



**AMPD VENTURES INC.**

(formerly E-Gaming Ventures Corp.)

Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

Expressed in Canadian Dollars

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(formerly E-Gaming Ventures Corp.)

<b>Index</b>	<b>Page</b>
Notice of No Auditor Review	3
<b>Financial Statements</b>	
Condensed Consolidated Interim Statements of Financial Position	4
Condensed Consolidated Interim Statement of Changes in Equity	5
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss	6
Condensed Consolidated Interim Statements of Cash Flows	7
Notes to the Condensed Consolidated Interim Financial Statements	8-24

# AMPD VENTURES INC.

## NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditors.

April 27, 2021

**AMPD VENTURES INC.**  
(formerly E-Gaming Ventures Corp.)

Condensed Consolidated Interim Statements of Financial Position  
(Expressed in Canadian Dollars)

	Notes	February 28, 2021	May 31, 2020
<b>ASSETS</b>			
Cash		\$ 209,709	\$ 938,661
Receivables	5	204,753	335,537
Prepays and deposits		69,570	28,358
		<u>484,032</u>	<u>1,302,556</u>
Property and equipment	6	1,076,834	1,468,466
		<u>\$ 1,560,866</u>	<u>\$ 2,771,022</u>
<b>LIABILITIES</b>			
Trades payable and accrued liabilities	7	\$ 276,944	\$ 393,752
Deferred revenue		50,267	39,022
Convertible debt	8, 12	336,964	306,175
Lease liability, current	6,9	179,036	333,410
Loans payable, current	8	-	59,220
Finance loan, current	6,13	173,607	174,691
		<u>1,016,818</u>	<u>1,306,270</u>
Lease liabilities, long term	6,9	147,556	324,662
Finance loan, long term	6,13	-	133,064
Government loan	10	49,987	-
		<u>1,214,361</u>	<u>1,763,996</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	11	9,148,807	8,290,127
Reserves	11	2,714,711	2,193,456
Foreign currency translation		7,430	5,798
Deficit		(11,524,443)	(9,482,355)
		<u>346,505</u>	<u>1,007,026</u>
		<u>\$ 1,560,866</u>	<u>\$ 2,771,022</u>

Nature and continuance of business (Note 1)  
Reverse takeover (Note 4)  
Commitments (Note 13)  
Subsequent events (Note 18)

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

# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

## Condensed Consolidated Interim Statement of Changes in Equity (Expressed in Canadian Dollars)

	Share Capital		Reserves	Equity component of convertible notes	Foreign currency translation adjustment	Deficit	Total Shareholders' equity
	Number of Common Shares	Amount					
<b>Balance at May 31, 2019</b>	<b>16,200,141</b>	<b>\$ 325,086</b>	<b>\$ 140,000</b>	<b>\$ 32,615</b>	<b>\$ (7)</b>	<b>\$ (1,250,478)</b>	<b>\$ (752,784)</b>
Rescind cancellation of shares	11	849,808	-	-	-	-	-
Shares issued for cash	11	4,119,000	978,263	-	-	-	978,263
Shares issued for employment incentive	11	2,185,224	1,286	-	-	-	1,286
Shares issued for equipment purchase	11	594,865	175,000	-	-	-	175,000
Shares issued for consulting services	11	169,962	50,000	-	-	-	50,000
Recapitalization transaction:							
Equity of AMPD Ventures	4,11	17,138,940	6,018,542	-	-	-	6,018,542
Shares issued on exercise of warrants	11	8,400	2,940	-	-	-	2,940
Share based compensation	11	-	-	418,549	-	-	418,549
Foreign exchange translation	-	-	-	-	(14)	-	(14)
Net loss for the period	-	-	-	-	-	(5,448,494)	(5,448,494)
<b>Balance at February 29, 2020</b>	<b>41,266,340</b>	<b>7,551,117</b>	<b>558,549</b>	<b>32,615</b>	<b>(21)</b>	<b>(6,698,972)</b>	<b>1,443,288</b>
Shares issued for employment incentive adjustment	11	-	763,542	-	-	-	763,542
Share-based compensation	11	-	-	1,460,858	-	-	1,460,858
Share issuance costs	11	-	(24,532)	-	-	-	(24,532)
Share based compensation	11	-	-	146,086	-	-	146,086
Settlement of convertible debt	8	-	-	(4,652)	-	4,652	-
Foreign exchange translation	-	-	-	-	5,819	-	5,819
Net loss for the period	-	-	-	-	-	(2,788,035)	(2,788,035)
<b>Balance at May 31, 2020</b>	<b>41,266,340</b>	<b>8,290,127</b>	<b>2,165,493</b>	<b>27,963</b>	<b>5,798</b>	<b>(9,482,355)</b>	<b>1,007,026</b>
Shares issued for cash	11	5,335,500	593,550	-	-	-	593,550
Share issuance costs	11	-	(1,100)	-	-	-	(1,100)
Shares issued on debt settlement	9,11	1,540,000	178,689	113,911	-	-	292,600
Exercise of options	-	250,000	87,541	(87,391)	-	-	150
Share based compensation	11	-	-	494,735	-	-	494,735
Foreign exchange translation	-	-	-	-	1,632	-	1,632
Net loss for the period	-	-	-	-	-	(2,042,088)	(2,042,088)
<b>Balance at February 28, 2021</b>	<b>48,391,840</b>	<b>\$ 9,148,807</b>	<b>\$ 2,686,748</b>	<b>\$ 27,963</b>	<b>\$ 7,430</b>	<b>\$ (11,524,443)</b>	<b>\$ 346,505</b>

\* Prior to the completion of the Transaction (Note 4), a forward-stock split was completed on the basis of 1.6996. All share amounts have been stated on a post-forward share split basis.

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

**AMPD VENTURES INC.**  
(formerly E-Gaming Ventures Corp.)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss  
For the three and nine months ended February 28, 2021 and February 29, 2020  
(Expressed in Canadian Dollars)

	Note	Three months ended February 28/29,		Nine months ended February 28/29,	
		2021	2020	2021	2020
Sales	14,15	\$ 445,483	\$ 118,401	\$ 1,126,127	\$ 473,905
Cost of Services		225,184	53,642	450,024	380,169
<b>GROSS PROFIT</b>		<b>220,299</b>	<b>64,759</b>	<b>676,103</b>	<b>93,736</b>
Expenses					
Advertising and promotion		1,006	54,416	46,438	358,755
Amortization	6	157,620	149,501	471,355	172,428
Bank charges		1,889	1,899	5,397	5,631
Data center costs		57,955	-	114,422	-
Directors fees	12	3,000	-	9,000	-
Dues and subscriptions		2,526	1,800	2,727	3,705
Insurance		12,002	7,395	30,703	19,078
Office and miscellaneous		55,248	40,233	161,762	74,055
Professional fees		75,503	37,294	280,950	55,272
Regulatory and transfer agent fees		4,242	4,426	16,741	9,264
Salaries and consulting fees	12	350,595	444,113	1,028,644	833,230
Share based compensation	11,12	117,064	134,510	494,735	418,549
Travel and entertainment		500	48,818	7,546	82,478
		<b>839,150</b>	<b>924,405</b>	<b>2,670,420</b>	<b>2,032,445</b>
<b>NET LOSS BEFORE OTHER ITEMS</b>		<b>(618,851)</b>	<b>(859,646)</b>	<b>(1,994,317)</b>	<b>(1,938,709)</b>
Other items					
Foreign exchange loss		750	(766)	185	(742)
Interest expense and finance costs	6,8,9,13	(21,713)	(45,847)	(78,105)	(103,476)
Interest and other income	9,10	3,967	-	30,149	-
Listing expense	4	-	-	-	(3,405,568)
		<b>(16,996)</b>	<b>(46,613)</b>	<b>(47,771)</b>	<b>(3,509,786)</b>
<b>NET LOSS FOR THE PERIOD</b>		<b>(635,847)</b>	<b>(906,259)</b>	<b>(2,042,088)</b>	<b>(5,448,495)</b>
Other comprehensive income					
Foreign currency translation adjustment		(356)	-	1,632	-
		<b>(356)</b>	<b>-</b>	<b>1,632</b>	<b>-</b>
<b>NET AND COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>\$ (636,203)</b>	<b>\$ (906,259)</b>	<b>\$ (2,040,456)</b>	<b>\$ (5,448,495)</b>
<b>Loss per common share</b>					
-basic and diluted		<b>\$ (0.01)</b>	<b>\$ (0.04)</b>	<b>\$ (0.05)</b>	<b>\$ (0.28)</b>
<b>Weighted average number of common shares outstanding</b>					
-basic and diluted		<b>44,494,908</b>	<b>23,589,729</b>	<b>44,727,029</b>	<b>19,377,670</b>

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

**AMPD VENTURES INC.**  
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Condensed Consolidated Interim Statements of Cash Flows  
For the nine months ended February 28, 2021 and February 29, 2020  
(Expressed in Canadian Dollars)

	2021	2020
<b>Cash provided by (used in):</b>		
<b>Operating:</b>		
Net loss for the period	\$ (2,042,088)	\$ (5,448,494)
Items not involving cash:		
Accretion of interest for convertible debenture	-	10,921
Accrued interest and finance costs	71,899	(95,122)
Amortization	471,355	172,428
Other income	(12,685)	-
Listing expense	-	3,184,124
Stock-based compensation	494,735	418,549
Gain on debt settlement	(15,400)	-
	<u>(1,032,184)</u>	<u>(1,757,594)</u>
Changes in non-cash operating working capital items:		
Receivables	130,784	(80,382)
Prepaid expenses and deposits	(41,212)	-
Accounts payable and accrued liabilities	(164,387)	71,560
Deferred revenue	11,245	-
	<u>(1,095,754)</u>	<u>(1,766,416)</u>
<b>Investing</b>		
Acquisition of equipment	(79,723)	(379,484)
	<u>(79,723)</u>	<u>(379,484)</u>
<b>Financing</b>		
Net cash acquired on reverse takeover	-	2,704,763
Cash received subsequent to RTO	-	1,164,458
Proceeds from issuance of shares, net	592,600	4,226
Lease payments	(50,269)	(242,322)
Debt repayments	(157,438)	(77,701)
Government loan	60,000	-
	<u>444,893</u>	<u>3,553,424</u>
Effect of foreign exchange on cash flows	1,632	(14)
Change in cash during the period	(728,952)	1,407,510
Cash, beginning of period	938,661	106,176
Cash, end of period	<u>\$ 209,709</u>	<u>\$ 1,513,686</u>

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

# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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## 1. NATURE OF BUSINESS

AMPD Ventures Inc. (the "Company") was incorporated under the laws of the Province of British Columbia on June 27, 2018.

The Company's head office and principal address is located at #210-577 Great Northern Way, Vancouver, BC, V5T 1E1. The registered and records office is suite 2900-550 Burrard Street, Vancouver, BC, V6C 0A3.

On October 11, 2019, the Company (formerly E-Gaming Ventures Corp.) ("E-Gaming Ventures") completed a reverse takeover (the "RTO") with AMPD Holdings Corp., ("AMPD"), a private company incorporated under the Canada Business Corporations Act and its wholly owned subsidiary, AMPD Game Technologies US Inc., ("AMPD US"). The Company acquired 100% of the issued and outstanding common shares of AMPD (the "Transaction") resulting in AMPD becoming a wholly owned subsidiary of the Company. See Note 4.

As a result of the Transaction, effective October 24, 2019, the Company commenced trading its common shares on the Canadian Securities Exchange ("CSE") under the symbol "AMPD". On November 4, 2019, the Company's common shares were listed on the Frankfurt Exchange trading under the symbol "2Q0".

The Company is a technology company that builds high performance computing and cloud infrastructure to service the needs of companies with low-latency applications, including multiplayer video games and eSports, next-gen digital media production, and big data analysis, collection, and visualization.

These consolidated financial statements have been prepared on the basis of a going concern which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on being able to raise the necessary funding to continue operations, through public equity, debt financings, joint arrangements and other contractual arrangements, or being able to operate profitably in the future. The Company has incurred losses since inception and as at February 28, 2021 has a working capital deficit of \$532,786 (May 31, 2020 – working capital deficit of \$3,714) and an accumulated deficit of \$11,524,443 (May 31, 2020 - \$9,482,355). There is no assurance that additional funding will be available on a timely basis or on terms acceptable to the Company. If the Company is unable to obtain sufficient funding, the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles as a going concern will be in doubt. These uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities which might be necessary should the Company be unable to continue in existence.

Further, in March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the pandemic's impact on its business, results of operations, financial position and cash flows in the future.



# **AMPD VENTURES INC.**

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

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## **2. BASIS OF PRESENTATION**

These financial statements were authorized for issue on April 27, 2021 by the directors of the Company.

### ***Statement of compliance***

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with those used in the Company’s May 31, 2020 consolidated audited financial statements. It is therefore recommended that these condensed consolidated interim financial statements be read in conjunction with the Company’s May 31, 2020 consolidated audited financial statements.

### ***Basis of preparation and consolidation***

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

These consolidated financial statements include accounts of the Company and its wholly-owned subsidiaries, AMPD and AMPD US. The financial statements prior to October 11, 2020, the RTO completion date, include only the accounts of AMPD and AMPD US. Inter-company transactions and balances are eliminated upon consolidation.

Subsidiaries are corporations in which the Company is able to control the financial operating, investing and financing activities and policies, which is the authority usually connected with holding majority voting rights. The consolidated financial statements include the accounts of the Company and its controlled entity from the date on which control was acquired. The subsidiaries use the same reporting period and the same accounting policies as the Company.

All significant inter-company balances and transactions have been eliminated on consolidation.

### ***Significant accounting judgements, estimates and assumptions***

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

The preparation of these consolidated financial statements requires management to make judgments regarding going concern of the Company as discussed in Note 1.

## **AMPD VENTURES INC.**

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### ***Accounting standard issued but not yet effective***

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

### **4. REVERSE TAKEOVER OF AMPD**

On October 11, 2019, the Company completed an RTO transaction with AMPD (Note 1), whereby the Company acquired 100% of the issued and outstanding common shares of AMPD.

Pursuant to the Transaction, the Company issued an aggregate of 20,000,000 common shares of the Company in exchange for all of the issued and outstanding shares of AMPD. Upon closing of the Transaction, the shareholders of AMPD owned 55% of the common shares of the Company and, as a result, the Transaction is considered a reverse acquisition of the Company by AMPD.

For accounting purposes, the acquisition was considered to be a reverse acquisition under IFRS 3 *Business Combinations* ("IFRS 3") as the shareholders of AMPD obtained control of E-Gaming Ventures. However, as E-Gaming Ventures does not meet the definition of a business as defined by IFRS 3, it has been accounted for as a share-based payment transaction in accordance with IFRS 2. The accounting for this transaction resulted in the following:

- a. The consolidated financial statements of the combined entity are issued under the legal parent, E-Gaming Ventures, but are considered a continuation of the financial statements of the legal subsidiary, AMPD.
- b. As AMPD is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.
- c. Since the shares allocated to the former shareholders of AMPD on closing the Transaction is considered within the scope of IFRS 2, and the Company cannot identify specifically some or all of the goods or service received in return for the allocation of the shares, the value in excess of the net identifiable assets or obligations of AMPD acquired on closing was expensed in the consolidated statement of loss and comprehensive loss as a listing expense.

The fair value of the consideration for all the share of E-Gaming Ventures was calculated as follows:

The fair value of the 17,138,940 common shares of E-Gaming Ventures was determined to be \$5,998,629 or \$0.35 per common share.

The fair value of 279,591 warrants of E-Gaming Ventures was estimated using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 1.61%, expected life of 0.66 years, volatility of 63.21% and no expected dividends.

## AMPD VENTURES INC.

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

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### 4. REVERSE TAKEOVER OF AMPD (cont'd)

d. The fair value of all the consideration given and charged to listing expense was comprised of:

Consideration		
Outstanding common shares of E-Gaming Ventures	\$	5,998,629
Outstanding warrants of E-Gaming Ventures		19,913
	\$	6,018,542
Net identifiable assets acquired – At October 11, 2019		
Cash	\$	2,290,958
Receivables		601,332
Trade payables		(7,872)
		2,884,418
Unidentified assets acquired		
Listing expense (See Note (e))		3,134,124
Total net identifiable assets and transaction costs	\$	6,018,542

e. The Company incurred additional listing expenses of \$271,444, for a total listing expense of \$3,405,568. Included in this amount is 169,962 common shares issued in exchange for \$50,000 in consulting services.

### 5. RECEIVABLES

	February 28, 2021	May 31, 2020
Trade receivables	\$ 167,035	\$ 285,859
Goods and services tax recoverable	37,718	49,678
	\$ 204,753	\$ 335,537

## AMPD VENTURES INC.

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

### 6. PROPERTY AND EQUIPMENT

	Equipment (Note 13)	Right of Use Assets (Note 9, and 13)	Total
<b>Cost</b>			
Balance, May 31, 2019	\$ 4,849	\$ -	\$ 4,849
Additions	1,029,672	782,660	1,812,332
Balance, May 31, 2020	1,034,521	782,660	1,817,181
Additions	79,723	-	79,723
Balance, February 28, 2021	\$ 1,114,244	\$ 782,660	\$ 1,896,904
<b>Accumulated amortization</b>			
Balance, May 31, 2019	\$ 3,839	\$ -	\$ 3,839
Amortization	203,356	141,520	344,876
Balance, May 31, 2020	207,195	141,520	348,715
Amortization	272,814	198,541	471,355
Balance, February 28, 2021	\$ 480,009	\$ 340,061	\$ 820,070
<b>Balance</b>			
May 31, 2020	\$ 827,326	\$ 641,140	\$ 1,468,466
February 28, 2021	\$ 634,235	\$ 442,599	\$ 1,076,834

Included in Equipment are lab assets acquired during the period which were not in use, therefore, no amortization was taking during the period.

### 7. TRADE PAYABLES AND ACCRUED LIABILITIES

	February 28, 2021	May 31, 2020
Trade payables (Note 12)	\$ 216,444	\$ 361,548
Accrued liabilities	60,500	32,204
	\$ 276,944	\$ 393,752

During the year ended May 31, 2020, the Company recorded a \$180,000 reversal of previously accrued liabilities.

### 8. CONVERTIBLE DEBT AND LOANS PAYABLE

#### a. Convertible debt

On August 29, 2018, the Company issued a \$250,000 unsecured convertible promissory note to one of its principal shareholders who is also an officer and director of the Company. The Convertible Debt accrues interest at 12% per annum, compounded monthly in arrears. The principal and accrued interest are due and payable on August 29, 2021. The principal and accrued interest are convertible to common shares of the Company at any time prior to the maturity date, at the holder's discretion, at a conversion price of \$0.79 per common share. On May 1, 2019, the Company amended the maturity date of the unsecured convertible promissory note to May 1, 2020 and the conversion price to \$0.70 per common share. Accordingly, the Company recorded a loss on modification of \$13,318. As of February 28, 2021, the Company recorded \$86,964 (May 31, 2020 -\$58,099) in accrued interest

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### 8. CONVERTIBLE DEBT AND LOANS PAYABLE (cont'd)

#### a. Convertible debt (cont'd)

on the promissory note. To February 28, 2021, the Company has not repaid the convertible promissory note and the holder has not demanded repayment nor exercised their right to convert.

On May 1, 2019, the Company issued an additional \$120,000 unsecured convertible promissory note to an unrelated party under the same terms. During the period ended February 28, 2021, the Company recorded \$nil (May 31, 2020 -\$11,355) in interest expense on the promissory note. The Company repaid the promissory note and accrued interest in full during the year ended May 31, 2020. Accordingly, the Company relocated \$Nil (May 31, 2020 - \$4,652) from reserve to deficit.

The reconciliation of the carrying amount of the convertible debt is:

	February 28, 2021	May 31, 2020
Balance, beginning of period	\$ 306,175	\$ 379,515
Net loan repayments	-	(132,555)
Interest expense at effective interest rate	30,789	59,215
Balance, end of period	\$ 336,964	\$ 306,175

#### b. Non-revolving credit facility

On October 13, 2017, the Company entered into a \$200,000 non-revolving credit facility agreement (the "Loan") with Runway Finance Group Inc. (the "Lender"). The Loan bears interest at 16% per annum and matures on October 13, 2020. The Company is required to make interest plus monthly principal repayments of the greater of \$7,250 or 45% of proceeds received from customers of assigned contracts, as defined in the agreement, in a given month.

The Company provided the following as security:

- General security agreement charging all of the Company's assets;
- Assignment of the Company's May 31, 2018 and 2019 SRED refund claims; and
- Assignment of certain of the Company's sales contracts.

The reconciliation of the carrying amount of the non-revolving credit facility is:

	February 28, 2021	May 31, 2020
Carrying value, beginning of period	\$ 59,220	\$ 153,467
Net loan repayments	(59,220)	(94,247)
Interest expense at effective interest rate	6,965	17,395
Interest paid	(6,965)	(17,395)
Carrying value, end of period	\$ -	\$ 59,220

The Company is required to meet certain covenants imposed by the Lender which includes a financial covenant to maintain a minimum net worth, defined as its share capital plus retained earnings. During the nine months ended and as at February 28, 2021 and May 31, 2020, the Company, from time to time, may not be in compliance with its financial covenant and, accordingly, the balance of the Loan has been classified as a current liability on the statement of financial position. During the period ended February 28, 2021, the Company repaid the remainder of this loan.

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Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

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### 9. LEASE LIABILITIES

The Company incurs lease payments related to its office premises, data centre and server equipment.

	Office	Data Centre	Total
Balance, May 31, 2020	\$ 118,639	\$ 539,433	\$ 658,072
Imputed interest	6,764	20,025	26,789
Payments	(50,269)	(308,000)	(358,269)
Balance, February 28, 2021	75,134	251,458	326,592
Current portion	51,773	127,263	179,036
Long-term portion	\$ 23,361	\$ 124,195	\$ 147,556

During the period ended February 28, 2021, the Company arranged to settle future payments of \$308,000 of its lease for the Data Centre by issuing 1,540,000 units of the Company's equity. (Note 11(b))

### 10. GOVERNMENT LOAN

On June 1, 2020, the Company received the Canada Emergency Business Account ("CEBA") loan which is an interest-free loan to cover operating costs. The CEBA loan was launched by the government of Canada to support businesses by providing financing for their expenses that cannot be avoided or deferred, and assisting businesses for successful relaunch when the economy recovers from COVID-19. On December 22, 2020, the Company received an additional loan from the expansion of CEBA loan program. Repaying the balance of the two CEBA loans on or before December 31, 2022 will result in an aggregate loan forgiveness of \$20,000.

Pursuant to IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*, the benefit of a government loan at below-market rate is treated as a government grant and measured in accordance with IFRS 9 *Financial Instruments*: the benefit of below-market rate shall be measured as the difference between initial carrying value of the loan (being the present value of a similar loan at market rates) and the proceeds received. The Company has estimated the initial carrying value of the CEBA Loan at \$30,927, using a discount rate of 10%, which was the estimated rate for a similar loan without interest-free component. The difference of \$9,073 will be accredited to the loan liability over the term of the CEBA Loan and offset to other income on the statement of loss and comprehensive loss.

	February 28, 2021	May 31, 2020
Balance, beginning of period	\$ –	\$ –
Loan received	60,000	–
Interest free benefit	(12,685)	–
Finance expense	2,672	–
Balance, end of period	\$ 49,987	\$ –

### 11. SHARE CAPITAL

#### a. Authorized

Unlimited number of common shares without par value.

# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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## 11. SHARE CAPITAL (cont'd)

### b. Issued and outstanding

During the nine months ended February 28, 2021, the Company completed the following transactions:

- i) issued 250,000 common shares on the exercise of 250,000 stock options for gross proceeds of \$150. In addition, a reallocation of \$87,391 from reserves to share capital was recorded on the exercise of these options. This amount constitutes the fair value of options recorded at the original grant date.
- ii) completed a private placement of 600,000 units at a price of \$0.20 per unit for gross proceeds of \$120,000. Each unit includes one common share and one-half share purchase warrant. Each whole warrant is exercisable at a price of \$0.30 per share for a period of one year. The CEO and director of the Company was the sole subscriber for this private placement. The Company incurred \$200 in share issuance costs in connection to this private placement.
- iii) completed an arrangement through which the Company settled \$308,000 of future transactions with a third party in exchange for 1,540,000 units (Note 9). Each unit will be comprised of one common share and one common share purchase warrant having an exercise price of \$0.30 and a term of 24 months from the date of closing. The Company recorded a fair value of \$178,689 on 1,540,000 common shares and \$113,911 on 1,540,000 share purchase warrants. In addition, the Company recorded a gain of \$15,400 in connection to this settlement.
- iv) Completed a private placement of 4,735,500 units at a price of \$0.10 per unit for gross proceeds of \$473,550. Each unit includes one common share and one-half share purchase warrant. Each whole warrant is exercisable at a price of \$0.15 per share for a period of one year. Three directors and officers and a former officer of the Company subscribed for an aggregate of 2,745,500 units in this private placement. (Note 12) The Company incurred \$900 in share issuance costs in connection to this private placement.

During the year ended May 31, 2020, AMPD completed the following transactions:

- i) On June 1, 2019, issued 169,962 (100,000 pre-forward stock split) common shares at a fair value of \$50,000 for consulting services, which has been recorded in listing costs.
- ii) On June 1, 2019, issued 2,185,224 (1,285,7116 pre-forward stock split) common shares at a fair value of \$764,828 as employment sign-on incentives to an officer and director of AMPD, which has been recorded in share-based compensation
- iii) On July 1, 2019, issued 594,865 (350,000 pre-forward stock split) common shares at a fair value of \$175,000 as consideration for the purchase of equipment.
- iv) On July 3, 2019, rescinded an agreement to repurchase 849,808 (500,000 pre-forward split) common shares, which were initially cancelled at a nominal value, from a director and officer of the Company.

During the year ended May 31, 2020, E-Gaming Ventures completed the following transaction:

- i) Between July 25, 2019 and September 10, 2019, in connection with and prior to the completion of the Transaction, E-Gaming issued an aggregate of 8,684,854 special warrants at a price of \$0.35 per special warrant for total gross proceeds of \$2,866,299. Each special warrant entitled the holder to one common share at no additional consideration and were fully converted into 8,684,854 common shares prior to the completion of the Transaction. In connection to the financing, an aggregate of 279,591 agent's warrants were issued. Each agent warrant is exercisable at a price of \$0.35 expiring between May 9, 2021 and September 18, 2021. The Company recognized a fair value of \$19,913 on the agent's warrants.

# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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## 11. SHARE CAPITAL (cont'd)

### b. Issued and outstanding (cont'd)

During the year ended May 31, 2020, the Company completed the following transactions:

- i) On October 11, 2019, in accordance with the Transaction (Note 4), the Company issued 20,000,000 common shares to acquire all the issued and outstanding shares of AMPD.
- ii) Issued 8,400 common shares on the exercise of agent's finder's warrants, which were previously issued by E-Gaming Ventures, for gross proceeds of \$2,940.
- iii) On February 7, 2020, the Company closed its private placement financing of 4,119,000 units for gross proceeds of \$978,263. Each unit is comprised of one common share and one-half of one common share purchase warrant having an exercise price of \$0.50 per whole warrant expiring February 7, 2021. The Company incurred \$24,532 in share issuance costs in connection to this private placement.

### c. Escrow

16,170,456 common shares issued to the principals of the Company under the Transaction are subject to escrow conditions required by applicable securities laws and the CSE requirements. Pursuant to the terms of the escrow agreements, 10% of the escrowed shares were released from escrow on October 24, 2019 and 15% of the escrowed shares to be released every 6 months over a period of 36 months. As at February 28, 2021, 9,702,281 (May 31, 2020 – 12,127,847) common shares are held within escrow.

### d. Reserve

#### *Conversion rights of debt*

This reserve records the equity component of debt which has both a liability and equity component. On conversion, the amount recorded is transferred to share capital. On redemption or settlement, the amount is transferred to deficit.

#### *Share-based compensation*

The reserve records the fair value recognized on stock options granted and on the share purchase warrants issued in connection to the private placement until such time that the stock options or share purchase warrants are exercised, at which time the corresponding amount will be transferred to share capital.

### e. Stock options and share purchase warrants

The Company adopted a 10% rolling share option plan (the "Plan") that enables management to grant options to directors, officers, employees and other service providers. The Company follows the CSE policies where the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price, expiry date, and the vesting conditions of the options as determined by the Board of Directors.



# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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## 11. SHARE CAPITAL (cont'd)

### e. Stock options and share purchase warrants (cont'd)

During the nine months ended February 28, 2021, the Company issued the following stock options transactions:

- i) granted 2,550,000 incentive stock options to directors, employees and an advisor at an exercise price of \$0.19 per share expiring Jun 23, 2025. During the period, the Company recorded \$253,717 in share-based compensation on the vested portion of the options.
- ii) 700,000 stock options at an exercise price of \$0.35 per share and 400,000 stock options at an exercise price of \$0.50 were forfeited.
- iii) Issued 300,000 share purchase warrants at an exercise price of \$0.30 per share expiring June 15, 2021 in connection to a private placement. (Note 11(b))
- iv) Issued 1,540,000 share purchase warrants at an exercise price of \$0.30 per share expiring June 15, 2022 in connection to a settlement of future transactions. (Note 11(b))

During the year ended May 31, 2020, AMPD entered into the following stock option and share purchase warrant transactions:

- i) issued 5,000,000 (2,941,840 pre-forward stock split) common share purchase options with an exercise price of \$0.01 (\$0.001 pre-forward stock split) to certain directors and officers. The options were subject to the following vesting conditions and expiry dates:
  - i) 3,000,000 (1,765,104 pre-forward stock split) vest immediately and expire in five years;
  - ii) 500,000 (294,184 pre-forward stock split) vest after the Company generates not less than \$750,000 in total revenues in a single fiscal year, and expire in two years;
  - iii) 500,000 (294,184 pre-forward stock split) vest after the Company generates not less than \$1.5 million in total revenues in a single fiscal year, and expire in three years;
  - iv) 500,000 (294,184 pre-forward stock split) vest after the Company generates not less than \$4 million in total revenues in a single fiscal year, and expire in five years; and
  - v) 500,000 (294,184 pre-forward stock split) vest after the Company closes a single recurring revenue deal in which the aggregate top-line value exceeds \$2 million, and expire in five years.

The fair value of the options at grant date was \$1,747,813. During the year ended May 31, 2020, the Company recorded \$1,456,511 in share-based compensation on the vested portion of the options. Prior to the completion of the Transaction, these options were converted and replaced with 5,000,000 share purchase warrants.

- ii) 250,000 previously issued special warrants were replaced with 424,904 (250,000 pre-forward stock split) common share purchase warrants. The common share purchase warrants will be exercisable at \$0.35 (\$0.60 pre-forward stock split) per share for a period of 12 months once the holders of the previous special warrants have received royalty payments equal to the purchase price of the royalty units as follows:

# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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## 11. SHARE CAPITAL (cont'd)

### e. Stock options and share purchase warrants (cont'd)

Holders of the special warrants are entitled to receive a pro-rata share of 0.83% of the Company's annualized gross sales, to a maximum of 80% of net profit for that year, so long as the Company maintains a positive annual EBITDA. Once holders of the special warrants have received an amount equal to the aggregate purchase price of the royalty units, the Company may at its sole discretion convert each special warrant to one-half of one share purchase warrant.

Following conversion of the special warrants, provided that the Company maintains a positive annual EBTIDA and receives board of director approval, the Company will pay to all holders of common shares an annual dividend of no less than 5% of the Company's annualized gross sales in excess of \$5 million.

The purchase price of the special warrants was initially allocated to the common shares issued and no value was allocated to the special warrants as the Company had incurred recurring losses and there was no certainty that the Company will achieve positive annual earnings in future years.

During the year ended May 31, 2020, AMPD issued an aggregate of 279,591 agent's warrants which were issued on completion of a financing. Each agent warrant is exercisable at a price of \$0.35 expiring between May 19, 2021 and September 18, 2021.

During the year ended May 31, 2020, the Company granted the following stock options:

- i) 900,000 stock options to directors and officers of the Company at an exercise price of \$0.35 per share expiring on October 24, 2024. The stock options granted are subject to vesting terms over a 3 year period. During the year, the Company recorded \$169,282 in share-based compensation on the vested portion of the options.
- ii) 700,000 stock options to directors, officers, and employees of the Company at an exercise price of \$0.50 per share expiring on October 25, 2024. The stock options granted are subject to vesting terms over a 3 year period. During the year, the Company recorded \$171,964 in share-based compensation on the vested portion of the options.
- iii) 650,000 stock options to consultants of the Company at an exercise price of \$0.63 per share expiring on April 7, 2020. During the year, the Company recorded \$210,518 in share-based compensation on the options. These options expired unexercised on April 7, 2020.
- iv) 50,000 stock options to an employee of the Company at an exercise price of \$0.39 per share expiring on January 19, 2025. During the year, the Company recorded \$7,630 in share-based compensation on the vested portion of the options.
- v) 150,000 stock options to two employees of the Company at an exercise price of \$0.22 per share expiring on March 4, 2025. During the year, the Company recorded \$9,588 in share-based compensation on the vested portion of the options.

## AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

### 11. SHARE CAPITAL (cont'd)

#### e. Stock options and share purchase warrants (cont'd)

During the year ended May 31, 2020, the Company issued the following warrants:

- i) 279,591 warrants issued and outstanding in E-Gaming Ventures were converted to warrants of the Company upon completion of the Transaction (Note 4).
- ii) 2,059,500 warrants in conjunction with the private placement financing.

The Company applies the fair value method in accounting for its stock options and warrants using the Black-Scholes Option Pricing Model using the following estimates:

	Stock options		Warrants	
	February 28, 2021	May 31, 2020	February 28, 2021	May 31, 2020
Risk free rate	0.42%	1.13%	1.37%	1.38%
Expected dividend yield	0%	0%	0%	0%
Expected stock price volatility	147.63%	195.73%	142.60%	142.60%
Weighted average expected life	5 years	3.78 years	4.50 years	4.50 years
Weighted average fair value	\$0.19	\$0.39	\$0.35	\$0.001

Stock options and share purchase warrant transactions are summarized as follows:

	Stock Options		Warrants	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, May 31, 2019	-	\$ -	-	\$ -
Reissued	-	-	279,591	0.35
Converted from options and special warrants	-	-	5,424,904	0.03
Granted	2,450,000	0.46	2,059,500	0.50
Exercised	-	-	(8,400)	0.35
Forfeited	(200,000)	0.35	-	-
Expired	(650,000)	0.63	-	-
Outstanding, May 31, 2020	1,600,000	0.41	7,755,595	0.17
Forfeited	(1,250,000)	0.39	-	-
Expired	-	-	(2,059,500)	0.50
Exercised	-	-	(250,000)	0.0006
Granted	2,550,000	0.19	4,207,750	0.22
Outstanding, February 28, 2021	2,900,000	\$ 0.22	9,345,595	\$ 0.12
Number currently exercisable	566,667	\$ 0.26	7,014,904	\$ 0.22

## AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

### 11. SHARE CAPITAL (cont'd)

#### e. Stock options and share purchase warrants (cont'd)

As at February 28, 2021, the following stock options and share purchase warrants were outstanding:

	Expiry Date	Number of Shares	Weighted Average Exercise Price	Weighted Average Period
Stock options	October 26, 2024	300,000	\$ 0.50	3.66 years
	March 4, 2025	100,000	\$ 0.25	4.01 years
	June 23, 2025	2,500,000	\$ 0.19	4.32 years
		2,900,000	\$ 0.22	4.24 years
Warrants	May 9, 2021	253,849	\$ 0.35	0.19 years
	June 2, 2021	250,000	\$ 0.006	0.26 years
	June 2, 2022	500,000	\$ 0.006	1.26 years
	June 2, 2024	4,000,000	\$ 0.006	3.26 years
	September 18, 2021	17,342	\$ 0.35	0.55 years
	December 1, 2021	424,904	\$ 0.35	0.76 years
	June 15, 2021	300,000	\$ 0.30	0.29 years
	June 15, 2022	1,540,000	\$ 0.30	1.29 years
	December 14, 2021	2,367,750	\$ 0.15	0.79 years
		9,653,845	\$ 0.12	1.87 years

### 12. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

During the nine months ended February 28, 2021 and February 29, 2020, the remuneration of the key management personnel were as follows:

February 28/29,	2021	2020
Chief Executive Officer	\$ 90,000	\$ 84,500
Chief Financial Officer	35,600	5,400
Chief Strategy Officer	150,000	121,203
Chief Technology Officer	90,000	90,000
Vice President of Client Services	68,433	159,500
Vice President of Operations	90,000	73,500
Director Fees	9,000	-
Total	\$ 533,033	\$ 534,103

#### Other related party transactions and balances

The Company recognized an aggregate of \$313,295 (February 29, 2020 - \$157,167) in share-based compensation on the vested portion of stock options and performance-based warrants granted to directors and officers of the Company.

## AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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### 12. RELATED PARTY TRANSACTIONS (cont'd)

Convertible debt of \$250,000 and interest earned of \$86,968 (May 31, 2020 – debt of \$250,000 and interest of \$58,099) is owed to the CEO at February 28, 2021 (Note 8(a)).

During the nine months ended February 28, 2021, the Company paid or accrued \$9,000 in director's fees (February 29, 2020 - \$nil) to a director of the Company. As at February 28, 2021, \$5,000 (May 31, 2020 - \$2,000) was included in trade payables and accrued liabilities in director fees owed to a director of the Company.

On June 15, 2020, the Company issued 600,000 units consisting of 600,000 common shares and 300,000 share purchase warrants exercisable at \$0.30 per share for a period of one year for total proceeds of \$120,000. (Note 11(b)). The CEO purchased these units.

On December 14, 2020, the Company issued an aggregate of 2,745,500 units consisting of 2,745,500 common shares and 1,372,750 share purchase warrants exercisable at \$0.15 per share for a period of one year for total proceeds of \$274,550 to the Company's CEO, CFO, VP of Operations and the former VP of Client Services. (Note 11(b)).

### 13. COMMITMENTS

#### *Finance lease*

- Equipment finance agreement dated December 2, 2019 for server equipment for a period of 2 years commencing January 1, 2020 and expiring December 31, 2022, in exchange for \$14,558 per month plus applicable taxes.
- Insurance premium financing agreement dated October 2, 2020 for the Company's directors' and officers' liability insurance for a period of nine months commencing October 21, 2020, in exchange for a down payment of \$8,663 and \$2,282 per month.
- Insurance premium financing arrangement dated October 8, 2020 for general liability and information technology insurance for a period of one year commencing November 29, 2020, in exchange for \$740 per month.

	Server	Insurance	Total
Balance, May 31, 2020	\$ 307,755	\$ -	\$ 307,755
Proceeds	-	47,868	47,868
Imputed interest	11,650	685	12,335
Payments and other	(171,732)	(22,619)	(194,351)
Balance, February 28, 2021	147,673	25,934	173,607
Current portion	147,673	25,934	173,607
Long-term portion	\$ -	\$ -	\$ -

## AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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### 13. COMMITMENTS (cont'd)

#### *Lease agreements*

- a. Office sublease dated July 12, 2019 for a portion of the office premises for a period of three years commencing August 1, 2019 and expiring July 31, 2022, in exchange for \$7,450 per month plus applicable taxes for the first two years and base rent of \$4,750 per month plus Landlord's projected operating costs and applicable taxes for the final year. The lease agreement includes an option to renew for an additional 3 year term at the end of its initial term.
- b. Data Centre lease dated June 1, 2019 for a portion of the premises for a period of three years commencing November 1, 2019 and expiring October 31, 2022 in exchange for \$23,185 per month plus applicable taxes. The monthly rent includes base rent, operating costs, and capital cost recoveries. The lease agreement includes an option to renew for an additional 3 year term at the end of its initial term.

### 14. SALES AND RELIANCE ON MAJOR CUSTOMERS

The Company's sales by category are:

Nine months ended February 28/29,	2021	2020
Sales for the period		
Hardware sales and installation	\$ 282,294	\$ 251,592
Software licensing fees	47,671	41,331
Platform fees	763,677	137,784
Support and maintenance	2,347	592
Rental fees	26,924	25,440
Other	3,214	17,166
	\$ 1,126,127	\$ 473,905

During the nine months ended February 28, 2021, sales to three of the Company's customers amounted to 35%, 12%, and 10%, respectively, for a combined total of 57% of sales. For the nine months ended February 29, 2020, sales to four of the Company's customers amounted to 20%, 13%, 12% and 10%, respectively, for a combined total of 56% of sales.

The digital media and computer technology industry is highly competitive and there is no guarantee that the Company could easily replace these customers should it cease selling products and services to them.

### 15. SEGMENTED INFORMATION

The Company operates in one industry segments in both Canada and the United States of America. The Company's assets are solely located in Canada. During the nine months ended February 28, 2021 and February 29, 2020, the Company's total sales were generated from Canada only.

## **AMPD VENTURES INC.**

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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### **16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's financial instruments consist of cash, receivables, trade payables, convertible debt, loan payable and finance loan. These financial instruments are exposed to certain risks, including credit risk, interest rate risk, liquidity risk and other market risk.

#### Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through large Canadian financial institutions. The Company considers credit risk on its cash to be minimal.

The Company's receivables consists of Goods and Services Tax due from the Federal Government of Canada and amounts receivable from customers. The Company's maximum exposure to credit risk as at February 28, 2021 is \$167,035 (May 31, 2020 - \$285,859), representing trade receivables.

For amounts due from customers, the Company performs ongoing credit evaluations of its customers and monitors the receivable balance and the payments made in order to determine if an allowance for estimated credit losses is required.

When determining the allowance for estimated credit losses the Company will consider historical experience with the customer, current market and industry conditions and any specific collection issues. As at February 28, 2021 and February 29, 2020, the Company did not have any material overdue accounts.

#### 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 manages liquidity risk by maintaining cash balances to ensure that it is able to meet its short term and long term obligations as and when they fall due. Trades payable and accrued liabilities are due within the current operating period. The Company manages liquidity risk through the management of its capital structure as described in Note 17.

As at February 28, 2021, the Company had a working capital deficiency of \$532,786 (May 31, 2020 – working capital deficiency of \$3,714).

#### Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### *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 exposed to interest rate risk from its secured loans and convertible debentures. The Company's interest rates on these loans are fixed and the sensitivity of the Company's loss before tax to a reasonably possible change in market interest rates is considered minimal.

#### *Other Market Risk*

Other market risk that the Company is exposed to includes currency risk. Currency risk is the risk of loss due to fluctuation of foreign exchange rates and the effects of these fluctuations on foreign currency denominated monetary assets and liabilities. The Company is not exposed to significant currency risk as the parent entity and subsidiaries primarily transact in their functional currencies.

#### *Price risk*

The Company is not exposed to price risk.

# AMPD VENTURES INC.

(formerly E-Gaming Ventures Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

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## 17. CAPITAL MANAGEMENT

The Company's capital management objectives are to safeguard the Company's ability to continue as a going concern in order to continue its technology services to its customers. The Company's capital is composed of its shareholders' equity, convertible debt and loan payable.

The Company manages and adjusts its capital structure whenever changes to the risk characteristics of the underlying assets or changes in economic conditions occur. To maintain or adjust the capital structure, the Company may issue new shares or acquire, dispose of or jointly operate certain of its assets. In order to facilitate the management of its capital requirements, the Company actively monitors its liquidity and short and long-term funding requirements. There was no change to the Company's approach to capital management during the year.

## 18. SUBSEQUENT EVENT

Subsequent to February 28, 2021, the Company:

- a. completed a non-brokered private placement of 5,666,666 units at a price of \$0.15 per unit for gross proceeds of \$850,000. Each unit includes one common share and one share purchase warrant exercisable at a price of \$0.25 per share for a period of three years.
- b. granted an aggregate of 2,100,000 stock options at an exercise price of \$0.25 per share to certain officers, employees and consultants of the Company. 1,500,000 of the options are exercisable for a three-year term and 600,000 of the options are exercisable for a period of five years.
- c. granted an aggregate of 250,000 stock options at an exercise price of \$0.25 per share to two consultants of the Company for a period of three years.
- d. announced a proposed private placement financing of up to 12,000,000 units at a price of \$0.25 per unit for aggregate proceeds of up to \$3,000,000. Each unit will consist of one common shares and one share purchase warrant exercisable at a price of \$0.40 per warrant for a period of 24 months. The expiry date of the warrants may be accelerated at the option of the Company if, at any time prior to the expiry of the warrants, the volume weighted average trading price of the underlying Common Shares on the CSE (or such other recognized Canadian stock exchange on which the Common Shares are then listed) is or exceeds \$0.75 for a period of ten (10) consecutive trading days.

As part of this transaction, the Company may enter into finder's fee agreements with certain finders, paying to such finders a fee comprised of either i) a cash commission of up to 7% of the gross proceeds raised by finders, and that number of finder's warrants, with the same terms as the warrants, equal to up to 7% of the number of Units sold on the portion of the Private Placement raised by finders, or ii) issue Shares to finders equal to up to 7% of the number of Units sold on the portion of the Private Placement raised by finders at an issue price of \$0.25 per Share.

Subsequent to February 28, 2021, the Company has received a total of \$101,500 in subscriptions.