LottoGopher Holdings Inc.

Condensed Consolidated Interim Financial Statements

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

(unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

The accompanying unaudited interim financial statements of LottoGopher Holdings Inc. for the nine months ended September 30, 2018 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

LottoGopher Holdings Inc.
Condensed Consolidated Interim Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

As at		September 30, 2018		December 31, 2017
ASSETS				
Current assets				
Cash	$	**401,980**	$	201,833
Accounts receivable		**410,722**		116,890
Deposits		**624,520**		-
Prepaid expenses		**293,232**		9,492
		1,730,454		328,215
Non-current assets				
Equipment (note 5)		**75,081**		76,032
Intangibles (note 6)		**12,710,938**		38,525
		12,786,019		114,557
TOTAL ASSETS	$	**14,516,473**	$	442,772
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (notes 7 and 11)	$	**2,560,242**	$	524,566
Deferred revenue (note 8)		**112,007**		11,412
Consideration payable		**161,193**		-
Loan payable (note 9)		**-**		94,130
		2,833,442		630,108
Non-current liabilities				
Promissory notes (note 10)		**3,817,038**		20,917
Long term prize liability (note 11)		**6,516,675**		-
		10,333,713		20,917
TOTAL LIABILITIES	$	**13,167,155**	$	651,025
EQUITY				
Share capital (note 12)	$	**15,615,083**	$	10,357,984
Contributed surplus (note 12)		**527,835**		156,867
Options reserve (note 12)		**1,626,646**		1,324,734
Warrants reserve (note 12)		**1,411,981**		881,115
Performance shares reserve (note 12)		**37,778**		-
Accumulated deficit		**(17,583,022)**		(12,887,646)
Accumulated other comprehensive loss		**(41,307)**		(41,307)
Noncontrolling interest		**(245,676)**		-
TOTAL EQUITY		**1,349,318**		(208,253)
TOTAL LIABILITIES AND EQUITY (DEFICIENCY)	$	**14,516,473**	$	442,772

Corporate information and continuance of operations (note 1)

Commitment (note 15)

Subsequent events (note 19)

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

LottoGopher Holdings Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)
(Expressed in Canadian Dollars)

	For the three months ended		For the nine months ended	
	September 30, 2018	September 30, 2017	**September 30, 2018**	September 30, 2017
SALES	**1,041,412**	13,390	$ **1,073,405**	$ 29,084
COST OF GOODS SOLD	**(206,511)**	-	**(206,511)**	-
GROSS PROFIT	**834,901**	13,390	**866,894**	29,084
OPERATING EXPENSES				
Advertising and promotion	**529,879**	1,361,072	**912,221**	2,028,088
Amortization (note 5 & 6)	**(4,336)**	2,747	**8,570**	8,598
Bank charges	**124,072**	1,427	**128,766**	4,465
Consulting fees	**138,837**	84,532	**289,230**	238,078
Depreciation (note 5)	**5,939**	8,034	**17,546**	13,220
Directors' fees (note 13)	**-**	24,433	**12,990**	41,278
Investor relations	**30,399**	121,854	**114,220**	159,688
License	**7,097**	4,075	**40,812**	12,757
Office and general	**198,068**	81,845	**410,475**	208,310
Professional fees (note 13)	**89,994**	79,749	**268,298**	279,547
Salaries and benefits (note 13)	**287,820**	133,607	**649,581**	403,906
Share-based payments (notes 12 and 13)	**19,833**	1,452,382	**548,136**	2,330,684
Transfer agent and regulatory	**11,259**	33,577	**43,301**	87,476
Travel	**42,949**	18,084	**184,125**	57,903
Website support and design	**286,217**	73,829	**402,631**	186,787
	(1,768,027)	(3,481,247)	**(4,030,902)**	(6,060,785)
OTHER INCOME (EXPENSES)				
Foreign exchange loss	**-**	(259,735)	**-**	(274,535)
Foreign exchange gain	**88,681**	-	**65,264**	-
Other income	**25,984**	-	**25,984**	-
Interest income	**304**	1	**304**	5,639
Interest expense (note 10)	**(28,429)**	(199)	**(29,296)**	(10,364)
Loss on investments	**(128,702)**	-	**(395,368)**	-
Other expense	**(102,575)**	-	**(102,575)**	-
Listing expense	**-**	-	**-**	(4,570,409)
Write off asset	**(1,122,621)**	-	**(1,122,621)**	-
Income tax expense	**(3,167)**	-	**(3,167)**	-
	(1,270,525)	(259,933)	**(1,561,475)**	(4,849,669)
LOSS FOR THE PERIOD	$ **(2,203,651)**	$ (3,727,790)	$ **(4,725,483)**	$ (10,881,370)
OTHER COMPREHENSIVE INCOME				
Foreign currency translation differences for foreign operations	$ **(1,220)**	$ 292,213	$ **-**	$ 291,385
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$ **(2,204,871)**	$ **(3,435,577)**	$ **(4,725,483)**	$ **(10,589,985)**
Net income (loss) attributable to noncontroling interest	$ **(30,107)**	$ -	**(30,107)**	-
NET INCOME (LOSS) attributable to LottoGopher	$ **(2,174,764)**	$ **(3,435,577)**	$ **(4,695,376)**	$ **(10,589,985)**
Basic and diluted loss per share for the period attributable to common shareholders (warrants and options not included as the impact would be anti-dilutive)	$ **0.02**	$ **0.06**	$ **0.04**	$ **0.28**
Weighted average number of common shares outstanding - basic and diluted	**127,825,129**	63,559,861	**112,126,183**	39,488,064

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

LottoGopher Holdings Inc.
Condensed Consolidated Interim Statements of Changes in Equity (Deficiency) (unaudited)
(Expressed in Canadian Dollars)

		Share capital		Reserves								
	Note	Number of shares	Amount	Warrants	Options	Performance shares	Contributed Surplus	Total	Accumulated deficit	Accumulated other comprehensive income (loss)	Minority Interest	Total
Balance at December 31, 2016		**18,483,110**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (959,008)**	**$ (81,558)**	**$ -**	**$ (1,040,566)**
Shares of LottoGopher Holdings Inc.		15,962,251	3,990,562	-	-	-	-	-	-	-		**3,990,562**
Shares issued for cash - private placement		14,023,000	3,505,750	-	-	-	-	-	-	-		**3,505,750**
Share issue costs		-	(255,244)	-	-	-	-	-	-	-		**(255,244)**
Fair value of finders' warrants		-	(99,194)	99,194	-	-	-	99,194	-	-		**-**
Shares issued for convertible debentures		10,240,000	988,965	-	-	-	-	-	-	-		**988,965**
Shares issued for debt settlement of Galaxy Group LA, LLC		1,516,890	379,223	-	-	-	-	-	-	-		**379,223**
Shares issued for settlement of accounts payable		1,226,250	306,563	-	-	-	-	-	-	-		**306,563**
Shares issued for bonus payments		695,360	173,840	-	-	-	-	-	-	-		**173,840**
Shares issued for cash - warrant exercise		1,343,000	537,200	-	-	-	-	-	-	-		**537,200**
Reclassification of grant date fair value on exercise of warrants		-	1,575	(1,575)	-	-	-	(1,575)	-	-		**-**
Share-based payments		-	-	-	704,462	-	-	704,462	-	-		**704,462**
Net loss for the year		-	-	-	-	-	-	-	(7,153,580)	-		**(7,153,580)**
Balance at September 30, 2017		**63,489,861**	**$ 9,529,240**	**$ 97,619**	**$ 704,462**	**$ -**	**$ -**	**$ 802,081**	**$ (8,112,588)**	**$ (82,386)**	**$ -**	**$ 2,136,347**
Balance at December 31, 2017		**70,201,090**	**$ 10,357,984**	**$ 881,115**	**$ 1,324,734**	**$ -**	**$ 156,867**	**$ 2,362,716**	**$ (12,887,646)**	**$ (41,307)**	**$ -**	**$ (208,253)**
Shares issued for cash - private placement		42,258,049	4,379,884	-	-	-	-	-	-	-		**4,379,884**
Share issue costs		-	(157,667)	-	-	-	-	-	-	-		**(157,667)**
Fair value of finders' warrants		-	(151,309)	151,309	-	-	-	151,309	-	-		**-**
Shares issued for bonus payments		550,000	93,500	-	-	(93,500)	-	(93,500)	-	-		**-**
Shares issued for services received		348,985	40,691	-	-	-	-	-	-	-		**40,691**
Shares issued to FamCom for acquisition	6	3,000,000	240,000	-	-	-	-	-	-	-		**240,000**
Shares issued for Free Lotto	12	11,600,000	812,000	656,579	-	-	-	656,579	-	-		**1,468,579**
Reclassification of grant date fair value on expired warrants	12	-	-	(277,022)	-	-	277,022	-	-	-		**-**
Reclassification of grant-date fair value on expired or cancelled options	12	-	-	-	(93,946)	-	93,946	-	-	-		**-**
Share-based payments	12	-	-	-	395,858	131,278	-	527,136	-	-		**527,136**
Net loss for the period		-	-	-	-	-	-	-	(4,695,376)	-		**(4,695,376)**
Minority Share holders of Plasmanet		-	-	-	-	-	-	-		-	(245,676)	**(245,676)**
Balance at September 30, 2018		**127,958,124**	**$ 15,615,083**	**$ 1,411,981**	**$ 1,626,646**	**$ 37,778**	**$ 527,835**	**$ 3,604,240**	**$ (17,583,022)**	**$ (41,307)**	**$ (245,676)**	**$ 1,349,318**

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

LottoGopher Holdings Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the nine months ended	
	September 30, 2018	September 30, 2017
Cash flows provided from (used by):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (4,740,397)**	$ (10,881,370)
Adjustments for items not affecting cash:		
Amortization	**8,570**	8,598
Depreciation	**17,546**	13,220
Share-based payments	**547,995**	2,330,684
Interest expense - promissory notes payable	**1,323**	10,169
Accretion of Interest	**27,973**	-
Write off of assets	**1,122,621**	-
Listing expense	**-**	4,570,409
Effects of currency exchange rate changes on loan payable	**(49,139)**	-
Net income (loss) attributable to noncontroling interest	**30,107**	-
	(3,033,401)	(3,948,290)
Net changes in non-cash working capital items:		
Accounts receivable	**(197,479)**	(46,597)
Prepaid expenses	**(856,810)**	185,643
Deposits	**2,426**	-
Accounts payable and accrued liabilities	**(93,722)**	(171,859)
Deferred revenue	**2,392**	11,584
Future income tax liability	**-**	-
Shares Warrant and Options reserve balances	**19,833**	-
Net cash flows used in operating activities	**(4,156,761)**	(3,969,519)
FINANCING ACTIVITIES		
Proceeds on issuance of common shares, net of cash share issue costs	**4,222,216**	3,827,706
Advance from LottoGopher Holdings Inc. (note 4)	**-**	778,425
Loan payable, net of repayments	**(217,048)**	-
Net cash flows from financing activities	**4,005,168**	4,606,131
INVESTING ACTIVITIES		
Purchase of equipment	**-**	(102,335)
Purchases of intangible assets	**(4,857)**	-
Cash assumed on acquisition, less transaction costs	**389,567**	(37,009)
Net cash flows from (used in) investing activities	**384,710**	(139,344)
Effects of exchange rate changes on cash	**(32,970)**	(152,254)
Change in cash	**200,147**	345,014
Cash, beginning of period	**201,833**	10,938
Cash, end of period	**$ 401,980**	$ 355,952

Supplemental cash flow information (note 14)

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

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

LottoGopher Holdings Inc. (the "Company" and "LottoGopher") was incorporated under the Business Corporations Act (British Columbia) on February 10, 2016.

The Company's head office, principal address and registered address and records office is 1055 West Georgia Street, 1500 Royal Centre, Vancouver, BC, V6E 4N7, Canada. The Company's common shares ("Common Shares") trade on the CSE under the ticker symbol "LOTO".

These unaudited condensed consolidated interim financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The ability of the Company to continue as a going concern is dependent on obtaining additional financing through the issuance of debt or common shares, and to generate profit through its operations. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These unaudited consolidated interim financial statements do not reflect the adjustments or reclassifications that would be necessary if the Company was unable to continue operations. Management believes that the Company has sufficient working capital to continue operations on a going concern business for at least the next twelve months.

On July 11, 2018 the Company completed a private placement of subscription receipts for gross proceeds of $243,630.

On July 18, 2018 the Company completed an acquisition of 88% of the controlling shares of PlasmaNet Inc. ("PlasmaNet").

On September 28, 2018 the Company has signed a definitive agreement with Bravio Technologies Limited "Bravio" to combine the organizations resulting in a reverse takeover of LottoGopher by Bravio.

These unaudited condensed consolidated interim financial statements of the Company for the nine months ended September 30, 2018 were approved by the Board of Directors on April 2, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance

These unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements comply with International Accounting Standard 34, Interim Financial Reporting ("IAS 34").

Basis of preparation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These unaudited condensed consolidated interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements for the year ended December 31, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2017. However, this interim financial report provides selected significant disclosures that are required in the annual financial statements under IFRS.

The Company acquired 88% of the issued and outstanding common shares of PlasmaNet on July 18, 2018. PlasmaNet is global online database company providing a direct marketing model that offers both free membership as well as a paid subscription service to conduct its online sweepstakes games.

These consolidated financial statements include the financial position, results of operations and cash flows of PlasmaNet subsequent to its acquisition.
A subsidiary is the entity over which the Company has control, whereby control is defined as the power to direct activities of an entity that significantly affect the entity's returns so as to obtain benefit from its activities. Control is presumed to exist where the Company has ownership of more than one half of the voting rights in its subsidiaries. The effects of potential voting rights that are currently exercisable are considered when assessing whether control exists. Subsidiary is fully consolidated from the date control is transferred to the Company, and de-consolidated from the date at which control ceases.
On the acquisition of Subsidiary that meets the definition of a business, the acquisition method of accounting is used to account for the acquisition as follows:

- cost is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange;
- directly attributable transaction costs are expensed rather than included in the acquisition purchase price;
- identifiable assets acquired and liabilities assumed are measured at their fair values as at the acquisition date;
- if the acquisition cost is less than the fair value of the net assets acquired, the difference is recognized directly in the statements of loss and comprehensive loss as bargain price gain, and in case acquisition cost is in excess, goodwill is recognized.

All material intercompany transactions between the Company and its Subsidiary are eliminated in consolidation.

3. ADOPTION OF NEW ACCOUNTING STANDARDS AND UPCOMING CHANGES ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Adoption of new and amended accounting standards

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning before or on January 1, 2018.

The adoption of the following IFRS pronouncement will result in enhanced financial statement disclosures in the Company's annual consolidated financial statements. This pronouncement did not affect the Company's financial results, nor did it result in adjustments to previously-reported figures.

IFRS 9 Financial Instruments

Effective January 1, 2018, the Company has adopted IFRS 9 retrospectively. Prior periods were not restated and no material changes resulted from adopting this new standard. IFRS 9 introduced a revised model for

3. ADOPTION OF NEW ACCOUNTING STANDARDS AND UPCOMING CHANGES ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

IFRS 9 Financial Instruments (continued)

classification and measurement. The Company completed an assessment of its financial instruments as at January 1, 2018 and determined that neither the classification nor the measurement of the financial instruments were impacted from adopting this standard.

The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Original classification IAS 39	New classification IFRS 9
Financial assets:		
Cash	Fair value through profit or loss	Fair value through profit or loss
Accounts receivable	Loans and receivables, measured at amortized cost	Amortized cost
Investment	Fair value through profit or loss	Fair value through profit or loss
Financial liabilities:		
Accounts payable and accrued liabilities	Financial liabilities, measured at amortized cost	Amortized cost
Loan payable	Financial liabilities, measured at amortized cost	Amortized cost
Promissory notes	Financial liabilities, measured at amortized cost	Amortized cost

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. For financial liabilities, IFRS 9 retains most of the IAS

39 requirements and since the Company does not have any financial liabilities designated at FVTPL, the adoption of IFRS 9 did not impact the Company's accounting policies for financial liabilities.

As a result of the adoption of IFRS 9, the Company's accounting policy for financial assets has been updated as follows:

Financial instruments

Financial assets

Classification and measurement

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest. If the business model is not to hold the debt instrument, it is classified as FVTPL.

3. ADOPTION OF NEW ACCOUNTING STANDARDS AND UPCOMING CHANGES ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Equity instruments that are held for trading (including all equity derivative instruments) 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 assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

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 loss allowance for the financial asset is measured 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 loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

IFRS 15 Revenue from Contracts with Customers

Effective January 1, 2018, the Company has adopted IFRS 15. This standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The adoption of this standard did not have an impact on the unaudited condensed interim financial statements.

New accounting standards not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2018. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company:

- IFRS 16, Leases: In 2016, the IASB issued IFRS 16, Leases, which sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The standard replaces IAS 17, Leases and related interpretations. This standard is effective for annual periods beginning on or after January 1, 2019 and must be applied retrospectively, using either a retrospective approach or a modified retrospective approach. The Company will not adopt the standard early. Leases will be recorded on the Statement of Financial Position, except short-term leases and leases of low-value items. This will result in a material increase to both assets and liabilities upon adoption of the standard in 2019.

4. INVESTMENT

On March 15, 2018, the Company subscribed for 666,665 units of GreenTec Holdings ("GTEC") for total consideration of $999,998, paid in cash. Each Unit was sold at a price of $1.50. Each unit consists of one common share of GTEC and one-half of one share purchase warrant. Each whole warrant entitles the Company to acquire one share of GTEC at a price of $2.50 for 24 months from the date of the satisfaction of the escrow release conditions May 1, 2018. GTEC is a public company listed on TSX-V. GTEC is based out of Kelowna, British Columbia.
As at September 30, 2018, the Company has sold all of the common shares from GTEC recognizing a net loss of $395,368 for the nine months ending September 30, 2018. This is recognized as loss on investments in the statement of loss and comprehensive loss (September 30, 2017 – $nil). The Company still maintains ownership of 333,332 GTEC warrants. The warrants were determined to have a value of $nil on acquisition and $nil as at September 30, 2018.

(Expressed in Canadian Dollars)

5. EQUIPMENT

The Company's equipment is broken down as follows:

		Equipment
Cost		
As at December 31, 2017	$	95,919
Additions		14,890
Disposals		-
Effect of movements in exchange rates		2,284
Balance as at September 30, 2018	**$**	**113,093**
Depreciation		
As at December 31, 2017	$	(19,887)
Charged for the period		(17,608)
Effect of movements in exchange rates		(517)
Balance as at September 30, 2018	**$**	**(38,012)**
Net book value		
As at December 31, 2017	$	76,032
As at September 30, 2018	**$**	**75,081**

6. INTANGIBLES

Credit Card Payment Processing Technology

On July 6, 2016, Galaxy acquired a 100% interest in LottoJar, which was determined to be an asset acquisition as Lottojar lacked the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 – Business Combinations. The Company accounted for this acquisition as a share-based payment transaction under IFRS 2 – Share Based Payments, with 100% of the fair value of the consideration being allocated to intangible assets, which related to the credit card payment processing technology acquired. This is a finite life intangible asset, being amortized over 5 years.

During the nine months ended September 30, 2018, the Company charged $8,570 (September 30, 2017 – $8,598) in amortization expense.
As of September 30, 2018, the carrying value of intangibles was $28,274 (December 31, 2017 – $38,525).

SMS-Based Gaming Software

On May 22, 2018, the Company acquired a SMS-ENGINE, a text-based gaming engine for use in lottery, sports betting and sweepstakes FamCom Inc. ("FamCom").

In consideration for the acquisition, the Company was to:

i. Pay Famcom US$150,000, following the closing date and within five days of the Company completing a financing or financings for aggregate gross proceeds of at least C$1,000,000, provided that such payment must be made within 10 days of the closing date of the acquisition; and
ii. issue 3,000,000 common shares to Famcom. (Issued May 29th, 2018 with a fair value of $240,000)

The Company incurred legal fees of $5,646 which were capitalized as the cost of the intangible asset.
Subsequent to September 30, 2018, the Company is renegotiating its payment terms of US$150,000. The amount remains outstanding recorded in Accounts payable and accrued liabilities.

(Expressed in Canadian Dollars)

6. INTANGIBLES (CONTINUED)

As of September 30, 2018, the carrying value of intangible asset was deemed to be zero and the asset has been written off. (December 31, 2017 – $nil).

Goodwill

The subsidiary PlasmaNet was acquired July 18th 2018. On consolidation Goodwill comes from a PlasmaNet prior acquisition on August 29th, 2014. This represents the excess purchase price over the fair value of net assets acquired subsequent to the allocation of fair values to all assets and Liabilities of the company. There has been no impairment to goodwill as at September 30th 2018. $5,865,368 (December 31, 2017 – $nil).

PlasmaNet Acquisition

On July 18, 2018 the company acquired 88% of the common shares of PlasmaNet Inc. ("PlasmaNet")
In consideration for the acquisition, the Company will issue the following to PlasmaNet:

i. 11,600,000 common shares of LottoGopher at a deemed price of CAD $0.0705 per share.
ii. Convertible note in the aggregate principal amount of CAD$1,496,655 convertible into LottoGopher Shares at a deemed price of CAD$0.0705 per share.
iii. Vendor a secured promissory note in the aggregate principal amount of US$1,760,000 million (CAD $2,324,478)
iv. Warrants to purchase 16,413,071 LottoGopher Common Shares, with each Warrant entitling the holder to acquire one Common Share at an exercise price of CAD$0.141 0 per share.

The purchase price was based on the value of PlasmaNet's Database and its net deficit. This attributes all of the value paid for the PlasmaNet shares to the Database Intangible asset. The consolidated intangible asset balance for the Database is $6,817,296 (December 31, 2017 – $nil).

As allowed by IFRS 3, the fair values of assets and liabilities acquired in PlasmaNet's acquisition have been determined provisionally based on limited information. Detailed valuations after taking into account reasonableness of underlying assumptions especially for assets whose values are based on future projections of earnings and related data, such as valuation of PaslmaNet's Database identified during acquisition process and currently valued at $ 6,817,296 and its deferred tax asset of $893,081 has been eliminated upon acquisition are not final at this stage. Hence, the initial accounting for this acquisition is incomplete and will be adjusted in the ensuing financial year based on more accurate and complete information and analysis during the measurement period of one year from the acquisition date.

		September 30, 2018		December 31, 2017
Credit card processing	$	28,274	$	38,525
Goodwill		5,865,368		
PlasmaNet database		6,817,296		
Net Intangible Assets	**$**	**12,710,938**	$	38,525

(Expressed in Canadian Dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are broken down as follows:

		September 30, 2018		December 31, 2017
Trade payables	**$**	**898,876**	$	378,354
Accrued liabilities		**144,743**		27,219
Current prize liability		**856,295**		13,582
Interest payable		**30,482**		30,482
Due to related parties		**78,621**		74,929
Payroll liabilities		**425,008**		
Security Deposits		**126,218**		
Net Accounts Payable	**$**	**2,560,242**	$	524,566

Included in Trade Payables is the outstanding payable to FamCom CDN $193,431

8. DEFERRED REVENUE

The Company sells daily, monthly, and yearly memberships. Revenue from yearly memberships are allocated evenly over the contract term and the portion relating to the following fiscal year is deferred.

9. LOAN PAYABLE

Balance as at December 31, 2017	**$**	**94,130**
Add: Issuance		
Less: Repayment		(94,819)
Effect of movements in exchange rates		689
Balance as at September 30, 2018	**$**	**-**

As at September 30, 2018, there are no outstanding loans payable. (December 31, 2017 – $94,130).

10. PROMISSORY NOTES

Balance as at December 31, 2017	**$**	**20,917**
Add: Issuance		**3,766,248**
Add: Interest for the period		28,322
Less: Shares issued for settlement (Note 11(b))		
Effect of movements in exchange rates		1,551
Balance as at September 30, 2018	**$**	**3,817,038**

During the nine months ended September 30, 2018, the company issued two promissory notes for the acquisition of PlasmaNet on July 18, 2018:

Convertible note with a principal balance of CAD$1,496,655 convertible into LottoGopher Shares at a price of CAD$0.0705 per share. The maturity date is 3 years from the purchase agreement July 19, 2021. The Convertible note in non-interest bearing.
Vendor a secured promissory note in the aggregate principal amount of US$1,760,000 million. The promissory note is secured by LottoGopher Common shares calculated as the amount of the Principal Balance to be repaid converted into Canadian dollars based on the Bank of Canada's daily exchange rate on the date of the Demand Notice, and divided by the market price of the Common Shares calculated as the five-day volume weighted average trading price of the Common Shares on the Canadian Securities Exchange. The maturity date is 3 years

(Expressed in Canadian Dollars)

10. PROMISSORY NOTES (CONTINUED)

from the purchase agreement July 19, 2021. The promissory note is interest bearing at 6% per annum based on a 365-day year.

The Company accrued interest of $28,322 to September 30,2018 (September 30, 2017 – $10,364).
As at September 30, 2018, the outstanding balance of promissory notes including accrued interest was $3,817,038 (December 31, 2017 – $20,917).

11. PRIZE LIABILITIES

The Company records a liability and related prize expense at the present value of the sweepstakes prizes to the $100,000 $1,000,000 and $10,000,000 winners upon authentication by the winners. All other prizes are accrued at full value when the winners are identified. The Company amortizes the present value discount over the prize payout period. Prize liabilities are satisfied when payments are made to daily prize winners. The expense is adjusted by forfeited prizes. Prize expenses for the periods ending September 30, 2018 and (2017 Nil). This amount is included in prizes and other cost of revenue in the accompanying statements of operations.

	September 30, 2018	December 31, 2017
Current prize liability	**$ 856,295**	
Long term prize liability	**6,516,675**	
Net Prize Liability	**$ 7,372,970**	$ -

Current prize liability is included in accounts payable and accrued liabilities.

12. SHARE CAPITAL

a) Authorized share capital
Unlimited number of common shares without par value.

b) Issued share capital
At September 30, 2018, the Company had 127,958,124 common shares (December 31, 2017 – 70,201,090) common shares issued and outstanding.

During the Nine months ended September 30, 2018

- On January 22, 2018, the Company completed a private placement and issued 22,009,649 units ("Units") at a price of $0.13 per share for gross proceeds of $2,861,254. Each Unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire an additional share at a price of $0.25 per share for a period of 5 years from January 22, 2018.

  In connection with the private placement, the Company paid a cash commission of $150,068 and issued 883,916 finder's warrants ("Finder's Warrants") to the agents. Each Finder's Warrant will entitle the holder thereof to subscribe for one common share of the Company at an exercise price of 0.25 per common share of the Company until January 18, 2023.

(Expressed in Canadian Dollars)

12. SHARE CAPITAL (CONTINUED)

The Company estimated the grant date fair value of Finder's Warrants, using the Black-Scholes option pricing model, assuming a risk-free interest rate of 1.97%, an expected life of 5 years, an expected volatility of 115% and an expected dividend yield of 0%, which totaled $151,309, and recorded this value in warrant reserve.

- On March 13, 2018, the Company issued a total 350,000 common shares with a fair value of $59,500 to the Company's CEO according to the agreement (Note 14).

- On May 29, 2018, the Company issued 3,000,000 common shares to FamCom with a fair value of $240,000 (Note 6).

- On June 5, 2018, the Company completed a private placement and issued 17,000,000 common shares at a price of $0.075 per share for gross proceeds of $1,275,000.

  In connection with the private placement, the Company incurred shares issue costs of $3,824.

- The Company issued a total 150,000 common shares with a fair value of $21,000 to the Company's investor relations consultant according to the agreement dated on November 1, 2017. The fair value of $21,000 was recognized as share-based payments in the statement of loss and comprehensive loss.

- On July 11, 2018, the Company completed a private placement and issued 3,248,400 common shares at a price of $0.075 per share for gross proceeds of $243,630.

- On July 18, 2018 the Company completed the acquisition of PlasmaNet issuing 11,600,000 common shares at a price of $0.0705 per share with a fair value of $817,800.

- On August 1, 2018, the Company issued a total 198,985 common shares with a fair value of $19,691 to full fill a share for service agreement in relation to Legal services.

- On August 2, 2018, the Company issued a total 200,000 common shares with a fair value of $34,000 to the Company's CEO in accordance with the agreement (Note 14).

c) <u>Warrants</u>

The changes in warrants during the Nine months ended September 30, 2018 are as follows:

	Number outstanding		Weighted average exercise price
Balance, December 31, 2017	**15,292,169**	**$**	**0.36**
Granted	39,306,636		0.25
Expired	(6,795,700)		0.40
Balance, September 30, 2018	**47,803,105**	**$**	**0.26**

During the nine months ended September 30, 2018, 6,795,700 warrants expired unexercised.

(Expressed in Canadian Dollars)

12. SHARE CAPITAL (CONTINUED)

The following summarizes information about warrants outstanding at September 30, 2018:

Expiry date	Warrants outstanding	Exercise price	Estimated grant date fair value	Weighted average remaining contractual life (in years)
June 20, 2019	1,400,000	$ 0.630	$ 472,680	0.72
September 12, 2020	450,000	0.385	114,092	1.95
December 22, 2022	6,646,469	0.250	17,321	4.23
January 18, 2023	22,893,565	0.250	151,309	4.30
July 18, 2023	16,413,071	$ 0.141	656,579	4.80
	47,803,105		**$ 1,411,981**	**4.34**

d) Stock options

Under the Company's stock option plan, the Board of Directors may grant options for the purchase of up to a total of 10% of the total number of issued and outstanding common shares of the Company. Options granted under the plan may vest over a period of time at the discretion of the board of directors. Under the plan, the exercise price of each option equals the market price of the Company's stock as determined on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the Board of Directors.
Options to purchase common shares have been granted to directors, employees and consultants at exercise prices determined by reference to the market value of the Company's common shares on the date of the grant.

The changes in options during the nine months ended September 30, 2018 are as follows:

	Number outstanding	Weighted average exercise price
Balance, December 31, 2017	**5,023,268**	**$ 0.31**
Granted	2,850,000	0.20
Expired	(650,000)	0.26
Balance, September 30, 2018	**7,223,268**	**$ 0.27**

During the nine months ended September 30, 2018, the Company granted 2,850,000 stock options to certain of its directors, officers, consultants and advisory board members with an exercise price of $0.20. The options are exercisable for a period of five years. The options are fully vested immediately at the date of grant.

During the nine months ended September 30, 2018, 650,000 expired unexercised.

The following summarizes information about stock options outstanding and exercisable September 30, 2018:

(Expressed in Canadian Dollars)

12. SHARE CAPITAL (CONTINUED)

Expiry date	Options outstanding	Options exercisable	Exercise price	Estimated grant date fair value	Weighted average remaining contractual life (in years)
May 18, 2022	4,001,799	3,564,299	$ 0.25	$ 888,207	3.63
June 20, 2022	621,469	621,469	0.63	355,881	3.72
September 2, 2022	250,000	250,000	0.47	106,907	3.93
March 14, 2023	2,350,000	2,350,000	$ 0.20	275,647	4.45
	7,223,268	**6,785,768**		**$ 1,626,642**	**3.92**

The estimated grant date fair value of the options granted during the nine months ended September 30, 2018 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	For the nine months ended	
	September 30, 2018	September 30, 2017
Risk-free interest rate	1.95%	0.91%
Expected annual volatility	115%	150%
Expected life (in years)	4.50	4.88
Expected dividend yield	0.00%	0%
Share price	$ 0.15	$ 0.31
Exercise price	$ 0.20	$ 0.31

During the nine months ended September 30, 2018 and 2017, the Company recognized share-based payments expense related to the issuance of stock options of $395,858 and $1,263,401 respectively.

e) Performance shares

On March 12, 2018, the Company entered into an amended employment agreement with its CEO, James Morel, pursuant to which Mr. Morel will receive an annual salary of USD $250,000 and share awards of an aggregate of up to 950,000 common shares, with 350,000 common shares being issued upon entering into the agreement (March 13, 2018) and an additional 200,000 common shares being issued on the dates that are 6 months (August 1, 2018), 12 months (February 1, 2019) and 18 months from the date of the agreement (August 1, 2019), subject to Mr. Morel remaining as an employee of the Company.

The Company determined the fair value of the bonus shares ($161,500) based on the market value of the common shares at the date of approval. These amounts are recognized evenly over the Eligibility Period.

During the nine months September 30, 2018, the Company recognized $131,278 as share-based payments in the statement of loss and comprehensive loss.

During the nine months September 30, 2018, 550,000 common shares were issued pursuant to the agreement. In addition, the Company reclassified the fair value of the shares of $93,500 from reserve to share capital.

(Expressed in Canadian Dollars)

13. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined its key management personnel to be executive and non-executive officers and directors of the Company.

The remuneration of key management personnel during the nine months ended September 30, 2018 and 2017 were as follows:

	For the nine months ended	
	September 30, 2018	September 30, 2017
Consulting fees	**$ -**	$ 27,023
Directors' fees	**12,990**	41,278
Professional fees	**162,023**	92,165
Salaries and benefits	**234,103**	199,332
Share-based payments		
- Shares	**131,278**	123,840
- Options	**28,886**	707,267
	$ 569,280	$ 1,190,905

The Company paid professional fees of $150,773 (September 30, 2017 – $80,915) to Quantum Advisory Partners LLP for accounting services, a company whose incorporated partner is the Company's Chief Financial Officer. At September 30, 2018, included in accounts payable is $75,996 (December 31, 2017 – $34,716) due to Quantum.

The Company paid professional fees of $11,250 (September 30, 2017 – $11,250) to the Corporate Secretary. At September 30, 2018, included in accounts payable is $3,827 (December 31, 2017 – $2,625) due to the Corporate Secretary.

For the Nine months ending September 30, 2018 the Company paid a salary of $234,103 (US$ 179,164) (September 30, 2017 – $234,157) to the Chief Executive Officer. In addition, the Company has issued a total of 550,000 common shares with a grant date fair value of $93,500 to the the Chief Executive Officer (September 30, 2017 – 357,760 common shares with a fair value of $89,440). At September 30, 2018, included in accounts payable is $1,300 (US$1,000) (December 31, 2017 – $80,607 (US$64,226)) payable to the CEO.

During the Nine months ended September 30, 2018, the Company repaid the loan payable of US$75,000 which was advanced by the Company's CEO on November 20, 2017.

For the nine months ended September 30, 2018 the Company has paid directors' fees of $12,990 (September 30, 2017 – $41,278). At September 30, 2018, included in accounts payable and accrued liabilities is $nil (December 31, 2017 – $37,588) of accrued directors' fees.

(Expressed in Canadian Dollars)

14. SUPPLEMENTAL CASH FLOW INFORMATION

	For the nine months ended	
	September 30, 2018	September 30, 2017
Issuance of common shares for acquisition	**$ 817,800**	$ 3,990,562
Issuance of common shares in settlement of accounts payable	**-**	306,563
Issuance of common shares in settlement of consideration payable	**-**	42,900
Issuance of common shares in settlement of promissory notes payable	**-**	205,319
Issuance of common shares in settlement of loan payable	**-**	131,004
Issuance of common shares on conversion of convertible debentures		988,965
Fair value of finders' warrants	**151,309**	127,756
Fair value of warrants issued for acquisition	**31,835**	
Shares issued for bonus payments	**93,500**	-
Shares issued to FamCom for acquisition	**240,000**	-
Reclassification of grant date fair value on exercise of warrants from reserves to share capital	**-**	1,575
Reclassification of grant-date fair value on expired of stock options from reserves to retained earnings	**76,148**	-
Reclassification of grant date fair value on expired warrants	**277,022**	-

15. COMMITMENTS

Performance Compensation

On March 12, 2018, the Company entered into an amended employment agreement with its CEO, James Morel, pursuant to which Mr. Morel will receive an annual salary of USD $250,000 and share awards of an aggregate of up to 950,000 common shares, with 350,000 common shares being issued upon entering into the agreement (March 13, 2018) and an additional 200,000 common shares being issued on the dates that are 6 months (August 1, 2018), 12 months (February 1, 2019) and 18 months from the date of the agreement (August 1, 2019), subject to Mr. Morel remaining as an employee of the Company.

Subsidiary Leases

The PlasmaNet leases office space on a month to month basis. PlasmaNet leased a different office space, effective August 1, 2013, under an agreement accounted for as an operating lease expiring July 2023. This lease requires the company to pay all executor costs such as maintenance, insurance and real estate taxes. Rent expense, net of sublease for the period ending September 30th, 2018 $33,327 (September 30th, 2017 $ NIL.) PlasmaNet has pledged $463,654 in a restricted Cash account as security under its lease agreement.

The future minimum lease payments under the non-cancelable operating leases are as follows

Year		
2019	$	368,738
2020		374,114
2021		379,584
2022		385,150
2023		226,585
Net Lease Commitments	**$**	**1,734,171**

(Expressed in Canadian Dollars)

15. COMMITMENTS (CONTINUED)

Subsidiary Sub Leases (Continued)

PlasmaNet subleases office space. The Sublease requires the subtenant to pay electrical and other additional charges as additional rent. The company received $126,218 as a security deposit and it is included in accrued Liabilities.

Year		
2019	$	259,897
2020		267,694
2021		275,709
2022		283,975
2023		168,528
Net Sub-Lease Revenue	**$**	**1,255,803**

Definitive Agreement

On September 28, 2018 has signed a definitive agreement with Bravio Technologies Limited "Bravio" to combine the organizations resulting in a reverse takeover of LottoGopher by Bravio.

16. SEGMENTED INFORMATION

The Company operates in one reportable segment providing consumers a legally compliant option to order lottery tickets online in the state of California. All of the Company's non-current assets are located in the United States.

17. CAPITAL MANAGEMENT

The Company defines its components of deficiency 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 business opportunities and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

There were no changes to the Company's policy for capital management during the nine months ended September 30, 2018.

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 its capital structure, the Company may issue new shares, acquire or dispose of assets, or adjust the amount of cash. In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company and its subsidiaries are not subject to any externally imposed capital requirements.
The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

During the nine months ended September 30, 2018, the Company closed private placements in January and July of 2018. As of September 28, 2018, the Company has signed a definitive agreement with Bravio Technologies Limited "Bravio" to combine the organizations resulting in a reverse takeover of LottoGopher by Bravio.

(Expressed in Canadian Dollars)

18. FINANCIAL INSTRUMENTS

Fair value

The carrying values of accounts receivable, investment, accounts payable and accrued liabilities, loans payable and promissory notes approximate their fair values due to the relatively short period to maturity of those financial instruments.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

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

Set out below are the Company's financial assets by category:

	September 30, 2018		December 31, 2017	
	Fair value through profit or loss	**Amortized cost**	Fair value through profit or loss	Amortized cost
Financial assets:				
Cash	$ **401,980**	$ **-**	$ 201,833	$ -
Accounts receivable	**-**	**410,722**	-	116,890
Deposits	**624,520**	**-**	-	-
Financial liabilities:				
Accounts payable and accrued liabilities	**-**	**2,560,242**	-	524,566
Consideration payable	**-**	**161,193**	-	-
Loan payable	**-**	**-**	-	94,130
Promissory notes	**-**	**3,817,038**	-	20,917

Financial risk management

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash, accounts receivable (which comprises GST receivable of $94,021 and trade receivable of $316,701) and Security Deposits $624,520 are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at September 30, 2018, the Company's maximum exposure to credit risk is the carrying value of its financial assets.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

As at September 30, 2018, the Company had cash of $401,980 in order to meet current liabilities. Included in accounts payable and accrued liabilities are Prize Liabilities of $7,370,179 and Trade payables of $1,512,920,

18. FINANCIAL INSTRUMENTS (CONTINUED)

the Loan payable is due to due to FamCom Inc. and promissory note payable are due to FreeLotto Holdings LLC for the acquisition of PlasmaNet Shares.
The Company's promissory notes are not subject to interest rate risk as they do not contain a variable interest rate.

Market Risk
The significant market risks to which the Company is exposed are interest rate risk and currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is held mainly in interest bearing accounts.

The Company's interest rate risk principally arises from the interest rate impact of interest earned on cash. A 1% change in interest rates on cash outstanding at September 30, 2018 would result in a less than $1,000 change to the Company's net loss for the nine months ended September 30, 2018.

Currency risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by LottoGopher, which has functional currency of CAD, are not denominated in CAD and monetary assets and liabilities held by Galaxy, LottoJar and PlasmaNet, which have a functional currency of USD, are not denominated in USD. The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company had the following balances in monetary assets and monetary liabilities which are subject to fluctuation against CAD:

Denominated in:		USD
Cash	$	**10,231**
Accounts payable and accrued liabilities		**(15,131)**
Loan payable		**(150,000)**
Promissory notes		**(1,781,409)**
		(1,936,309)
Foreign currency rate		1.2895
Equivalent to Canadian dollars	$	**(2,496,948)**

Based on the above net exposures as at September 30, 2018, and assuming that all other variables remain constant, a 10% change of the USD against the CAD would impact net loss by approximately by $249,700.
The Company had the following balances in monetary assets and monetary liabilities which are subject to fluctuation against USD:

Denominated in:		CAD
Accounts payable and accrued liabilities	$	**(6,500)**
		(6,500)
Foreign currency rate		0.7755
Equivalent to US dollars	$	**(5,041)**

Based on the above net exposures as at September 30, 2018, and assuming that all other variables remain constant, a 10% change of the CAD against the USD would impact net loss by approximately by $500.

18. FINANCIAL INSTRUMENTS (CONTINUED)

Other price risk

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

19. SUBSEQUENT EVENTS

Subsequent to September 30, 2018:

- The Company and Bravio executives continue to work on the reverse takeover. The listing Statement is in progress and will be completed with this set of FS.
- Resignation of directors and executive staff. Mr. Alnesh Mohan director and CFO resigned in November 2018 and was replaced by interim CFO Mr. Ali Zamani a current director. In February 2019 Mr. Zamani relinquished the CFO role to Mr. Greg Cavers. Mr. James Morel has resigned from his role as a director, Chief Executive Officer and President of the Company. Mr. Edward J. Tobin has been appointed to the Board of Directors and as interim Chief Executive Officer. In addition, Mr. Saveneet Singh has resigned from his role as a director of the Company.