing of the Acquisition.

The Cash Consideration for the Acquisition was financed using cash on hand.

2.4 Effect on Financial Position

Other than the Acquisition and in respect of changes that occurred as a result of the Acquisition, the Company does not presently have plans or proposals for material changes in the business affairs of EMG that would have a significant effect on the financial performance and financial position of the Company, including any proposal to sell, lease or exchange all or a substantial part of the assets of EMG or to make any material changes to the business of EMG.

2.5 Prior Valuations

No valuation opinions were obtained within the last 12 months by the Company which were required by securities legislation or a Canadian exchange or market to support the consideration paid by the Company for the securities of EMG.

2.6 Parties to Transaction

No other party to the Acquisition was an "informed person" (as such term is defined in Section 1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**")), associate or affiliate of the Company.

2.7 Date of Report

February 14, 2020

Item 3 Financial Statements and Other Information

As required by Part 8 of NI 51-102, EMG's audited financial statements for the year ended October 31, 2019 and the period from incorporation on November 30, 2017 to October 31, 2018, together with the notes thereto, are included in this Report, which are attached hereto as Schedule "A".

SCHEDULE "A"

FINANCIAL STATEMENTS

(Please see attached.)

Even Matchup Gaming Inc.

Financial Statements

For the Year Ended October 31, 2019 and the Period from Incorporation on November 30, 2017 to October 31, 2018

MORGAN & COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Even Matchup Gaming Inc.

Opinion

We have audited the financial statements of Even Matchup Gaming Corp. (the "Company"), which comprise the statements of financial position as at October 31, 2019 and 2018, and the statements of comprehensive income (loss), cash flows and shareholders' equity for the year ended October 31, 2019 and the period from incorporation on November 30, 2017 to October 31, 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2019 and 2018, and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred net income of $54 for the year ended October 31, 2019 and holds a cash balance of $358,443 at year end. As stated in Note 1, management cannot provide assurance that these events or conditions, along with other matters as set forth in Note 1, can be consistently maintained which indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, Canada | *"Morgan & Company LLP"*

January 24, 2020 | Chartered Professional Accountants

EVEN MATCHUP GAMING INC.

STATEMENTS OF FINANCIAL POSITION
AS AT

(expressed in Canadian dollars)

	October 31, 2019	October 31, 2018
	$	$
ASSETS		
Current Assets		
Cash	**358,443**	49,961
Trade receivables	**8,620**	-
Total Assets	**367,063**	49,961
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables and accrued liabilities	**21,282**	23,962
Tax payable	**25,243**	2,911
Due to shareholder (note 11)	**121,493**	59,270
Unearned Revenue	**-**	14,827
Total Liabilities	**168,018**	100,970
Shareholders' Equity		
Common shares (note 6)	**250,001**	1
Accumulated deficit	**(50,956)**	(51,010)
Total Shareholders' Equity (Deficiency)	**199,045**	(51,009)
Total Liabilities and Shareholders' Equity	**367,063**	49,961

APPROVED BY THE CHAIRMAN OF THE COMPANY:

/s/ Joseph Cribari
Director

The accompanying notes are an integral part of these financial statements.

EVEN MATCHUP GAMING INC.
STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(expressed in Canadian dollars)		For the year ended October 31, 2019	November 30, 2017 (date of incorporation) to October 31, 2018
		$	$
Revenues		**295,956**	61,357
Cost of Sales		**216,613**	97,789
Gross Profit (Loss)		**79,343**	(36,432)
Operating Expenses			
Advertising		**10,895**	348
Management fees (note 11)		**28,000**	-
Office and general		**6,947**	3,140
Professional fees		**17,146**	7,000
Travel		**16,301**	4,090
		(79,289)	(14,578)
Net Income (Loss) and Comprehensive Income (Loss) for the period		**54**	(51,010)
Basic and Diluted (note 8)			
Earnings (Loss) Per Share	**$**	**0.06**	$ (62.21)
Weighted Average Number of Shares Outstanding		**928**	820

The accompanying notes are an integral part of these financial statements.

EVEN MATCHUP GAMING INC.
STATEMENTS OF CASH FLOWS

(expressed in Canadian dollars)	**For the year ended October 31, 2019**	**November 30, 2017 (date of incorporation) to October 31, 2018**
	$	$
Cash Flows from (used in) Operating Activities		
Net Income (Loss) for the period	**54**	(51,010)
Changes in non-cash working capital balances related to operations:		
Trade receivables	**(8,620)**	-
Trade and other payables	**(2,680)**	23,962
Tax payable	**22,332**	2,911
Due to shareholder	**62,223**	59,270
Unearned revenue	**(14,827)**	14,827
	58,482	49,960
Cash Flows from Financing Activity		
Private placement	**250,000**	1
Increase in Cash	**308,482**	49,961
Cash – Beginning of Period	**49,961**	-
Cash – End of Period	**358,443**	49,961

The accompanying notes are an integral part of these financial statements.

EVEN MATCHUP GAMING INC.
STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED OCTOBER 31, 2019 AND THE PERIOD FROM INCORPORATION ON NOVEMBER 30, 2017 TO OCTOBER 31, 2018

(expressed in Canadian dollars, except per share and share amounts)	**Common Shares**			
	Shares	**Amount**	**Accumulated Deficit**	**Total**
		$	$	$
Balance, November 30, 2017 (incorporation)	820	1	-	1
Net loss for the period	-	-	(51,010)	(51,010)
Balance, October 31, 2018	820	1	(51,010)	(51,009)
Balance, October 31, 2018	820	1	(51,010)	(51,009)
Private placement	180	250,000	-	250,000
Net income for the year	-	-	54	54
Balance, October 31, 2019	1,000	250,001	(50,956)	199,045

The accompanying notes are an integral part of these financial statements.

1. Description of Business and Nature of Operations

Even Matchup Gaming Inc. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on November 30, 2017. The Company specializes in event organization, sponsorships and media production in the commercial electronics gaming industry.

The head office and principal address is located at 99 Polo Cresent, Vaughan, Ontario, Canada.

The Company's financial statements as at October 31, 2019 and 2018 have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities and commitments in the normal course of business. The Company has a net income of $54 for the year ended October 31, 2019 (2018 – net loss of $51,010) and has a working capital of $199,045 at October 31, 2019 (2018 – $51,009 working capital deficiency).

The Company had cash of $358,443 at October 31, 2019 (2018 – $49,961), but management cannot provide assurance that the Company will ultimately achieve consistent profitable operations or become cash flow positive from operation or raise additional debt and/or equity capital. Management intends to continue to support the operations with financing initiatives primarily through, but not limited to, the issuance of equity. Alternative financing options may include obtaining bank credit facilities and short-term loans from third parties. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures.

2. Basis of Preparation and Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), effective for the Company's reporting for the year ended October 31, 2019. These financial statements were approved by the Board of Directors on January 24, 2020.

The Company's financial statements have been prepared under the historical cost method, except for certain financial instruments which are measured at fair value and are presented in Canadian dollars except where otherwise indicated.

3. Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of these financial statements are summarized below.

(a) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with maturities within three months held for the purpose of meeting short-term cash commitments rather than for investing purposes. The Company did not have cash equivalents as at October 31, 2019 and 2018.

(b) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The expense relating to any provision is presented in profit or loss net of any reimbursement. Provisions are discounted using a current pre-tax rate that reflects where appropriate the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(c) Revenue Recognition

The Company has applied IFRS 15 to the revenue generated from the Company's main streams consisting of event sponsorships, event ticket sales, and merchandise sales.

Event sponsorship income is recognized pursuant to various sponsorship agreements which specify terms and conditions to be performed. Sponsorship income is recognized as the terms and conditions are performed.

Event ticket sale income is deferred and recognized upon admission into the event.

Merchandise sale income is earned onsite at the Company's events and revenue is recognized once the consideration has been received.

(d) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(e) Share-Based Payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options, as determined using the Black- Scholes Option Pricing Model which incorporates all market vesting conditions, is expensed in profit or loss. The corresponding amount is recorded to other capital reserves. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3. **Summary of Significant Accounting Policies** (continued)

(f) Warrants

When the Company issues units that are comprised of a combination of shares and warrants, the value is assigned to shares and warrants using the residual method.

(g) Current and Deferred Income Taxes

Income tax expense comprises current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss except to the extent that they relate to a business combination or to items recognized directly in equity or in other comprehensive income.

Current income taxes are the expected taxes payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous periods.

Deferred income taxes are recognized using the liability method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. However, deferred income taxes are not recognized if they arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit nor loss. Deferred income taxes are determined using tax rates and laws that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets and liabilities are presented as non-current in the financial statements.

Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the assets can be utilized.

The Company records provisions for uncertain tax provisions if it is probable that the Company will make a payment on tax positions as a result of examinations by the tax authorities. These provisions are measured at the Company's best estimate of the amount expected to be paid. Provisions are reversed to income in the period in which management assesses that they are no longer required or determined by statute.

(h) Foreign Currencies

The Company's reporting currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which they operate.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period- end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

3. Summary of Significant Accounting Policies (continued)

(h) Foreign Currencies (continued)

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

(i) Earnings or Loss Per Share

Basic earnings (loss) per share is calculated by dividing the net income (loss) for the period by the weighted average number of common shares outstanding during the period.

Diluted earnings per share is calculated using the treasury share method whereby all “in the money” options, warrants and equivalents are assumed to have been exercised at the beginning of the period and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period.

(j) Financial Instruments

The Company adopted IFRS 9 Financial Instruments on November 1, 2018. IFRS 9 addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 Financial Instruments: Recognition and Measurement for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. Requirements for financial liabilities are largely carried forward from the previous requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit or loss are generally recorded in other comprehensive income. The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 as at November 1, 2018 for each of the Company’s financial assets and financial liabilities:

Financial Instrument	IAS 39	IFRS 9
Cash	FVTPL	FVTPL
Trade receivable	Amortized cost	Amortized cost
Trade and other payables and accrued liabilities	Amortized cost	Amortized cost
Due to shareholder	Amortized cost	Amortized cost

3. Summary of Significant Accounting Policies (continued)

(j) Financial Instruments (continued)

Financial assets

Recognition and measurement of financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument.

Classification of financial assets

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income (“FVTOCI”) or measured at fair value through profit or loss (“FVTPL”).

(i) Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.

• The Company’s business model for the such financial assets, is to hold the assets in order to collect contractual cash flows.
• The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

The Company’s trade receivable is classified as a financial asset measured at amortized cost.

(ii) Financial assets measured at FVTPL
A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company’s cash is classified as a financial asset measured at fair value through profit or loss.

(iii) Financial assets measured at FVTOCI
A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as “financial asset at fair value through other comprehensive income” in other comprehensive income.

The Company does not have any assets classified as financial assets measured at fair value through other comprehensive income.

Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the

3. Summary of Significant Accounting Policies (continued)

(j) Financial Instruments (continued)

Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the statement of comprehensive loss.

However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities

Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

Classification of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

(i) Financial liabilities measured at amortized cost
A financial liability at amortized cost is initially measured at fair value less transaction cost directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method.

The Company's trade and other payables, accrued liabilities, and due to shareholder are classified as financial liabilities measured at amortized cost.

(ii) Financial liabilities measured at fair value through profit or loss
A financial liability measured at fair value through profit or loss is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company does not have any liabilities classified as financial liabilities measured at fair value through profit or loss.

Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of comprehensive loss.

Offsetting financial assets and liabilities
Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. Summary of Significant Accounting Policies (continued)

(j) Financial Instruments (continued)

Impairment of financial assets
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

4. Significant Accounting Judgments and Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment include those that relate to the fair value measurements for financial instruments and share-based payments, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

(a) Current and Deferred Income Taxes

Current and deferred income tax provisions and obligations are calculated for each of the jurisdictions in which the Company operates. Actual amounts of income tax expense and obligations are not final until tax returns are filed and assessed by the relevant taxation authorities. This occurs subsequent to the issuance of the financial statements, and the final determination of actual amounts may not be completed for a number of years. Therefore, financial results in subsequent periods will be affected by the amount that estimates differ from the final tax return.

Judgement is required in determining whether deferred tax assets are recognized on the statement of financial position and what tax rate is expected to be applied in the year when the related temporary differences revers, particularly in regard to the utilization of tax loss carry-forwards. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiary operate could limit the ability of the Company to obtain tax deductions in future periods.

(expressed in Canadian dollars except where noted)

5. Accounting Standards and Amendments Issued but Not Yet Adopted

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which were not yet effective during the year ended October 31, 2019:

(i) IFRS 16 'Leases' establishes principles for the recognition, measurement, presentation and disclosure of leases and replaces the current guidance in IAS 17. IFRS 16 is effective for periods beginning on or after January 1, 2019, with earlier application permitted if IFRS 15 'Revenue from Contracts with Customers' is also applied. The Company is currently in the process of evaluating the potential impact the adoption of the standard will have on the financial statements and expects to apply the standard in accordance with its future mandatory effective date.

6. Share Capital

(a) Authorized Share Capital

The Company has authorized an unlimited number of common shares with no par value.

(b) Issued Share Capital

On March 27, 2019, the Company issued 180 common shares for gross proceeds of $250,000.

On November 30, 2017, 820 common shares were issued to founders of the Company for proceeds of $1.

7. Income Taxes

a) The provision for income taxes for the periods ended October 31, 2019 and 2018 consist of:

	2019	2018
	$	$
Accounting profit/(loss) before taxes	-	(50,000)
Canadian federal and provincial income tax rate	27%	27%
Expected current income tax expense/(recovery)	-	(13,000)
Change in tax assets not recognized	-	13,000
Provision for (recovery of) income taxes	-	-

(expressed in Canadian dollars except where noted)

7. Income Taxes (continued)

b) As at October 31, 2019 and 2018, the Company has the following deductible temporary differences and unused non-capital losses available to offset future taxable income for which no deferred tax asset has been recognized.

	October 31, 2019	October 31, 2018
	$	$
Non-capital loss carry-forwards	13,000	13,000
Net deferred income tax assets	13,000	13,000
Unrecognized deferred tax assets	(13,000)	(13,000)
Total	-	-

c) Loss carry forwards

As at October 31, 2019, the Company has available non-capital losses for income tax purposes in Canada totaling approximately $50,000 which are available to be carried forward to reduce taxable income in future years and for which no deferred income tax asset has been recognized, and which expire as follows:

	October 31, 2019
	$
2038	50,000
Total non-capital losses	50,000

8. Earnings (Loss) Per Share

The following table sets forth the computation of basic and diluted loss per share:

	For the years ended	
	October 31, 2019	October 31, 2018
	$	$
Numerator		
Net Profit (Loss) for the period	54	(51,010)
Denominator		
For basic – weighted average number of shares outstanding	928	820
Effect of dilutive securities –		
Incentive share options	-	-
Share purchase warrants	-	-
For diluted – adjusted weighted average number of shares outstanding	928	820
Earnings (Loss) Per Share		
Basic	0.06	(62.21)
Diluted	0.06	(62.21)

The basic earnings (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period.

(expressed in Canadian dollars except where noted)

9. Financial Instruments

Financial Assets and Liabilities

Information regarding the Company's financial assets and liabilities as at October 31, 2019 and October 31, 2018 is summarized as follows:

	October 31, 2019	October 31, 2018
Financial Assets	$	$
Fair value through profit or loss, at fair value		
Cash	**358,443**	49,961
Loans and receivable, at amortized cost		
Trade receivables	**8,620**	-
Total Financial Assets	**367,063**	49,961
Financial Liabilities		
Other liabilities, at amortized cost		
Trade and other payables and accrued liabilities	**21,282**	23,962
Due to shareholder	**121,493**	59,270
Total Financial Liabilities	**142,775**	83,232

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly. As at October 31, 2019, the Company does not have any Level 2 financial instruments.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at October 31, 2019, the Company does not have any Level 3 financial instruments.

Financial Instrument Risk Exposure

The Company's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions are under taken to support the Company's ability to continue. Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates the financial risks in co-operation with the Company's operating units. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance, in the context of its general capital management objectives.

9. Financial Instruments (Continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash accounts and accounts receivable. This risk related to cash is managed through the use of a major financial institution which has high credit quality as determined by the rating agencies. Accounts receivable mainly consists of receivables from its customers. In order to reduce its credit risk, the Company has adopted credit policies which include the analysis of the financial position of its customers and the regular review of their credit limits. In some cases, the Company requires bank letters of credit or subscribes to credit insurance.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support its normal operating requirements.

The Company's ongoing liquidity is impacted by various external events and conditions. The Company expects to repay its financial liabilities in the normal course of operations and to fund future operational and capital requirements through operating cash flows, as well as future equity and debt financing.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rate.

Currency Risk

Currency risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities.

The Company's objective in managing its foreign currency risk is to minimize its net exposures to foreign currency cash flows. The Company monitors and forecasts the values of net foreign currency cash flow and statement of financial position exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations.

10. Management of Capital

The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize the availability of finance to fund the growth and development of its operations, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. To maintain or adjust its capital structure, the Company considers all sources of finance reasonably available to it, including but not limited to issuance of new capital, issuance of new debt and the sale of assets in whole or in part. The Company's overall strategy with respect to management of capital at October 31, 2019 remains fundamentally unchanged from the period ended October 31, 2018.

11. Related Party Transactions

The Company's related parties include its subsidiaries, key management personnel and companies related by way of directors or shareholders in common. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

(a) Key Management Personnel Compensation

Key management includes the Company's Board of Directors and members of senior management. In the year ended October 31, 2019, there were $28,000 (2018 - $Nil) in key management personnel compensation.

(b) Trade Related Party Transactions

As at October 31, 2019, the Company owed the Chief Executive Officer of the Company $121,493 for accrued management fees and expenses paid on behalf of the Company (2018 - $59,270). These amounts are non-interest bearing, unsecured, and have no fixed terms of repayment.

12. Subsequent Event

On November 28, 2019, the Company entered into a share purchase agreement with New Wave Esports Corp. ("New Wave"). Pursuant to the share purchase agreement, the vendors of the Company will receive consideration of an aggregate of $1,230,000 in a combination of $550,000 cash (the "Cash Consideration") and 7,555,555 common shares in the capital of New Wave (the "Consideration Shares") at a deemed price per Consideration Share of $0.09. The Cash Consideration will be payable in tranches, with $350,000 to be paid on closing of the Acquisition and the remainder to be paid in installments over the six months following closing of the Acquisition. A portion of the Consideration Shares will be subject to a contractual lock-up and released to the vendors of the Company in installments over twelve months following the closing of the Acquisition.