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# **GTA FINANCECORP INC.**

## **Condensed Interim Consolidated Financial Statements**

**June 30, 2021**

**(Unaudited)**

(Expressed in Canadian Dollars)

### **Notice to Reader**

The accompanying unaudited condensed interim consolidated financial statements of GTA Financecorp Inc. (the "Company") have been prepared by and are the responsibility of management.

The unaudited condensed interim consolidated financial statements have been re-filed to correct the communication which erroneously mentioned that the unaudited condensed interim consolidated financial statements as at and for the three months ended June 30, 2021 have not been reviewed by the Company's auditors.

In addition to the aforementioned change, the re-filed condensed interim consolidated financial statements include certain cosmetic and non-material disclosure revisions.

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**GTA FINANCECORP INC.**  
**(Unaudited)**  
(Expressed in Canadian Dollars)

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*June 30, 2021 and 2020*

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**GTA FINANCECORP INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Unaudited)

(Expressed in Canadian Dollars)

As at	June 30, 2021	March 31, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 68,280	\$ 68,280
Miscellaneous receivables	233	118
Promissory note receivable (Note 4)	50,000	50,000
<b>Total assets</b>	<b>\$ 118,513</b>	<b>\$ 118,398</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 22,781	\$ 16,784
<b>Total liabilities</b>	<b>22,781</b>	<b>16,784</b>
<b>Shareholders' equity</b>		
Share capital (Note 5)	11,056,879	11,056,879
Contributed surplus	140,289	160,695
Deficit	(11,101,436)	(11,115,960)
<b>Total shareholders' equity</b>	<b>95,732</b>	<b>101,614</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 118,513</b>	<b>\$ 118,398</b>

Nature of operations and going concern (Note 1)

Subsequent events (Notes 9 and 10)

Approved by the Board of Directors

"Peter Clausi"

\_\_\_\_\_  
 Director

"Brian Crawford"

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 Director

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

**GTA FINANCECORP INC.****CONDENSED INTERIM CONCOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

(Unaudited)

(Expressed in Canadian Dollars)

<b>Three months ended June 30</b>	<b>2021</b>		<b>2020</b>
<b>Operating expenses</b>			
General and administration costs	\$	-	\$ 8,285
Filing and transfer agent fees		882	1,489
Professional fees		5,000	5,500
Share based compensation		-	66,266
<b>Loss before other expenses</b>		<b>(5,882)</b>	<b>(81,540)</b>
Unrealized gain on investment		-	133,000
<b>Net (loss) income and comprehensive (loss) income</b>	<b>\$</b>	<b>(5,882)</b>	<b>\$ 51,460</b>
<b>Basic and diluted income (loss) per share</b>	<b>\$</b>	<b>0.00</b>	<b>\$ 0.00</b>
<b>Weighted average number of shares outstanding</b>		<b>36,958,499</b>	<b>33,332,125</b>

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

**GTA FINANCECORP INC.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Unaudited)  
(Expressed in Canadian Dollars)

	<b>Number of Shares</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Accumulated Deficit</b>	<b>Total</b>
<b>Balance, March 31, 2020</b>	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 for the period	-	-	-	51,460	51,460
<b>Balance, June 30, 2020</b>	36,958,499	\$ 11,056,879	\$ 160,695	\$ (11,076,247)	\$ 141,327
Options expired			(20,406)	20,406	
Loss for the period	-	-	-	(5,882)	(5,882)
<b>Balance, June 30, 2021</b>	36,958,499	\$ 11,056,879	\$ 140,289	\$ (11,101,436)	\$ 95,732

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

**GTA FINANCECORP INC.**  
**CONDENSED INTERIM CONCOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(Expressed in Canadian Dollars)

<b>Three months ended June 30</b>	<b>2021</b>		<b>2020</b>	
<b>Operating activities</b>				
Net (loss) income and comprehensive (loss) for the period	\$	(5,882)	\$	51,460
Items not affecting cash and cash equivalents				
Unrealized loss (gain) on investment		-		(133,000)
Share-based compensation		-		66,266
Change in non-cash working capital:				
Miscellaneous receivables		(115)		3,068
Accounts payable and accrued liabilities		5,997		5,943
<b>Net cash used in operating activities</b>		<b>-</b>		<b>(6,263)</b>
<b>Financing activities</b>				
Issuance of common shares, net of issue costs		-		125,000
<b>Net cash provided by financing activities</b>		<b>-</b>		<b>125,000</b>
<b>Net change in cash and cash equivalents</b>		<b>-</b>		<b>118,737</b>
<b>Cash and cash equivalents, beginning of period</b>		<b>68,280</b>		<b>30,919</b>
<b>Cash and cash equivalents, end of period</b>	\$	<b>68,280</b>	\$	<b>149,656</b>

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

## **1. NATURE OF OPERATIONS AND GOING CONCERN**

GTA Financecorp Inc. (formerly GTA Resources and Mining 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.

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.

These condensed interim consolidated financial statements were approved by the board of directors on August 30, 2021.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **Statement of Compliance**

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 – “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended March 31, 2021.

The preparation of condensed interim consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The interim results are not necessarily indicative of results for a full year. The critical judgments and estimates applied in the preparation of the Company’s condensed interim consolidated financial statements are consistent with those applied to the Company’s consolidated financial statements for the year ended March 31, 2021.

The policies applied in these financial statements are based on IFRS issued and effective as of March 31, 2021.

**GTA FINANCECORP INC.**

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

(Expressed in Canadian Dollars)

Three months ended June 30, 2021 and 2020

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**2. SIGNIFICANT ACCOUNTING POLICIES – continued**

**Basis of Presentation**

These unaudited condensed interim consolidated financial statements include the accounts of its wholly owned subsidiary GTA GW Mergeco, Inc. and have been prepared on the basis of accounting policies consistent with those applied in the Company's March 31, 2021 annual financial statements.

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

**3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS**

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders' equity, the balance of which is \$95,732. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to manage its capital to be able to sustain the future development of the Company's business.

The Company currently has no source of revenues, and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended June 30, 2021. The Company is not subject to externally imposed capital requirements.

The Company classified its cash and cash equivalents, sundry receivables and promissory notes as loans and receivables; and accounts payable and accrued liabilities as other financial liabilities. The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, approximate their fair values due to the expected maturity of these financial instruments. The fair value of amounts due to related parties has not been disclosed as their fair values cannot be reliably measured since the parties are not at arm's length.

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:

	<b>June 30, 2021</b>	<b>March 31, 2021</b>
Cash and cash equivalents	\$ 68,280	\$ 68,280

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.

(b) Liquidity risk



**3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS – continued**

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 and term deposits with banks. Due to the short-term nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair value as of June 30, 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 period ended June 30, 2021, the Company was not exposed to material 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. The Company has no financial instruments exposed to other price risk.

**4. PROMISSORY NOTE RECEIVABLE**

The promissory note was issued pursuant to the agreement with Tiidal Gaming Group Inc. as disclosed in Note 9. 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.

**GTA FINANCECORP INC.**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)  
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**5. SHARE CAPITAL**

Authorized

Unlimited number of common shares

Issued

	Number of Shares	Share Capital	Contributed Surplus
<b>Balance March 31, 2020</b>	<b>31,958,499</b>	<b>\$ 10,931,879</b>	<b>\$ 94,429</b>
Shares issued for cash	5,000,000	125,000	
Share-based compensation	-	-	66,266
<b>Balance June 30, 2020</b>	<b>36,958,499</b>	<b>\$ 11,056,879</b>	<b>\$ 160,695</b>
<b>Balance March 31, 2021</b>	<b>36,958,499</b>	<b>\$ 11,056,879</b>	<b>\$ 160,695</b>
Options expired	-	-	(20,406)
<b>Balance June 30, 2021</b>	<b>36,958,499</b>	<b>\$ 11,056,879</b>	<b>\$ 140,289</b>

On January 7, 2019, the Company completed a share consolidation on the basis of one (1) post consolidation common share for every fifty (50) pre-consolidation common shares. All common shares, options, warrants, and basic and diluted loss per share amounts have been restated to give retrospective effect to the share consolidation.

**6. WARRANTS**

There were no common share purchase warrants outstanding on June 30, 2021 and June 30, 2020.

**7. SHARE-BASED PAYMENTS**

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.

A summary of the status of the stock option plan and changes for the period ended June 30, 2021 are presented below:

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**7. SHARE-BASED PAYMENTS – continued**

**During the period ended June 30, 2021**

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	-	-
November 9, 2016	November 9, 2021	\$3.00	6,000	-	-	-	6,000	6,000
August 22, 2017	August 22, 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	\$0.025	2,750,000	-	-	-	2,750,000	2,750,000
			2,796,500	-	-	-	2,788,000	2,788,000
Weighted average exercise price			0.07	\$0.00	\$0.00	\$3.00	\$0.06	\$0.06

The weighted average remaining contractual life of options outstanding at June 30, 2021 was 3.91 years.

**During the period ended June 30, 2020**

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 22, 2017	August 22, 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	\$0.025	-	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

The weighted average remaining contractual life of options outstanding at June 30, 2020 was 4.89 years.

The Company applies the fair value method in accounting for its stock options 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%

Total expenses arising from the share-based payment transactions recognized during the three months ended June 30, 2021 as part of share-based compensation expense was \$nil (2020: \$66,266).

**GTA FINANCECORP INC.****NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

(Expressed in Canadian Dollars)

Three months ended June 30, 2021 and 2020

**7. SHARE-BASED PAYMENTS – continued**

As at June 30, 2021 there was no amount (2020: \$nil) of total unrecognized compensation cost related to unvested share-based compensation.

**8. 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).

During the three months ended June 30, 2021 and 2020, the Company had the following transactions in the normal course of operations with related parties:

		<b>2021</b>		<b>2020</b>
Management fees (i)	\$	-	\$	-
Office rent, supplies and admin. expense (ii)	\$	-	\$	-
Share-based compensation (iii)	\$	-	\$	42,169

(i) The Company paid \$nil (2020 - \$nil) in management fees to the President of the Company and \$nil (2020 - \$nil) to the CFO of the Company.

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

(iii) Stock options granted to directors and officers \$nil (2020-\$42,169).

Accounts payable and accrued liabilities include \$nil (2020 - \$nil) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

**9. 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, and apply to list its shares on the CSE. In the event that the transaction is not completed

**GTA FINANCECORP INC.**

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

(Expressed in Canadian Dollars)

Three months ended June 30, 2021 and 2020

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**9. TRANSACTION – continued**

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.

**10. SUBSEQUENT EVENTS**

On July 8, 2021, the Company incorporated a wholly owned subsidiary, 2852773 Ontario Inc. in connection with the proposed transaction disclosed in Note 9.

On August 23, 2021, the Company advanced an additional \$30,000 evidenced by a promissory note pursuant to the agreement with Tiidal as disclosed in Note 9. 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. The transaction with Tiidal is expected to close prior to October 31, 2021.