PLAYGROUND VENTURES INC.

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2021 and 2020

(Expressed in Canadian dollars)

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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Independent Auditor's Report

To the Shareholders of Playground Ventures Inc.

Opinion

We have audited the consolidated financial statements of **Playground Ventures Inc.** ("the Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and December 31, 2020, and the consolidated statements of comprehensive loss, consolidated statements of changes in 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 **Playground Ventures Inc.** as at December 31, 2021 and December 31, 2020 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 2 in the consolidated financial statements, which indicates that the Company has a net loss for the year ended December 31, 2021 of $1,913,058 (2020 - $149,263) and has accumulated losses of $9,955,980 (2020 - $8,221,808) and expects to incur future losses in the development of its business. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions. Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards 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 consolidated 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.

To the Shareholders of Playground Ventures Inc. (Continued)

Auditor's Responsibilities for the Audit of the 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 it 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 consolidated financial statements.

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

- Identity 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 a 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 Wayne O'Connell.

Jones & O'Connell LLP

Jones & O'Connell LLP
Chartered Professional Accountants
Licensed Public Accountants

St. Catharines, Ontario
April 29, 2022

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

PLAYGROUND VENTURES INC.
Consolidated Statements of Financial Position
As at December 31, 2021 and 2020
(Expressed in Canadian dollars)

	Note	December 31, 2021	December 31, 2020
		$	**$**
ASSETS		**(audited)**	(audited)
Current			
Cash		**54,608**	148,449
HST receivable		**50,748**	18,977
Accounts receivable		**10,096**	-
Prepaid expenses and other assets	**7**	**232,450**	255,417
		347,903	422,843
Long Term			
Investment in TinyRex	**8**	**350,000**	-
Investment in MotionPix	**8**	**997,987**	-
Investment in GG Hub	**8**	**339,606**	-
Intangible assets	**9, 10**	**4,253,552**	1,123,552
Other investments		**4,256**	-
Goodwill	**10**	**323,555**	-
		6,268,956	1,123,552
Total Assets		**6,616,859**	1,546,395
LIABILITIES AND EQUITY			
Current			
Trade payables and accrued liabilities		**592,609**	210,478
Payable to TinyRex	**8**	**117,333**	-
Payable to MotionPix	**8**	**19,300**	-
Total liabilities		**729,242**	210,478
Equity			
Share capital	**11**	**14,170,636**	8,880,287
Warrant reserve	**11**	**1,181,887**	498,552
Share based payment reserve	**12**	**491,075**	178,886
Deficit		**(9,955,980)**	(8,221,808)
Total shareholders' equity		**5,887,617**	1,335,917
Total liabilities and shareholders' equity		**6,616,859**	**1,546,395**

Nature of operations (Note 1)
Going concern (Note 2)
Subsequent event (Note 16)

On behalf of the Board of Directors on April 29, 2022:

("signed")	("signed")
Jon Gill	Chris Irwin
Director	Director

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

PLAYGROUND VENTURES INC.
Consolidated Statements of Comprehensive Loss
For the Years Ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

	Note	2021	2020
		$	
Operating expenses			
Consulting and management fees		841,611	224,583
General and administrative		82,010	25,783
Sales and marketing		32,097	-
Professional fees		264,584	30,567
Equity issuance expense		675,160	-
		1,895,462	280,933
Other items			
Loss on debt settlements		-	(34,654)
Interest income		16,659	-
Loss on foreign exchange		(2,586)	(1)
Gain on share settlement	8	9,827	-
Gain on reversal of trade payables and accrued liabilities		-	166,325
		23,900	131,670
Share of Associate	8	(41,496)	-
Net loss and comprehensive loss		(1,913,058)	(149,263)
Loss per share –			
Basic	13	(0.05)	(0.01)
Diluted		(0.05)	(0.01)
Weighted average number of common shares outstanding			
Basic	13	40,529,482	10,430,338
Diluted	13	40,529,482	10,430,338

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

PLAYGROUND VENTURES INC.
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

	Note	Shares Issued					
		Number of Shares	Amount	Warrant Reserve	Share-based Payment Reserve	Deficit	Total
			$	$	$	$	$
Balance, December 31, 2019		**9,148,921**	**7,268,379**	**-**	**178,886**	**(8,072,545)**	**(625,280)**
Share issued on private placements	**11**	8,527,272	861,000	-	-	-	861,000
Units issued on acquisition of 1279078 BC Ltd.	**9, 11**	5,000,000	625,000	498,552	-	-	1,123,552
Shares issued on debt settlements	**11**	1,155,140	150,168	-	-	-	150,168
Cost of share issuance		-	(24,260)	-	-	-	(24,260)
Net comprehensive loss for the period		-	-	-	-	(149,263)	(149,263)
Balance, December 31, 2020		**23,831,333**	**8,880,287**	**498,552**	**178,886**	**(8,221,808)**	**1,335,917**
Options cancelled	12	-	-	-	(178,886)	178,886	-
Option Issuances	12	-	-	-	675,160	-	675,160
Option redemption	12	1,075,000	368,961	-	(184,086)		184,875
Shares issued for debt	11	1,405,682	364,580	-	-		364,580
Shares issued on acquisition of MotionPix	11	1,670,000	690,173	-	-		690,173
Shares issued on private placement	11	11,420,222	1,998,008	-	-		1,998,008
Warrants issued on private placement	11	-		733,190	-		733,190
Cost of share issuances	11	-	(112,230)	-	-		(112,230)
Shares issued on acquisition of Countervail	11	16,000,000	1,856,002				1,856,002
Warrants exercised	11	500,000	124,854	(49,855)			75,000
Net comprehensive loss for the period		-	-	-	-	(1,913,058)	(1,913,058)
Balance, December 31, 2021		**55,902,237**	**14,170,636**	**1,181,887**	**491,075**	**(9,955,980)**	**5,887,617**

PLAYGROUND VENTURES INC.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

	Note	2021	2020
		$	$
Operating activities			
Loss for the period		**(1,913,058)**	(149,263)
Adjustments to reconcile net loss to cash used in operating activities:			
Equity issuance expense		**675,160**	-
Loss on settlement of debt	11	**-**	34,654
Reversal of trade payable & accrued liabilities		-	(166,325)
Gain on share settlement	8	**(9,827)**	-
Share of associate	8	**41,496**	
Net change in working capital:			
HST receivable		**(7,991)**	(17,203)
Prepaid expenses and other assets	7	**(95,968)**	(105,417)
Trade payables and accrued liabilities		**429,505**	(179,456)
Cash provided from (used in) operating activities		**(880,683)**	(583,010)
Investing activities			
Cash acquired on acquisition of Countervail Games		**4,364**	
Advances on demand promissory note	7	**(1,199,653)**	(150,000)
Investment in other investments		**(8,010)**	-
Investment in MotionPix		**(280,700)**	-
Investment in TinyRex		**(232,667)**	-
Investment in GG Hub		**(375,335)**	-
Cash used in investing activities		**(2,092,001)**	(150,000)
Financing activities			
Receipts on options exercised	11	**184,875**	-
Receipts of common share & warrants issuances	11	**2,731,198**	861,000
Receipt of warrants exercised	11	**75,000**	-
Share issuance costs	11	**(112,230)**	(24,260)
Cash provided from financing activities		**2,878,843**	836,740
Decrease in cash		**(93,841)**	103,730
Cash, beginning of period		**148,449**	44,719
Cash, end of period		**54,608**	148,449

Supplemental information			
Interest paid		-	-
Income tax paid		-	-
Share consideration for settlement of debt		364,580	-

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

1. NATURE OF OPERATIONS

Playground Ventures Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act ("BCBCA") on October 30, 2014. The Company is a developer of platforms and video game publisher that publishes video games that the Company either develop internally or engage a video game developer to develop for them. Previously known as BlocPlay Entertainment Inc., the Company changed its name to Playground Ventures Inc. on April 30, 2021. The Company's registered office is located at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2, Canada. The Company's shares trade on the Canadian Securities Exchange under the symbol "PLAY".

2. GOING CONCERN

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations. The Company has a net loss for the year ended December 31, 2021 of $1,913,058 (2020 – $149,263). The Company's cumulative deficit was $9,955,980 as of December 31, 2021 (2020 - $8,221,808). As the Company continues to develop its core offerings, it will require additional financing to meet its working capital requirements. The net working capital as of December 31, 2021 ($381,339) (December 31, 2020 - $212,365). During the year ended December 31, 2021, the Company raised $2,731,198 (2020 - $861,000) through the issuance of 11,420,222 (2020 – 8,527,272) common shares and 6,519,215 (December 31, 2020 – nil) warrants, $184,875 (2020 - $nil) through the exercise of 1,075,000 options (2020 – nil), $75,000 (2020 - $nil) through the exercise of 500,000 warrants (2020 - nil). There is no guarantee of the Company's ability to obtain future financing. These conditions cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with debt offerings and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position. These consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

These consolidated financial statements were approved and authorized by the Board of Directors of the Company on April 29, 2022.

3.2 Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Stompy Bot Productions Inc., TokenPlay Inc. ("TokenPlay"), 1279078 BC Ltd. ("BCCo"), 1296858 BC Ltd., 1296860 BC Ltd., and Countervail Games Ltd. ("Countervail"). Countervail has been consolidated from the date of obtaining control, being the effective date of October 1, 2021. All inter-company transactions and balances have been eliminated upon consolidation.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognized at cost. Subsequent to initial recognition, the consolidated financials statements include the Company's share of the profit or loss of the equity accounted investees, until the date on which significant influence ceases. The investment in MotionPix Game Studio Inc. ("MotionPix"), GG Hub Srl ("GG Hub") and WeatherGen Climate Partners Inc. ("WeatherGen") are accounted for using the equity method in accordance with IAS 28.

3.3 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis other than for those financial assets recorded at fair value through profit and loss ("FVPL"). In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

3.4 Use of management estimates, judgments and measurement uncertainty

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of These consolidated financial statements are outlined below:

Going concern
Determining whether there exists material uncertainty that casts significant doubt about the Company's ability to continue as a going concern requires management to exercise its judgment, in particular about its ability to obtain funds to continue operations (Note 2).

Calculation of share-based payments
The Black-Scholes Option Pricing Model is used to determine the fair value for the stock options and warrants and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue recognition

The Company derives its revenues from two sources: (a) development fees, which is contract specific for development of technology; and (b) online game sales and platform sales. Development fee revenue is recognized when there is persuasive evidence of an agreement, the fee is measurable, the Company has performed its service in accordance with the agreement and collectability is reasonably assured.

Online game sales are sold to end customers through the Company's website and platform. These sales are recognized when the product is delivered to the customer. Testing sales are deferred against their related capitalized development costs and recognized once the game reaches commercialization.

4.2 Earnings per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. 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.

4.3 Share-based payments

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share-based payments reserve.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

4.4 Taxation

Income tax (expense) recovery represents the sum of tax currently payable or recoverable and deferred tax.

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Income tax expense consisting of current and deferred tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.5 Financial assets and liabilities

Financial assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either FVPL or through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statements of loss.

Subsequent measurement – financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of loss.

Subsequent measurement – financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.
After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive income (loss). When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.
Dividends from such investments are recognized in other income in the statements of loss and when the right to receive payments is established.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Financial liabilities
Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include trade and other payables, which are measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the statements of loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss.

4.6 Foreign currency transactions

Functional and presentation currency
The functional currency of the Company and its subsidiaries is the Canadian dollar. The financial statements are presented in Canadian dollars which is the group's presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

4.7 Intangible assets

Intangible assets acquired from third parties are measured initially at their fair value and either classified as indefinite life or finite life depending on their characteristics. Internally generated intangible assets, such as development costs, are capitalized only when the product is technically and commercially feasible, the costs of generating the asset can be reliably measured, and there is an adequate plan to complete the project. Revenues associated with testing products under development is recorded as a reduction of development costs. Intangible assets with indefinite lives are tested for impairment as least annually and intangible assets with finite lives are reviewed for indicators of impairment at least annually.

4.8 Goodwill

Goodwill represents the excess for the price paid for the acquisition of an entity over the fair value of the net identifiable tangible and intangible assets and liabilities acquired. Goodwill is allocated to the CGU or CGUs to which it relates. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the group at which management monitors goodwill. The Company allocates goodwill to one or more CGUs for the purpose of impairment testing.

The determination of these CGUs is based on management's judgment in regard to several factors such as shared infrastructure, similarity in service offering, and exposure to market risk and materiality. The Company has determined one CGU, Countervail, and has allocated goodwill at the segment level as a result of the synergies created.

Goodwill is not subject to amortization and is tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount of goodwill might be impaired. In order to determine if the value of goodwill has been impaired, the CGU to which goodwill has been allocated must be valued using present value techniques. When applying this valuation technique, the Company relies on a number of factors, including historical results, business plans, forecasts and market data. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of goodwill. Impairment is determined for goodwill by assessing if the carrying value of CGU, including goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs of disposal and the value in use. Impairment losses recognized in respect of the CGUs are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGUs.

Any goodwill impairment is recorded in the consolidated statements of operations and comprehensive loss in the period in which the impairment is identified. Impairment losses on goodwill are not subsequently reversed.

5. CAPITAL MANAGEMENT

The Company manages its common shares and accumulated deficit as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk, as there are no external restrictions on it.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets in order at adjust the amount of cash on its balance sheet.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company is not subject to any restrictions in the management of its capital. There were no changes in the Company's approach to capital management during the year.

6. FAIR VALUE AND FINANCIAL RISK FACTORS

Fair value of financial instruments

The Company has designated its cash as FVTPL which are measured at fair value. Fair value of cash is determined based on transaction value and is categorized as a Level one measurement.

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level Two includes inputs that are observable other than quoted prices included in Level One.
- Level Three includes inputs that are not based on observable market data.

Cash is measured using Level One inputs.

As at December 31, 2021 and 2020, both the carrying and fair value amounts of the Company's cash, accounts receivable, other current assets, trade and other payables, Due to TinyRex and Due to MotionPix are approximately equivalent due to their short term nature.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, accounts receivable and other current assets. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management and cash held in trust with the lawyers. Management believes credit risk with respect to financial instruments included in cash is minimal. The nature of the Company's diverse customer base ensures that there is no concentration of credit risk.

The Company’s policy over credit risk is to minimize exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting the credit standards set out by management, which includes, but not limited to, extending credit based upon a counterparty’s financial conditions and requested pre-authorized payments. The Company’s maximum exposure to credit risk as at December 31, 2021 and 2020 is the carrying value of accounts receivable and other current assets.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting it operations and anticipating its operating and investing activities. All amounts in trade and other payables, Due to TinyRex and Due to MotionPix are due within one year.

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.

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company’s monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company’s monetary assets and liabilities. The Company is not exposed to interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company is not exposed to significant foreign currency risk based on its current operations.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

COVID-19 and its impact on the business environment

Beginning in March 2020, the Governments of Canada and the United States, as well as other foreign governments instituted emergency measures as a result of the COVID-19 virus outbreak. The virus has had a major impact on North America and international securities, currency markets and consumer activity which may impact the Company's financial position, its results of future operations and its future cash flows significantly. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of future operations, financial position, and liquidity in fiscal year 2021.

(Expressed in Canadian dollars)

7. PREPAID EXPENSES AND OTHER ASSETS

	December 31, 2021	December 31, 2020
Prepaid management fees	**$176,773**	$105,417
Other current assets	**55,677**	-
Demand promissory note	**-**	150,000
Total prepaid expenses and other assets	**$232,450**	$255,417

On December 1, 2020, the Company entered into an agreement with a company whose director is also a director of the Company whereby the Company was charged with the following: $110,000 as a signing bonus, 150,000 options to purchase common shares and options equal to 10% of the outstanding and approved Company options plan. In 2021, the Company issued 500,000 options which have been capitalized as a prepaid and amortized over the life of the contract. The term of the agreement was originally for two years. On March 25, 2021, the Company amended to a three-year agreement. The Company recognized the amount as a prepaid and will amortize over the new term of the agreement. During the year ended December 31, 2021, the Company amortized $103,238 (2020 - $4,583) on the consolidated statement of loss.

8. INVESTMENTS

On May 7, 2021, the Company signed an agreement to invest $350,000 into TinyRex Games Inc. (“TinyRex”). TinyRex is a Vancouver based mobile games studio. The founders plan to develop and release three idle genre mobile games which will leverage their recent partnership with East Side Games Inc. The investment gives the Company the right to certain shares in the capital of TinyRex. $117,333 of the $350,000 remains payable to TinyRex. The Company cannot exercise any rights to purchase shares until such time as this amount is paid.

On June 9, 2021, The Company completed a joint venture with Ludare Games Group Inc. (“Ludare Games”) by acquiring a 40% interest in MotionPix. MotionPix is a Vancouver based company that has the exclusive rights to a mobile game project licensed with a major movie franchise. The mobile game is fully developed and scheduled for global launch in tandem with a highly anticipated blockbluster movie release next year. As consideration for the acquisition, the Company issued 1,670,000 common shares in the capital of the Company to Ludare Games and an investment in the amount of $300,000 into the project. $19,300 of the $300,000 remains payale to MotionPix. The investment in MotionPix is valued based on the acquisition value of the common shares of $700,000 and the $300,000 investment to be made into the project for a total of $1,000,000. As the shares were being held in escrow and released at certain dates, the shares were discounted and valued at $690,173. A gain on share settlement is recognized of $9,827. The Company recorded their 40% share of the loss of MotionPix of $2,013 (2020 - $nil).

On July 7, 2021, the Company made an investment in GG Hub, an Italian media gaming corporation, pursuant to which the Company shall invest up to an aggregate of €1,000,000 into GG Hub to acquire up to a 60% interest in GG Hub. The Company has made payments of €250,000 to GG Hub and as a result, the Company has acquired a 22.5% interest in GG Hub as at December 31, 2021.

(Expressed in Canadian dollars)

	Total assets	Total liabilities	Total revenue	Total profit/ (loss)	Share ownership	Share of Associate
MotionPix	$2,397,978	$3,008	-	$(5,033)	40%	$(2,013)
GG Hub	$273,536	$60,742	-	$(170,208)	22.50%	$(35,729)
WeatherGen	$11,167	$552	-	$(9,386)	40%	$(3,754)
	$2,682,681	**$64,302**	-	**$(184,627)**		**$(41,496)**

9. INTANGIBLE ASSETS

	Modern Miner	Gaming IP	Total
	$		$
Cost			
As at December 31, 2019	-		-
Addition	1,123,552	-	1,123,552
As at December 31, 2020	1,123,552		1,123,552
Addition	-	3,130,000	3,130,000
As at December 31, 2021	**1,123,552**	**3,130,000**	**4,253,552**

For details on Gaming IP, refer to Note 10.

Development costs are capitalized based on the criteria in IAS 38 – Intangible Assets. Once commercialization of the game is reached, these costs and corresponding revenue will be systematically recognized in the statement of comprehensive loss over the expected life of the game, estimated at four years.

On December 16, 2020, the Company acquired all issued and outstanding common shares of 1279078 BC Ltd. through a non-arm's length share purchase agreement dated December 16, 2020 (the "Transaction"). As consideration for the Transaction, the Company issued an aggregate of 5,000,000 common shares in the capital of the Company (the "Consideration Shares") and issued an aggregate of 5,000,000 common share purchase warrants (the "Warrants"). Each Warrant shall entitle the holder thereof to acquire one common share in the capital of the Company (each a, "Common Share") at a price of $0.15 per Common Share for a period of five years from the date of issuance. The Consideration Shares were valued at $625,000 and the Warrants were valued at $498,552 and both recorded as an increase in intangible assets.

(Expressed in Canadian dollars)

1279078 BC Ltd. is a private company formed under the laws of British Columbia, that creates, develops and publishes software related to mobile games and applications. 1279078 BC Ltd. is currently developing Modern Miner, a mobile game application that will connect the value of exploration to gaming, which it expects to release in the coming year.

10. ACQUISITION OF COUNTERVAIL

On October 1, 2021, the Company acquired all issued and outstanding common shares of Countervail through a share purchase agreement dated September 30, 2021 (the "Transaction"). As consideration for the Transaction, the Company issued 16,000,000 common shares in the capital of the Company (the "Consideration Shares") to the sellers under escrow agreement. The Consideration Shares were valued at $1,856,002.

Countervail is a mobile game developer with a focus on generating an innovative user experience through a never seen before patent pending technology that integrates live video content with digital game play. Countervail is currently developing Skate Tycoon, a mobile game application that is expected to release in the coming year.

In accordance with the measurement period permitted under IFRS 3 - Business Combinations, the fair value of the assets acquired and liabilities assumed have been determined on a provisional basis on the assumptions noted. The Company has determined the fair values of assets and liabilities acquired and identifying any other intangible assets that exist at the date of acquisition. The Consideration Shares were valued at their fair value, CAD$0.19 per share, as of the closing date. As the shares are held in escrow and released on certain dates, the share value was discounted accordingly. As a result, the enterprise value was determined to be $3,201,291 on the date of acquisition. Goodwill is attributable to the customer list, expected synergies, and other intangible assets that the Company has identified.

		Total
Shares issued at closing	$	1,856,002
Total Debt Assumed		1,349,653
Cash and cash equivalents acquired		(4,364)
Enterprise value	**$**	**3,201,291**

Allocation of purchase price		**Total**
Cash	$	4,364
Current Assets		41,161
Liabilities assumed		(293,425)
Gaming IP		3,130,000
Goodwill		323,555
Total allocation of purchase price	**$**	**3,201,291**

(Expressed in Canadian dollars)

Countervail's results are consolidated in the Company's financial results effective October 1, 2021. For the twelve months ended December 31, 2021, Countervail contributed $22,907 to the Company's consolidated net loss and total comprehensive loss.

11. SHARE CAPITAL

Authorized: An unlimited number of common shares.

a) Issued and outstanding:

	Number of Shares		Amount ($)
Balance, December 31, 2019	**9,148,921**	**$**	**7,268,379**
Common shares issued on private placements	8,527,272		861,000
Shares issued on acquisition of 1279078 BC	5,000,000		625,000
Shares issued on debt settlements	1,155,140		150,168
Cost of share issuance	-		(24,260)
Balance, December 31, 2020	**23,831,333**	**$**	**8,880,287**
Option redemption	1,075,000		368,961
Shares issued on private placements	11,420,222		1,998,008
Shares issued for debt	1,405,682		364,580
Cost of share issuances	-		(112,230)
Shares issued on acquisition of MotionPix	1,670,000		690,173
Shares issued on acquisition of Countervail	16,000,000		1,856,002
Warrants exercised	500,000		124,854
Balance, December 31, 2021	**55,902,237**		**14,170,636**

Effective June 24, 2020, the Company consolidated its common shares on the basis of one (1) new common share for every twenty (20) old common shares issued and outstanding at that time. All references to share and per share amounts in these financial statements have been retroactively restated to reflect the share consolidation.

Private Placements

During 2020, the Company issued an aggregate of 7,700,000 common shares at a price of $0.10 each common share for gross of $770,000.

On December 22, 2020, the Company issued an aggregate of 827,272 common shares at a price of $0.11 per common shares for gross proceeds of $91,000.

During January and February 2021 the Company issued an aggregate of 2,141,450 common shares at a price of $0.11 for each common share for gross proceeds of $235,560.

On March 7, 2021 the Company closed a non-brokered private placement of 3,759,658 units at a price of $0.15 per unit for gross proceeds of $563,949. Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.20 for a period of 36 months. Using the relative fair value method, $278,656 was allocated to the attached warrants. Costs related to the share issuances were $20,468.

On June 29, 2021 the Company closed a non-brokered private placement of 4,938,214 units at a price of $0.35 per unit for gross proceeds of $1,728,375. Each unit consisted of one common share of the Company and one half of one whole common share purchase warrant. Each warrant entitles the holder to purchase one half common share of the Company at an exercise price of $0.70 for a period of 18 months. Using the relative fair value method, $408,780 was allocated to the attached warrants. Costs related to the share issuance were $89,147.

On August 19, 2021 the Company closed a non-brokered private placement of 580,900 units at a price of $0.35 per unit for gross proceeds of $203,315. Each unit consisted of one common share of the Company and one half of one whole common share purchase warrant. Each warrant entitles the holder to purchase one half common share of the Company at an exercise price of $0.70 for a period of 18 months. Using the relative fair value method, $45,754 was allocated to the attached warrants. Costs related to the share issuance were $2,615.

Acquisition of 1279078 BC Ltd.
Blocplay issued 5,000,000 common shares to acquire all of the issued and outstanding common shares of 1279078 BC Ltd. At the time of issuance, the fair market value of the Company's stock price on the open market was $0.125 per common share. Therefore, the fair market value assigned to 5,000,000 common shares of the Company was $625,000

Debt Settlements
On November 2, 2020, the Company issued an aggregate 1,155,140 common shares at a price of $0.13 per common shares to settle an aggregate of $115,514 indebtedness with arm's length and non-arm's length creditors. Due to the debt settlements, the company incurred additional compensation of $34,654 on debt settlement.

On January 14, 2021, the Company issued an aggregate 1,155,682 common shares at a price of $0.11 per common shares to settle an aggregate of $127,125 indebtedness with non-arm's length creditors. Due to the debt settlements, the Company incurred a loss of $92,455, which has been included as a prepaid and is being amortized over the length of the contract (see note 7).

On June 3, 2021, the Company issued an aggregate of 250,000 common shares at a price of $0.26 per common share to settle an aggregate of $28,875 indebtedness with arm's length creditors. As the compensation was considered to be an employee or others providing similar services, the fair value of the shares under IFRS 2 is calculated at $145,000. Due to the debt settlement, the Company incurred additional compensation of $117,500 in the consolidated statement of comprehensive loss.

(Expressed in Canadian dollars)

b) Warrants:

The following table reflects the continuity of warrants for the periods presented:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, December 31, 2029	**-**	**-**
Warrants issued	5,000,000	0.15
Balance, December 31, 2020	**5,000,000**	**$ 0.150**
Warrant issuance	6,519,215	$0.412
Warrant exercise	500,000	$0.150
Balance December 31, 2021	**11,019,215**	**$ 0.305**

During 2021, 500,000 warrants were exercised at $0.15 for total proceeds of $75,000.

The following table reflects the warrants issued and outstanding as of December 31, 2021:

Issue date	Number of warrants outstanding	Grant date fair value ($)	Exercise price ($)	Expiry date
December 16, 2020	4,500,000	448,697	0.15	December 16, 2025
March 7, 2021	3,759,658	278,656	0.20	March 7, 2024
June 29, 2021	2,469,107	408,780	0.70	December 29, 2022
August 19, 2021	290,450	45,754	0.70	February 19, 2023

b) Warrants:

The relative fair value method was utilized to allocate the value of the warrants issued during the quarter. The fair value of the warrants issued was estimated using the Black Scholes Option Pricing Model with the following assumptions:

	December 16, 2020
Expected life	3 years
Expected volatility	118.02%
Risk-free interest rate	0.45%
Dividend yield	Nil
Underlying share price	$0.125
Exercise price	$0.150

(Expressed in Canadian dollars)

	March 7, 2021
Expected life	3 years
Expected volatility	254.0%
Risk-free interest rate	0.49%
Dividend yield	Nil
Underlying share price	$0.280
Exercise price	$0.200

	June 29, 2021
Expected life	1.5 years
Expected volatility	171.4%
Risk-free interest rate	0.44%
Dividend yield	Nil
Underlying share price	$0.40
Exercise price	$0.70

	August 19, 2021
Expected life	1.5 years
Expected volatility	176.7%
Risk-free interest rate	0.40%
Dividend yield	Nil
Underlying share price	$0.28
Exercise price	$0.70

c) Reserves

The warrant reserve records items recognized as share-based payments for warrants until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

The share-based payment reserve records items recognized as share-based payment expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

(Expressed in Canadian dollars)

12. STOCK OPTIONS

The Company has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees and consultants. The number of shares to be reserved and set aside for issue under this plan is determined from time to time by the Board. The continuity of outstanding stock options outstanding is as follows:

	Number of Options	Weighted Average Exercise Price
		$
Balance, December 31, 2020 and 2019	**150,000**	**$ 1.000**
Option cancelled	(150,000)	1.000
Option issuances	3,625,000	0.187
Option redemption	(1,075,000)	0.172
Balance, December 31, 2021	**2,550,000**	**$ 0.193**

During 2021, 575,000 options were exercised at $0.165 for proceeds of $94,875 and 500,000 options were exercised at $0.18 for total proceeds of $90,000.

The fair value of the options issued was estimated using the Black Scholes Option Pricing Model with the following assumptions:

	January 8, 2021
Expected life	5 years
Expected volatility	254.6%
Risk-free interest rate	0.41%
Dividend yield	Nil
Underlying share price	$0.165
Exercise price	$0.165

	January 13, 2021
Expected life	5 years
Expected volatility	254.8%
Risk-free interest rate	0.41%
Dividend yield	Nil
Underlying share price	$0.180
Exercise price	$0.165

	February 4, 2021
Expected life	5 years
Expected volatility	254.7%
Risk-free interest rate	0.41%
Dividend yield	Nil
Underlying share price	$0.200
Exercise price	$0.200

(Expressed in Canadian dollars)

	March 7, 2021
Expected life	5 years
Expected volatility	253.7%
Risk-free interest rate	0.73%
Dividend yield	Nil
Underlying share price	$0.280
Exercise price	$0.280

The following table provides additional information about outstanding stock options at December 31, 2021:

Issuance Date	**Number of Outstanding Options**	**Weighted Average Remaining Life (Years)**	**Weighted Average Exercise Price**	**Number of Options Exercisable**	**Weighted Average Exercise Price – Exercisable Options**
January 8, 2021	1,850,000	4.02	$ 0.165	1,850,000	$ 0.165
February 4, 2021	100,000	4.10	0.200	100,000	0.200
March 7, 2021	600,000	4.18	0.280	600,000	0.280
December 31, 2021	**2,550,000**	**4.06**	**$ 0.193**	**2,550,000**	**$ 0.193**

13. LOSS PER SHARE

The weighted average number of shares includes common shares. The effect of adjustments to the weighted average number of common shares would be anti-dilutive when the Company incurs losses.

The calculation of basic and diluted (loss) per share for the period ended was based on the information in the table below.

For the Years Ended		**December 31, 2021**		**December 31, 2020**
Basic weighted average number of shares outstanding - beginning and ending balance		40,529,482		10,430,338
Dilutive weighted average number of shares outstanding		40,529,482		10,430,338
Net loss	$	(1,913,058)	$	(149,263)
Weighted average basic loss per share	**$**	**(0.05)**	**$**	**(0.01)**
Weighted average diluted loss per share	**$**	**(0.05)**	**$**	**(0.01)**

(Expressed in Canadian dollars)

14. RELATED PARTIES AND KEY MANAGEMENT

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to former and current key management includes the following:

	2021	2020
	$	$
Short-term employee benefits	579,426	200,000
Total compensation to key management	579,426	200,000

Included in accounts payable and accrued liabilities as at December 31, 2021 are amounts of $195,392 (2020 -$129,950) due to directors, officers and former directors of the Company and companies with common directors. The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Per an agreement, the Company has an amount of $176,773 in prepaid expenses to a company whose director is also a director of the Company. In addition, under this agreement, the Company is committed to a monthly consulting fee of $15,000 per month until December 1, 2023. In addition, the Company has a $2,500 monthly social media and $2,500 monthly administrative fee with this Company until December 1, 2023.

Per an agreement, the Company is committed to a monthly consulting fee of $15,000 per month until December 1, 2023 to a company whose director is also a director of the Company.

During the year ended December 31, 2021, the Company paid legal fees of $69,997 to a company with a common director.

During the year end December 31, 2021, the Company issued 1,155,682 common shares to settle $127,125 of debt to a company whose director is also a director of the Company, resulting in additional compensation of $92,455 which has been added to the prepaid expense noted above.

15. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

		2021		2020
Net Loss	**$**	**(1,913,058)**	$	(149,263)
Statutory tax rate		**26.5%**		26.5%
Expected income tax recovery		**(506,960)**		(39,555)
Temporary differences not recognized		**506,960**		39,555
Income tax recovery		**$ -**		$ -

(Expressed in Canadian dollars)

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences because it is not probable that future taxable profit will be available against which the Company can utilize these benefits:

	2021	**2020**
Non-capital losses	**$8,608,217**	$ 7,236,537
Capital losses	**-**	34,654
Share issuance costs	**104,341**	102,472
	$8,712,558	$7,373,663

The Canadian non-capital losses carried forward will expire between 2035 and 2041. Share issue and financing costs will be fully amortized in 2025.

16. SUBSEQUENT EVENTS

The Company invested in GG Hub an additional €50,000 on January 25, 2022, €100,000 on February 24, 2022 and €100,000 on March 31, 2022, which represented an additional 12.5% ownership. As a result, the Company has acquired a total of 35% interest in GG Hub.

On January 27, 2022, the Company entered into a share purchase agreement with 1281750 B.C. Ltd. ("BC Ltd") and the shareholders of BC Ltd to which the Company has acquired 100% of the issued and outstanding shares of BC Ltd. As consideration for the transaction, the Company issued 5,000,000 common shares in the capital of the Company. BC Ltd. is a private company that creates, develops and publishes software related to mobile games and applications. The Campaign is a hybrid casual mobile game and political campaign app designed to engage a wide range of mobile players. It enhances players' experience and connection with politics through a rewarding game that includes a suite of communication features where players follow stories as they manage and grow a political campaign. Based on the popular Idle game genre, the game is being developed to support a dual game strategy, with a direct-to-consumer version (B2C) and a fully customizable business to business version (B2B). The Company has not yet assessed whether the acquisition qualifies as a business combination or asset purchase.

On January 24, 2022 550,000 options were exercised at $0.165 per share for total proceeds of $90,750.

On February 1, 2022, the Company settled an aggregate of $196,252 of indebtedness to certain creditors through the issuance of 1,308,349 common shares in the capital of the Company at a price of $0.15 per common share.

On February 1, 2022, the Company granted 2,425,000 options at a price of $0.15 per share and expiring on February 1, 2027.

On February 23, 2022 and March 30, 2022, the Company entered into loan agreements with Crest Resources for $145,000 and $140,000 respectively at 5% interest per annum, with a maturity date of December 31, 2022.

On March 11, 2022, the Company issued 250,000 options to purchase common shares of the Company exercisable at a price of $0.15 per share and expiring on March 10, 2027.