Victory Square Technologies Inc.
(Formerly Fantasy 6 Sports Inc.)

Condensed Consolidated Interim Financial Statements
Three months ended March 31, 2018 and 2017

(Unaudited – Prepared by Management)

Expressed in Canadian Dollars

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed consolidated interim financial statements of Victory Square Technologies Inc. (formerly Fantasy 6 Sports Inc.) are the responsibility of the Company's management. The condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded, and financial information is reliable.

Victory Square Technologies Inc. (formerly Fantasy 6 Sports Inc.)
Condensed consolidated interim unaudited statements of financial position
(Expressed in Canadian dollars)

	Note		March 31, 2018		December 31, 2017
ASSETS					
Current assets					
Cash		$	3,372,542	$	2,715,182
Prepaids			344,980		415,254
Trade receivables			110,245		50,513
Government sales tax receivable			59,120		63,605
Marketable securities	4		13,800		45,000
Digital currencies	7		463,823		263,441
			4,364,510		3,552,995
Non-current assets					
Investments	5		8,654,442		5,118,359
Long-term advances	6		3,135,609		1,455,731
Loan receivable	8		1,293,202		-
Equipment	9		4,412		-
Intangible assets	9		1,343,498		1,586,269
TOTAL ASSETS		**$**	**18,795,673**	**$**	**11,713,354**
LIABILITIES					
Current liabilities					
Trade payables	11	$	327,728	$	242,154
Accrued liabilities	11		193,283		544,206
Deferred revenue			23,157		6,300
Payable for investments	5		700,000		-
Related party loans	11		3,280,628		1,094,793
TOTAL LIABILITIES			**4,524,796**		**1,887,453**
SHAREHOLDERS' EQUITY					
Share capital	10		22,442,684		15,960,006
Reserve	10		104,403		104,403
Accumulated other comprehensive income			50,646		82,130
Deficit			(8,326,856)		(6,320,638)
SHAREHOLDERS' EQUITY			**14,270,877**		**9,825,901**
TOTAL LIABILITIES AND SHARESHOLDERS' EQUITY		**$**	**18,795,673**	**$**	**11,713,354**

Nature of operations and going concern – Note 1
Subsequent events – Note 15

These consolidated financial statements were authorized for issue by the Board of Directors on May 30, 2018.

Director: “Shafin Tejani” Director: “Sheri Rempel”

See accompanying notes to the condensed consolidated interim unaudited financial statements.

(Expressed in Canadian dollars)

	Note	Three months ended March 31, 2018	2017
Revenue		$ 248,347	$ 7,003
Cost of goods sold		243,185	-
		5,162	7,003
Expenses			
Amortization	9	242,897	242,771
Donations		55,000	-
Foreign exchange loss		17,371	7
General and administration		9,065	18,427
Insurance		4,836	-
Interest	11	5,085	6,452
Investor relations		43,165	2,000
Management fees	11	47,500	60,250
Professional fees	11	103,038	36,728
Rent		36,161	-
Research and development		13,450	73,100
Sales and marketing		1,131,569	38,683
Transfer agent and regulatory fees		7,259	12,403
Wages		125,979	70,722
Total expenses		(1,842,375)	(561,543)
Other Items			
Equity loss on investment	5	(246,702)	-
Dilution loss on investment	5	(49,891)	-
Fair value loss on digital currencies	7	(123,838)	-
Interest income	8	36,953	-
Cryptomining revenue	7	214,473	-
		(169,005)	-
Net loss for the period		(2,006,218)	(554,540)
Other comprehensive income (loss)			
Unrealized loss on investment	4	(31,200)	-
Currency translation adjustment		(284)	1,080
		(31,484)	1,080
Total comprehensive loss		**$ (2,037,702)**	**$ (553,460)**
Loss per share - basic and diluted		**$ (0.03)**	**$ (0.01)**
Weighted average number of common shares outstanding - basic and diluted		**63,472,773**	**48,611,682**

See accompanying notes to the condensed consolidated interim unaudited financial statements.

Victory Square Technologies Inc. (formerly Fantasy 6 Sports Inc.)
Condensed consolidated interim unaudited statements of changes in shareholders' equity
(Expressed in Canadian dollars)

	Share Capital										
	Number of shares		Amount		Accumulated other comprehensive income		Reserve		Deficit		Total
Balance at January 1, 2017	48,611,639	$	4,866,212	$	57,963	$	104,403	$	(3,582,394)	$	1,446,184
Shares issued - conversion of special warrants	500		100		-		-		-		100
Currency translation adjustment	-		-		1,080		-		-		1,080
Net loss for the period	-		-		-		-		(554,540)		(554,540)
Balance at March 31, 2017	**48,612,139**		**4,866,312**		**59,043**		**104,403**		**(4,136,934)**		**892,824**
Balance at January 1, 2018	62,384,759		15,960,006		82,130		104,403		(6,320,638)		9,825,901
Shares issued - investments	552,434		1,482,677		-		-		-		1,482,677
Shares issued - warrants exercised for cash	3,333,334		5,000,001		-		-		-		5,000,001
Unrealized loss on investment	-		-		(31,200)		-		-		(31,200)
Currency translation adjustment	-		-		(284)		-		-		(284)
Net loss for the period	-		-		-		-		(2,006,218)		(2,006,218)
Balance at March 31, 2018	**66,270,527**	**$**	**22,442,684**	**$**	**50,646**	**$**	**104,403**	**$**	**(8,326,856)**	**$**	**14,270,877**

(See Notes 4, 5 and 10)

See accompanying notes to the condensed consolidated interim unaudited financial statements.

Victory Square Technologies Inc. (formerly Fantasy 6 Sports Inc.)
Consolidated statements of cash flows
(Expressed in Canadian dollars)

	Three months ended March 31, 2018	2017
Operating activities		
Net loss for the period	$ (2,006,218)	$ (554,540)
Adjustments for non-cash items:		
Amortization	242,897	242,771
Fair value loss on digital currencies	123,838	-
Cryptomining revenue	(214,473)	-
Interest income	(36,953)	-
Interest expense	4,514	4,790
Equity loss on investments	246,702	-
Dilution loss on investment	49,891	
Changes in non-cash working capital items:		
Prepaids	140,548	18,294
Trade receivables	(59,732)	(612)
Government sales tax recoverable	4,485	523
Trade payables	15,300	140,538
Accrued liabilities	17,217	(68,377)
Deferred revenue	16,857	-
Player deposits	-	(186)
Net cash flows used in operating activities	(1,455,127)	(216,799)
Investing activities		
Long term advances	(1,201,197)	-
Loan receivable	(627,249)	
Long-term investments	(1,350,000)	-
Purchase of equipment	(4,538)	-
Disposal of cryptocurrency	22	
Net cash flows used in investing activities	(3,182,962)	-
Financing activities		
Shares issued, net	5,000,001	100
Proceeds from related party loans	263,231	222,018
Net cash flows from financing activities	5,263,232	222,118
Effect of foreign exchange rate changes on cash	(283)	1,080
Change in cash	624,860	6,399
Cash, beginning	2,715,182	11,794
Cash, ending	**$ 3,340,042**	**$ 18,193**

See accompanying notes to the condensed consolidated interim unaudited financial statements.

1. Nature of Operations and Going Concern

Victory Square Technologies Inc. (formerly Fantasy 6 Sports Inc.) (the "Company") was incorporated under the Business Corporation Act (British Columbia) on February 10, 2015. On June 9, 2017, the Company changed its name to Victory Square Technologies Inc. The Company is a sports, entertainment and technology company which produces and develops interactive fan engagement platforms for corporations, media, broadcasts and not-for-profit societies and charities.

The Company's registered office is at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The head office and principal address of the Company is located at Suite 300, 128 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1G8. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "VST" and the Frankfurt Stock Exchange under the symbol "6F6". The Company is also quoted on the OTC Markets in the United States under the symbol of "FNTYF".

These condensed consolidated interim unaudited financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2018, the Company had a working capital deficit of $160,286 (December 31, 2017 – working capital of $1,665,542) and an accumulated deficit of $8,326,856. The Company does not have sufficient cash to sustain operations for the next twelve months without additional financing. The continued operations of the Company are dependent on its ability to generate future cash flows and/or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due; however, they may not be at terms that are favourable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

On July 6, 2017, the Company entered into an Assignment and Assumption Agreement (the "Assignment Agreement") whereby the Company acquired a 40% interest, as a member, in Unified Film Fund II, LLC (the "Film Fund"). At March 31, 2018, the Film Fund is a designated corporate guarantor on a loan that is due on May 30, 2018. The loan is secured against the Film Fund's rights as a member of the Special Purpose Entity ("SPE") that produced the film and all ownership and membership interest in the motion picture produced by the SPE. Should the lender call on its security, the remaining investment in the Film Fund would likely be fully impaired. (Note 5).

2. Statement of Compliance and Basis of Preparation

These condensed consolidated interim unaudited financial statements were authorized for issue on May 30, 2018, by the directors of the Company.

Statement of Compliance

These condensed consolidated interim unaudited financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these condensed consolidated interim unaudited financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2017.

2. Statement of Compliance and Basis of Preparation (Continued)

The condensed consolidated interim unaudited financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended December 31, 2017.

Basis of Preparation
The condensed consolidated interim unaudited financial statements have been prepared on a historical cost basis and are presented in Canadian dollars.

3. New Accounting Standards and Interpretations

Financial Instruments
The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of January 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilize a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated other comprehensive income on January 1, 2018.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

3. New Accounting Standards and Interpretations (continued)

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

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss.

Revenue from Contracts with Customers
The Company adopted all of the requirements of IFRS 15 Revenue from Contracts with Customers (“IFRS 15”) as of January 1, 2018. IFRS 15 utilizes a methodical framework for entities to follow in order to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The change did not impact the cumulated revenue recognized or the related assets and liabilities on the transition date.

Immersive Experiences Revenue
The Company, through its subsidiary F360, provides immersive services primarily through the construction of escape rooms. Revenue from providing these services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that gave rise to the revision become known to management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset (receivable) is recognised. If the payments exceed the services rendered, a contract liability (deferred revenue) is recognized.

New Accounting Policies

The following accounting policies were adopted in the current period:

Cryptomining Revenue
The Company recognizes revenue from the provision of transaction verification services within digital currency networks, commonly termed “cryptocurrency mining”. As consideration for these services, the Company receives digital currency from each specific network in which it participates (“coins”). Revenue is measured based on the fair value of the coins received. The fair value is determined using the spot price of the coin on the date of receipt, based on the hourly volume weighted average from www.cryptocompare.com. The coins are recorded on the statement of financial position, as digital currencies, at their fair value and re-measured at

(Expressed in Canadian dollars)

3. New Accounting Standards and Interpretations (continued)

New Accounting Policies

Cryptomining Revenue (continued)

each reporting date. Revaluation gains or losses, as well as gains or losses on the sale of coins for traditional (fiat) currencies are included in profit and loss. The Company records the revaluation gains and losses in the Statement of Loss and Comprehensive Loss.

Property and Equipment

Property and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation and amortization are calculated using the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. The depreciation and amortization rates applicable to each category of equipment are as follows:

Class of property and equipment	Depreciation rate
Computers	3 years

Accounting Standards Issued But Not Yet Applied

Leases

On January 13, 2016, the IASB published a new standard, IFRS 16, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company continues to assess the impact of adopting this standard on its consolidated financial statements.

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's consolidated financial statements.

4. Marketable Securities

During the year ended December 31, 2017, the Company purchased 30,000 common shares of Big Blockchain Intelligence Group Inc. ("Big Blockchain") for $22,500. Big Blockchain's shares are listed on the CSE. The fair value of the shares at December 31, 2017 was $45,000 and at March 31, 2018 was $13,800. The Company recorded an unrealized mark-to-market loss of $31,200 to comprehensive income during the period ended March 31, 2018.

(Expressed in Canadian dollars)

5. Investments

The Company's investments at March 31, 2018 and December 31, 2017 consisted of the following:

Investment	Balance at March 31, 2018	Balance at December 31, 2017
Unified Film Fund II, LLC	$ 3,728,571	$ 3,728,571
Multapplied Networks, Inc.	600,000	600,000
VS Blockchain Assembly Inc.	673,345	789,788
Cassia Research Inc.	1,514,982	-
PayVida Solutions Inc.	2,037,544	-
Cryptobuyer Technologies Corp.	100,000	-
	$ 8,654,442	$ 5,118,359

a) Unified Film Fund II, LLC

In accordance with the Assignment Agreement, the Company acquired a 40% interest in the Film Fund from Interlock Capital Ltd. ("Interlock"), a private company incorporated under the laws of British Columbia. As consideration, the Company issued Interlock 5,000,000 common shares at a fair value of $4,500,000.

The Company, by way of the Assignment Agreement, was assigned all of Interlock's rights, title and interest in and to the Film Fund, in accordance with an underlying Investor Agreement (the "Investor Agreement") dated July 6, 2017.

Prior to the Company's assumption, Interlock paid $4,500,000 (USD $3,500,000) in capital towards the Film Fund. The Film Fund is designed to be utilized towards financing the development, production, distribution or marketing of any of the anticipated 7 motion pictures, each to be produced by a SPE. A single SPE will be formed to produce, own, and acquire the underlying rights in and to each of the motion pictures.

In return for the conveyance of interest in the Film Fund, the Company will pay Interlock royalties commencing August 1, 2018 and for a period of 7 years thereafter, as follow:

a) 5% royalty on annual profits directly derived from the Investor Agreement in excess of $10,000,000;
b) 10% royalty on annual profits directly derived from the Investor Agreement in excess of $20,000,000; and
c) 15% royalty on annual profits directly derived from the Investor Agreement in excess of $30,000,000.

The value of the common shares issued by the Company will be deducted from such profits until the entire value of the shares has been so deducted.

The Company will recoup its investment in the Film Fund as follows:

a) the investment plus a 20% pro rata with any payment of distributable cash, as defined; and
b) a 40% non-dilutable share of distributable cash.

During the year ended December 31, 2017, the Film Fund incorporated 2 SPE's. The Film Fund financed a portion of the budgeted cost of the development, production, distribution and marketing of the respective SPE's and a portion of the funding was provided by way of loans from The Fyzz Facility ("The Fyzz"), a motion picture and financing company.

The respective SPE's were funded through the Company's capital investment as follows:

What They Had Film, LLC	$2,256,043 (USD $1,754,700)
UFF 2 Ride Movie LLC	$771,429 (USD $600,000)

(Expressed in Canadian dollars)

5. Investments (continued)

a) Unified Film Fund II, LLC (continued)

The investment in UFF 2 Ride Movie LLC of $771,429 was impaired during the year ended December 31, 2017.

The SPE for What They Had Film, LLC was funded by way of a loan from The Fyzz as follows:

	What They Had Film, LLC
Principal	USD $1,945,000
Interest	USD $291,750
Total due at March 31, 2018	USD $2,238,734 (including $1,984 in interest accrued during the grade period
Interest Rate	15%
Maturity Date	May 30, 2018
Grace Period	4 - 6 months
Grace Period Interest	2.75% per month
Corporate Guarantor	Film Fund

The What They Had Film, LLC loan is secured against the Film Fund's rights as a member of such fund and all ownership and membership interest in the motion picture produced by the SPE. This loan was due May30, 2018, and is unpaid. (Note 1).

A 40% shareholding in the Film Fund would, presumably, give rise to significant influence and the Company would account for this investment in accordance with equity accounting. However, the key rights of the Company, as a member, are set out in contractual arrangements other than in a shareholders' agreement and, as such, the Film Fund is a "structured entity" as defined in IFRS 12 "Disclosure of interests in other entities" as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when voting rights relative to administrative tasks only and the relevant activities are directed by means of contractual arrangements. Therefore, management has concluded that the Company does not have significant influence and the investment has been accounted for as a financing arrangement.

b) Multapplied Networks, Inc.

On December 27, 2017, the Company entered into an agreement to acquire 10% of the issued and outstanding common shares of Multapplied Networks, Inc. ("MNI") for $600,000.

MNI is an enterprise software-defined wide area networking company that focuses on utilizing its proprietary software in facilitating a global decentralized internet.

c) VS Blockchain Assembly Inc.

On October 10, 2017, the Company acquired a 59.26% interest in the issued and outstanding common shares of VS Blockchain Assembly Inc. ("Blockchain Assembly"), a company related by common directors, for $16. On December 6, 2017, the Company's interest was diluted to 48.34% and to 36.17% on January 25, 2018.

Accordingly, the Company consolidated the results of Blockchain Assembly from October 10, 2017 to December 6, 2017. Upon the loss of control, the Company ceased consolidation and:

a) derecognized the assets and liabilities Blockchain Assembly from the consolidated statement of financial position and;

b) recognized the retained investment in Blockchain Assembly at its fair value.

5. Investments (continued)

c) VS Blockchain Assembly Inc. (continued)

The net assets of Blockchain Assembly equaled the fair value at the date of loss of control on December 6, 2017. The Company's interest in the fair value of the net assets, of $1,039,770 was recorded as the cost of the investment on initial recognition and, subsequently, the Company accounts for its investment in Blockchain Assembly as an equity investment. The value of the investment at December 31, 2017 was $789,788.

During the period ended March 31, 2018, the Company recorded an equity loss of $66,551 and a loss on dilution of $49,891 due to the dilution of the Company's interest from 38.85% on December 31, 2017 to 36.17% on January 25, 2018 and the value of the investment was reduced to $673,345.

Blockchain Assembly is a blockchain and cryptocurrency investment and advisory service firm.

d) Cassia Research Inc.

The Company entered into an agreement to purchase a 23.1% interest in the issued and outstanding common shares of Cassia Research Inc. ("Cassia") for cash of $1,000,000 and 187,266 common shares of the Company with a fair value of $514,982 for total consideration of $1,514,982. In addition, the Company will provide Cassia with a $250,000 line of credit. As at March 31, 2018, the Company owed $450,000 to Cassia for this investment and held an interest of 19.68% in Cassia.

e) PayVida Solutions Inc.

The Company entered into an agreement to purchase a 31.35% interest in the issued and outstanding common shares of PayVida Solutions Inc. ("PayVida") for cash of $1,250,000 and 365,168 common shares of the Company with a fair value of $967,695 for total consideration of $2,217,695. At March 31, 2018, the Company owed $250,000 to PayVida for this investment and held an interest of 33.67% in PayVida. During the period ended March 31, 2018, the Company recorded an equity loss of $180,151 and the value of the investment was reduced to $2,037,544.

PayVida is a fintech company which connects merchants and consumers with e-commerce, mobile, in-store payment acceptance and disbursement technology. PayVida's technology enables existing merchants' POS terminals and POS systems to accept fiat and cryptocurrencies as a payment method.

f) Cryptobuyer Technologies Corp.

The Company purchased 1,000,000 common shares of Cryptobuyer Technologies Corp. for $100,000.

(Expressed in Canadian dollars)

6. Advances

As at March 31, 2018 and December 31, 2017, the Company made the following advances:

	Balance at March 31, 2018	Balance at December 31, 2017
Personalized Biomarkers Inc.	$ 227,081	$ 227,081
Bluzelle Platform Ptd.Ltd.	250,000	250,000
Blockchain conference prize pools	892,060	503,650
V2Games Inc.	545,680	475,000
Gibraltar Blockchain Exchange	78,406	-
Howyl Ventures Inc.	75,000	-
UnitedData, Inc.	256,180	-
ImpactPPA Limited	40,977	-
LocoNoco Inc.	100,000	-
Deposits on cryptomining equipment	645,225	-
Saber Cruncher Intellectual Property	25,000	-
	$ 3,135,609	$ 1,455,731

a) Personalized Biomarkers Inc.

On August 9, 2017, the Company executed an agreement with Personalized Biomarkers Inc. ("PBI") to acquire up to 33% of the issued and outstanding common shares of PBI. To December 31, 2017, the Company has advanced $227,081 to PBI. Should the Company decide to make further advances to PBI, the advances will be converted into common shares of PBI.

PBI develops test kits that predict the expected response to a number of therapies prior to prescription, with an initial focus on diabetes.

b) Bluzelle Platform Ptd, Ltd.

The Company entered into an agreement with Bluzelle Platform Ptd, Ltd. ("Bluzelle") to participate in Bluzelle's Initial Coin Offering ("ICO") for its digital currency token sale of Bluzelle tokens (BLZ) for $250,000 (US$200,000). Subsequent to March 31, 2018, the Company received 1,969,006 BLZ tokens.

c) Blockchain conference prize pools

During period ended March 31, 2018, the Company advanced an additional $388,410 towards an investment prize pool to be awarded and allocated to a selection of start-up companies. The total amount advanced to March 31, 2018 is $892,060. In return, the Company will receive either an equity investment in or an allocation of ICO tokens to be distributed by each of these companies. To March 31, 2018, no investments or ICO tokens have been distributed to the Company. Subsequent to March 31, 2018, the Company received 582,500 InsurePal tokens and 646,583.99999 Debitum tokens.

d) V2Games Inc.

In connection with the pending acquisition of 100% of all issued and outstanding common shares of V2Games Inc. ("V2 Games") the Company has advanced $545,680. (Note 15).

e) Gibraltar Blockchain Exchange

The Company invested USD $150,000 (CAD $188,175) in Gibraltar Blockchain Exchange. In return the Company will receive 1,650,000 Rocket tokens. As at March 31, 2018, the Company had received 962,500 tokens. The cost of these tokens of $109,769 was reallocated to digital currencies during the period ended March 31, 2018.

(Expressed in Canadian dollars)

6. Advances (continued)

f) Howyl Ventures Inc.

The Company entered into an agreement to purchase a 29.64% interest in the issued and outstanding shares of Howyl Ventures Inc. ("Howyl Ventures") for cash of $100,000 and 364,372 common shares of the Company with a fair value of $528,339 for total consideration of $628,339. In addition, the Company will provide Howyl Ventures with a $500,000 line of credit. The Company has paid $75,000 to March 31, 2018. (Note 15).

g) UnitedData, Inc.

The Company entered into an agreement with UnitedData, Inc. ("UnitedData") to participate in UnitedData's ICO for USD$200,000 (CAD $256,180). In return, the Company will receive an allocation of Shopin coins. No coins have been received as at March 31, 2018.

h) ImpactPPA Limited

The Company entered into an agreement with ImpactPPA Limited ("ImpactPPA") to participate in ImpactPPA's ICO for USD$33,333 (CAD $40,977). In return, the Company will receive an allocation of MPQ tokens. No tokens have been received as at March 31, 2018.

i) LocoNoco Inc.

The Company entered into an agreement to purchase a 9.09% percent interest in the issued and outstanding shares of LocoNoco Inc. for USD $500,000. The Company has paid CAD $100,000 to March 31, 2018.

j) Saber Cruncher Intellectual Property

The Company entered into an agreement to purchase certain intellectual property for $250,000 including $150,000 in cash and $100,000 in FansUnite tokens. The Company has paid $25,000 to March 31, 2018.

7. Digital Currencies

As at March 31, 2018 and December 31, 2017, the Company's digital currencies consisted of the following:

	March 31, 2018		December 31, 2017	
	Number of Tokens/Coins	Quoted Market Price	Number of Tokens/Coins	Quoted Market Price
Bitcoin	19.78	$ 177,844	0.78	$ 13,852
Debitum	522,000	35,709	225,000	62,732
Enjin	415,967	54,013	415,967	90,120
Ethereum	101.90	52,092	101.90	96,737
Rocket	962,500	144,165	-	-
		$ 463,823		$ 263,441

During the period ended March 31, 2018, the Company recorded a fair value loss on digital currencies of $123,838 (2017 - $Nil). In addition, the Company recorded revenue of $214,473 (2017 - $Nil) from cryptomining.

8. Loan Receivable

During the period ended March 31, 2018, the Company entered into two loan agreements with V2Games. The first loan was advanced on January 15, 2018, is unsecured, bears interest at 18% and is due on January 15, 2021. The second loan was advanced on February 16, 2018, is unsecured, bears interest at 18% and is due on February 16, 2021. Total interest of $36,953 was accrued on the loans during the period ended March 31, 2018. The balance owing for principal and interest at March 31, 2018 is $1,293,202.

(Expressed in Canadian dollars)

9. Intangible Assets and Computer Equipment

Intangible assets are comprised of the following:

		FansUnite		Website development costs		Total
Balance, December 31, 2017	$	1,499,021	$	87,248	$	1,586,269
Amortization		(220,960)		(21,811)		(242,771)
Balance, March 31, 2018	$	1,278,061	$	65,437	$	1,343,498

Intangible assets are amortized on a straight-line basis over 3 years.

Research and development costs incurred in the internal development of applications and platforms are expensed as incurred. During the period ended March 31, 2018, the Company incurred $13,450 (2017 - $73,100) in research and development costs with respect to these activities.

During the period ended March 31, 2018, the Company purchased a computer for $4,538 and recorded amortization of $126. The computer is being amortized on a straight-line basis over 3 years. Total amortization of intangible assets and computer equipment was $242,897 for the current period.

10. Share Capital

Authorized Share Capital
Unlimited common shares without par value.

Issued Share Capital
At March 31, 2018, there were 66,270,527 issued and fully paid common shares (December 31, 2017 – 62,384,759).

On February 15, 2018, 187,266 common shares with a fair value of $514,982 were issued in connection with the investment in Cassia (Note 5).

On March 6, 2018, 3,333,334 common shares were issued at a price of $1.50 for proceeds of $5,000,001 in connection with the exercise of 3,333,334 warrants.

On March 7, 2018, 365,168 common shares with a fair value of $967,695 were issued in connection with the investment in PayVida (Note 5).

(Note 15).

Warrants
On March 6, 2018, 3,333,334 warrants were exercised at a price of $1.50 for proceeds of $5,000,001. As at March 31, 2018, there are no warrants outstanding.

Stock Options
The Company has a stock option plan whereby share purchase options are granted in accordance with the policies of regulatory authorities at an exercise price equal to the market price of the Company's shares on the date of the grant and, unless otherwise stated, vest on the grant date and with a term not to exceed ten years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the share purchase option grant.

As at March 31, 2018, the Company has not issued any stock options.

(Expressed in Canadian dollars)

10. Share Capital (continued)

Reserve

The reserve records items recognized as share-based payments and other settlements.

11. Related Party Balances

Related Party Transactions

During the period ended March 31, 2018 and 2017, the Company entered into the following transactions with related parties:

	March 31, 2018	March 31, 2017
Interest	$ 4,514	$ 5,582
Management fees **	$ 32,500	$ 60,250
Professional fees	$ 42,584	$ 15,750
Rent *	$ -	$ 16,800

* Rent was paid to a company controlled by the COO who resigned May 31, 2017

** Includes $Nil (2017 - $27,750) in management fees paid to a company controlled by the COO who resigned May 31, 2017

Related Party Balances

At March 31, 2018, the Company had $130,305 (December 31, 2017 - $94,353) due to related parties included in trade payables and accrued liabilities. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Key Management Compensation

The Company's key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company and consist of the Company's Board of Directors and the Company's executive leadership team. Such compensation was comprised of:

- $42,584 (2017 - $15,750) in professional fees to companies controlled the CFO, for bookkeeping, corporate secretarial and CFO services,
- $32,500 (2017 - $32,500) in management fees to the CEO and,
- $Nil (2017 - $27,750) in management fees to the COO who resigned May 31, 2017.

Related Party Loans

As at March 31, 2018, the Company has $3,280,628 (December 31, 2017 - $1,094,793) in related party loans, which includes $10,375 (December 31, 2017 - $6,259) in accrued interest. The related party loans are unsecured. Related party loans in the amount of $616,149 bear interest at 3% compounded semi-annually and are due on or before October 16, 2018. The balance of the related party loans is due on demand.

12. Operating Segments

The Company operates in several segments including online fantasy sports games, immersive fan experiences, investment in startup technology companies, film production and investment in digital currencies. All of the Company's assets are located in Canada.

13. Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's receivables consist of trade receivables and government sales tax receivable. Based on an evaluation of trade receivables at March 31, 2018, the Company believes that its receivables are collectible and the Company is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risks.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's main source of funding has been the issuance of equity securities through private placements and loans from related parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

d) Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Fair value

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies, as disclosed below. However, considerable judgment is required to develop certain of these estimates. Accordingly, these estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange. The estimated fair value amounts can be materially affected by the use of different assumptions or methodologies. The methods and assumptions used to estimate the fair value of each class of financial instruments are discussed below.

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

Quoted market prices for an identical asset or liability represent a Level 1 valuation. When quoted market prices are not available, the Company maximizes the use of observable inputs within valuation models.

13. Financial Risk Management (continued)

Fair value (continued)

When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the use of significant unobservable inputs are considered Level 3. There were no financial instruments carried at fair value as at March 31, 2018.

Cash and marketable securities are measured using Level 1 inputs.

The Company's financial instruments consist of cash, trade receivables, marketable securities, certain investments, advances, trade payables, and related party loans. The carrying value of these financial instruments approximates their fair value due to the short- term nature of these instruments.

13. Capital Management

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technology and products and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. The Company will require capital resources to carry its plans and operations through its current operating period. The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period.

14. Commitments

a) In fiscal 2016, the Company signed a binding term sheet with Victory Square Labs Inc., a company related by a director in common, for a secured convertible note facility up to $10,000,000 (the "Convertible Note").

The Convertible Note, to be advanced in tranches, will consist of a series of secured convertible promissory notes (each a "Note"), each bearing a term of a minimum of one year, issued pursuant to a note purchase agreement. Interest on each Note will accrue at 6% per annum, compounded annually and payable in common shares in the capital of the Company upon maturity. The Notes will be secured by a first charge over all of the Company's present and subsequently acquired personal property pursuant to a general security agreement.

As of March 31, 2018, the Company has not drawn any funds on the Convertible Note.

b) On July 25, 2017, the Company entered into a contract for services whereby the Company has agreed to issue, as compensation, 2% of total raise in a proposed ICO paid in Bitcoin/Ethereum or Canadian dollars. If the amount raised in such ICO does not meet a minimum threshold and is returned, the right will be revoked. To March 31, 2018, no such issuances have taken place.

c) On November 27, 2017, the Company entered into an employment agreement whereby the compensation for such employee includes the Company providing the employee with 50,000 FansUnite Tokens ("Monthly FANS") per month. The employee agreed to defer and accrue Monthly FANS until such tokens are made available for sale to the general public, at which time the Company will pay to the employee all accrued and deferred Monthly FANS. At the Company's sole discretion, the Company may replace payment of Monthly FANS by raising the annual salary by $50,000. In addition, the employee will receive a minimum of 4% of such portion of common shares of the Company which are held by management of the Company, upon listing of FansUnite on the TSX-Venture Exchange or CSE.

15. Subsequent events

Subsequent to March 31, 2018:

a) On April 19, 2018, the Company completed the acquisition of 29.64% of Howyl Ventures Inc. issuing 364,372 common shares of the Company with a fair value of $528,339 and $25,000 in cash.

b) The Company purchased a 49% interest in the issued and outstanding shares of Flo Digital Inc. ("Flo Digital") and issued 446,428 common shares of the Company with a fair value of $656,249. In addition, the Company has agreed to provide Flo Digital with a convertible loan in the amount of $300,000. The loan will have a term of 4 years and will be non-interest bearing for the first year and will bear interest at 4.45% thereafter. The Company has advanced $25,000 of the loan.

c) The Company purchased 100% of all issued and outstanding shares of Limitless Blockchain Technology, LLC for 3,703,703 common shares of the Company with a fair value of $5,518,517.

d) The Company entered into an agreement to purchase a 12.5% interest in the issued and outstanding shares of Silota Research and Development Inc. ("Silota") for $23.85. In addition, the Company will issue Silota $60,000 under a secured, non-interest-bearing convertible promissory note with a maturity date of five years from date of issuance.

e) The Company entered into an agreement to purchase a 26.5% interest in the issued and outstanding shares of Next Decentrum Technologies Inc. for $3.61. In addition, the Company will issue $450,000 under a secured, non-interest-bearing convertible promissory note. The Company has advanced $25,000 of the loan.

f) The Company has advanced an additional amount of USD $100,000 to LocoNoco (Note 6).

g) The Company purchased 100% of all issued and outstanding common shares of V2 Games Inc. ("V2 Games") for cash of $670,680 (paid) and 685,216 (issued) common shares of the Company.

h) The Company has advanced $120,000 to Cloud Benefit Solutions Inc. ("Cloud") in connection with a letter of intent to purchase 15% of the issued and outstanding shares of Cloud.

i) The Company advanced an additional $330,190 for cryptomining equipment.

j) The Company entered into an agreement to provide an interest-free working capital loan of $150,000 to Shape Immersive Entertainment Inc. and has advanced $128,443.

k) The Company paid the remaining amount of $450,000 owing to Cassia Research Inc. for its investment in that company.

l) The Company paid the remaining amount of $250,000 owing to PayVida Solutions Inc. for its investment in that company.

m) The Company entered into a partnership with the BC Sports Hall of Fame (a related party) for a partnership fee of $275,000 to be paid over a three-year term.

n) The Company's subsidiary, FansUnite, issued 19,100,000 common shares from treasury to management and market partners for nominal consideration and then completed a private placement, issuing a further 17,831,000 common shares for net proceeds of $4,378,625 after deduction of $79, 125 in finders' fees. As a result, the Company's interest in FansUnite was diluted from 100% to 48.55%.