PLAYGROUND VENTURES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2022 and 2021

(Expressed in Canadian dollars)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

May 30, 2022

"Chris Irwin"
Chief Executive Officer

"Nidhi Kumra"
Chief Financial Officer

PLAYGROUND VENTURES INC.
Condensed Interim Consolidated Statements of Financial Position
As at March 31, 2022 and December 31, 2021
(Expressed in Canadian dollars)

	Note	March 31, 2022	December 31, 2021
			$
ASSETS		**(unaudited)**	(audited)
Current			
Cash		**10,078**	54,608
HST receivable		**33,872**	50,748
Accounts receivable		**10,096**	10,096
Prepaid expenses and other assets	**7**	**243,914**	232,450
		297,960	347,903
Long Term			
Investment in TinyRex	**8**	**350,000**	350,000
Investment in MotionPix	**8**	**997,987**	997,987
Investment in GG Hub	**8**	**622,061**	339,606
Investment in Campaign	**10**	**434,428**	-
Intangible assets	**9**	**4,253,552**	4,253,552
Other investments		**4,256**	4,256
Goodwill		**323,555**	323,555
		6,985,839	6,268,956
Total Assets		**7,283,799**	6,616,859
LIABILITIES AND EQUITY			
Current			
Trade payables and accrued liabilities		**583,633**	592,609
Payable to TinyRex	**8**	**117,333**	117,333
Payable to MotionPix	**8**	**19,100**	19,300
Due to Crest Resources		**285,000**	-
Total liabilities		**1,005,066**	729,242
Equity			
Share capital	**11**	**14,969,291**	14,170,636
Warrant reserve	**11**	**1,181,887**	1,181,887
Share based payment reserve	**12**	**684,818**	491,075
Deficit		**(10,557,263)**	(9,955,980)
Total shareholders' equity		**6,278,733**	5,887,617
Total liabilities and shareholders' equity		**7,283,799**	6,616,859

Nature of operations (Note 1)
Going concern (Note 2)
Subsequent event (Note 15)

On behalf of the Board of Directors on May 30, 2022:

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

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

PLAYGROUND VENTURES INC.
Condensed Interim Consolidated Statements of Comprehensive Loss
For the Three Months Ended March 31, 2022 and 2021
(Expressed in Canadian dollars)
(Unaudited)

	Note	Three months ended March 31, 2022	Three months ended March 31, 2021
		$	$
Operating expenses			
Consulting and management fees		**168,355**	167,639
General and administrative		**48,213**	2,479
Sales and Marketing		**1,500**	-
Professional fees		**33,014**	37,661
Equity issuance expense		**284,096**	666,226
		535,178	874,005
Other items			
Loss on debt settlements		**-**	(92,455)
Interest Income		**8,342**	2,645
Gain (loss) on foreign exchange		**(6)**	-
		8,336	(89,810)
Share of Associate	**8**	**(74,441)**	-
Net loss and comprehensive loss		**(601,283)**	(963,815)
Loss per share - basic and diluted	**13**	(0.01)	(0.03)
Weighted average number of common shares outstanding			
Basic	**13**	59,069,250	28,016,000
Diluted	**13**	59,069,250	40,051,000

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

PLAYGROUND VENTURES INC.
Condensed Interim Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2022 and 2021
(Expressed in Canadian dollars)

	Note	Shares Issued					
		Number of Shares	Amount	Warrant Reserve	Share-based Payment Reserve	Deficit	Total
			$	$	$	$	$
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				666,226		666,226
Option redemption	12	500,000	170,325		(87,825)		82,500
Warrant issuance	11			267,737			267,737
Shares issued for private placements	11	5,901,108	531,771				531,771
Shares issued for debt	11	1,155,682	219,580				219,580
Cost of share issuances	11		(20,468)				(20,468)
Net loss for the period						(963,815)	(963,815)
Balance, March 31, 2021		**31,388,123**	**9,781,495**	**$766,289**	**578,402**	**(9,006,735)**	**2,119,449**
Option Issuances	12	-	-	-	8,934	-	8,934
Option redemption	12	575,000	198,636	-	(96,261)		102,375
Shares issued for debt	11	250,000	145,000	-	-		145,000
Shares issued on acquisition of MotionPix	11	1,670,000	690,173	-	-		690,173
Shares issued on private placement	11	5,519,114	1,466,237	-	-		1,466,237
Warrants issued on private placement	11	-		465,453	-		465,453
Cost of share issuances	11	-	(91,762)	-	-		(91,762)
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		-	-	-	-	(949,245)	(949,245)
Balance December 31, 2021		**55,902,237**	**14,170,636**	**1,181,887**	**491,075**	**(9,955,980)**	**5,887,617**
Shares issued on acquisition of Campaign	11	5,000,000	421,300				421,300
Option redemption	12	550,000	181,103		(90,353)		90,750
Shares issued on debt settlements	11	1,308,349	196,252				196,252
Option Issuances	12				284,096		284,096
Net comprehensive loss for the period						(601,283)	(601,283)
Balance, March 31, 2022		**62,760,586**	**14,969,291**	**1,181,887**	**684,818**	**(10,557,263)**	**6,278,733**

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

PLAYGROUND VENTURES INC.
Condensed Interim Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2022 and 2021
(Expressed in Canadian dollars)

	Note	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
		$	$
Operating activities			
Loss for the period		**(601,283)**	(963,815)
Adjustments to reconcile net loss to cash used in operating activities:			
Equity issuance expense		**284,096**	666.226
Loss on settlement of debt		**-**	92,455
Share of Associate	**8**	**74,441**	-
FX loss		**6**	-
Changes in non-cash working capital:			
HST receivable		**16,876**	13,460
Prepaid expenses	**7**	**(11,464)**	(31,213)
Trade payables and accrued liabilities		**187,071**	13,371
Cash provided used in operating activities		**(50,257)**	(209,516)
Investing activities			
Advances on demand promissory note		**-**	(470,000)
Investment in Campaign		**(13,128)**	-
Investment in GG Hub		**(356,896)**	-
Cash used in financing activities		**(370,024)**	(470,000)
Financing activities			
Receipts on options exercised	**12**	**90,750**	82,500
Receipts of common share issuances	**12**	**-**	799,508
Share issuance costs	**11**	**-**	(20,468)
Short Term Loan		**285,000**	-
Cash provided from financing activities		**375,750**	861,540
Change in cash during the period		**(44,530)**	182,024
Cash, beginning of period		**54,608**	148,449
Cash, end of period		**10,078**	330,473

The accompanying notes are an integral part of these condensed interim 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 three months ended March 31, 2022 of $601,283 (three months ended March 31, 2021 – loss of $963,815). The Company's cumulative deficit was $10,557,263 as of March 31, 2022 (December 31, 2021 - $9,955,980). 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 March 31, 2022 is a deficit of $707,106 (December 31, 2021 – deficit of $381,339). During the three months ended March 31, 2022, the Company obtained a short term loan of $285,000. 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 condensed interim condensed interim 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 condensed interim condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial reporting on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). These condensed interim financial statements do not include all notes of the type normally included within the annual financial report and should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2021, which has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These condensed interim condensed interim consolidated financial statements were approved and authorized by the Board of Directors of the Company on May 30, 2022.

3.2 Basis of consolidation

These condensed interim condensed interim 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., Countervail Games Ltd. (“Countervail”) and 1281750 B.C. Ltd. 1281750 B.C. Ltd has been consolidated from the date of obtaining control, being the effective date of January 27, 2022. 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 condensed interim condensed interim 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 condensed interim condensed interim 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 condensed interim 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 condensed interim 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 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.

4.5 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.

4.6 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.

4.7 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 March 31, 2022 and March 31, 2021, both the carrying and fair value amounts of the Company's cash, accounts receivable, other current assets, trade and other payables, Due to TinyRex, Due to MotionPix and Due to Crest Resources 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 March 31, 2022 and 2021 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, Due to MotionPix and Due to Crest Resources 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.

(Expressed in Canadian dollars)

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 2022.

7. PREPAID EXPENSES AND OTHER ASSETS

	March 31, 2022	**December 31, 2021**
Prepaid management fees	**$153,714**	$176,773
Other current assets	**90,200**	55,677
Demand promissory note	**-**	-
Total prepaid expenses and other assets	**$243,914**	$232,450

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 three months ended March 31, 2022, the Company amortized $23,059 (12 months ended December 31, 2021 - $103,238) on the consolidated statement of comprehensive loss.

(Expressed in Canadian dollars)

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. 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. $19,100 (December 31, 2021 - $19,300) of the $300,000 remains payable 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. The Company recorded their 40% share of the loss of MotionPix of $nil (2021 - $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 €500,000 (December 31, 2021 - €250,000) to GG Hub and as a result, the Company has acquired a 35% interest in GG Hub as at March 31, 2022 (December 31, 2021 -22.5%).

	Total assets	**Total liabilities**	**Total revenue**	**Total profit/ (loss)**	**Share ownership**	**Share of Associate**
MotionPix	$2,419,507	$25,231	-	$nil	40%	$nil
GG Hub	$248,515	$69,314	-	$(250,590)	35%	$(74,441)
WeatherGen	$11,167	$552	-	$nil	40%	$nil
	$ 2,682,681	**$64,302**	-	**$ (184,627)**		**$ (74,441)**

(Expressed in Canadian dollars)

9. INTANGIBLE ASSETS

	Modern Miner	Gaming IP	Total
	$		$
Cost			
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**
Addition	-	-	-
As at March 31, 2022	**1,123,552**	**3,130,000**	**4,253,552**

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.

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.

The Gaming IP is related to the Countervail acquisition. 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.

(Expressed in Canadian dollars)

For the three months ended March 31, 2022, Countervail contributed $207 to the Company's consolidated statements of comprehensive loss.

10. ACQUISITION OF CAMPAIGN

On January 27, 2022, the Company acquired all issued and outstanding common shares of 1281750 B.C. Ltd for the acquisition of the "Campaign" game development project. As consideration for the transaction, the Company issued 5,000,000 common shares in the capital of the Company. In accordance with the measurement period permitted under IFRS 3 - Business Combinations, the Company is still assessing the impact of the acquisition on the financial statements and finalizing the purchase price allocation.

11. SHARE CAPITAL

Authorized: An unlimited number of common shares.

a) Issued and outstanding:

	Number of Shares	Amount ($)
Balance, December 31, 2021	**55,902,237**	**14,170,636**
Shares issued on acquisition of Campaign	5,000,000	421,300
Option redemption	550,000	181,103
Shares issued for debt	1,308,349	196,252
Balance, March 31, 2022	**62,760,586**	**14,969,291**

Debt Settlement

On February 1, 2022, the Company issued an aggregate of 1,308,349 shares at a price of $0.15 per common share to settle an aggregate of $196,252 of indebtedness with arm's length creditors.

b) Warrants:

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

	Number of Warrants	Weighted Average Exercise Price
		$
Balance December 31, 2021	**11,019,215**	**$ 0.305**
March 31, 2022	**11,019,215**	**$ 0.305**

(Expressed in Canadian dollars)

The following table reflects the warrants issued and outstanding as of March 31, 2022:

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

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.

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, 2021	**2,550,000**	**$ 0.193**
Option issuances	2,675,000	$0.150
Option redemption	(550,000)	$0.165
Balance, March 31, 2022	**4,675,000**	**$0.175**

During the three months ended March 31, 2022, 550,000 options were exercised at $0.165 for proceeds of $90,750.

(Expressed in Canadian dollars)

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

	February 1, 2022
Expected life	5 years
Expected volatility	236.4%
Risk-free interest rate	1.79%
Dividend yield	Nil
Underlying share price	$0.110
Exercise price	$0.150

	March 10, 2022
Expected life	5 years
Expected volatility	237.3%
Risk-free interest rate	2.42%
Dividend yield	Nil
Underlying share price	$0.080
Exercise price	$0.150

The following table provides additional information about outstanding stock options at March 31, 2022:

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	1,300,000	3.78	$ 0.165	1,300,000	$ 0.165
February 4, 2021	100,000	3.85	0.200	100,000	0.200
March 7, 2021	600,000	3.93	0.280	600,000	0.280
February 1, 2022	2,425,000	4.84	0.150	2,425,000	0.150
March 10, 2022	250,000	4.94	0.150	250,000	0.150
March 31, 2022	**4,675,000**	**4.41**	**$0.175**	**4,675,000**	**$0.175**

(Expressed in Canadian dollars)

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.

		March 31, 2022		March 31, 2021
Basic weighted average number of shares outstanding - beginning and ending balance		59,069,250		28,016,000
Dilutive weighted average number of shares outstanding		59,069,250		40,051,000
Net loss	$	(601,283)	$	(963,815)
Weighted average basic loss per share	**$**	**(0.01)**	**$**	**(0.03)**
Weighted average diluted loss per share	**$**	**(0.01)**	**$**	**(0.03)**

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:

Three Months Ended March 31	**2022**	**2021**
	$	**$**
Short-term employee benefits	135,000	122,955
Total compensation to key management	135,000	122,955

Included in accounts payable and accrued liabilities as at March 31, 2022 are amounts of $131,647 (December 31, 2021 -$195,392) 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 $153,714 (December 31, 2021 - $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.

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

15. SUBSEQUENT EVENTS

On April 13, 2022, the Company entered into an additional loan agreement with Crest Resources for $3,000 at 5% interest per annum, with a maturity date of December 31, 2022.

On May 3, 2022, the Company paid the remaining $19,100 of the $300,000 investment to MotionPix.

A Director of the Company has made three loans for a total of $60K to the Company on the following dates and amounts: April 29, 2022 - $5K; May 3, 2022 - $25K; May 27, 2022 - $30K.

On May 24, 2022, The Company provided an update on MotionPix and the launch of its exclusive Paramount Pictures licensed mobile game TOP GUN LEGENDS ("Legends"). Legends was developed and distributed by partners and industry veterans at MotionPix and is the only official licensed mobile game for the Paramount Pictures' Top Gun franchise, with the IP under license from Paramount Pictures in partnership with Paramount Consumer Products. The game is a 3D shooter which combines the easy-to-pick up, addictive gameplay of arcade shooters with competitive Player Vs Player ("PvP") features and a rich game meta based on Top Gun lore. The game is available globally on Android and iOS.