GTA FINANCECORP INC.

Consolidated Financial Statements

March 31, 2021 and 2020

(Expressed in Canadian Dollars)

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of GTA Financecorp Inc. and the Management Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors. The financial statements necessarily include some amounts that are based on management's best estimates, which have been made using careful judgement.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Financial and operating data elsewhere in the Management Discussion and Analysis are consistent with the information contained in the financial statements.

In fulfilling their responsibilities, management of GTA Financecorp Inc. has developed and continue to maintain systems of internal accounting controls, and segregation of duties and responsibilities whenever possible.

Although no cost effective system of internal control will prevent or detect all errors and irregularities, these systems are designed to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, transactions are properly recorded and the financial records are reliable for preparing the financial statements.

The Board of Directors carries out its responsibility for the financial statements principally through its Audit Committee, consisting of a majority of non-executive directors.

The consolidated financial statements have been audited by Grant Thornton LLP, who have full access to the Audit Committee, with and without the presence of management.

(signed)
Peter M. Clausi
President and Chief Executive Officer

(signed)
Brian Crawford
Chief Financial Officer

Burlington, Ontario
July 27, 2021

Independent auditor's report

Grant Thornton LLP
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To the Shareholders of
GTA Financecorp Inc.

Opinion

We have audited the consolidated financial statements of GTA Financecorp Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2021 and 2020 and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of GTA Financecorp Inc. as at March 31, 2021 and 2020 and the results of its operations and its cash flows for the years 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 consolidated 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.

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1 to the financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 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 consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Mark Irwin.

Grant Thornton LLP

Toronto, Canada
July 27, 2021

Chartered Professional Accountants
Licensed Public Accountants

GTA FINANCECORP INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31, 2021 and 2020
(Expressed in Canadian Dollars)

		March 31, 2021		March 31, 2020
Assets				
Current assets				
Cash and cash equivalents	$	68,280	$	30,919
Miscellaneous receivables (Note 3, 14)		118		19,238
Promissory note receivable (Note 4)		50,000		-
Investments (Note 5)		-		56,500
Total assets	$	118,398		106,657
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 11)	$	16,784	$	24,426
Dividend payable (Note 5)		-		183,630
Total current liabilities		16,784		208,056
Shareholders' equity (deficiency)				
Share capital (Note 6)		11,056,879		10,931,879
Contributed surplus (Note 8)		160,695		94,429
Accumulated deficit		(11,115,960)		(11,127,707)
Total shareholders' equity (deficiency)		101,614		(101,399)
Total liabilities and shareholders' equity	$	118,398	$	106,657

Nature of business and going concern (Note 1)
Subsequent events (Note 14)

Approved by the Board of Directors

"Peter M. Clausi"	"Brian Crawford"
Director	Director

The accompanying notes are an integral part of these financial statements

GTA FINANCECORP INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
Years ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

		2021		2020
Operating expenses				
Filing and transfer agent fees	$	8,677	$	2,233
General and administration costs		25,198		42,719
Professional fees		15,242		32,478
Share-based compensation		66,266		-
Loss before other (income) expenses		(115,383)		(77,430)
Unrealized (loss) gain on investments		-		(127,130)
Realized gain (loss) on investments		127,130		-
Net income (loss) and comprehensive income (loss)	$	11,747		(204,560)
Basic and diluted loss per share	$	0.00	$	(0.01)
Weighted average number of shares outstanding		36,054,389		15,168,174

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

GTA FINANCECORP INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Years Ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Total
Balance, March 31, 2019	1,024,937	$ 10,293,208	$ 219,043	$ (11,047,761)	$ (535,510)
Shares issued for cash	4,000,000	100,000	-	-	100,000
Shares issued for debt	26,933,562	538,671	-	-	538,671
Stock options expired	-	-	(124,614)	124,614	-
Loss and comprehensive loss	-	-	-	(204,560)	(204,560)
Balance, March 31, 2020	31,958,499	$ 10,931,879	$ 94,429	$ (11,127,707)	$ (101,399)
Shares issued for cash	5,000,000	125,000	-	-	125,000
Share-based compensation	-	-	66,266	-	66,266
Income and comprehensive income	-	-	-	11,747	11,747
Balance, March 31, 2021	36,958,499	$ 11,056,879	$ 160,695	$ (11,115,960)	$ 101,614

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

GTA FINANCECORP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

	2021	2020
Operating activities		
Net income (loss) and comprehensive income (loss) for the year	$ 11,747	$ (204,560)
Items not affecting cash and cash equivalents		
Share based compensation	66,266	-
Unrealized (gain) loss on investments	(127,130)	127,130
Change in non-cash working capital:		
Miscellaneous receivables	19,120	(1,008)
Prepaid expenses	-	3,974
Accounts payable and accrued liabilities	(7,642)	(47,340)
Net cash used in operating activities	(37,639)	(121,804)
Financing activities		
Issuance of common shares, net of issue costs	125,000	100,000
Net cash provided by financing activities	125,000	100,000
Investing activities		
Promissory note receivable	(50,000)	-
Net cash used in investing activities	(50,000)	-
Net change in cash and cash equivalents	37,361	(21,804)
Cash and cash equivalents, beginning of year	30,919	52,723
Cash and cash equivalents, end of year	$ 68,280	$ 30,919
Supplemental schedule of non-cash transactions:		
Common shares issued on conversion of debt	$ -	$ 538,671

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

1. NATURE OF OPERATIONS AND GOING CONCERN

GTA Financecorp Inc. ("GTA" or the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (Ontario) on August 9, 2006. The address of the Company's registered office is 855 Brant Street, Burlington, Ontario L7R 2J6. The Company's shares were listed on the TSX Venture Exchange until February 8, 2019 at which time the shares were delisted at the request of the Company.

During the 2019 fiscal year the Company changed its name to GTA Financecorp Inc.

The Company was primarily engaged in the acquisition and exploration of mineral properties. On March 12, 2019, all of the Company's exploration and evaluation properties were sold. Currently, the Company is in the business of acquiring businesses or assets.

The Company needs equity capital and financing for its working capital. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These financial statements do not reflect adjustments or classifications which might be necessary if the Company was not able to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. Currently there is no impact on the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and conversion to International Financial Standards

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The policies applied in these financial statements are based on IFRS issued and effective as of March 31, 2021. The Board of Directors approved the financial statements on July 27, 2021.

Basis of Presentation

The consolidated financial statements of the Company include the accounts of its wholly owned subsidiary GTA GW Mergeco, Inc. and have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Functional Currency

The presentation currency of the Company and its subsidiary and the functional currency of the Company and its subsidiary is the Canadian dollar.

Financial Instruments

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVTPL"), directly attributable transaction costs. Financial instruments are recognized when the Company becomes party to the contracts that give rise to them and are classified as amortized cost, fair value through profit or loss or fair value through other comprehensive income, as appropriate.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading and financial assets not designated upon initial recognition as amortized cost or fair value through other comprehensive income ("FVOCI"). A financial asset is classified in this category principally for the purpose of selling in the short term, or if so designated by management. Transaction costs are expensed as incurred. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets measured at FVTPL are measured at fair value with changes in fair value recognized in the statements of operations and comprehensive loss. Investments in shares and warrants in CBLT Inc. are classified as FVTPL.

Financial assets at FVOCI

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at fair value upon initial recognition plus directly attributable transaction costs and at each period end, changes in fair value are recognized in other comprehensive income ("OCI") with no reclassification to the statements of operations. The election is available on an investment-by-investment basis. Investments in equity securities, where the Company cannot exert significant influence, are designated as financial assets at FVOCI.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVTPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method. Cash, miscellaneous receivables, promissory note receivable, and certain other assets are classified as and measured at amortized cost.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other

2. SIGNIFICANT ACCOUNTING POLICIES – continued

financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in net earnings when the liabilities are derecognized as well as through the amortization process. Borrowing liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. Accounts payable and accrued liabilities are classified as and measured at amortized cost.

De-recognition of financial assets and liabilities

A financial asset is derecognised when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset then derecognition is appropriate. A financial liability is derecognised when the associated obligation is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in net loss.

Impairment of financial assets:

A loss allowance for expected credit losses is recognized in profit or loss for financial assets measured at amortized cost. At each balance sheet date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to investment in equity instruments.

The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12- month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

Financial instruments recorded at fair value:

The fair value of quoted investments is determined by reference to market prices at the close of business on the statement of financial position date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis; and, pricing models.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2021 and March 31, 2020, the carrying value of investments is recorded at fair value on the statement of financial position using Level 1 and Level 2 methodology.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits at banks, and other short-term highly liquid investments.

Impairment of Non-financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less disposal costs or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. In addition, long-lived assets that are not amortized are subject to an annual evaluation for indicators of impairment.

Reversal of Impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Income Taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date. Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax basis, except

2. SIGNIFICANT ACCOUNTING POLICIES - continued

for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share-Based Compensation

The fair value of share options granted to employees at the date of grant is recognized as an expense over the vesting period with a corresponding increase in contributed surplus. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by a direct employee, including directors of the Company.

In situations where share options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods or services received at the grant date.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

All equity settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid. If an option is not exercised prior to its expiration, the amount previously reflected in contributed surplus is credited to retained earnings (deficit).

Share Capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs, such as legal, auditing, and printing, on the issue of the Company’s shares are charged directly to share capital.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to common shares issued in the private placements at their fair value as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded as contributed surplus in shareholders’ equity. Share issue costs are netted against share proceeds on a pro rata basis.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The Company had no provisions at March 31, 2021 and March 31, 2020.

Adoption of New Accounting Standards

Future changes in accounting policies

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2021, and have not been applied in preparing these financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of IFRIC 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022.

The Company will adopt the amendments to the standards and does not expect they will have a material impact on the Company's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Judgements

The most significant critical judgment that members of management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the financial statements is the carrying value of the promissory note receivable.

As part of this assessment, management must make an assessment as to whether the borrow has the capacity to repay the note.

Estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Black-Scholes Option Pricing Model was developed for use in estimating the fair value of traded options which are fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options and warrants have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

3. MISCELLANEOUS RECEIVABLES

The components of miscellaneous receivables are as follows:

	March 31, 2021	March 31, 2020
Miscellaneous receivables	$ -	$ 19,238
Government entity receivables	118	-
	$ 118	$ 19,238

(Expressed in Canadian Dollars)

4. PROMISSORY NOTE RECEIVABLE

The promissory note was issued pursuant to the agreement with Tiidal Gaming Group Inc. as disclosed in Note 13. The promissory note is non-interest bearing, unsecured, and is due on the earlier of the completion of the transaction with or the termination of the agreement with Tiidal Gaming Group Inc. The transaction with Tiidal Gaming Group Inc. is expected to close prior to October 31, 2021.

5. INVESTMENTS

	2021	2020
Investment in CBLT Inc. ("CBLT")	$ -	$ 56,500

As consideration for the sale of all of the exploration and evaluation assets on March 12, 2019, the Company received 21,000,000 units of CBLT with each unit consisting of one common share and one common share purchase warrant exercisable at $0.08 per share for period of twenty-four months from the date of issue.

The common shares of CBLT were valued using their quoted price of $0.03 per share on the date of initial recognition.

The warrants of CBLT were valued, on the date of recognition, using the Black-Scholes option pricing model incorporating the following assumptions: expected dividend yield of 0%, expected volatility of 405%, risk free rate or 1.57%, expected life of 2 years, and a share price of $0.03 resulting in a value of $521,185.

The carrying value of the warrants of CBLT was revalued at March 31, 2020 using the Black-Scholes option pricing model incorporating the following assumptions: expected dividend yield of 0%, expected volatility of 186%, risk free rate or 1.57%, expected life of 1.00 years, and a share price of $0.01 resulting in a value of $56,500.

CBLT is a reporting issuer whose shares are listed on the TSX Venture Exchange (TSX.V: CBLT).

On March 18, 2019, a dividend was declared payable to the Company's shareholders in the form of the 21,000,000 units of CBLT with a Record Date of March 18, 2019 and a payment date of July 19, 2019. During the 2020 fiscal year, the Company determined that the payment of the dividend would be in two parts, 21,000,000 common shares of CBLT at $0.03 per share were paid on July 31, 2019, and 21,000,000 warrants of CBLT at $0.00874 per warrant were paid on July 14, 2020.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL

Authorized
Unlimited number of common shares

Issued

	Number of Shares		Share Capital		Contributed Surplus
Balance, March 31, 2019	**1,024,937**	**$**	**10,293,208**	**$**	**219,043**
Shares issued for cash	4,000,000		100,000		-
Shares issued for debt	26,933,562		538,671		-
Stock options expired	-		-		(124,614)
Balance, March 31, 2020	**31,958,499**	**$**	**10,931,879**	**$**	**94,429**
Shares issued for cash	5,000,000		125,000		-
Share-based compensation	-		-		66,266
Balance, March 31, 2021	**36,958,499**	**$**	**11,056,879**	**$**	**160,695**

Share issuances

During the year ended March 31, 2021:

(a) On June 2, 2020, the Company issued 5,000,000 common shares for cash consideration of $125,000.

During the year ended March 31, 2020:

(a) On October 2,3 and 16, 2019, the Company issued 380,000, 400,000, and 3,220,000 common shares respectively at $0.025 per share for gross proceeds of $100,000.
(b) On October 16, 2019, the Company issued 26,933,562 common shares at $0.02 per share in exchange for debt of $528,671.

7. WARRANTS

There were no warrants outstanding as at March 31, 2020 and March 31, 2021.

8. SHARE-BASED COMPENSATION

The Company has a formal stock option plan in accordance with the policies of the TSX Venture Exchange (the "Exchange") under which it is authorized to grant options to directors, officers, employees and consultants to purchase common shares of the Company. The stock option plan is a rolling plan and the maximum number of authorized but unissued shares available to be granted shall not exceed 10% of its issued and outstanding common shares. Each stock option granted is for a term not exceeding five years unless otherwise specified. Outstanding options vest immediately at date of grant. Options granted to investor relations personnel vest in accordance with Exchange regulations.

(Expressed in Canadian Dollars)

8. SHARE-BASED COMPENSATION – continued

A summary of the status of the stock option plan and changes for the year ended March 31, 2021 are presented below:

				During the year				
Grant date	**Expiry date**	**Exercise Price**	**Opening Balance**	**Granted**	**Exercised**	**Expired**	**Closing Balance**	**Vested and Exercisable**
June 15, 2016	June 15, 2021	$3.00	8,500	-	-	-	8,500	8,500
November 9, 2016	November 9, 2021	$3.00	6,000	-	-	-	6,000	6,000
August 30, 2017	August 30, 2022	$2.50	16,000	-	-	-	16,000	16,000
April 18, 2018	April 18, 2023	$2.50	16,000	-	-	-	16,000	16,000
June 8, 2020	June 8, 2025	$0.05	-	2,750,000	-		2,750,000	2,750,000
			46,500	2,750,000	-	-	2,796,500	2,796,500
Weighted average exercise price			$2.60	$0.025	$0.00	$0.00	$0.07	$0.07

A summary of the status of the stock option plan and changes for the year ended March 31, 2020 are presented below:

				During the year				
Grant date	**Expiry date**	**Exercise Price**	**Opening Balance**	**Granted**	**Exercised**	**Expired**	**Closing Balance**	**Vested and Exercisable**
November 12, 2014	November 12, 2019	$3.50	21,200	-	-	(21,200)	-	-
June 15, 2016	June 15, 2021	$3.00	18,000	-	-	(9,500)	8,500	8,500
November 9, 2016	November 9, 2021	$3.00	6,000	-	-	-	6,000	6,000
August 30, 2017	August 30, 2022	$2.50	24,000	-	-	(8,000)	16,000	16,000
April 18, 2018	April 18, 2023	$2.50	24,500	-	-	(8,500)	16,000	16,000
			93,700	-	-	(47,200)	46,500	46,500
Weighted average exercise price			$2.85	$0.00	$0.00	$3.05	$2.60	$2.60

The weighted average exercise price at grant date of options granted during the year ended March 31, 2021 was $0.025 per option (year ended March 31, 2020: $0.00).

The weighted average remaining contractual life of the options outstanding at March 31, 2021 is 4.14 years (2020 – 2.31 years)

Options Issued to Employees

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected price volatility of the

(Expressed in Canadian Dollars)

8. SHARE-BASED COMPENSATION – continued

underlying share, the expected dividend yield, expected forfeitures and the risk free interest rate for the term of the option.

Options Issued to Non-Employees

Options issued to non-employees are measured based on the fair value of the goods or services received, at the date of receiving those goods or services. If the fair value of the goods or services received cannot be estimated reliably, the options are measured by determining the fair value of the options granted using the Black-Scholes option pricing model.

The model inputs for options granted during the years ended March 31, 2021 and 2020 include:

Grant date	Expiry Date	Share price at grant date	Exercise price	Risk-free interest rate	Expected life	Volatility factor	Forfeiture Rate	Dividend yield
June 8, 2020	June 8, 2025	$0.025	$0.025	1.57%	5 years	186%	Nil	0%

The expected volatility is based on the historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. The risk-free rate of return is the yield on a zero-coupon Canadian Treasury bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche.

Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate and, therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

Total expenses arising from the share-based payment transactions recognized during the year as part of share-based compensation expense was $66,266 (2020: $nil).

All options granted during 2021 vested immediately.

Subsequent to the year end, 8,500 options expired.

(Expressed in Canadian Dollars)

9. INCOME TAXES

(a) Provision for Income Taxes

The following table reconciles the expected income tax provision at the statutory income tax rate of 26.5% (2020 - 26.5%) to the amounts recognized in the statements of loss and comprehensive loss:

	March 31, 2021	March 31, 2020
Income (loss) before income taxes	$ 11,747	$ (204,560)
Expected income tax recovery at the statutory tax rate	3,113	(54,208)
Share based compensation	17,560	-
Share issue costs	(2,030)	(2,030)
Unrealized (gain) loss on investments	-	33,689
Realized gain (loss) on investments	(33,689)	-
Benefit of tax losses not recognized	15,046	22,549
Income tax (recovery)	$ -	$ -

The following temporary differences have not been recognized in the financial statements.

	March 31, 2021	March 31, 2020
Capital losses carried forward	$ 50,000	$ 50,000
Non-capital losses carried forward	5,205,769	5,145,798
Share issue costs	4,754	12,415
Resource related asset	1,319,035	1,021,035
Investment tax credits carried forward	32,782	32,782
Capital assets	34,101	37,294
	$ 6,646,441	$ 6,299,324

(Expressed in Canadian Dollars)

9. INCOME TAXES – continued

(b) Tax loss carry-forwards

As at March 31, 2021, the Company had approximately $5,205,769 (2020 - $5,145,798) of non-capital losses which can be used to reduce taxable income in future years. The non-capital losses expire at dates as described below:

2027	$	176
2028		58,934
2029		86,329
2030		76,063
2031		260,596
2032		623,532
2033		838,413
2034		753,648
2035		636,463
2036		584,446
2037		395,652
2038		424,981
2039		317,842
2040		88,723
2041		59,971
	$	5,205,769

The Company also has $50,000 (2020 - $50,000) of capital losses carried forward which can be utilized to reduce capital gains in future years. The capital losses carried forward do not have an expiry date.

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain consultants performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company had the following transactions in the normal course of operations with related parties:

		March 31, 2021		March 31, 2020
Management fees (i)	$	-	$	40,000
Office rent and supplies (iii)	$	-	$	1,000
Share-based compensation (iii)	$	42,169	$	-

(i) The Company paid $nil (2020 - $40,000) in management fees, including $nil (2020 - $20,000) to a company owned by the President of the Company; $nil (2020 - $20,000) to a company owned by the CFO of the Company.

(ii) The Company paid $nil (2020 - $1,000) for rent, supplies and administrative expenses to private companies controlled by directors and officers of the Company.

(iii) The Company issued 1,750,000 options (2021-nil) to Directors and Officers.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company classified its cash and cash equivalents as amortized cost; investment at fair value through profit and loss; miscellaneous receivables and promissory note receivable as amortized cost; and accounts payable and accrued liabilities and dividend payable, as amortized cost. The carrying values of cash and cash equivalents, miscellaneous receivables, and accounts payable and accrued liabilities and dividend payable approximate their fair values due to the expected maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution.

The Company's concentration of credit risk and maximum exposure is as follows:

		March 31, 2021		March 31, 2020
Cash and cash equivalents	$	68,280	$	30,919
Miscellaneous receivables	$	118	$	19,238
Promissory note receivable	$	50,000	$	-

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

The credit risk associated with cash is minimized by ensuring it is placed with a major Canadian financial institution with a strong investment-grade rating issued by a primary ratings agency. The credit risk associated with miscellaneous receivables is minimized as the majority are receivable from a government agency.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The Company does not generate cash flows from operations to fund its activities and therefore relies principally upon the issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk, and other price risk.

i. Interest rate risk

The Company's cash and cash equivalents consist primarily of cash held in bank accounts. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair value as of March 31, 2021. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. Accordingly, the Company is not subject to interest rate risk.

ii. Foreign currency risk

During the year ended March 31, 2021, the Company was not exposed to any foreign currency risk.

iii. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk, foreign currency risk or commodity price risk.

12. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going-concern in order to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or acquire new debt.

The Company considers its capital to be total shareholders' equity, comprising share capital, contributed surplus and deficit which at March 31, 2021 totaled 101,614 (March 31, 2020 - $(101,399)).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company monitors its cash, common shares, warrants and stock options as capital. There were no changes in the Company's approach to capital management during the year ended March 31, 2021. The Company's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products. The Company expects its current capital resources to be insufficient to carry out its operating costs for the next twelve months. The expectation is based on its capital resources at March 31, 2021.

13. TRANSACTION

On February 16, 2021, the Company entered into a letter of intent (LOI) with Tiidal Gaming Group Inc. (Tiidal), a Canadian corporation, to effect a reverse merger transaction with the intention that the resulting issuer would apply to list its shares on the Canadian Securities Exchange. As part of the transaction, it was anticipated that the Company will complete a share consolidation and change its name. Concurrently with the transaction, Tiidal will complete a financing of not less than $3.0 million. The transaction with Tiidal is subject to due diligence, and shareholder approval, and the transaction is expected to close on or before December 31, 2021.

Pursuant to the proposed transaction, the Company advanced $50,000 to Tiidal evidenced by a term promissory note as disclosed in Note 4.

On July 12, 2021, the Definitive Agreement between the Company and Tiidal was executed whereby Tiidal will amalgamate with 2852773 Ontario Inc. Pursuant to the transaction, the Company will consolidate its outstanding shares on a 1:11.2678 basis, change its name to Tiidal Gaming Group Corp., and apply to list its shares on the CSE. In the event that the transaction is not completed by October 31, 2021, GTA will receive payment of the promissory note receivable and receive a break fee of $25,000. The transaction is subject to shareholder approval.

14. SUBSEQUENT EVENTS

On June 15, 2021, 8,500 stock options expired.

On July 8, 2021, the Company incorporated a wholly owned subsidiary, 2852773 Ontario Inc. in connection with the proposed transaction disclosed in Note 13.