

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR GAMEON ENTERTAINMENT
TECHNOLOGIES INC.**

Years ended December 31, 2023 and 2022

Expressed in Canadian dollars

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This management's discussion and analysis ("MD&A") of the performance, financial condition, and results of operations of GameOn Entertainment Technologies Inc. ("GameOn Entertainment", "GameOn" or the "Company"), should be read in conjunction with the Company's audited consolidated annual financial statements and the related notes thereto for the year ended December 31, 2023 and 2022 (the "Financial Statements"), copies of which are available on SEDAR+ at www.sedarplus.ca.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Unless otherwise indicated, the information contained in this MD&A is as of July 12, 2024.

Unless otherwise indicated, references to "\$" or "dollars" are to Canadian dollars and references to "US\$" are to United States dollars.

Forward Looking Information

This MD&A includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation. All information, other than information regarding historical facts, included in this MD&A that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's and its equity investees' businesses, operations, plans and other such matters is forward-looking information.

When used in this MD&A, the words "estimate", "plan", "anticipate", "expect", "intend", "believe", "will", "should", "could", "may" and similar expressions are intended to identify forward-looking information. This information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

The forward-looking information may include statements regarding:

- timelines;
- strategic plans;
- the business and operations of the Company;
- the Company's business objectives and discussion of trends affecting the business of the Company;
- the funds available to the Company and the principal purposes of those funds;
- anticipated revenues and cash flows from operations and funding requirements of the Company;
- capital, operating and general expenditures;
- expectations regarding the ability to raise capital;
- anticipated revenues to be realized by the Company from future contracts;
- treatment under governmental regulatory regimes and expectations with respect to regulatory approvals; and
- other forward-looking information including, but not limited to, information concerning the intentions, plans and future actions of the Company.

Forward looking information is based on reasonable assumptions, estimates, analysis, and opinions of management made considering its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such information is made available. Forward looking information is inherently subject to known and unknown risks and uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended, including the factors and risks described or referred to elsewhere herein, as well as unanticipated and/or unusual events. Many of such factors are beyond the Company's ability to predict or control. Risks and uncertainties that may affect forward-looking information herein include, but are not limited to, those which relate to:

- the Company's limited operating history as a revenue-generating company;
- the Company's current lack of profitability;
- the need to obtain additional financing and uncertainty as to the availability and terms of future financing;
- the ability to acquire funds necessary for general working capital and continuing operations;

- reliance on sale of equity or investments to access funds required;
- the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain;
- uncertainties associated with business opportunities that may be presented to, or pursued by the Company;
- parameters and assumptions underlying future investments and acquisitions;
- risks associated with investments in small and mid-capitalization companies;
- the Company's operations and profitability may be adversely affected by competition from other similar entities;
- uncertainties related to early stage of technology and product development; uncertainties related to regulatory regimes and laws;
- dependence on key personnel;
- fluctuations in the currency markets and stock market volatility;
- going concern considerations;
- conflicts of interest;
- competition for, among other things, capital, acquisitions, equipment, and skilled personnel;
- operating or technical difficulties in connection with business activities;
- the possibility of cost overruns or unanticipated expenses; and
- the other factors discussed under "*Risks and Uncertainties*".

Should one or more of these risks or uncertainties materialize, or should the assumptions set out in the section titled "*Risks and Uncertainties*" underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. These forward-looking statements are made as of the date of this MD&A, and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Shareholders,

2023 saw a year of exponential growth for the company.

In particular, I'd like to highlight the record numbers below:

- GAAP Revenue reached \$1.51m (295% increase year-on-year)
- Non-GAAP Adjusted Revenue¹ reached \$2.44m (123% increase year-on-year)
- Net loss was \$3.21m, including share-based comp (25% decrease year-on-year)
- Net cash flows used in operating activities was \$942k (56% decrease year-on-year)

As proven by the numbers, the business is rapidly improving each period. We've been emboldened to remain patient, optimize resources, and focus diligently on our fastest path to scaled revenue and profitability. We're incredibly proud of these results from a small but mighty team.

2023 business highlights include:

- Partnered with premier sports leagues, LALIGA, PFL, and Karate Combat
- Received non-dilutive grant funding from leading blockchains, Hedera and Arbitrum
- Partnered with Sportsology to design, develop, and launch the \$GAME token
- Launched the GameOn beta mobile app on the Apple App Store and Google Play

2024 is set to be another leap of progress for the company. If you've followed our recent news, you'll know that continued growth will be spearheaded by new league partnerships, \$GAME's recent launch on major exchanges, and GameOn's launch on the Apple App Store and Google Play. We're well on track to continue the upward trajectory we've seen since going public.

As always, we much appreciate your continued support.

Thanks,

A handwritten signature in black ink, appearing to read 'Matt Bailey', with a long, wavy horizontal line extending to the right.

Matt Bailey, CEO

¹The Company believes the mentioned Non-GAAP financial measures provide meaningful insight to its shareholders in understanding the Company's performance, and may assist in the evaluation of the Company's business relative to that of its peers.

Introduction to the business

Founded in 2018, GameOn (CSE: GET) (OTCQB: GMETF) is a mobile-first, next-gen fantasy sports gaming company, integrating Web3 technology to enhance player engagement and asset ownership. Through partnerships with premier sports leagues such as LALIGA, PFL, and Karate Combat, and leveraging blockchain solutions from Arbitrum, GameOn is delivering a rich, interactive fantasy sports experience. The \$GAME token, crafted in partnership with Sportsology, allows fans globally to compete, engage, and win rewards based on actual sports results. GameOn is setting new standards in the evolution of fantasy gaming, offering unprecedented ways for fans to connect with the sports they love.

Overall Performance

GameOn's performance in 2023 has been a successful period and continues to improve. The Company has been laser-focused on execution and has achieved several important milestones.

Highlights include:

- On March 2, 2023, the Company announced non-dilutive funding from the HBAR Foundation ("Hedera").
- On June 13, 2023, the Company announced a strategic financing raising a total of \$1.81M from two instruments:
 - A series of convertible notes led by a Digital Asset Investment Firm signed on June 28, 2023. The investment has a face value of \$1.31M and simple interest at the annual rate of 10% per annum. Unless earlier converted into common shares ("Shares"), the principal and accrued interest of the Investment will be due and payable by GameOn to the holders of the Investment (the "Holders") on the date that is twenty-four (24) months from the date of the issuance of the Investment (the "Maturity Date"); prior to the Maturity Date with the acceptance of the Holders (provided GameOn pays the Holder all of the interest that would have been due had the Holders held the Investment until the Maturity Date), or upon demand by the Holders. The Investment plus any accrued but unpaid interest thereon will be convertible into Shares of GameOn at a price of \$0.10 per Share. The securities issued will be subject to a 4-month and one-day hold period from the date of issue of the convertible notes forming the Investment, or the Shares. The proceeds of the offering will be used for general working capital purposes and to finance the acquisition of major league partnerships.
 - A non-dilutive grant from a blockchain platform fund signed on June 5, 2023, which is subject to certain project milestones.
- On July 13, 2023, the Company announced a partnership with Professional Fighters League LLC ("PFL") to launch playable collectibles and next-gen fantasy games based on real world PFL fighters and events. PFL is the #2 Mixed Martial Arts ("MMA") company globally and has propelled itself into the co-leader of the sport with recently signed combat sports superstars Jake Paul and Francis Ngannu to fight exclusively in MMA for the PFL.

- On September 13, 2023, the Company announced a deal with LaLiga North America, LLC (“LALIGA”) North America, the world’s most-followed soccer league on social media. GameOn will launch next-gen fantasy games based on real world LALIGA players and matches. Fans will be immersed in a soccer experience like never before - collecting playable avatars, customizing and equipping gear, and playing in various game modes like Live Fantasy, PvP Battles, and Quests. In all modes, fans will win exclusive prizes like cash, VIP tickets, signed merchandise, and superstar meet-and-greets. LALIGA will promote the games across in-stadium events, watch parties, social media, website, mobile apps, and email. The product will be available in the United States and Canada.
- On November 14, 2023, the Company executed a Grant Agreement (the “Agreement”) with The Arbitrum Foundation (the “Foundation”). The Company will build three innovative games on the Foundation’s networks that are scheduled to be completed between March 31, 2024, and July 31, 2024. Upon the Company’s compliance with the Agreement, the Foundation will pay the Company 274,700 ARB tokens with an estimated fair value of \$440,000.
- On November 17, 2023, the Company entered a five-year software development, support and marketing partnership with Sportsology, whereby GameOn partnered with Sportsology to design, develop and launch the \$GAME token.
- During the year ended December 31, 2023, the Company achieved record revenue of \$1,506,516 compared to \$381,272 in the year ended December 31, 2022 (295% increase year-on-year), a net loss and comprehensive loss of \$3,159,668 in Q4-2023 compared to \$4,241,920 in Q4-2022 (25% decrease year-on-year), and net cash flows used in operations of \$942,096 in Q4-2023 compared to \$2,171,053 in Q4-2022 (56% decrease year-on-year).

The following key transactions were recorded in the consolidated financial statements of the Company for the period ended December 31, 2023:

- In the first quarter of 2023, the Company arranged for a total of \$325,000 in non-interest bearing short-term bridge financing for general working capital purposes to be repaid with proceeds from grant funding. In consideration for extending the loans, the Company granted 7,260,080 share purchase warrants exercisable at \$0.06 for a period of two years. As a result of the warrants issued, a total of \$32,910 was allocated to equity reserve and \$17,559 was recorded in accretion expense to December 31, 2023.
- On June 28, 2023, the Company issued a series of convertible notes with identical terms. The notes have a cumulative face value of \$1.29M and simple interest of 10% per annum. Unless the conversion option is exercised, the principal and accrued interest is due and payable 24 months from the date of issuance. On exercising of the conversion option, the principal plus accrued interest is convertible into common shares of the Company at a price of \$0.10 per share.

- On July 14, 2023, the Company granted 128,528 stock options to two employees and three consultants. The total fair value of the 128,528 stock options was \$18,747, of which \$14,002 has been recognized as share-based compensation expense.
- On July 14, 2023, the Company issued 1,200,475 RSUs with a fair value of \$240,095 to various consultants and employees pursuant to an RSU award agreement. The Company issued 550,000 common shares for RSUs that vested immediately on the grant date. The remaining RSUs vest at 25% on grant date and 12.5% each quarter until fully vested.
- During the year ended December 31, 2023, the Company issued 2,302,972 common shares with a fair value of \$372,889 for the conversion of \$225,000 of convertible debentures plus \$5,297 of accrued interest. The Company transferred \$189,101 from contributed surplus to share capital upon conversion of the convertible debentures to common shares.
- On August 8, 2023, the Company announced that pursuant to a note amendment agreement dated December 6, 2022 (the "Note Amendment Agreement"), with BCCL Worldwide Inc. ("BCCL"), it amended the terms of a non-transferable unsecured, non-interest-bearing convertible note previously issued to BCCL on January 4, 2022. Pursuant to the Note Amendment Agreement, the Company and BCCL agreed to i) amend the principal amount of the original note from US\$2,000,000 to US\$387,649, and (ii) extend the maturity date of the original note from January 4, 2023, to January 4, 2025.
- On August 11, 2023, the Company executed a short-term loan agreement with an officer for proceeds of \$351,520 (US\$260,000). The loan bears no interest and is subordinate to the Promissory Note and convertible debentures. The loan is repayable in full at the earliest of the closing or generation of \$1,000,000 in cash flows from financing or operating activities. During September 2023, an officer loaned an additional \$17,576 (US\$13,000) to the Company. The loan is non-interest bearing and has no formal terms of repayment.
- On October 16, 2023, the Company issued 80,747 common shares for the conversion of RSUs.
- On November 16, 2023, the Company granted 141,666 stock options to three employees exercisable at \$0.12 per share until November 16, 2025.
- On November 16, 2023, the Company issued 295,500 RSUs to an employee pursuant to an RSU award agreement of which 73,875 vest immediately on the grant date. The remaining RSUs vest at 12.5% every three months thereafter until fully vested.
- On November 18, 2023, 118,925 stock options exercisable at \$0.10 per share expired unexercised.

Selected Financial Information

Selected information for the Company is as follows:

	As at December 31,		As at December 31,		
	2023		2022		
Current assets	\$	444,035	\$	517,749	
Non-current assets		4,866,747		5,039,772	
Total assets		5,310,782		5,557,521	
Current liabilities		3,353,989		1,646,907	
Non-current liabilities		1,031,618		621,374	
Total liabilities		4,385,607		2,268,281	
		Year ended December 31,			
		2023		2022	
Total revenue	\$	1,506,516	\$	381,272	
Net loss and comprehensive loss		(3,159,668)		(4,241,920)	
Net loss per share, basic and diluted		(0.05)		(0.07)	

Discussion of Operations

The following discussion refers to the three months ended December 31, 2023, as (“Q4-2023”) and the three months ended December 31, 2022, as (“Q4-2022”). The year ended December 31, 2023, is referred to as (“2023”) and the year ended December 31, 2022, is discussed as (“2022”).

REVENUE

Revenue for Q4-2023 was \$489,147 compared to \$198,166 for Q4-2022. Revenue for 2023 was \$1,506,516 compared to \$381,272 for 2022. The increased revenue is attributed to a combination of an increase in several revenue streams including software development fees, license fees, digital collectible sales, blockchain grant funding, and other revenue earned in the current period. The increase was also due to the recognition of deferred revenue as at December 31, 2022, primarily consisting of set up fees, that were recognized in 2023 at the time of contract completion or termination.

EXPENSES

For Q4-2023, total expenses were \$1,400,477 compared to \$1,424,850 for Q4-2022. In 2023, total expenses were \$4,973,055 compared to \$4,665,189 in 2022.

Material variances over the comparable year are discussed below:

General and administration

General and administration expenses were \$123,646 for Q4-2023, compared to \$173,336 for Q4-2022. In 2023, general and administrative expenses were \$522,221 compared to \$532,030 in 2022. General and administration expenses in the current period are slightly lower as a result lower expenditures where feasible to conserve capital.

Interest and Accretion

Interest and accretion expense was \$181,374 for Q4-2023, compared to \$66,389 for Q4-2022. For 2023, interest and accretion expense was \$544,119 compared to \$123,800 in 2022. The increase in the current period is primarily attributed to the issuance of a US\$550,000 promissory note on July 8, 2022, as well as \$1.29M in convertible debentures issued in 2023. The Company also obtained short term financing via several debt instruments recognized from late in the prior year and 2023.

Investor Relations

Investor relations for Q4-2023, was \$15,000 compared to \$15,000 for Q4-2022. In 2023, investor relations expenses were \$62,300 compared to \$181,527 in 2022. The 2023 decrease compared to 2022 was due to costs incurred in the first half of 2022 related to establishing the Company's U.S. market listing.

Professional and Consulting fees

Professional and consulting fees for Q4-2023 were \$357,918 compared to \$226,866 for Q4-2022 and in 2023, professional and consulting fees were \$1,450,133 compared to \$1,124,824 in 2022. The overall increase in quarterly and annual professional and consulting fees is due to normal variations in the amount of legal and consultant work from period to period as well as the capitalization of contractor expenses to contract asset costs at the end of the prior year.

Sales and marketing

Sales and marketing expenses for Q4-2023 were \$273,502 compared to \$22,039 in Q4-2022. The increase in sales and marketing expenses in Q4-2023 compared to Q4-2022 is attributable to La-Liga sponsorship fees incurred as per agreement in anticipation of the La-Liga product launch.

During 2023, sales and marketing expenses were \$356,949 compared to \$689,101 for 2022. During 2022, the Company recognized \$502,033 of non-cash sales and marketing expenses related to the consumption of prepaid marketing credits that were received from a media partner in exchange for common shares under a convertible instrument. The overall decrease was due to a lower level of promotional and sales generation expenses due to a concerted effort to conserve cash in a difficult market environment.

Share-based compensation

Share-based compensation in Q4-2023 was \$65,043 compared to \$496,157 in Q4-2022. In 2023, share-based compensation was \$397,276 compared to \$772,094 in 2022. The decrease in share-based compensation in 2023 both quarterly and annually is due to a higher level of equity incentive instruments granted and vesting in 2022 than in 2023.

Transfer agent and regulatory fees

Transfer agent and regulatory fees in Q4-2023 were \$10,082 compared to \$7,769 in Q4-2022. Transfer agent and regulatory fees in 2023 were \$53,365 compared to \$40,281 in 2022. The increase is primarily due to the full year amortization of prepaid annual U.S. market listing fees, whereas in the prior year the US listing fees were not amortized for a full year period.

Wages

Wages in Q4-2023 were \$336,161 compared to \$183,312 in Q4-2022. In 2023, wages were \$1,002,638 compared to \$1,012,494 in 2022. The quarterly decrease was the result of the previous year adjustments to capitalize labor costs as part of contract assets. In general, wages have remained consistent over the past several years as the core product was being developed and marketed, with periodic declines, when necessary, as a result of laying off employees to cut costs and conserve cash.

Amortization of intangible assets

Amortization of intangible assets was \$43,256 in Q4-2023 (Q4-2022 - \$123,267) and \$173,025 for 2023 (2022 - \$123,267). The decrease and increase in the quarterly and annual amortization of intangible assets is due the amortization of the FanClash asset amortization starting effective June, 2023, with the adjustment posted at year end 2022.

Foreign exchange

The Company recorded a \$5,505 foreign exchange gain in Q4-2023 compared to a \$110,715 loss in Q4-2022. In 2023, a foreign exchange gain of \$11,565 (2022 loss of \$65,771) was recognized. The balances in both years were entirely related to operating expenses and reflect normal fluctuations in exchange rates.

Summary of Quarterly Results

The following information is derived from quarterly financial information:

Fiscal Quarter Ended	Revenue	Net Loss for the Period	Basic and Diluted Loss Per Share
December 31, 2023	489,147	(604,459)	(0.01)
September 30, 2023	181,040	(1,354,629)	(0.02)
June 30, 2023	364,141	(810,911)	(0.01)
March 31, 2023	472,188	(389,669)	(0.01)
December 31, 2022	198,166	(1,184,687)	(0.02)
September 30, 2022	57,946	(691,155)	(0.01)
June 30, 2022	60,105	(1,192,234)	(0.02)
March 31, 2022	65,055	(1,173,844)	(0.02)

Liquidity

At December 31, 2023, the Company had total current assets of \$444,035 (December 31, 2022 - \$517,749) comprised of \$353,666 (December 31, 2022 - \$21,424) in cash, \$12,004 (December 31, 2022 - \$11,470) in prepaid expenses, \$47,614 (December 31, 2022 - \$45,382) in accounts receivable, \$8,945 (December 31, 2022 - \$390,340) in contract asset, and \$21,806 (December 31, 2022 - \$49,133) in government sales tax receivable.

Conversely, the Company had total current liabilities of \$3,353,989 (December 31, 2022 - \$1,646,907) comprised of \$811,713 (December 31, 2022 - \$606,392) in accounts payable, \$549,119 (December 31, 2022 - \$146,435) in accrued liabilities, \$62,843 (December 31, 2022 - \$108,513) in lines of credit, \$952,893 (December 31, 2022 - \$442,842) in deferred revenue, \$747,382 (December 31, 2022 - \$Nil) in loans payable, \$135,039 (December 31, 2022 - \$Nil) in related party loans payable, \$95,000 in other payable (December 31, 2022 - \$95,000), and \$Nil in contingent consideration payable (December 31, 2022 - \$247,725).

At December 31, 2023, the Company had a working capital deficiency of \$2,909,954 (December 31, 2022 - \$1,129,158).

The Company's ability to meet its obligations and activities over the long-term depends on its ability to generate operating cash flows from revenues through new partnerships and financing cash flows through the issuance of common shares of the Company pursuant to equity financings and short-term or long-term debt financing. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company has a growing, but limited history of cash flow from operations and is dependent upon raising equity financing to sustain its operations. The Company is expecting significant cash flow from recently announced major league partnerships in 2024 and in the ensuing years.

Capital Resources

As of the date of this MD&A, the Company had the following outstanding securities:

- i) 71,035,576 common shares issued and fully paid;
- ii) 12,943,613 share purchase warrants with a weighted average exercise price of \$0.06;
- iii) 6,304,462 stock options outstanding with a weighted average exercise price of \$0.11; and
- iv) 571,889 RSUs outstanding.

Off-Balance Sheet Arrangements

As at the date of this report, the Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial performance or financial condition, including with respect to revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that are material to investors.

Related Party Transactions

During the period ended December 31, 2023, and 2022, the Company entered into the following transactions with related parties:

	December 31, 2023		December 31, 2022	
Professional and consulting fees	\$	150,168	\$	188,253
Executive and director compensation	\$	342,314	\$	309,840
Share-based compensation on RSUs	\$	119,655	\$	-
Share-based compensation on stock options	\$	17,752	\$	174,767

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.

Related Party Balances

As at December 31, 2023, the Company has \$112,726 (December 31, 2022 - \$222,648) due to related parties included in accounts payable and \$135,039 (December 31, 2022 - \$Nil) owing to VST. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment. The contingent consideration payable is \$Nil (December 31, 2022 - \$247,725) is contingent consideration due to the former principal of InPlay Labs, now engaged as a senior consultant of the Company and shareholder. The contingent consideration is based on the estimated fair value of equity consideration based on an earn out clause in the FanClash asset acquisition.

On August 11, 2023, the Company executed a short-term loan agreement with an officer for proceeds of US\$260,000 (\$351,520). The loan bears no interest and is subordinate to the Promissory Note and convertible debentures. The loan is repayable in full at the earliest of the closing or generation of \$1,000,000 in cash flows from financing or operating activities. The loan was fully repaid prior to the year ended December 31, 2023.

During September 2023, an officer loaned an additional US\$13,000 (\$17,576) to the Company. The loan is non-interest bearing and has no formal terms of repayment.

Proposed Transactions

There are no proposed transactions for the Company as of this report. All events which have been completed subsequent to the date of the financial statements and prior to the date of issuance of this report are summarized in the subsequent event note in the consolidated financial statements.

Critical Accounting Estimates

The Company's significant accounting estimates are presented in Note 2 in the notes to the consolidated annual audited financial statements. The preparation of these consolidated financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting year presented and reported amounts of expenses during the same year. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates, which, by their nature, are uncertain. The impact of such estimates may require accounting adjustments based on future occurrences. Any revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects the future. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities if actual results differ from assumptions made include, but are not limited to, the following:

- The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses.
- The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
- Critical judgements are made regarding assessment of impairment to the carrying value of the Company's assets.
- At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss for the period.
- Changes in any of the assumptions used in impairment testing could materially affect the result of the analysis.

As at the date of this report, the Company reviewed the carrying value of its assets as appropriate. After this review, it was determined that there were no further indicators of impairment.

Financial Instruments and Other Instruments

Fair value

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies, as disclosed below. However, considerable judgement 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 different levels for valuation of financial instruments carried at fair value 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. 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.

Cash is measured using Level 1 inputs. Contingent consideration payable is measured using level 3 inputs, which is based on management's best estimate of the earn out clause equity payout on a weighted probability of each possible outcome.

The Company's financial instruments consist of cash, accounts receivable, convertible debentures, accounts payable and accrued liabilities, CEBA loan, lines of credit, other payable, and contingent consideration payable. The carrying value of financial instruments approximates the fair value as at December 31, 2023 and December 31, 2022.

Other Risks and Uncertainties

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:

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 primary exposure to credit risk is on its cash held in bank accounts. The cash is deposited in bank accounts in Canada and the US. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using banks that are a high credit quality financial institution as determined by rating agencies. Credit risk on cash is assessed as low.

The Company's receivables consist of accounts receivable and government sales tax receivable. Based on the evaluation of receivables at December 31, 2023, the Company believes that its receivables are collectable.

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 risk as most of the Company's debt bears a fixed rate of interest. The Company is exposed to fair value risk.

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, considering its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's main source of funding has been the issuance of loans, equity issuances, convertible debentures, 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 or debt funding. Liquidity risk is assessed as high.

Contractual Obligations As at December 31, 2023	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Trade payables and accrued liabilities	\$ 1,360,832	\$ 1,360,832	\$ -	\$ -	\$ -
Lines of credit	62,843	62,843	-	-	-
Other payable	95,000	95,000	-	-	-
Loans payable	747,382	747,382	-	-	-
Related party loans payable	135,039	135,039	-	-	-
Convertible debt	1,129,215	-	1,129,215	-	-
CEBA Loans	60,000	-	60,000	-	-
Total Contractual Obligations	\$ 3,590,311	\$ 2,401,096	\$ 1,189,215	\$ -	\$ -

Contractual Obligations As at December 31, 2022	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Trade payables and accrued liabilities	\$ 752,827	\$ 752,827	\$ -	\$ -	\$ -
Lines of credit	108,513	108,513	-	-	-
Loans payable	744,920	-	744,920	-	-
Other payable	95,000	95,000	-	-	-
CEBA Loans	60,000	-	60,000	-	-
Total Contractual Obligations	\$ 1,761,260	\$ 956,340	\$ 804,920	\$ -	\$ -

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 actively hedge its exposure to fluctuations in foreign exchange rates. The Company's revenues are almost entirely in US dollars, while a component of operating expenses are incurred in Canadian dollars, British pounds, and European euros. The Company is exposed to moderate foreign exchange risk.

The Company has limited capital resources and must rely upon private placements for cash required to make new investments and to fund the administration of the Company.

These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company, or which are presently considered immaterial may also adversely impact the Company's business, results of operations and financial performance. The most significant risks and uncertainties faced by the Company are set out below.

Limited Operating History

The Company has a limited operating history as a revenue producing entity. The Company and its business prospects must be viewed against the background of the risks, expenses, and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets. There is no certainty that the Company will be able to operate profitably.

Going-Concern Risk

The Company's financial statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern and such adjustments could be material.

Negative Cash Flow

The Company has a limited history of operations, and very little history of earnings, cash flow or profitability. The Company has had negative operating cash flow since the Company's inception, and the Company could continue to have negative operating cash flow for the foreseeable future. No assurance can be given that the Company will ever attain positive cash flow or profitability or that additional funding will be available for operations.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in developing its current portfolio of games and making future strategic acquisitions. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated investments.

Technology Sector Risk

General risks of technology companies include the risks of rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and frequent new product introductions. Certain technology companies may be smaller and less experienced companies, with markets or financial resources and fewer experienced management or marketing personnel.

Small and Mid-Capitalization Companies Risk

Small and mid-capitalization companies may have limited product lines, markets, or financial resources; may lack management depth or experience; and may be more vulnerable to adverse general market or economic developments than large companies. Some of these companies may distribute, sell or produce products which have recently been brought to market and may be dependent on key personnel.

The prices of small and mid-capitalization company securities are often more volatile than prices associated with large company issues, and can display abrupt or erratic movements at times, due to limited trading volumes and less publicly available information. Also, because small and mid-capitalization companies normally have fewer shares outstanding and these shares trade less frequently than large companies, it may be more difficult for the Company to buy and sell significant amounts of such shares. The securities of small and mid-capitalization companies are often traded on "over the counter" markets and may not be traded in the volumes typical of a national securities exchange.

Regulatory Risks

Changes in or more aggressive enforcement of laws and regulations could adversely impact companies involved in the technology sector. Failure or delays in obtaining necessary approvals, changes in government regulations and policies and practices could have an adverse impact on such businesses' future cash flows, earnings, results of operations and financial condition.

Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change

The success of any developer of tech platforms will depend by and large upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complimentary products such as high-speed modems for providing reliable internet access and services.

Intellectual Property Rights

Companies involved in the development and operation of certain technologies may be dependent on intellectual property rights; the loss of which could harm its business, results of operations and its financial condition. There can be no assurance that any company's products will not violate proprietary rights of third parties or that third parties will not assert or claim that such violation has occurred. Any such claims and disputes arising may result in liability for substantial damages which in turn could harm the underlying business, results of operations and financial condition.

Cyber Security Risks

The Company is dependent on information technologies to conduct its operations, including management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm operations and materially adversely affect operation results. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the issue or loss of control over computer control systems, and breaches due to employee error.

The Company's exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. There can be no assurance that the Company has the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

Competition

The market for similar gaming technology is highly competitive on both a local and a national level. Competitors may also have a larger installed base of users, longer operating histories or greater name recognition. There can be no assurance that any company will successfully differentiate its products from its competitors, or that the marketplace will consider one technology to be superior to others.

Key Personnel

The Company is dependent upon the continued availability and commitment of its management, whose contributions to immediate and future operations are of significant importance. The loss of any such management could negatively affect the Company's business operations. From time to time, the Company will also need to identify and retain additional skilled management to efficiently operate its business. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of its ability to attract and retain such personnel. If it is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Conflicts of Interest

Certain of the Company's directors and officers may, from time to time, serve as directors or officers of other companies involved in similar businesses to the Company and, to the extent that such other companies may participate in the same ventures in which the Company may seek to participate, such directors and officers may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such conflicts of the Company's directors and officers may result in a material and adverse effect on the Company's results of operations and financial condition.

Share Price Volatility Risk

External factors outside of the Company's control may have a significant impact on the market price of the Company's common shares. Global stock markets have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the Company's common shares.

Use of Non-GAAP Financial Measures

This release contains references to Non-GAAP financial measures Adjusted Revenue. The Company defines Adjusted Revenue as gross cash income before adjustments for the deferred portion of business partner setup, license, and sponsorship fees and gross and accrued receipts from blockchain grant funding. The Company believes that the measure provides information useful to its shareholders and investors in understanding the Company's 2023 operating cash flow and may assist in the evaluation of the Company's business relative to that of its peers more accurately than GAAP financial measures alone. This data is furnished to provide additional information and does not have any standardized meaning prescribed by GAAP. Accordingly, it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP and is not necessarily indicative of other metrics presented in accordance with GAAP.

DISCLOSURE OF INTERNAL CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 – Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

INFORMATION AVAILABLE ON SEDAR+

Additional information about the Company, including in the form of previously published financial statements, management discussion and analyses and press releases, is available on SEDAR+ at www.sedarplus.ca.