Fantasy 360 Technologies Ltd.

Table of concordance from Final Prospectus to Form 2A

The following table lists the information required under the CSE Form 2A – Listing Statement, and provides the corresponding page numbers to the Company's final long form prospectus dated August 9, 2021 (the "**Prospectus**") to which the applicable information can be found. A copy of the Prospectus can be found under the Company's profile on SEDAR (www.sedar.com), and a copy is attached hereto as Schedule "A".

Schedule "A"
Final Prospectus Dated August 9, 2021

See attached

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

NON-OFFERING PROSPECTUS

Non-offering prospectus August 9, 2021

FANTASY 360 TECHNOLOGIES INC. d/b/a IMMERSIVE TECH
(the "Company" or "Issuer")

No securities are being offered pursuant to this Prospectus.

This prospectus (the "**Prospectus**") is being filed with the British Columbia Securities Commission for the purpose of allowing Fantasy 360 Technologies Inc. (the "**Company**", or the "**Issuer**") to meet one of the eligibility requirements for the listing of its common shares (the "**Common Shares**") on the Canadian Securities Exchange (the "**CSE**" or the "**Exchange**"). As no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general funds.

An investment in securities of the Company is speculative and involves a high degree of risk. In reviewing this prospectus, you should carefully consider the matters described under the heading "Risk Factors".

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence investigations in respect of the contents of this Prospectus. No person is authorized by the Company to provide any information or make any representations other than those contained in this Prospectus.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc)

Unless otherwise noted, all currency amounts in this prospectus are stated in Canadian dollars.

Mr. Alvin Graylin and Ms. Cathy Hackl, each a director of the Company, each resides outside of Canada and each has appointed MLT Aikins LLP at 2600-1066 West Hastings St., Vancouver, British Columbia V6E 3X1, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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GLOSSARY

In this Prospectus, the following capitalized terms have the following meanings, in addition to other terms defined elsewhere in this Prospectus.

"**AR**" means augmented reality technology which typically adds digital elements to a live and/or direct view of the surrounding environment;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Board**" means the board of directors of the Company;

"**Bonus Warrants**" means the 2,200,000 Common Share purchase warrants issuable to certain consultants, employees and officers of the Company and VST on completion of a Going Public Transaction, each such warrant exercisable to acquire one Common Share at a price of $0.25 for a period of 2 years from the date of issuance;

"**CEO Go-Public Shares**" means an aggregate of 600,000 Common Shares issuable pursuant to the CEO Employment Agreement at a deemed price per Common Share of $0.25 upon completion of the Going Public Transaction with 50% of such Common Shares subject to a contractual lock-up expiring on the date that is 4 months following the date of completion of the Going-Public Transaction;

"**CEO Employment Agreement**" means the employment agreement dated May 1, 2021 between the Company and Timothy Bieber;

"**Clients**" has the meaning ascribed thereto under *Narrative Description of Business – General Overview of the Company*;

"**Code**" means the Code of Business Conduct and Ethics of the Company adopted by the Board on April 20, 2021;

"**Common Shares**" means common shares without par value in the capital of the Company;

"**CSE**" means the Canadian Securities Exchange;

"**DMCL**" means Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants;

"**Escrow Agent**" means Odyssey Trust Company;

"**Escrow Agreement**" has the meaning ascribed thereto under "*Escrowed Securities And Other Securities Subject To Resale Restrictions – Escrow Agreement*";

"**Escrow Conditions**" the date upon which both of the following have been satisfied: (i) the Common Shares shall have been conditionally approved for listing on the CSE; and (ii) a receipt shall have been issued for a final prospectus in the Province of British Columbia;

"**Escrow Release Time**" means the time at which the Escrow Release Notice is delivered to the Escrow Agent;

"**Escrow Release Notice**" means a notice delivered by the Company to the Escrow Agent confirming satisfaction of the Escrow Conditions";

"**Escrow Shareholders**" has the meaning ascribed thereto under "*Escrowed Securities And Other Securities Subject To Resale Restrictions – Escrow Agreement*";

"**Equity Incentive Plan**" means the equity incentive plan adopted by the Company on April 20, 2021;

"**Family Entertainment Centre**" or "**FEC**" means a small amusement park primarily marketed towards families with children and often entirely indoors;

“**Financing**” means a non-brokered financing of 6,750,803 Subscription Receipts at a price of $0.35 per Subscription Receipt for aggregate gross proceeds of $2,362,781, which closed on April 23, 2021;

“**Finder’s Warrants**” means the aggregate of 405,046 Common Share purchase warrants of the Company to be issued at the Escrow Release Time in connection with the Financing to certain finders, each having the same terms as the Warrants;

"**Governmental Authority**" means (i) any court, judicial body or arbitral body, (ii) any domestic or foreign government whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever, (iii) any subdivision or authority of any of the foregoing, (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above, (v) any supranational or regional body such as the World Trade Organization, and (vi) any stock exchange;

“**Going Public Transaction**” means (i) the acquisition of the Company by a public company, such that the resulting effect is that holders of Common Shares receive shares in the capital of a public company; (ii) the assignment or transfer of substantially all of the assets or undertaking of the Company to a public company; (iii) any other type of transaction whatsoever which results in the current holders of the Common Shares receiving shares of a public company in exchange for their existing shares; or (iv) a direct listing of the Common Shares on an approved stock exchange, which includes the CSE;

“**Immersive Tech Attractions**” has the meaning ascribed thereto under “*Narrative Description of Business – General Overview of the Company*;

“**LBE**” means location based entertainment industry and includes Family Entertainment Centres;

“**Listing Date**” means the date the Common Shares are listed on the CSE;

“**MD&A**” means management’s discussion and analysis;

“**MR**” means mixed reality or hybrid reality technology merges real and virtual worlds to produce new environments and visualisations where physical and digital objects co-exist and interact;

“**NP 46-201**” means National Policy 46-201 – *Escrow for Initial Public Offerings*;

“**Released Proceeds**” means an amount equal to 10% of the gross proceeds of the Financing which was released to the Company on the closing date of the Financing to be used for the satisfaction of the Escrow Conditions, general corporate and working capital purposes;

“**RocketSnail Agreement**” has the meaning ascribed thereto under *Narrative Description of Business – Three Year History*;

“**Silverwood Agreement**” has the meaning ascribed thereto under *Narrative Description of Business – Three Year History*;

“**Stock Options**” means incentive stock options of the Company issued pursuant to the Equity Incentive Plan;

“**Subscription Receipt Agreement**” means the subscription receipt agreement dated as of April 23, 2021 entered into between the Company and the Escrow Agent in respect of the Subscription Receipts;

“**Subscription Receipts**” means subscription receipts of the Company, where each subscription receipt shall entitle the holder thereof to receive, upon automatic exchange in accordance with the terms of the subscription receipts without payment of additional consideration or further action on the part of the holder thereof, one Unit at the Escrow Release Time;

“**VR**” means virtual reality technology which seeks to replicate or create a environment that simulates a physical presence in places in the real world or an imagined world, often allowing users to interact with such world;

“**VST**” means Victory Square Technologies Inc., a control person of the Issuer;

“**Unit**” means a unit of the Company issuable upon exchange of a Subscription Receipt, each Unit will be comprised of one Common Share and one-half (1/2) Warrant;

“**US**” means the United States of America; and

“**Warrant**” means a Common Share purchase warrant comprising part of a Unit, each full Warrant will be exercisable at a price of $0.52 for a period of 24 months from Going Public Transaction. The Company may accelerate the expiry date of the Warrants if the closing price of the Common Shares on the CSE or any equivalent exchange upon which the Common Shares trade is equal to or greater than $0.78 per Common Share for a period of ten (10) consecutive trading days, by providing 30 days’ notice to the holders of the Warrants by the issuance of a news release.

ABOUT THIS PROSPECTUS

The Issuer is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. The Issuer has not authorized anyone to provide investors with additional or different information. If anyone provides a prospective investor with additional, different or inconsistent information, including statements in the media about the Company, such information should not be relied on. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus.

As used in this Prospectus, the terms “The Company”, “we”, “us” and “our”, mean the Issuer, or the Company, respectively, as the context requires, unless otherwise indicated.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking information which reflects expectations of Management regarding the Issuer’s, Company’s future growth, results of operations, performance and business prospects and opportunities. Often, but not necessarily always, words such as “will”, “should”, “additional”, “affect”, “anticipate”, “be required”, “believe”, “budget”, “contemplate”, “continue”, “could”, “does not expect”, “effect” “estimate”, “expect”, “intend”, “is expected”, “may”, “plan”, “planned”, “potential” , “target”, “predict”, “project”, “prospects”, “results”, “will exist” and similar expressions have been used to identify forward-looking information. This information reflects Management’s current beliefs and is based on information currently available to Management. Forward-looking information involves significant risks, uncertainties and assumptions. A number of factors could cause actual results to differ materially from the results discussed in forward-looking information, including those factors listed in the “Risk Factors” section of this Prospectus.

More particularly and without limitation, this Prospectus contains forward-looking statements and information relating to the following:

- The timing of and issuance of a receipt for this Prospectus in a timely manner, and receipt of regulatory and other required approvals;
- The listing of the Company’s Common Shares on the CSE;
- The issuance of additional securities of the Company upon completion of a Going Public Transaction;
- the use of available funds;
- completion of the Financing and the conversion of Subscription Receipts;
- conversion of the Convertible Debentures;
- the Company’s future business plans;
- expectations regarding the ability to raise further capital;
- the Company’s compensation policy and practices;
- the Company’s expected reliance on key management personnel, advisors and consultants;
- improvements to the Company’s products and applications;
- changes and developments in the Company’s business;
- effects of the novel coronavirus (“COVID-19”) pandemic;
- the Escrow Agreement and the escrow of certain securities of the Company.

Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus including, without limitation, assumptions about:

- the ability to raise any necessary additional capital on reasonable terms to execute the Company’s business plan;
- that general business and economic conditions will not change in a material adverse manner;
- the accuracy of budgeted costs and expenditures;
- the Company’s ability to attract and retain skilled personnel;

- political and regulatory stability;
- the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms to the extent required;
- obtaining required approvals, licenses and permits on favourable terms and any required renewals of the same;
- requirements under applicable laws;
- stability in financial and capital markets; and
- expectations regarding the level of disruption to as a result of COVID-19.

Although the Company believes that the expectations reflected in the forward-looking statements and information in this Prospectus are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward- looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with:

- The Company's limited operating history
- Global economic conditions
- The COVID-19 pandemic
- Changing economic conditions and the economic environment in which the Company operates
- Risks associated with acquisitions
- Operational risks
- Cybersecurity risks
- Financial forecasts and performance
- Competition
- Management of growth
- Reliance on management
- Insurance risk
- Regulatory risk
- Public opinion and consumer preferences
- Growth of the Company's customer base
- Dependence on suppliers and third party owned communications networks
- Requirements for further financing
- Litigation risk
- Conflicts of interest
- Intellectual property related risks.

See "*Risk Factors*"

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements and information contained in this Prospectus are made as of the date hereof and, unless so required by applicable law, the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information future events or otherwise. The forward-looking statements and information contained in this Prospectus are expressly qualified by this cautionary statement.

GENERAL DISCLOSURE INFORMATION

The Issuer is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus. Prospective investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of an investment in the Common Shares.

CURRENCY AND CERTAIN INFORMATION

Unless otherwise indicated or the context otherwise requires, all dollar amounts contained in this Prospectus are in Canadian dollars (Cdn$). Aggregated figures in graphs, charts and tables contained in this Prospectus may not add due to rounding. Historical statistical data and/or historical returns do not necessarily indicate future performance. Unless otherwise indicated, the market and industry data contained in this Prospectus is based upon information from industry and other publications and the knowledge of management and experience of the Issuer in the markets in which the Issuer operates. Words importing the singular number include the plural and vice versa, and words importing any gender or the neuter include both genders and the neuter.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and financial statements contained elsewhere in this Prospectus.

General	The Company was incorporated and registered in the Province of British Columbia on November 16, 2016, under the *Business Corporations Act* (British Columbia) and the regulations made thereunder as a British Columbia business corporation, with the name Fantasy 360 Technologies Inc. and with registered number BC1096828. The address of the registered office of the Company is Suite 1080 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2, Canada.
The Issuer's Business	The Company, doing business as Immersive Tech, is a VR/AR/MR technology company that designs, programs, builds and installs self-contained and fully immersive escape room attractions including its flagship UNCONTAINED 6-player turn-key VR gaming solution.
Management, Directors and Officers	Name — Position Timothy Bieber — Director and Chief Executive Officer Sheri Rempel — Director, Chief Financial Officer and Corporate Secretary Alvin Graylin — Director Cathy Hackl — Director Alexandros Tzilios — Director Adrian Duke — Chief Design Officer
The Offering	The issuer is not conducting an offering.
Funds Available and Use of Available Funds	No securities are being offered and no proceeds will be raised pursuant to this Prospectus. The Corporation's available cash has been used and will continue to be used, to the extent required, to fund its negative cash flow and for the principal purposes set out in this Prospectus. However, there may be circumstances where, for business reasons, a reallocation of funds or further financing may be necessary. See "Use of Available Funds".
Risk Factors	A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities. There is currently no market through which any of the Common Shares may be sold and there is no assurance that the Common Shares will be listed for trading on a Canadian stock exchange, or if listed, will provide a liquid market for such securities. The Company has not yet generated material income. The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. The Company's business could be significantly adversely affected by the effects of any widespread global outbreak of contagious disease such as the COVID-19 pandemic. The

demand for entertainment and leisure activities, including gaming, can be highly sensitive to changes in consumers' disposable income, and thus can be affected by changes in the economy and consumer tastes, both of which are difficult to predict and beyond the Issuer's control. The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's sales and profitability. As part of the Company's overall business strategy, the Company may pursue select strategic acquisitions and such future acquisitions may expose it to potential risks. The Company will be affected by a number of operational risks and the Issuer may not be adequately insured. The Company's operations involve the storage and transmission of customer data, including personally identifiable information, and security incidents could result in unauthorized access to, the loss of, or unauthorized disclosure of such information.

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and marketing experience than the Company. The industries within which the Company will operate are rapidly evolving and intensely competitive, and are subject to changing technology, shifting user needs, and frequent introductions of new offerings. The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The success of the Company will be dependent upon the ability, expertise, judgment, discretion, and good faith of its key executives, including the directors and officers of the Company and a small number of highly skilled and experienced executives and personnel. The online gaming industry is heavily regulated. The Company will be subject to a variety of laws and regulations domestically and abroad that involve the gaming, privacy, and protection of data and personal information, rights of publicity, acceptable content, intellectual property, advertising, marketing, distribution, data and information security, electronic contracts and electronic communications, competition, protection of minors, consumer protection, unfair commercial practices, product liability, taxation, economic or other trade prohibitions or sanctions, securities law compliance, and online payment and payment processing services. Social responsibility concerns and public opinion can significantly influence the regulation of online gaming. From time to time, the Company may receive formal and informal inquiries from government authorities and regulators, including securities authorities, tax authorities and gaming regulators, regarding its compliance with laws and other matters. Within the online gaming and interactive entertainment industries, the Company will be at risk of exposure to a security or privacy breach of its system which could lead to potentially costly litigation, deter potential customers from using its services, or bring about additional liability. The financial performance of the Company will be significantly determined by its success in adding, retaining, engaging and monetizing active customers of its product offerings, in particular high-value, net-depositing customers (primarily recreational players). The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. The online gaming and interactive entertainment industries are relatively new and continue to evolve. The Company may need to obtain further financing, whether through debt financing, equity financing or other means. The Company may be subject to litigation claims through the ordinary course of its business operations or otherwise. Certain of the directors and officers of the Company are, or may become directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Issuer and as officers and directors of such other companies. The Company's success may depend on its ability to obtain trademark protection for the names or symbols under which it markets its product offerings and to obtain copyright protection of its proprietary technologies, other game innovations and creative assets. See "*Risk Factors*"

Summary of Financial Information

	Three Months Ended March 31, 2021 (unaudited) ($)	**Year Ended December 31, 2020 (audited) ($)**	**Year Ended December 31, 2019 (audited) ($)**
Current Assets	425,667	294,905	162,925
Total Assets	987,630	844,583	253,280
Current Liabilities	2,048,375	1,499,940	1,023,097
Total Liabilities	2,083,660	1,533,607	1,023,097
Revenue	0(1)	1,441,468	2,028,535
Expenses	540,245	686,229	950,189
Net Income (Loss)	(407,006)	80,793	(588,354)

Note:

(1) In the first quarter of 2021, the Company shifted away from immersive experience contracts and moved toward a project called UNCONTAINED, which is currently in development and not yet generating revenues. The Company tends to generate revenue from a small number of customers who make significant purchases with the Company. While no revenue was generated in the three months ended March 31, 2021 by the Company and there may be additional periods in the future where the Company generates no revenue, the Company's operations are continuing and the Company expects to record revenues once product builds are completed for current customers.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated and registered in the Province of British Columbia on November 16, 2016, under the *Business Corporations Act* (British Columbia) and the regulations made thereunder as a British Columbia business corporation, with the name Fantasy 360 Technologies Inc. and with registered number BC1096828.

The address of the registered office of the Company is Suite 1080 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2, Canada.

Intercorporate Relationships

The Company does not have any subsidiaries.

NARRATIVE DESCRIPTION OF THE BUSINESS

General Overview Of the Company

The Company, doing business as Immersive Tech, is a VR/AR/MR technology company that designs, builds and installs immersive escape room attractions ("**Immersive Tech Attractions**") for some of the world's leading companies ("**Clients**") including Intel Corporation, Bayer AG, Scotiabank, Smith & Nephew, Allegiant Airlines, the West Edmonton Mall, and Ardbeg Whiskey. Immersive Tech Attractions blend technologies from the video game development, theme park engineering and VR/AR/MR industries and are developed for customers for a variety of purposes such as brand engagement, product announcement and activation events, edutainment opportunities, revenue generating attractions for Family Entertainment Centers, and corporate training and events. The Company continued to build and install custom escape experiences for clients in the USA even throughout the Pandemic.

As part of the Company's growth strategy, the Company recently announced the launch of UNCONTAINED, its new first-to-market COVID-19 friendly multiplayer free roam VR attraction. UNCONTAINED is built within shipping containers and targeted primarily at the LBE attractions industry, which has seen a rapid increase in capital investment on new facilities and attraction and a corresponding increase in demand for cutting-edge attractions in recent years. UNCONTAINED seeks to capture this unique market of mid-scale fully immersive attractions by offering LBE industry participants new turn-key modular features that are both easy to install and can be tailored to a Client's specific specifications.

The Company is not a reporting issuer in any jurisdiction and no securities of the Company are listed or posted for trading on any stock exchange. The Company intends to apply to list its Common Shares on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

Business of the Company

The Company designs, programs, builds and installs immersive and engaging experiences for some of the world's leading companies for a variety of purposes such as brand engagement, revenue generation and corporate training. Through a blend of video game development, theme park engineering and the latest VR/AR/MR technologies, the Company has amassed a portfolio of global clients. The core strength of the Company is around the custom design and build of multi-room escape room experiences for the FEC industry and brands for event activations. The Company has seen a renewed demand for its escape experiences from the FEC industry as many FECs in the United States begin re-opening. The Company expects a significant increase in demand as the effects of the COVID-19 pandemic decrease.

The Company recently announced a new client Escape experience for a famous YouTuber Chris Ramsay in which a custom Escape room will be installed in home for one of his video features as well as a companion in home puzzle that he can sell to his audience. As the Pandemic grows to a close The Company has been approached by a number of corporate brands looking to do various projects. The Company is excited to continue with the line of business executing on custom branded Escape activations for brands when events come back into full swing again.

The Company seeks to continue to develop its Immersive Tech escape experiences for brands and FEC's as well as its new COVID friendly Virtual Reality Attraction UNCONTAINED while simultaneously expanding is Clients focusing on brands event activations, corporate clients for training and employee engagement as well as the LBE industry.

New Product: UNCONTAINED

UNCONTAINED is a turn-key self-contained 6-player VR attraction built on a modular shipping container platform. UNCONTAINED is outdoor compatible and does not take up valuable and often limited indoor space at LBE facilities and requires only 5 parking spaces to set up, thereby permitting LBE operators to add multiplayer VR to their facilities in a cost-efficient manner while causing minimal disruption to their operations.

UNCONTAINED offers a fully immersive VR experience with cutting edge 5D environmental haptics including motion floor, pneumatic air blasts, temperature augmentation effects, scents and physical object interaction. UNCONTAINED, as with the Company's other Immersive Tech Attractions, is fully designed, programmed and manufactured in-house by the Company's dedicated staff. The Company also offers opportunities for Clients to develop UNCONTAINED with other game design studios thereby adding additional flexibility and customization into each unit.

The Company anticipates UNCONTAINED will be sold to the Company's existing network of Clients and potential Clients through directed sales efforts which are expected to be launched in the fall or winter of 2021. UNCONTAINED will be priced in accordance with cost considerations to the Company and be cost competitive with potential competitors in the market.

As a turn-key solution, UNCONTAINED will be ready to play upon installation and is built and provided to Clients with all necessary components and equipment including VR headsets, computers, control systems, heating, ventilation, audio, electrical and air conditioning, sanitization, lighting, software booking systems and other materials and equipment.

UNCONTAINED is currently in prototyping and development phase with the first demonstration unit to be completed in late Q3 2021. The Company has also simultaneously moved into pre-production phase with the first unit which will be ready for launch which is expected to complete construction in late Q3 of 2021 and to complete play testing and delivery to Client early Q4 of 2021. The first VR game available for UNCONTAINED will be a 15 minute space exploration game designed with a combination of the Company's in-house design and engineering teams in coordination with two external game design studios.

From pre-production planning and game design to final prototype testing takes 10 months for each unit of UNCONTAINED depending on a variety of factors such as game design, conceptualization and other factors.

Production & Services

While the Company continues to market and sell its traditional escape experience attractions it will also invest considerable attention on the development and marketing of UNCONTAINED. UNCONTAINED is designed, manufactured and sold directly by the Company, however the Company may also engage outside game design studios and other consultants in connection with the game-design and other phases of creation of units of UNCONTAINED. Design, manufacturing and sale of the Company's other Immersive Tech Attractions are also typically completed in-house by the Company's employees and contractors.

Specialized Skills and Knowledge

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, expertise related to operations, software control system development, interactive game design including engineering and art design, custom fabrication, thematic environmental design, marketing, direct industry sales, delivery logistics methods, on-site installation and training, ongoing support, as well as legal compliance, finance and accounting. The Company's Chief Executive Officer brings a strong entertainment and VR business background having negotiated multiple significant contracts with brands and partners. Mr. Bieber has driven investment and directed strategy at professional organizations such as the CBS Interactive, BroadbandTV and more. Other members of management bring LBE knowledge from Universal Studios to Disney, Virtual Reality Game design and engineering from Arkave free roam VR games, and custom attractions fabrication and build experience. The Company's technical team (employees and contractors) have significant experience in the theming design, development and production of video games, fabrication and manufacturing of attractions, programming and other technical backgrounds to complement the Company's required expertise. In addition, the Company expects to rely upon various legal and financial advisors, consultants and others in the operation and management of its business. See "Risk Factors".

Competitive Conditions

The Company currently competes in the LBE attractions industry for its standard escape and new VR experiences.

The mid-scale attractions industry is highly competitive, however, the escape experience and multiplayer free roam VR attractions market is not as competitive with only a small handful of smaller attractions builders which makes this an open and growing market for the Company. The Company believes it offers competitive products that can be created and designed to suit a specific Client's requirements. The ability of the Company to design, create, program and manufacture its products in-house leads to significant efficiencies in production and allows Clients to receive Immersive Tech Attractions on a timely and cost efficient basis. The Company's turn-key self-contained solutions minimize disruption to ongoing operations for a Client and allow Clients to offer the Company's products while reducing the need for permanent capital investments as compared to a traditionally installed attraction. See "Risk Factors".

While the Company does not consider any competitor to offer a directly competitive product to UNCONTAINED or its other Immersive Tech Attractions, the Company considers some of its main competitors in the general locations-based VR industry to be:

Zero Latency

Zero Latency is an Australian based company focusing on large free roam arena games requiring an operational footprint of a minimum of 2,500 square feet, as compared to UNCONTAINED's footprint of 360-720 square feet. As a result of the large physical size required by Zero Latency's offerings, clients typically build permanent, standalone and specially created spaces to house Zero Latency's products, and accordingly, initial costs are typically materially greater. Generally, the Company also considers UNCONTAINED to offer a more immersive experience with streamlined hardware and software with significantly less restrictive hardware worn by users when compared to the offerings provided by Zero Latency.

Hologate

Hologate is a German based company focusing on small VR games targeted at Family Entertainment Centres. Their primary multiplayer VR experience is limited to 4-players in a small footprint without any free roam capabilities. While costs for the units produced by Hologate are cheaper, the Company believes that once construction and related costs are factored in, UNCONTAINED is a cost competitive product to Hologate's offerings and does not take up additional indoor space that can be reserved for other offerings. Additionally, the Company believes that UNCONTAINED, as a fully immersive 5D free-roam capable system, provides a significantly more complete and immersive experience for participants.

SandboxVR

SandboxVR is a US based company focusing on large format 6-player free roam arena facility franchises operating them in their own standalone retail locations. The arena size is large and comparable to Zero Latency. The size requirements make this less attractive to a standard Family Entertainment Centre leaving it as a solution more suited to standalone retail centers. The Company considers UNCONTAINED to be competitively advantageous to the offering of SandboxVR due to the lower initial capital and space commitment required, 5D capabilities and significantly less restrictive hardware worn by users of UNCONTAINED.

Employees

As of the date hereof, the Company has eight full-time internal employees and ten full-time contractors. The Company also currently employ one part-time contractor.

Intangible Properties

The Company does not own any patents or trademarks in respect of its products to date, however, portions of UNCONTAINED are potentially patentable and currently being explored. The Company is presently seeking trademark and patent protection in connection with UNCONTAINED.

The Company's intellectual property, including, but not limited to, with respect to the games developed for its Immersive Tech Attractions and UNCONTAINED, is proprietary. Intellectual Property is licensed to the Company's Clients when the Company's products are purchased by them.

Product Development

The Company intends to continue its research and development program in order to improve and broaden its product offerings including revisions to its standard escape experiences as well as its UNCONTAINED attraction and the VR video game experiences it supplies for the attraction. The Company's research and development program is conducted through a combination of in-house research and contractor services.

Three-year history

The Company was incorporated on November 16, 2016 under the name Fantasy 360 Technologies Inc. and does business as Immersive Tech. The Company focuses its operations on the design, programming, build and installation of self-contained and fully immersive escape room attractions, including its flagship UNCONTAINED product. Clients of the Company include Fortune 500 companies, Family Entertainment Centres, museums and a variety of other companies.

In 2018, the Company built 17 escape related experiences for Clients in North America and earned gross revenues of approximately $2.03 million.

In 2019, the Company built 12 escape related experiences for Clients in North America and earned gross revenues of approximately $2.03 million.

In 2020, despite the effect of COVID-19 and stay-at-home orders implements in many of the Company's target jurisdictions, the Company built 8 escape related experiences for Clients in North America and earned gross revenues of approximately $1.4 million.

In 2020, the Company commenced design and development for UNCONTAINED. See also "*Narrative Description of Business – Business of the Company - UNCONTAINED*".

On December 1, 2020, the Company entered into a consulting agreement, as amended, with Silverwood Entertainment, LLC, pursuant to which the consultant agreed to provide certain services to the Company in consideration for the payment of an initial set up fee of US$15,000, a monthly fee of US$8,000 and up to 120,000

Common Shares at a deemed price per Common Share of $0.25 issued over four tranches as follows, 90,000 Common Shares within five business days of September 30, 2021, and 10,000 Common Shares within five business days of each of October 30, 2021, November 31, 2021 and December 31, 2021 (the “**Silverwood Agreement**”).

On April 1, 2021, the Company split its Common Shares on the basis of 1 pre-split Common Share for each 2.6378675 post-split Common Shares.

On April 1, 2021, the Company completed its pre-Financing investment round of 4,691,180 Common Shares at a price per Common Share of $0.25 for aggregate gross proceeds of $1,172,795 (the “**Pre-Financing Round**”). The Pre-Financing Round was completed further to agreements between and the subscribers under the Pre-Financing Round dated in 2020 where such subscribers paid a deposit and agreed to invest in a future financing of the Company.

On May 1, 2021, the Company re-constituted its board to consist of five (5) directors being Timothy Bieber, Sheri Rempel, Alvin Graylin, Cathy Hackl and Alexandros Tzilios.

On May 1, 2021, Timothy Bieber was appointed as Chief Executive Officer. In connection with the appointment, the Company entered into the CEO Employment Agreement with Timothy Bieber. Pursuant to the CEO Employment Agreement, the Company will: (i) pay Mr. Bieber an annual salary of $120,000; (ii) issue an aggregate of 400,000 Stock Options each exercisable to acquire one Common Share at an exercise price of $0.25 for a period of five years from the date of issuance; (iii) issue 600,000 Bonus Warrants with each such warrant exercisable to acquire one Common Share at a price of $0.25 for a period of five years from the date of issuance and vesting in accordance with performance milestones; (iv) issue the CEO 600,000 Go-Public Shares on completion of a Going Public Transaction; and (v) pay a one-time cash bonus of up to $25,000 on the achievement by the Company of certain performance milestones. In addition, on May 1, 2021, Sheri Rempel was appointed as Corporate Secretary of the Company.

Also on May 1, 2021, the Company: (i) granted an additional of 3,900,000 Stock Options; (ii) agreed to issue an aggregate of 3,100,000 additional Stock Options prior to the completion of the Going Public Transaction to certain employees, consultants, directors and officers prior to the completion of the Going Public Transaction with each such Stock Option exercisable to acquire one Common Share at a price of $0.25 for a period of five years from the date of issuance upon vesting in accordance with the terms ascribed thereto; and (iii) agreed to issued 2,200,000 Bonus Warrants upon completion of the Going Public Transaction to certain employees, officers and consultants of the Company and VST, including an aggregate of 600,000 Bonus Warrants issuable pursuant to the CEO Employment Agreement, with each such warrant exercisable to acquire one Common Share at a price of $0.25 for a period of two years from the date of issuance other than the 600,000 Bonus Warrants to the CEO which are exercisable at $0.25 per share for a period of five years.

On May 31, 2021, Adrian Duke was appointed as Chief Design Officer of the Company.

On June 1, 2021, the Company entered into a consulting agreement with RocketSnail Games Ltd., pursuant to which the consultant agreed to provide certain services to the Company in consideration for the payment of $25,000 per month by the issuance of 200,000 Common Shares per two months (up to 600,000 Common Shares total) at a deemed price per Common Share of $0.25 issued over a 6 month period (the “**RocketSnail Agreement**”).

Financing

On April 23, 2021, the Company completed the Financing. Pursuant to the Financing, the Company issued 6,750,803 Subscription Receipts at a price of $0.35 per Subscription Receipts for aggregate gross proceeds of $2,362,781. Proceeds of the financing minus the Released Proceeds will be held by the Escrow Agent until the Escrow Release Time in accordance with the terms of the Subscription Receipt Agreement. Each Subscription Receipt shall entitle the holder thereof to receive, upon automatic exchange in accordance with the terms of the subscription receipts without payment of additional consideration or further action on the part of the holder thereof, one Unit at the Escrow Release Time, being the time at which the Escrow Release Notice is delivered to the Escrow

Agent. The Escrow Release Notice will be delivered by the Company to the Escrow Agent confirming satisfaction of the Escrow Conditions. In the event that the Escrow Conditions are not satisfied by August 31, 2021, the proceeds of the Financing will be returned to the subscribers.

Each Unit issuable on conversion of the Subscription Receipts is comprised of one Common Share and one-half of one Warrant. Each whole Warrant will be exercisable at a price of $0.52 for a period of 24 months from Going Public Transaction. The Company may accelerate the expiry date of the Warrants if the closing price of the Common Shares on the CSE or any equivalent exchange upon which the Common Shares trade is equal to or greater than $0.78 per Common Share for a period of ten (10) consecutive trading days, by providing 30 days' notice to the holders of the Warrants by the issuance of a news release. 75% of the Common Shares underlying the Subscription Receipts and of the Common Shares underlying the Warrants are subject to a contractual lock up with release of all such locked-up securities occurring on the four month anniversary of the date of conversion of the Subscription Receipts.

In connection with the Financing, the Company will pay certain finders a cash fee of up to $141,766 at the Escrow Release Time. In addition, at the Escrow Release Time, the Company will issue to certain finders, an aggregate of 405,046 Finder's Warrants. The Finder's Warrants have the same terms as the Warrants. In the event that the Escrow Release Time does not occur, finders will not receive a cash fee and will not be issued Finder's Warrants.

USE OF PROCEEDS

Non-Offering Prospectus

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Company in connection with the filing of this Prospectus. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses in connection with the preparation and filing of this Prospectus will be paid by the Company from its working capital.

Funds Available and Use of Available Funds

The Company has incurred losses for its fiscal year ended December 31, 2019 and three month period ended March 31, 2021. Although the Company was profitable in the fiscal year ended December 31, 2020 and expects to be profitable in the future, there is no guarantee that will happen. The Company anticipates it may continue to have negative cash flow from operating activities in future periods due to the long lead timing of its contracts, the space in which it operates and other factors, and may require additional financing. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favorable to the Company as those previously obtained, or at all. See "Risk Factors".

As of July 31, 2021, the most recent month end before filing this Prospectus, the Company has working capital of $32,756. Pursuant to the Financing, the Company expects to receive net remaining proceeds of $2,126,502 on satisfaction of the Escrow Release Conditions as the Company has already received $236,279, or 10%, of the gross proceeds of the Financing. Upon satisfaction of the Escrow Release Conditions, the Company anticipates having approximately $2,159,258 in available funds. The Company intends to use its available funds as follows:

Use of Available Funds	Estimated Amount
Employees, Contractors and Product Development Costs	$737,491
Materials	$300,000
Business Development and Marketing	$200,000
Finder's Fees(1)	$141,767
Insurance	$80,000
Estimated general and administrative costs	$400,000
Unallocated working capital	$300,000
TOTAL:	**$2,159,258**

Note:

(1) In connection with the Financing, the Company has agreed to pay certain finders, a cash commission of up to 6% and Finder's Warrants of up to 6% on certain subscriptions. See "*Narrative Description of Business – Three-Year History – Financing*".

While we currently anticipate that we will use our available funds as set forth above, we may reallocate the use of such funds, having consideration to our strategy relative to market and other conditions, as well as other factors described under "Risk Factors".

The Company estimates that its working capital will be sufficient to meet its administrative costs for the following 12-month period. Estimated administrative costs for such 12 month period are comprised of the following:

Estimated General and Administrative Costs for 12-Month Period	
Audit Fees	$100,000
Legal Fees	$150,000
Offices, Rent and Other	$100,000
Regulatory and Filing Fees	$50,000
TOTAL:	$400,000

The Company has not generated cash flow from operations. As at March 31, 2021, the Company had negative cash flow from operating activities. The Company expects to continue to incur negative operating cash flow and losses for the foreseeable future. To the extent that the Company has negative operating cash flow in future periods, it will need to allocate a portion of its cash (including proceeds from the Offering) to fund such negative cash flow. If the Company experiences future negative cash flow, the Company may also be required to raise additional funds through the issuance of equity or debt securities. See "*Risk Factors*".

<u>Business Objectives and Milestones</u>

In the forthcoming twelve (12) month period, the Company expects to accomplish the following business objectives:

Business Objectives	**Time Period**	**Estimated Expenditure**
Prototype Unit Completion		$350,000
● The Company is on track and aims to have its prototype shipping container attraction built and final testing complete mid Q3	3 months	
• Prototype unit refined based on testing and demo's with users and clients	3-6 months	
Game Development		$215,000
● The Company is on track and aims to have the first game experience for the prototype demo shipping container attraction ready for final testing mid Q3	3 months	
● Game refinement based on testing, feedback and revisions	3-6 months	
● Additional levels of game build out	6 months	
Product Launch		$250,000
● Following testing The Company moves to the phase of launching the attraction in our local market	6 months	
● Marketing efforts begin for launch and attracting additional Family Entertainment Center clients		
Production & Delivery		$150,000
● On completion of product launch in The Company's local market and any product	6 months	

refinements The Company begins production of it's first custom over machines for delivery in Q4		
Business Development		$72,491
● Business development efforts will be ramped up following successful product launch with a focused effort of closing interested parties who have begun reaching out already	12 months	
Total		**$1,037,491**

Expenses for these objectives have been attributed to Employees, Consultants and Product Development Costs and Materials costs in the Use of Available Funds table above.

The operations of the Company, including its business objective and milestones, may be materially affected by the continued development of the COVID-19 pandemic by, *inter alia*, varying demand for its products, governmental orders affecting the operations of the Company and its customers, and others. See "*Risk Factors*".

Dividends or Distributions

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its cash to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of the Board and will depend on many factors, including, among others, the Company's financial condition, current and anticipated cash requirements, contractual restrictions and financing agreement covenants, solvency tests imposed by applicable corporate law and other factors that the Board may deem relevant.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION & ANALYSIS

Selected Financial Information

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

	Three Months Ended March 31, 2021 (unaudited) ($)	**Year Ended December 31, 2020 (audited) ($)**	**Year Ended December 31, 2019 (audited) ($)**
Current Assets	425,667	294,905	162,925
Total Assets	987,630	844,583	253,280
Current Liabilities	2,048,375	1,499,940	1,023,097
Total Liabilities	2,083,660	1,533,607	1,023,097
Revenue	0(1)	1,441,468	2,028,535
Expenses	540,245	686,229	950,189
Net Income (Loss)	(407,006)	80,793	(588,354)

Note:
(1) In the first quarter of 2021, the Company shifted away from immersive experience contracts and moved toward a project called UNCONTAINED, which is currently in development and not yet generating revenues. The Company tends to generate revenue from a small number of customers who make significant purchases with the Company. While no revenue was generated in the three months ended March 31, 2021 by the Company and there may be additional periods in the future where the Company generates no revenue, the Company's operations are continuing and the Company expects to record revenues once product builds are completed for current customers.

Please refer to the Appendix B to the Prospectus for the Company's audited financial statements for the years ended December 31, 2019 and December 31, 2020, and the Company's unaudited interim financial statements for the three months ended March 31, 2021.

MD&A

Attached to this Prospectus as Appendix C are the management's discussion and analysis for the year ended December 31, 2020 and the interim period ended March 31, 2021.

DESCRIPTION OF SHARE CAPITAL

Common Shares

The Company's authorized capital consists of an unlimited number of Common Shares, of which 68,000,000 are issued and outstanding as at the date of this Prospectus as fully paid and non-assessable.

Holders of the Common Shares are entitled to vote at all general meetings of the Company and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to receive dividends as and when declared by the directors and to participate rateably in any distribution of the Company's property or assets upon liquidation or wind-up.

The Board is authorized to issue additional Common Shares on such terms and conditions and for such consideration as the Board may deem appropriate without further security holder action.

Subscription Receipts

Pursuant to the Financing, the Company issued 6,750,803 Subscription Receipts at a price of $0.35 per Subscription Receipts for aggregate gross proceeds of $2,362,781. Proceeds of the financing will be held by the Escrow Agent until the Escrow Release Time pursuant to the Subscription Receipt Agreement. Each Subscription Receipt shall entitle the holder thereof to receive, upon automatic exchange in accordance with the terms of the subscription receipts without payment of additional consideration or further action on the part of the holder thereof, one Unit at the Escrow Release Time, being the time at which the Escrow Release Notice is delivered to the Escrow Agent. The Escrow Release Notice will be delivered by the Company to the Escrow Agent confirming satisfaction of the Escrow Conditions. In the event that the Escrow Conditions are not satisfied by August 31, 2021, the proceeds of the Financing will be returned to the subscribers.

Each Unit issuable on conversion of the Subscription Receipts is comprised of one Common Share and one-half of one Warrant. Each whole Warrant will be exercisable at a price of $0.52 for a period of 24 months from Going Public Transaction. The Company may accelerate the expiry date of the Warrants if the closing price of the Common Shares on the CSE or any equivalent exchange upon which the Common Shares trade is equal to or greater than $0.78 per Common Share for a period of ten (10) consecutive trading days, by providing 30 days' notice to the holders of the Warrants by the issuance of a news release.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization since March 31, 2021, and as of the date of this Prospectus.

Authorized	Outstanding as of December 31, 2020 (audited)	Outstanding as of March 31, 2021 (unaudited)	Outstanding as of the date of this Prospectus
Common Shares	24,000,000	24,000,000	68,000,000(1)
Subscription Receipts	0	0	6,750,803
Stock Options(2)	0	0	4,300,000(3)
Warrants	0	0	0(4)

Notes:

(1) It is expected 6,750,803 Common Shares will be issued on conversion of the Subscription Receipts, 600,000 CEO Go-Public Shares will be issued upon completion of a Going-Public Transaction, up to 600,000 Common Shares issuable pursuant to the RocketSnail

Agreement in accordance with its terms, and up to 120,000 Common Shares issuable pursuant to the Silverwood Agreement in accordance with its terms.
(2) See “Options to Purchase Securities”.
(3) The Company expects to issue an additional 3,100,000 Stock Options prior to the completion of the Going Public Transaction.
(4) Up to 3,375,402 Warrants may be issued on conversion of the Subscription Receipts. In addition, the Company will issue an aggregate of 405,046 Finder’s Warrants at the Escrow Release Time, and 2,200,000 Bonus Warrants on completion of the Going Public Transaction. See “Description of Share Capital” and “Financing”.

Fully Diluted Share Capital

The following table sets out the anticipated fully diluted share capital of the Capital, assuming closing of the Financing and completion of the Going Public Transaction:

	Number of Securities Issued or Reserved for Issuance as of the date hereof	**% of total issued and outstanding as of closing of the date hereof**
Common Shares outstanding	68,000,000	76.02%
Common Shares to be issued on conversion of the Subscription Receipts	6,750,803	7.55%
CEO Go-Public Shares	600,000	0.67%
Common Shares issuable pursuant to Silverwood Agreement	120,000	0.13%
Common Shares issuable pursuant to RocketSnail Agreement	600,000	0.67%
Common Shares reserved for issuance pursuant to exercise of Stock Options(1)	7,400,000	8.27%
Common Shares reserved for issuance pursuant to exercise of Warrants underlying Subscription Receipts	3,375,402	3.77%
Common Shares reserved for issuance pursuant to exercise of Finder’s Warrants	405,046	0.45%
Common Shares reserved for issuance pursuant to exercise of Bonus Warrants	2,200,000	2.46%
Total:	**89,451,251**	**100%**

Notes:
(1) The Company has granted 4,300,000 Stock Options as of the date of this Prospectus. The Company expects to issue an additional 3,100,000 Stock Options prior to the completion of the Going Public Transaction.

PRIOR SALES

The following table summarizes the issuances of Common Shares and securities that are convertible or exchangeable into Common Shares in the 12-month period before the date of this Prospectus.

Issue Date	Type of Security	Number Issued	Issue Price	Exercise Price	Description of Issuance
April 1, 2021	Common Shares	4,691,180	$0.25	N/A	Cash
April 23, 2021	Subscription Receipts	6,750,803	$0.35	N/A	Cash
May 1, 2021	Stock Options	4,300,000	N/A	$0.25	Compensation

OPTIONS TO PURCHASE SECURITIES

Equity Incentive Plan

The board of directors of the Company (the "**Board**") adopted the Equity Incentive Plan. The Equity Incentive Plan provides for the grant of Stock Options, restricted share units ("**RSUs**") and deferred share units ("**DSUs**") (collectively, the "**Awards**"). Equity issued pursuant to Awards granted under the Equity Incentive Plan will consist of authorized but unissued Common Shares.

The Equity Incentive Plan will be administered by the Board; provided however, that the Board may at any time appoint a Committee to perform some or all of the Board's administrative functions hereunder; and provided further, that the authority of any Committee appointed will be subject to such terms and conditions as the Board may prescribe and will be coextensive with, and not in lieu of, the authority of the Board hereunder.

Directors who are eligible for Awards or have received Awards may vote on any matters affecting the administration of the Equity Incentive Plan or the grant of Awards, except that no such member will act upon the grant of an Award to himself or herself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board during which action is taken with respect to the grant of Awards to himself or herself. The Board will have full authority to grant Awards under the Equity Incentive Plan. In particular, subject to the terms of the Equity Incentive Plan, the Board will have the authority: (i) to select the Participants to whom Awards may from time to time be granted hereunder (consistent with the eligibility conditions); (ii) to determine the type of Award to be granted to any Participant hereunder; (iii) to determine the number of Common Shares, if any, to be covered by each Award; and (iv) to establish the terms and conditions of each Award Agreement.

The Board will have the authority to: (i) establish, amend and rescind such administrative rules, guidelines and practices governing the Equity Incentive Plan as it, from time to time, deems advisable; (ii) to interpret the terms and provisions of the Equity Incentive Plan, any Award issued under the Equity Incentive Plan, and any Award Agreement; and (iii) to otherwise supervise the administration of the Equity Incentive Plan. The Board may correct any defect, supply any omission or reconcile any inconsistency in the Equity Incentive Plan or in any Award in the manner and to the extent it deems necessary to carry out the intent of the Equity Incentive Plan.

Eligibility

Only persons who are *bona fide* directors, officers and employees of the Company or of an affiliate or of designated service providers, or designated service providers ("**Participants**"), are eligible to be granted Awards under the Equity Incentive Plan, provided that designated service providers (and directors, officers and employees of designated Service Providers) who are engaged to provide "Investor Relations Activities" (as defined under the corporate finance policies of the CSE) are not eligible to be granted DSUs or RSUs.

Common Shares Subject to the Equity Incentive Plan

The Common Shares to be subject to or related to Awards under the Equity Incentive Plan will be authorized and unissued Common Shares of the Company. The maximum number of Common Shares that are issuable to Participants under Awards subject to this Equity Incentive Plan is that number of Common Shares equal to 15% of the issued and outstanding Common Shares from time to time.

Restrictions on Awards

The Equity Incentive Plan imposes the following restrictions on Common Shares subject to Awards:

a. The aggregate number of Awards granted to one person (and corporations wholly owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Shares of the Company at the time of the grant (unless the Company has obtained the requisite approval from disinterested Shareholders);

b. The number of Shares underlying RSUs granted to any one person (and corporations wholly owned by that person) in a 12-month period must not exceed 1% of the issued and outstanding Shares of the Company at the time of the grant;

c. The number of Shares underlying DSUs granted to any person (and corporations wholly owned by that Person) must not exceed 1% of the issued and outstanding Shares of the Company at the time of the grant;

d. The aggregate number of Awards granted to one service provider except those service providers engaged in Investor Relations Activities in a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company at the time of the grant;

e. The aggregate number of Awards granted to one service provider engaged in Investor Relations Activities in a 12-month period must not exceed 1% of the issued and outstanding Common Shares of the Company at the time of the grant;

f. The number of Options granted to insiders (as a group), within a 12-month period at any time, pursuant to the Plan cannot exceed 10% of the issued and outstanding Shares;

g. The aggregate number of Common Shares issuable under the DSUs granted to insiders (as a group), within a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company at the time of the grant (unless the Company has obtained the requisite approval from disinterested shareholders); and

h. The aggregate number of Common Shares issuable under the RSUs granted to insiders (as a group), within a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company at the time of the grant (unless the Company has obtained the requisite approval from disinterested Shareholders).

If and to the extent that an Award expires, terminates or is cancelled or forfeited for any reason without having been exercised in full, the Shares associated with that Award will again become available for grant under the Equity Incentive Plan.

Amendment and Termination

The Board may, in its sole discretion, at any time and from time to time, amend, suspend or terminate the Equity Incentive Plan at any time without the approval of Shareholders, provided that no such amendment, suspension or termination may be made without obtaining any required approval of any regulatory authority or stock exchange or materially prejudice the rights of any holder under any Award. Notwithstanding those provisions, the Board may not, without the approval of the Shareholders of the Company, make amendments to the Equity Incentive Plan for any of the following purposes: (i) to increase the maximum number of Shares that may be issued pursuant to Awards granted under the Equity Incentive Plan; (ii) to reduce the exercise price of Options or to cancel and reissue Awards; (iii) to extend the expiry date of Awards for the benefit of any Participant (including Insiders); (iv) to increase the maximum number of Shares issuable to Insiders; (v) to amend these provisions. In addition, the Board may, at any time and from time to time, without the approval of the Shareholders, make amendments to the Equity Incentive Plan including, but not limited to: (i) amendments of a technical, clerical or "housekeeping" nature, or to clarify any provision of the Equity Incentive Plan; (ii) termination of the Equity Incentive Plan; (iii) amendments to respond to changes in legislation, regulations, stock exchange rules or accounting or auditing requirements; (iv) amendments in respect of the vesting provisions of any Awards; and (v) amendments to the termination provisions of Awards granted under the Equity Incentive Plan that do not entail an extension beyond the original expiry date, provided that: (i) any required approval of any regulatory authority or stock exchange is obtained; (ii) if the amendments would reduce the exercise price of Options or extend the expiry date of Awards granted to Insiders, other than as authorized by the Equity Incentive Plan, approval of the Shareholders must be obtained; (iii) the Board would have had the authority to initially grant the Award under the terms as so amended; and (iv) the consent or deemed consent of the holder of the Award is obtained if the amendment would materially prejudice the rights of such holder.

The following table sets forth the aggregate number of Stock Options which are outstanding as at the date of this Prospectus.

Holder of Stock Options	**Number of Optionees**	**Common Shares Underlying Stock Options**	**Exercise Price**	**Expiry Date**
Executive Officers	600,000	600,000	$0.25	May 1, 2026
Directors (other than those who are also executive officers)	2,900,000	2,900,000	$0.25	May 1, 2026
Consultants and employees	800,000	800,000	$0.25	May 1, 2026
TOTAL	4,300,000	4,300,000		

Notes:

(1) The Company expects to issue an additional 3,100,000 Stock Options prior to the completion of the Going Public Transaction.

ESCROWED SECURITIES AND OTHER SECURITIES SUBJECT TO RESALE RESTRICTIONS

Escrowed Securities

As at the date of this prospectus, the securities expected to be subject to escrow upon completion of the listing of the Common Shares on the CSE are shown in the following table:

Designation of class	**Number of securities held in escrow or that are subject to a contractual restriction on transfer**	**Percentage of class**
Common Shares	63,908,820(1)(2)(3)	94.0%
Stock Options	3,500,000(4)(5)	81.4%

Notes:

(1) Common Shares held by VST, and are subject to the Escrow Agreement in accordance with NP 46-201. VST expects to distribute to its shareholders as a dividend in specie such number of Common Shares as is necessary to ensure the Company complies with the public distribution requirements set forth in the policies of the CSE. The number of Common Shares subject to the Escrow Agreement will be reduced accordingly.
(2) Based on 68,000,000 Common Shares issued and outstanding as of the date of this Prospectus.
(3) Inclusive of 600,000 CEO Go-Public Shares which will be issued following the date of this Prospectus.
(4) The Company expects to issue an additional 3,100,000 Stock Options prior to the completion of the Going Public Transaction.
(5) Based on 4,300,000 Stock Options issued and outstanding as of the date of this Prospectus.

Escrow Agreement

Directors, executive officers and Insiders of the Company (the "**Escrow Shareholders**") will enter into an escrow agreement (the "**Escrow Agreement**") with the Company pursuant to which the Escrow Shareholders have agreed to deposit the securities of the Company which they hold with Odyssey Trust Company until they are released in accordance with terms of the Escrow Agreement, the policies of the CSE and applicable securities law as follows:

Date of Automatic Timed Release	**Amount of Escrowed Securities Released**
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

Contractual Escrow of Securities Underlying Subscription Receipts

Pursuant to the terms of the Subscription Receipt Agreement, 75% of the Common Shares underlying the Subscription Receipts and of the Common Shares underlying the Warrants shall be contractually locked-up with release occurring 4 months from the date of conversion of the Subscription Receipts. Certificates evidencing such securities shall bear legends to such effect.

PRINCIPAL SECURITYHOLDERS

Other than as described below, to the knowledge of the directors and officers of the Company, as of the date of this Prospectus, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Common Shares.

Name	**Designation of Security**	**Quantity**	**% Common Shares as of the date of Prospectus**
Victory Square Technologies Inc.	Common Shares	63,308,820	92.1%(1)

Notes:

(1) 70.8% on a fully diluted basis. VST expects to distribute to its shareholders as a dividend in specie such number of Common Shares as is necessary to ensure the Company complies with the public distribution requirements set forth in the policies of the CSE. The number of Common Shares subject to the Escrow Agreement will be reduced accordingly.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table provides the names, state or province and country of residence, position, principal occupations during the five preceding years and the number of voting securities of the Company that each of its directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date of this Prospectus:

Director/Residence	Director/Officer Since	Principal Occupation (past 5 years)	Shares Beneficially Owned Directly or Indirectly at the date of this Prospectus	% of Common Shares
Timothy Bieber *Director, and Chief Executive Officer* *Vernon, BC*	May 1, 2021	Chief Executive Officer of Evolved Media Inc.	0	0
Sheri Rempel *Director, Chief Financial Officer and Corporate Secretary* *Vancouver, BC*	May 1, 2021 (Corporate Secretary) November 16, 2016 (Director and Chief Financial Officer	Owner of CTB Consulting Inc. and ARO Consulting Inc.	0	0
Alvin Graylin(1) *Director* *Bellevue, WA*	May 19, 2021	China President, HTC	0	0
Cathy Hackl(1) *Director* *Alexandria, VA*	May 12, 2021	Partner, Activation Leader, Amazon Web Services; Enterprise Strategist, Magic Leap; VR Evangelist, HTC Vive	0	0
Alexandros Tzilios(1), (2) *Director* *Vancouver, BC*	May 15, 2021	Corporate Development of VST	0	0
Adrian Duke *Chief Design Officer* *West Kelowna, BC*	May 31, 2021	Manager of the Company; Chief Product Officer of Healthscience X Technologies	0	0

Notes:
(1) Member of Audit Committee.
(2) Chair of the Audit Committee.

Background – Directors and Executive Officers

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

Timothy Bieber Chief Executive Officer, Director Age 46

Timothy Bieber is a seasoned media/tech/VR entrepreneur and executive leader who has launched 5 global media technologies companies. Tim has built, managed or worked alongside teams from some of the largest companies in the world (IBM, Google/YouTube, CBS Interactive, BBTV) including serving as Head of Sales for BroadbandTV, VP-Sales at CBS Interactive. More recently Tim served as CEO of Evolved Reality, a VR/AR studio & technology lab. Tim has served as a start up mentor for New Ventures BC since 2009 and currently sits on the board of Community Futures economic development office in the Okanagan. Mr. Bieber anticipates spending approximately 100% of his time with the Company. Mr. Bieber is a contractor to the company currently and being converted over to an employee the Company. The Company has entered into a non-competition and non-solicitation agreement with Mr. Bieber.

Sheri Rempel	Director, Chief Financial Officer and Corporate Secretary	Age 53

Sheri Rempel has over thirty years of experience in finance and accounting, focused on financial reporting, regulatory compliance, internal control and corporate finance activities. She specializes in the provision of accounting services to public companies listed on the Toronto Stock Exchange, the TSX Venture Exchange, and the Canadian Securities Exchange and to companies preparing to list on a stock exchange. She has served and continues to serve as either chief financial officer, controller, and/or director to a number of publicly listed companies including, as Chief Financial Officer and a Director of Victory Square Technologies Inc (CSE: VST), Chief Financial Officer of GameOn Entertainment Technologies Inc. (CSE: GET), Chief Financial Officer of Monterlo Mining and Exploration Ltd. (TSXV: MON), Chief Financial Officer and a director of Lanebury Growth Capital Ltd. (CSE: LLL), and Chief Financial Officer of Serengeti Resources Inc. (now NorthWest Copper Corp.) (TSXV: NWST) among others. Ms. Rempel anticipates spending 15% of her time with the Company. The Company has not entered into a non-competition and non-solicitation agreement with Ms. Rempel.

Alexandros Tzilios	Director	Age 39

Alexandros Tzilios is a seasoned corporate finance executive with over 15 years of experience in capital markets. Mr. Tzilios has been instrument in helping various companies raise over $30 million in financing for various early stage companies over his career. For the past 5 years Mr. Tzilios also served as Director of Corporate Development for VST where he oversees all corporate development related to the company's capital market strategies and investor relations for a portfolio of over 20 VST companies. Mr. Tzilios has a Bachelor's of Business Administration with an advanced diploma in Accounting Finance from Capilano University. Mr. Tzilios anticipates spending approximately 15% of his time with the Company. Mr. Tzilios is an independent contractor of the Company. The Company has not entered into a non-competition and non-solicitation agreement with Mr. Tzilios.

Alvin Graylin	Director	Age 44

Mr. Graylin is the China President of HTC, since 2016, and leads the VIVE VR business in the region. He is also Chairman of the Industry of Virtual Reality Alliance (IVRA.com) and President of the Virtual Reality Venture Capital Alliance (VRVCA.com). Mr. Graylin has over 20 years of business management experience in the tech industry, including 15 years in Greater China. Prior to HTC, he had been a serial entrepreneur, having lead/founded four venture-backed startups in the mobile and internet spaces. Additionally, he has held $100+ million P&L roles at major corporations such as Intel, Trend Micro and WatchGuard Technologies. Mr. Graylin has a BS in electrical engineering from the University of Washington, MS in computer science from MIT and MBA from MIT's Sloan School of Management. Mr. Graylin anticipates spending approximately 15% of his time with the Company. Mr. Graylin is an independent contractor of the Company. The Company has not entered into a non-competition and non-solicitation agreement with Mr. Graylin.

Cathy Hackl	Director	Age 42

Cathy Hackl is one of the technology industry's most distinguished thought leader experts in the fields of Virtual Reality, Augmented Reality and Spatial Computing. Cathy is one of LinkedIn's top technology voices, and was dubbed the CEO's Guide to the Metaverse. BigThink named Cathy one of the top 10 most influential women in tech in 2020 and she was included in the 2021 prestigious Thinkers50 Radar list of the 30 management thinkers most likely to shape the future of how organizations are managed and led. Cathy Hackl is currently the Chief Metaverse Officer at Futures Intelligence Group which is an emerging technology consulting firm that helps brands through strategic foresight and next-gen actionable strategies. (AR, VR, Spatial Computing, Metaverse Strategies, Metaverse marketing, virtual goods, and NFTs). Hackl has also worked in senior roles for major tech brands and corporations such as HTC VIVE, Magic Leap and Amazon Web Services (AWS). Along with her work at the forefront of the technology industry, Hackl also contributes her insights as a sought after keynote speaker, media personality and author. She has been a featured guest speaker at various events including Comic-Con, CES, and Adobe Summit, and also well-known institutions including Harvard Business School, MIT, Facebook, and Twitter. With more than 15 years working as a media and tech executive, Hackl is perceived as both a business executive leader and technology guru. Through many of Cathy Hackl's executive roles she has held in company's ranging from large to small, including running her own, she has been responsible for and developed a keen financial eye for maintaining profitability, efficient capital allocation and financial statement acumen for maximizing shareholder value. Cathy Hackl holds a BA in Journalism from University of Texas at Austin, a Double Masters Degree in Mass Communications and International Studies from Florida International University, a Professional Certificate in Foresight in Foresight/Futures Studies from University of Houston. Cathay Hackl anticipates spending approximately 15% of her time with the Company. Cathay Hackl is an independent contractor of the Company. The Company has not entered into a non-competition and non-solicitation agreement with Cathy Hackl.

Adrian Duke	Chief Design Officer	Age 34

Adrian Duke is the co-founder of Fantasy 360 Technologies and has served with the company for the entire time. Prior to this he was the CEO of an automation and amusement park design firm called Skyturtle Technologies starting in 2012, a world-record building waterslide firm with 16 patents pending. A recipient of the 2015 BCBusiness Top 30 under 30 award, he has to his credit the world record-breaking waterslide called "Sky Caliber", the world's first vertically looping freefall waterslide, and has already sold to a number of waterparks in the United States. Duke has extensive experience managing large scale builds both onsite and remotely and serves full-time as the company Chief Design Officer overseeing all aspects of the physical production and game development. Adrian holds a diploma from BCIT majoring in Entrepreneurship.

Corporate Cease Trade Orders and Bankruptcies

Except as disclosed below, to the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any such persons) is, as of the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company), that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**"), and that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Sheri Rempel, the Chief Financial Officer, Corporate Secretary and a Director of the Company was a director and/or officer of VST when VST was subject to a management cease trade order issued by the British Columbia Securities Commission on May 2, 2019, and a failure-to-file cease trade order against the Company issued by the British Columbia Securities Commission on August 6, 2019, for failure to file its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2018, and interim financial statements and management's discussion and analysis for the period ended March 31, 2019, within the prescribed time period (the "**VST CTOs**"). The VST CTOs were revoked on August 23, 2019, as VST filed its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2018, on August 16, 2019, and its interim financial statements and management's discussion and analysis for the period ended March 31, 2019, on August 21, 2019.

Sheri Rempel is the Chief Financial Officer and a director of Lanebury Growth Capital Ltd. which was subject to a management cease trade order issued by the British Columbia Securities Commission on October 30, 2019 for failing to file required financial statements and management's discussion and analysis. The management cease trade order was revoked on December 27, 2019 upon filing of the required records.

To the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any such persons), or shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company: (i) is, as of the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties and Sanctions

To the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any of such persons), or Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Other than as disclosed herein, to the best of the Company's knowledge, there are no existing or potential material conflicts of interest among the Company and a current or prospective director or officer of the Company at the date of this Prospectus.

EXECUTIVE COMPENSATION

Since incorporation the Company has not paid any compensation to its directors or its Named Executive Officers (as such term is defined in Form 51-102F6). The following table sets out the anticipated compensation to the Company's Named Executive Officers, being Timothy Bieber (CEO) and Sheri Rempel (CFO and Corporate Secretary) for the 12-month period after closing of the Going Public Transaction. The Company may also consider Awards for the Named Executive Officers. Such equity based compensation will be approved by the Board.

Name and Position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Pension value ($)	Value of all other compensation ($)	Total compensation ($)
Timothy Bieber[(1)]	2021	$120,000	$25,000	Nil	Nil	Nil	$145,000
Sheri Rempel	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Pursuant to the CEO Employment Agreement the Company, in addition to salary and Stock Options, will: (i) pay a cash bonus of $25,000; (ii) issue 600,000 Bonus Warrants; and (iii) issue CEO Go-Public Shares with a fair value of $150,000 to Timothy Bieber upon completion of the Going Public Transaction. The Bonus Warrants are exercisable for a period of five years at an exercise price of $0.25 per Common Share, subject to vesting conditions.

It is anticipated that the Company will pay non-executive directors an amount per person per Board meeting at a rate to be determined. The definition of "director" under securities legislation includes an individual who acts in a capacity similar to that of a director.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries. The Company had not otherwise granted or issued any compensation securities.

Name and Position	Type of Compensation Security	Number of compensation securities/ number of underlying securities, and percentage of underlying securities upon conversion[3]	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry Date
Timothy Bieber, CEO and Director	Stock Options[1], [2]	400,000 (0.6%)	May 1, 2021	$0.25	N/A	N/A	May 1, 2026
	Bonus Warrants[1]	600,000 (0.9%)	Going Public Transaction	$0.25	N/A	N/A	2 years from issuance
Sheri Rempel Chief Financial Officer, Corporate Secretary and Director	Stock Options[2]	200,000 (0.3%)	May 1, 2021	$0.25	N/A	N/A	May 1, 2026
Alvin Graylin, Director	Stock Options[2]	1,300,000 (1.9%)	May 19, 2021	$0.25	N/A	N/A	May 1, 2026
Cathy Hackl, Director	Stock Options[2]	800,000 (1.2%)	May 12, 2021	$0.25	N/A	N/A	May 1, 2026
Alexandros Tzilios, Director	Stock Options[2]	800,000 (1.2%)	May 15, 2021	$0.25	N/A	N/A	May 1, 2026

Notes:

(1) Issued/Issuable pursuant to the CEO Employment Agreement.
(2) These Stock Options vest in accordance with a stock option agreement between the Company and the respective awardee.
(3) Based upon 68,000,000 Common Shares issued and outstanding as at the date of this Prospectus.

No named executive officer of the Issuer has exercised any compensation securities.

Pension Plan Benefits and Other Deferred Compensation Plans

It is anticipated the Issuer will not have any pension or deferred compensation plan in the 12 months following the completion of the Transaction.

Stock Option Plan

For a description of the material terms of the Equity Incentive Plan and the corresponding Awards, see "*Options to Purchase Securities.*"

Compensation to Associates

No awards, earnings, payments or payables were made to any associates of named executives or directors of the Company.

External Management Companies

All named executives of the Company were employees or consultants of the Company.

Employment, Consulting and Management Agreements

The Company has entered into the CEO Employment Agreement with Timothy Bieber. See "*Overview of the Company – Three Year History*".

Oversight and Description of Director and Named Executive Compensation

The Board determines the annual compensation of named executive officers. Current market conditions, market compensation, and company finances are taken into account when determining compensation. See "*Executive Compensation*" above.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Aggregate Indebtedness

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 *Information Circular* ("**Form 51-102F5**"), no directors, executive officers and employees and no former directors, executive officers and employees of the Company are or were indebted to the Company in connection with a purchase of securities and all other indebtedness as at the date of this Prospectus.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Company, and associates of such directors or executive officers are or were indebted to the Company as at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The Audit Committee provides assistance to the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities include: (i) reviewing and reporting to the Board on the annual audited financial statements (including the auditor's report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Company's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Company's external auditor, overseeing the Company's internal auditor, and pre-approving any non-audit services to the Company; (iv) reviewing and discussing with management the appointment of key financial executives and recommending qualified candidates to the Board; (v) reviewing with management and the Company's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (vi) reviewing management reports related to legal or compliance matters that may have a material impact on the Company and the effectiveness of the Company's compliance policies; and (vii) establishing whistleblowing procedures and investigating any complaints or concerns it deems necessary. The full text of the Audit Committee charter is attached to this Prospectus as Appendix A.

Composition of the Audit Committee

The Audit Committee is composed of three directors, Alexandros Tzilios (Chair), Cathy Hackl and Alvin Graylin all of whom are independent directors and are financially literate, in each case within the meaning of NI 52-110.

Relevant Education and Experience

Each of the members of the Audit Committee has extensive education and experience relevant to the performance of their responsibilities as members of the Audit Committee. The following is a summary of their qualifications and experience:

Name	Summary of Experience
Cathy Hackl	For further information, please see “Directors and Executive Officers”.
Alvin Graylin	For further information, please see “Directors and Executive Officers”.
Alexandros Tzilios	For further information, please see “Directors and Executive Officers”.

For further information, please see “*Directors and Executive Officers*”.

Pre-Approval Policies and Procedures

The Audit Committee charter requires that the Audit Committee pre-approve any retainer of the auditor of the Company to perform any non-audit services to the Company that it deems advisable in accordance with applicable legal and regulatory requirements and policies and procedures of the Board. The Audit Committee is permitted to delegate pre-approval authority to one of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

External Auditor Service Fees

Fees billed by the Company’s external auditor, DMCL, during the financial period ended December 31, 2020 were as follows:

Fiscal Period Ending	Audit Fees (1)	Audit Related Fees(1)	Tax Fees (3)	All Other Fees (4)
December 31, 2020	40,000	Nil	Nil	Nil
December 31, 2019	20,000	Nil	Nil	Nil

Notes:
(1) Fees for audit services.
(2) Fees for assurance and related services not included in audit services above.
(3) Fees for tax compliance, tax advice and tax planning.
(4) All other fees not included above.

Reliance on Exemptions

The Company is relying upon the exemption in section 6.1 of NI 52-110 for venture issuers which allows for an exemption from Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE DISCLOSURE

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its employees and shareholders. The Company’s approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company’s affairs and in light of opportunities or risks which the Company faces. The directors are kept informed of the Company's business and affairs at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

The Board

The Board currently consists of five (5) directors, of whom three (3), being Alvin Graylin, Cathy Hackl and Alexandros Tzilios, are independent based upon the test for director independence set out in NI 52-110. Timothy Bieber, the Chief Executive Officer of the Company and Sher Rempel, the Chief Financial Officer and Corporate Secretary of the Company, respectively engages in the management of day-to-day operations of the Company.

Directorships

Some of the directors of the Company serve on the boards of directors of other reporting issuers (or the equivalent) in Canada or foreign jurisdictions. The following table lists the directors of the Company who serve on boards of directors of other reporting issuers (or the equivalent) and the identities of such reporting issuers (or the equivalent).

Name of Director	Reporting Issuer
Sheri Rempel	Lanebury Growth Capital Ltd.
Alexandros Tzilios	Perihelion Capital Ltd.

The Board has determined that these directorships do not adversely impact the effectiveness of these directors on the Board or create any potential for unmanageable conflicts of interest.

Orientation and Continuing Education

New members of the Board are provided with: (i) information respecting the functioning of the Board and its committees and a copy of the Company's corporate governance documents; (ii) access to all documents of the Company, including those that are confidential; and (iii) access to management.

Each new director participates in the Company's initial orientation program and each director participates in the Company's continuing director development programs, both of which are reviewed annually by the Board.

Board members are encouraged to: (i) communicate with management and auditors; (ii) keep themselves current with industry trends and developments and changes in legislation with management's assistance; (iii) attend related industry seminars; and (iv) visit the Company's operations.

Ethical Business Conduct

The Board has adopted the Code for the directors, officers, employees and consultants of the Company. All new employees must read the Code when hired and acknowledge that they will abide by the Code.

The Board is responsible for monitoring compliance with the Code. In accordance with the Code, directors, officers, employees and consultants of the Company should raise questions regarding the application of any requirement under the Code, and report a possible violation of a law or the Code, promptly to their superior or manager. If reporting a concern or complaint to a superior or manager is not possible or advisable, or if reporting it to such person does not resolve the matter, the matter should be addressed with the Chief Financial Officer of the Company.

The Board monitors compliance with the Code by, among other things, obtaining reports from the Chief Executive Officer regarding breaches of the Code. The Board also reviews investigations and any resolutions of complaints received under the Code. In addition, the Board approves changes to the Code it considers appropriate, at least annually. The Code will be available under the Company's profile on SEDAR at www.sedar.com.

The Board takes steps to ensure that directors, officers and other employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or other employee of the Company has a material interest, which include ensuring that directors, officers and other employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their superior or manager or the Chief Financial Officer regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and other employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

Audit Committee

See "*Audit Committee*" for further details.

Director Assessment

The Board is responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board as a whole, the individual committees of the Board, and the individual members of the Board and such committees with a view of ensuring that they are fulfilling their respective responsibilities and duties. In connection with such evaluations, each director is required to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors, annually. Such evaluations take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant facts.

PLAN OF DISTRIBUTION

This is a non-offering prospectus and no securities are offered pursuant to this prospectus. The Company has obtained conditional approval to list the Common Shares on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the Canadian Securities Exchange.

RISK FACTORS

Much of the information included in this prospectus includes or is based upon estimates, projections or other "forward- looking statements". Such forward-looking statements include any projections or estimates made by us and our management in connection with our business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. The Company undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements. Such estimates, projections or other "forward-looking statements" involve various risks and uncertainties as outlined below. The Company caution readers of this prospectus that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other "forward-looking statements". In evaluating us, our business and any investment in our business, readers should carefully consider the following factors.

General

A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities.

Risks Related to the Issuer

No Market for Securities

There is currently no market through which any of the Common Shares may be sold and there is no assurance that the Common Shares will be listed for trading on a Canadian stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a Canadian stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if the Listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. The Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Limited Operating History

The Company has not yet generated material income. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and likelihood of success must be considered in light of the early stage of operations.

Negative Operating Cash Flow and Going Concern

The Company has not generated cash flow from operations. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow.

The Company's auditor has indicated in the financial statements that there is material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Importantly, the inclusion in the Company's financial statements of a going concern opinion may negatively impact the Company's ability to raise future financing and achieve future revenue. The threat of the Company's ability to continue as a going concern will be removed only when, in the opinion of the Company's auditor, the Company's revenues have reached a level that is able to sustain its business operations. If the Company is unable to obtain additional financing from outside sources and eventually generate enough revenues, the Company may be forced to sell a portion or all of the Company's assets, or curtail or discontinue the Company's operations. If any of these events happen, you could lose all or part of your investment. The Company's financial statements do not reflect any adjustments to the Company's recorded assets or liabilities that might be necessary if the Company becomes unable to continue as a going concern.

Global Economic Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. Access to financing has been negatively impacted by the ongoing global economic risks. As such, the Company is subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Issuer's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Issuer. If uncertain market conditions persist, the Issuer's ability to raise capital could be jeopardized, which could have an adverse impact on the Issuer's operations and trading price of the Common Shares on the stock exchange.

COVID-19 Risk

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. Depending on the duration and severity of the current COVID-19 pandemic, it may also have the effect of heightening many of the other risks described herein and in any other disclosure documents of the Company including, but not limited to, those risks relating to the successful completion of growth and expansion projects, the ability to obtain any required regulatory approvals in the future, the ability to raise additional capital to meet financial obligations and support business growth, the ability to service obligations under any debt securities and other debt obligations; and complying with the covenants contained in the agreements that govern indebtedness. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations. Even after the COVID-19 pandemic is over, the Company may continue to experience material adverse effects to its business, financial condition and prospects as a result of the continued disruption in the global economy and any resulting recession, the effects of which may persist beyond that time.

The spread of COVID-19 has caused the Company to modify its business practices to help minimize the risk of the virus to employees, business partners, and the communities in which the Company participates, which could negatively impact the business of the Company. Business modifications that the Company has undertaken include development of its new UNCONTAINED product which allows players to play in a socially distanced manner, introduced safeguards to its manufacturing operations to minimize disruption related to COVID-19 such as use of masks, hand sanitizers and other protective equipment. Additionally, in response to the outbreak, the Company has instituted operational and monitoring protocols to ensure the health and safety of its employees and stakeholders, which follow the advice of local governments and health authorities where it operates. The Company has adopted a work from home policy where possible. The Company continues to operate effectively whilst working remotely. The Company will continue to monitor developments of the COVID-19 pandemic and continuously assess the COVID-19 pandemic's potential further impact on the Company's operations and business.

Additionally, diversion of management focus to address the impacts of the COVID-19 pandemic could potentially disrupt the Company's operating plans. The extent and continued impact of the COVID-19 pandemic on the Company's business will depend on certain developments, including the duration and spread of the outbreak and government responses to the pandemic, all of which are uncertain and cannot be predicted. At present, the Company does not expect a material adverse effect to its operations as a result of COVID-19, however COVID-19 is a fast changing risk to the Company’s operations and the rise of additional variants that current vaccine programs may offer reduced protection against may prolong and/or worsen the effects of the COVID-19 pandemic on the Company and its operations. The Company’s customers, and correlatively the Company’s business, relies on in-person attendance and requires customers to interact with the Company’s products in a physical manner. While many jurisdictions in which the Company operates have commenced easing restrictions on in-person activities such as attendance at amusement and LBE spaces, such restrictions are subject to change and the imposition of new social distancing, stay-at-home and other restrictions may create a material adverse effect on the operations of the Company’s customers and the Company. Should additional measures restricting customers from using the Company’s products be put in place by governments, the demand for the Company’s products may be adversely affected and accordingly, the Company’s business may suffer. The Company is not able to predict whether, when and the extent to which such changes to the COVID-19 pandemic may affect its business. The Company believes that the priority of all individuals, companies and governments is to ensure the COVID-19 pandemic is managed effectively and efficiently and to reduce the lives lost and affected by the pandemic. Accordingly, the Company intends to follow all orders and measures adopted by relevant government officials in response thereto.

Changing Economic Conditions

The demand for entertainment and leisure activities, including gaming, can be highly sensitive to changes in consumers’ disposable income, and thus can be affected by changes in the economy and consumer tastes, both of which are difficult to predict and beyond the Issuer’s control. Unfavorable changes in general economic conditions, including recessions, economic slowdowns, sustained high levels of unemployment, and increasing fuel or transportation costs or the perception by customers of weak or weakening economic conditions, may reduce customers' disposable income or result in fewer individuals engaging in entertainment and leisure activities, such as online gaming. As a result, the Issuer cannot ensure that demand for its product offerings will remain constant. Adverse developments affecting economies throughout the world, including a general tightening of availability of credit, decreased liquidity in certain financial markets, increased interest rates, foreign exchange fluctuations, increased energy costs, acts of war or terrorism, transportation disruptions, natural disasters, declining consumer confidence, sustained high levels of unemployment or significant declines in stock markets, as well as concerns regarding epidemics and the spread of contagious diseases, could lead to a further reduction in discretionary spending on leisure activities, such as gaming. Any significant or prolonged decrease in consumer spending on entertainment or leisure activities could adversely affect the demand for the Issuer's product offerings, reducing its cash flows and revenues. If the Issuer experiences a significant unexpected decrease in demand for its product offerings, its business may be harmed.

Economic Environment

The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's sales and profitability. As well, general demand for banking services and alternative banking or financial services cannot be predicted and future prospects of such areas might be different from those predicted by the Issuer's management.

Risks Associated with Acquisitions

As part of the Company's overall business strategy, the Company may pursue select strategic acquisitions after the completion of the Listing, which would provide additional product offerings, vertical integrations, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. Future acquisitions may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from the Company's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions; or (f) the potential loss of or harm to relationships with both employees and existing users resulting from its integration of new businesses. In addition, any proposed acquisitions may be subject to regulatory approval.

Operational Risks

The Company will be affected by a number of operational risks and the Issuer may not be adequately insured for certain risks, including: labour disputes; catastrophic accidents; fires; blockades or other acts of social activism; changes in the regulatory environment; difficulty to obtain banking and payment processing for companies involved in online gambling; difficulty in obtaining gaming licenses for gaming platforms using blockchain technologies; changing online gaming regulatory environment with previously open markets becoming closed, or adopting prohibitive regulations; markets adopting point of consumption tax regimes that can render some markets less lucrative over time; cost of player acquisition and likelihood to recoup value based on player lifetime values; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in personal injury or death, environmental damage, adverse impacts on the Company's operation, costs, monetary losses, potential legal liability and adverse governmental action, any of which could have an adverse impact on the Issuer's future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which the Company cannot insure or which the Issuer may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition. Additional operational risks are outlined below.

Cybersecurity Risks

The Company's operations may involve the storage and transmission of customer data, including personally identifiable information, and security incidents could result in unauthorized access to, the loss of, or unauthorized disclosure of such information. To mitigate cybersecurity risks, the Company has built a technical team to maintain our technology platform from a security perspective. The Company does not currently have cybersecurity insurance.

Although the Company has security systems in place and what the Company deem sufficient security around the Company's systems to prevent unauthorized access, the Company must ensure that we continually enhance security and fraud protection within our websites and merchant platform, and if the Company is unable to do so the Company may become subject to liability for privacy breaches or consequences that result from any unanticipated incident. As a result of advances in computer capabilities, new discoveries in the field of cryptography or other developments, a compromise or breach of our security precautions may occur. The techniques used to obtain unauthorized, improper or illegal access to our systems, our data or the Company's customers' data and to sabotage our system are constantly evolving and may be difficult to detect quickly. An information breach in the Company's systems and loss of confidential information such as credit card numbers and related information, or interruption in the operation of the Company's apps, could have a longer and more significant impact on our business operations than a hardware failure. A compromise in the Company's security system could severely harm the Company's business by the loss of the Company's customers' confidence in the Company and thus the loss of their business. The Company may be required to spend significant funds and other resources to protect against the threat of security breaches or to alleviate problems caused by these breaches. However, protection may not be available at a reasonable price, or at all. Any failure to adequately comply with necessary protective measures could result in fees, penalties and/or litigation. Concerns regarding the security of e-commerce and the privacy of users may also inhibit the growth of the Internet as a means of conducting commercial transactions. This may result in a reduction in revenues and increase the Company's operating expenses, which would prevent the Company from achieving profitability.

Financial Projections May Prove Materially Inaccurate or Incorrect

The Issuer's financial estimates, projections and other forward-looking information accompanying this document were prepared by the Issuer without the benefit of reliable historical industry information or other information customarily used in preparing such estimates, projections and other forward-looking statements. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should inquire of the Issuer and become familiar with the assumptions underlying any estimates, projections or other forward-looking statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events.

There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operational expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, investors should not rely on any projections to indicate the actual results the Issuer and its subsidiaries might achieve.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the gaming and interactive entertainment industries. A failure in the demand for its services to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations, and financial condition of the Issuer.

General Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Issuer. To remain competitive, the Issuer will require a continued high level of investment in research and development, marketing, sales, and client support.

Competition in interactive entertainment industries

The industries within which the Company will operate are rapidly evolving and intensely competitive, and are subject to changing technology, shifting user needs, and frequent introductions of new offerings. The Company's potential competitors include large and established companies as well as other start-up companies. Such competitors may spend more money and time on developing and testing products and services, undertake more extensive marketing campaigns, adopt more aggressive pricing or promotional policies or otherwise develop more commercially successful products or services than the Issuer, which could negatively impact its business. Furthermore, new competitors, whether licensed or not, may enter the Issuer's key product and/or geographic markets. There is no assurance that the Issuer will be able to maintain or grow its position in the marketplace.

As a result of the foregoing, among other factors, the Company will have to continually introduce and successfully market new and innovative technologies, product offerings and product enhancements to remain competitive and effectively stimulate customer demand, acceptance and engagement. The process of developing new product offerings and systems is inherently complex and uncertain, and new product offerings may not be well received by customers, even if well-reviewed and of high quality. Furthermore, the Company may not recover the often substantial up-front costs of developing and marketing new technologies and product offerings, or recover the opportunity cost of diverting management and financial resources away from other technologies and product offerings. Additionally, if the Issuer cannot efficiently adapt its processes and infrastructure to meet the needs of its product offering innovations, its business could be negatively impacted.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Reliance on Management

The success of the Company will be dependent upon the ability, expertise, judgment, discretion, and good faith of its key executives, including the directors and officers of the Company and a small number of highly skilled and experienced executives and personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Issuer's business, operating results, or financial condition. The competition for highly skilled technical, research and development, management and other employees is high and there can be no assurance that the Issuer will be able to engage or retain the services of such qualified personnel in the future.

Furthermore, equity-based awards comprise a key component of executive and senior management compensation, and if the Company's Common Share price declines or is volatile, it may be difficult to retain such individuals. The Company's retention and recruiting may require significant increases in compensation expense, which may adversely affect its results of operation.

Risks Relating to Insurance

The Company intends to insure its operations in accordance with technology industry practice. However, such insurance may not be available, uneconomical for the Issuer, or the nature or level may be insufficient to provide adequate insurance cover. Further, the Company will not insure against cyber-theft or hacking attacks. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the Issuer.

Risks Related to Regulation

Complex and evolving domestic and foreign laws and regulations regarding the Internet, privacy, data protection, competition, consumer protection and other matters

The Company will be subject to a variety of laws and regulations domestically and abroad that involve the gaming, privacy, and protection of data and personal information, rights of publicity, acceptable content, intellectual property, advertising, marketing, distribution, data and information security, electronic contracts and electronic communications, competition, protection of minors, consumer protection, unfair commercial practices, product liability, taxation, economic or other trade prohibitions or sanctions, securities law compliance, and online payment and payment processing services. The Issuer may introduce new products, expand its activities in certain jurisdictions, or take other actions that may subject it to additional laws, regulations or other government scrutiny. For example, the Company will handle, collect, store, retrieve, transmit and use confidential, personal information relating to its customers and personnel for various business purposes, including marketing and financial purposes, and credit card information. The Company may share this personal or confidential information with vendors or other third parties in connection with processing of transactions, operating certain aspects of its business, combating fraud or for marketing purposes.

These laws, regulations and legislation, along with other applicable laws and regulations, which in some cases can be enforced by private parties or government entities, are constantly evolving and can be subject to significant change. As a result, the application, interpretation, and enforcement of these laws and regulations, including pre-existing laws regulating communications and commerce in the context of the gaming, are often uncertain, particularly in the new and rapidly evolving industries in which the Company will operates, and may be interpreted and applied inconsistently across jurisdictions and inconsistently with its future policies and practices.

In addition, such restrictive measures may impact the ability or desire of third-party suppliers, including payment processors, to provide services to the Issuer globally or in certain jurisdictions. A supplier could require the Company, as a condition of its continued use of the supplier's products, to restrict access from customers in certain jurisdictions. Such third-party restrictions could affect the manner in which the Company provides its products or services in certain jurisdictions and adversely affect its financial results due to, among other things, the potential need to determine whether to change suppliers, which may not be on as favorable terms, or comply with the supplier's requested restrictions.

These laws and regulations, as well as any changes to the same and any related inquiries, investigations or any other government actions, may be costly to comply with and may delay or impede new product development, result in negative publicity, increase the Company's operating costs, require significant management time and attention, and subject it to remedies that may harm its business, including fines or demands or orders that modify or cease certain or all existing business practices, such as limiting its use of personal information to add value for customers, or implement costly and burdensome compliance measures. Any such consequences could adversely affect the Issuer's business, results of operations or financial condition.

The Company may be subject to regulatory investigations

From time to time, the Company may receive formal and informal inquiries from government authorities and regulators, including securities authorities, tax authorities, regarding its compliance with laws and other matters. Violation of existing or future regulatory orders or consent decrees could subject the Issuer to substantial monetary fines and other penalties that could negatively affect its financial condition and results of operations. In addition, it is possible that future orders issued by, or inquiries or enforcement actions initiated by, government or regulatory authorities could cause the Company to incur substantial costs, expose it to unanticipated civil and criminal liability or penalties, or require it to change its business practices in a manner materially adverse to its business.

Risks Related to the Industry

Risk of Safeguarding Against Security & Privacy Breaches

A security or privacy breach could:

- expose the Company to additional liability and to potentially costly litigation;
- increase expenses relating to the resolution of these breaches;

- deter potential customers from using our services; and
- decrease market acceptance of electronic commerce transactions.

Within the interactive entertainment industries, the Company will be at risk of exposure to a security or privacy breach of its system which could lead to potentially costly litigation, deter potential customers from using its services, or bring about additional liability. The Company cannot assure that the use of applications designed for data security and integrity will address changing technologies or the security and privacy concerns of existing and potential customers. Although the Company will require that agreements with service providers who have access to sensitive data include confidentiality obligations that restrict these parties from using or disclosing any data except as necessary to perform their services under the applicable agreements, there can be no assurance that these contractual measures will prevent the unauthorized disclosure of sensitive data. If the Company is unable to protect the security and privacy of its electronic transactions and data, its business will be materially adversely affected.

Failure to retain existing customers or add new customers

The financial performance of the Company will be significantly determined by its success in adding, retaining, engaging and monetizing active customers of its product offerings. If people do not perceive the Company's product offerings as enjoyable, reliable, relevant and trustworthy it may be unable to attract or retain customers or otherwise maintain or increase the frequency and duration of their engagement. A number of interactive entertainment companies that achieved early popularity have since seen their active customer bases or levels of engagement decline. Any number of factors could potentially negatively affect customer retention, growth and engagement, including if:

- customers increasingly engage with the products or services of the Company's competitors;
- the Company fails to introduce, or delays the introduction of, new products or services (whether developed internally, licensed or otherwise obtained or developed in conjunction with third parties) that users find engaging or that work with a variety of operating systems or networks, or if it introduces new products or services, including using technologies with which it has little or no prior development or operating experience, or changes to its existing products or services, that are not favorably received by customers;
- customers have difficulty installing, updating or otherwise accessing the Company's product offerings on desktops or mobile devices as a result of actions by it or third parties that it relies on to distribute and deliver its product offerings, or the Issuer fails to price its product offerings competitively or provide adequate customer service;
- there are decreases in customer sentiment about the quality of the Issuer's product offerings or concerns related to privacy, safety, security or other factors, or technical or other problems prevent the Company from delivering its product offerings in a rapid and reliable manner or otherwise affect the customer experience, such as security breaches or failure to prevent or limit spam or similar content;
- new industry standards are adopted or customers adopt new technologies where the Company's product offerings may be displaced in favor of other products or services, may not be featured or otherwise available, or may otherwise be rendered obsolete and unmarketable;
- there are adverse changes in the Company's product offerings that are mandated by legislation, regulatory authorities or litigation, including settlements, or the Issuer does not obtain applicable regulatory or other approvals or renewals of such approvals to offer, directly or indirectly, its product offerings in new or existing jurisdictions;
- the Company adopts policies or procedures related to areas such as customer data and information that are perceived negatively by its customers or the general public;

- the Company elects to focus its customer growth and engagement efforts more on longer-term initiatives, or if initiatives designed to attract and retain customers and engagement are unsuccessful or discontinued, whether as a result of actions by the Issuer, third parties or otherwise; or

- the Company or other companies in the industries in which it operates are the subject of adverse media reports or other negative publicity.

If the Company is unable to maintain or increase its customer base or engagement, or effectively monetize its customer base's use of its product offerings, its revenue and financial results may be adversely affected. Any decrease in customer retention, growth or engagement could render the Issuer's products less attractive to customers.

Dependence on suppliers and skilled labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Issuer will be successful in maintaining its required supply of skilled labour, equipment, parts and components.

Reliance on third-party owned communication networks

The delivery of the Company's offerings and a significant portion of the Company's revenues will be dependent on the continued use and expansion of third-party-owned communication networks, including wireless networks and the Internet. No assurance can be given of the continued use and expansion of these networks as a medium of communications for the Issuer.

As it relates to its mobile platforms, the Company will be dependent on the interoperability of such platforms with popular mobile operating systems, technologies, networks and standards that it does not control, such as the Android and iOS operating systems, and any changes, bugs, technical or regulatory issues in such systems, the Issuer's relationships with mobile partners, manufacturers and carriers, or in their terms of service or policies that degrade the Company's product offerings' functionality, may reduce or eliminate its ability to distribute its product offerings, give preferential treatment to competitive products, limit its ability to deliver high quality product offerings, or impose fees or other charges related to delivering its product offerings. The foregoing may adversely affect its product usage and monetization on mobile devices. If it is difficult or unfavorable for the Company's customers to access and use its product offerings on their mobile devices, or if its customers choose not to access or use its product offerings on their mobile devices or use mobile products that do not offer access to its product offerings, its customer growth and engagement could be harmed, which could adversely affect its results of operation.

In addition, increasing traffic, user numbers or bandwidth requirements may result in a decline in Internet (or a subset thereof, including in particular mobile Internet) performance and/or Internet reliability. Internet outages or delays or loss of network connectivity may result in partial or total failure of the Issuer's offerings, additional and unexpected expenses to fund further development or to add programming personnel to complete a development project, loss of revenue which could have a material adverse effect on the Issuer's prospects, business, financial condition or results of operations.

Evolving Industries

The interactive entertainment industries are relatively new and continue to evolve. Whether these industries grow and whether the Company's online business will ultimately succeed, will be affected by, among other things, developments in social networks, mobile platforms, legal and regulatory developments, data and information privacy and payment processing laws and regulations, and other factors that the Issuer is unable to predict and which are beyond its control. Given the dynamic evolution of these industries, it can be difficult to plan strategically, including as it relates to product launches in new or existing jurisdictions which may be delayed or denied, and it is possible that competitors will be more successful than the Issuer at adapting to change and pursuing business opportunities.

Requirements for Further Financing

The Company intends to apply for the Listing on the CSE. The Company may need to obtain further financing, whether through debt financing, equity financing or other means. There can be no guarantee that the Common Shares will be listed on any stock exchange. The Company must obtain such financing through a combination of equity and debt financing and there can be no assurance that the Issuer can raise the required capital it needs to build and expand its current operations, nor that the capital markets will fund the business of the Issuer. Without this additional financing, the Issuer may be unable to achieve positive cash flow and earnings as quickly as anticipated. There can be no certainty that the Issuer can obtain these funds, in which case any investment in the Company may be lost. The raising of equity funding would also result in dilution of the equity of the Issuer's shareholders.

The Company may prioritize customer growth and engagement and the customer experience over short-term financial results

The Company may in the future make product and investment decisions that may not prioritize its short-term financial results if it believes that the decisions are consistent with its mission and long-term goals to benefit the aggregate customer experience, improve its financial performance and maximize shareholder value. The Issuer also may take steps that limit distribution of certain product offerings, such as on mobile devices, in the short term to attempt to ensure the availability of such product offerings to its customers over the long term. These decisions may not produce the benefits that the Issuer expects, in which case its customer growth and engagement, its relationships with third parties, and its business and results of operations could be harmed.

Litigation

The Company may be subject to litigation claims through the ordinary course of its business operations or otherwise, regarding, among other things, employment matters, tax matters, security of customer and employee personal information, third-party contracts, marketing, intellectual property right infringement, its current and former operations and the operations of businesses it acquired or may acquire in the future prior to their respective acquisitions. Litigation to defend the Issuer against claims by third parties, or to enforce any rights that it may have against third parties, may be necessary, which could result in substantial costs and diversion of its resources, causing a material adverse effect on its business, financial condition and results of operations. Given the nature of the Company's business, it is, and may from time to time in the future be, party to various, and at times numerous, legal, administrative and regulatory inquiries, investigations, proceedings and claims that arise in the ordinary course of business, as well as potential class action lawsuits. Because the outcome of such legal matters is inherently uncertain, if one or more of such legal matters were to be resolved against the Issuer for amounts in excess of management's expectations or any applicable insurance coverage or indemnification right, or if such legal matters result in decrees or orders preventing it from offering certain features, functionalities, products or services, or requires that it changes its development process or other business practices, its results of operations and financial condition could be materially adversely affected. Any litigation to which the Company may be a party may result in an onerous or unfavorable judgment that may not be reversed upon appeal, or in payments of substantial monetary damages or fines, the posting of bonds requiring significant collateral, letters of credit or similar instruments.

Conflicts of Interest

Certain of the directors and officers of the Company are, or may become directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Issuer and as officers and directors of such other companies.

The Common Shares may not be qualified investments under the Tax Act for a Registered Plan

There is no assurance when, or if, the Common Shares will be listed on any stock exchange. If the Common Shares are not listed on a designated stock exchange in Canada at the time they are acquired or if the Issuer does not otherwise satisfy the conditions in the Income Tax Act (Canada) (the "**Tax Act**") to be a "public corporation", the Common Shares will not be considered to be a qualified investment under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered education savings plan ("**RESP**"), a registered disability savings plan ("**RDSP**") a tax-free savings account ("**TFSA**") and a deferred profit sharing plan ("**DPSP**") (collectively, "**Registered Plans**") from their date of issue. Where a Registered Plan acquires a Common Share in circumstances where the Common Shares are not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant, subscriber or holder (the "**Controlling Individual**") under the Registered Plan, as the case may be, including that the Registered Plan may become subject to penalty taxes, the Controlling Individual of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of an RESP, such plan may have its tax exempt status revoked.

The Company's intellectual property may be insufficient to properly safeguard its technology and brands

The Company's success may depend on its ability to obtain trademark protection for the names or symbols under which it markets its product offerings and to obtain copyright protection of its proprietary technologies, other game innovations and creative assets. The Company may not be able to build and maintain goodwill in its trademarks or obtain trademark protection. There can be no assurance that any trademark or copyright will provide competitive advantages for the Issuer or that its intellectual property will not be successfully challenged or circumvented by competitors.

Source codes for the Company's technology may receive protection under international copyright laws. However, for many third parties who intend to use the Issuer source codes without its consent, the presence of copyright protection in the source codes alone may not be enough of a deterrent to prevent such use. As such the Company may need to initiate legal proceedings following such use to obtain orders to prevent further use of the source code.

The Company may also rely on trade secrets and proprietary know-how. Although the Company will generally require its employees and independent contractors to enter into confidentiality and intellectual property assignment agreements, it cannot be assured that the obligations therein will be maintained and honored. If these agreements are breached, it is unlikely that the remedies available to the Issuer will be sufficient to compensate it for the damages suffered even if it promptly applies for injunctive relief. In spite of confidentiality agreements and other methods of protecting trade secrets, the Company's proprietary information could become known to or independently developed by competitors. If the Company fails to adequately protect its intellectual property and confidential information, its business may be harmed and its liquidity and results of operations may be materially adversely impacted.

The Issuer may be party to intellectual property infringement or invalidity claims and adverse outcomes of litigation could unfavorably affect its operating results.

If the registration and enforcement policies regarding the Company's intellectual property portfolios are inadequate to deter unauthorized use or appropriation by third parties, the value of the Company's brands and other intangible assets may be diminished and competitors may be able to more effectively mimic its brands, products, services and methods of operations. Such events could adversely affect the Company's business and financial results. At the same time, the Company has to be mindful of how it will be perceived by its customers and potential customers if it deploys an unduly strict enforcement policy; an overly aggressive position may deter its customers from supporting the brands and therefore damage not only the brands' reputation in the market place but also negatively impact financial results.

Moreover, due to the differences in foreign patent, trademark, copyright and other laws concerning proprietary rights, the Company's intellectual property may not receive the same degree of protection in each jurisdiction where it operates. The Company's failure to possess, obtain or maintain adequate protection of its intellectual property rights for any reason in these jurisdictions could have a material adverse effect on its business, results of operations and financial condition.

Furthermore, infringement and other intellectual property claims, with or without merit, can be expensive and time-consuming to litigate, and the Issuer may not have the financial and human resources to defend itself against any infringement suits that may be brought against it. Litigation can also distract management from day-to-day operations of the business.

In addition, the Company's future success may depend upon its ability to obtain licenses to use new marks and its ability to retain or expand existing licenses for certain products. If the Company is unable to obtain new licenses or renew or expand existing licenses, it may be required to discontinue or limit its use of such products that use the licensed marks and its financial condition, operating results or prospects may be harmed.

The Company may also infringe other intellectual property rights belonging to third parties, such as trademarks, copyrights and confidential information. The infringement of trademarks, copyrights and confidential information involve complex legal and factual issues and the Company's products, branding or associated marketing materials may be found to have infringed existing third-party rights. When any third-party infringement occurs, the Issuer may be required to stop using the infringing intellectual property rights, pay damages and, if it wishes to keep using the third-party intellectual property, purchase a license or otherwise redesign the product, branding or associated marketing materials to avoid further infringement. Such a license may not be available or may require the Company to pay substantial royalties.

If the Company fails to adapt and respond effectively to rapidly changing technology, evolving industry standards and changing customer needs or requirements, its technology, such as its platforms and offerings, may become less competitive or obsolete.

The Company's future success depends on its ability to adapt and enhance its suite of technology and software, such as its platforms, as well as its product offerings. To attract new customers, the Company will need to enhance and improve its platforms, product offerings, features and enhancements to meet customer needs at competitive prices. Such efforts will require adding new functionality and responding to technological advancements or disruptive technologies, such as artificial intelligence, which will increase the Company's research and development costs. If the Company is unable to develop technology and products that address customers' needs, or enhance and improve its platforms and product offerings in a timely manner, that could have a material adverse effect on its business, revenues, operating results and financial condition. The Company's ability to grow is also subject to the risk of future disruptive technologies. If new and/or disruptive technologies emerge that are able to deliver online betting and gaming and/or entertainment products and services at lower prices, more efficiently, more conveniently or more securely, such technologies could adversely affect the Company's ability to compete.

PROMOTERS

VST may be considered to be the Promoter of the Company in that it took the initiative in organizing the business of the Company. For complete details in respect of VST's security holdings of the Company, please refer to "*Principal Securityholders*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not a party to any legal proceeding nor was a party to, nor is or was any of its property the subject of any legal proceeding, during the fiscal year ended December 31, 2020, or from January 1, 2021, to the date hereof.

During the fiscal year ended December 31, 2020, and from January 1, 2021 to the date hereof, there were no: (i) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority; (ii) penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements the Company entered into before a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of directors, senior officers, any Shareholder holding more than 10% of the Common Shares, or any known associates or affiliates of such persons, in any transaction within the last three most recently completed financial years or during the current financial year or in any proposed transaction which has materially affected or would materially affect the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are DMCL, at its offices located in Vancouver, British Columbia. DMCL have confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The transfer agent of the Company's Common Shares is Odyssey Trust Company, located at Vancouver, British Columbia.

MATERIAL CONTRACTS

Except for material contracts entered into in the ordinary course of business, set out below are material contracts to which the Company is a party entered into prior to or since the date of incorporation of the Company and which still remain in effect and are considered to be material to the Company. Copies of such material contracts will be filed with the Canadian securities regulatory authorities and will be available for review under the Company's profile on SEDAR at www.sedar.com.

- the Subscription Receipt Agreement; and
- the Escrow Agreement (to be entered prior to completion of the Going Public Transaction).

INTEREST OF EXPERTS

DMCL, the Company's external auditors for the financial years ended December 31, 2019 and December 31, 2020, have confirmed that they are independent of the Company in accordance with the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

To the knowledge of management, as of the date hereof, no expert has any beneficial interest, direct or indirect, in the securities or property of the Company, and no such person is or is expected to be elected, appointed or employed as director, officer or employee of the Company.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

APPENDIX A

FANTASY 360 TECHNOLOGIES INC.
AUDIT COMMITTEE CHARTER

FANTASY 360 TECHNOLOGIES LTD.

AUDIT COMMITTEE CHARTER

I. Purpose

The primary objective of the Audit Committee (the "**Committee**") of Fantasy 360 Technologies Ltd. (the "**Company**") is to act as a liaison between the Company's Board of Directors (the "**Board**") and the Company's independent auditors (the "**Auditors**") and to oversee (a): the accounting and financial reporting processes of the Company, including the financial statements and other financial information provided by the Company to its shareholders, the public and others, (b) the Company's compliance with legal and regulatory requirements, (c) the audit of the Company's financial statements, (d) the qualification, independence and performance of the Auditors, and (e) the Company's risk management policies and procedures and internal financial and accounting controls, and management information systems. For greater certainty, references to the financial statements of the Company will include, where applicable, the financial statements of the Company's subsidiary entities.

Although the Committee has the powers and responsibilities set forth in this Charter, the role of the Committee is oversight. The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditors.

The responsibilities of a member of the Committee are in addition to such member's duties as a member of the Board.

II. Organization

A majority of the members of the Committee will be non-executive directors of the Company who satisfy, at a minimum, the laws governing the Company and the independence, financial literacy and financial experience requirements under applicable securities laws, rules and regulations, stock exchange and any other regulatory requirements applicable to the Company.

Members of the Committee must be financially literate as the Board interprets such qualification in its business judgment. A majority of the members of the Committee will not have participated in the preparation of the financial statements of the Company or any current subsidiary at any time during the past three years. All members will be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement.

The Committee will consist of three or more directors of the Company, a majority of whom are not executive officers of the Company. The members of the Committee and the Chair of the Committee will be appointed by the Board. A majority of the members of the Committee will constitute a quorum, provided that if there are only three members, the quorum shall be three. A majority of the members of the Committee will be empowered to act on behalf of the

Committee. Matters decided by the Committee will be decided by majority votes. The chair of the Committee will have an ordinary vote and will not be entitled to exercise a casting vote.

Any member of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Meetings

The Committee will meet as frequently as circumstances require, but not less frequently than four times per year. The Committee will meet at least quarterly with management, the Company's financial and accounting officer(s) and the Auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. Meetings may be held telephonically to the extent permitted by the Company's organizational documents and applicable law. A resolution in writing signed by all members who are entitled to vote on the resolution at the meeting of the Committee is as valid as if it had been passed at a meeting.

In the absence of the appointed Chair of the Committee at any meeting, the members will elect a chair from those in attendance at the meeting. The Chair, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting. Notice of the time and place of every meeting shall be given in writing, either by email, fax or personal delivery to each member of the Committee at least 24 hours in advance of the meeting.

The Committee will appoint a recording secretary who will keep minutes of all meetings. The recording secretary may be any person and does not need to be a member of the Committee. The recording secretary for the Committee can be changed by simple notice from the Chair.

The Chair will ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as the other directors in advance of the meeting.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The Company's accounting and financial officer(s) and the Auditors will attend any meeting when requested to do so by the Chair of the Committee.

IV. Authority and Responsibilities

The Board, after consideration of the recommendation of the Committee, will nominate the Auditors for appointment by the shareholders of the Company in accordance with applicable law. The Auditors report directly to the Audit Committee. The Auditors are ultimately accountable to the Committee and the Board as representatives of the shareholders.

In fulfilling its duties and responsibilities under this Charter, the Committee will be entitled to reasonably rely on (a) the integrity of those persons within the Company and of the professionals and experts (such as the Auditors) from whom it receives information, (b) the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts and (c) the representations made by the Auditors as to any services provided by them to the Company.

The Committee will have the following responsibilities:

(a) Auditors

1. Be directly responsible for the appointment, compensation, retention (including termination) and oversight of the work of any independent registered public accounting firm engaged by the Company (including for the purposes of preparing or issuing an audit report or performing other audit, review or attestation services or other work for the Company and including the resolution of disagreements between management and the Company's independent registered public accounting firm regarding financial reporting) and ensure that such firm will report directly to it; recommend to the Board the independent auditors to be nominated for appointment as Auditors of the Company at the Company's annual meeting, the remuneration to be paid to the Auditors for services performed during the preceding year; and recommend to the Board and the shareholders the termination of the appointment of the Auditors, if and when advisable.

2. When there is to be a change of the Auditor, review all issues related to the change, including any notices required under applicable securities law, stock exchange or other regulatory requirements, and the planned steps for an orderly transition.

3. Review the Auditor's audit plan and discuss the Auditor's scope, staffing, materiality, and general audit approach.

4. Review on an annual basis the performance of the Auditors, including the lead audit partner.

5. Take reasonable steps to confirm the independence of the Auditors, which include:

    (a) ensuring receipt from the Auditors of a formal written statement in accordance with applicable regulatory requirements delineating all relationships between the Auditors and the Company;

    (b) considering and discussing with the Auditors any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the Auditors;

    (c) approving in advance all auditing services and any non-audit related services provided by the Auditors to the Company, and the fees for such services, with a view to ensuring the independence of the Auditors and, in accordance with applicable regulatory standards, including applicable stock exchange requirements, with respect to approval of non-audit related services performed by the Auditors; and

    (d) as necessary, taking or recommending that the Board take appropriate action to oversee the independence of the Auditors.

6. Review and approve any disclosures required to be included in periodic reports under applicable securities laws, rules and regulations and stock exchange and other regulatory requirements with respect to non-audit services.

7. Confirm with the Auditors and receive written confirmation at least once per year as to (i) the Auditor's internal processes and quality control procedures; and (ii) disclosure of any material issues raised by the most recent internal quality control review, or per review within the preceding five years respecting independent audit carried out by the Auditors or investigations or government or professional enquiries, reviews or investigations of the Auditors within the last five years.

8. Consider the tenure of the lead audit partner on the engagement in light of applicable securities law, stock exchange or applicable regulatory requirements.

9. Review all reports required to be submitted by the Auditors to the Committee under applicable securities laws, rules and regulations and stock exchange or other regulatory requirements.

10. Receive all recommendations and explanations which the Auditors place before the Committee.

(b) Financial Statements and Financial Information

11. Review and discuss with management, the financial and accounting officer(s) and the Auditors, the Company's annual audited financial statements, including disclosures made in management's discussion and analysis, prior to filing or distribution of such statements and recommend to the Board, if appropriate, that the Company's audited financial statements be included in the Company's annual reports distributed and filed under applicable laws and regulatory requirements.

12. Review and discuss with management, the financial and accounting officer(s) and the Auditors, the Company's interim financial statements, including management's discussion and analysis, and the Auditor's review of interim financial statements, prior to filing or distribution of such statements.

13. Review any earnings press releases of the Company before the Company publicly discloses this information.

14. Be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information and extracted or derived from the Company's financial statements and periodically assess the adequacy of these procedures.

15. Discuss with the Auditor the matters required to be discussed by applicable auditing standards requirements relating to the conduct of the audit including:

    (a) the adoption of, or changes to, the Company's significant auditing and accounting principles and practices;

    (b) the management letter provided by the Auditor and the Company's response to that letter; and

    (c) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, or personnel and any significant disagreements with management.

16. Discuss with management and the Auditors major issues regarding accounting principles used in the preparation of the Company’s financial statements, including any significant changes in the Company’s selection or application of accounting principles. Review and discuss analyses prepared by management and/or the Auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative approaches under generally accepted accounting principles.

17. Prepare, or ensure the preparation of, and review any report under applicable securities law, stock exchange or other regulatory requirements, including any reports required to be included in statutory filings.

(c) Ongoing Reviews and Discussions with Management and Others

18. Obtain and review an annual report from management relating to the accounting principles used in the preparation of the Company’s financial statements, including those policies for which management is required to exercise discretion or judgments regarding the implementation thereof.

19. Periodically review separately with each of management, the financial and accounting officer(s) and the Auditors; (a) any significant disagreement between management and the Auditors in connection with the preparation of the financial statements, (b) any difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information and (c) management’s response to each.

20. Periodically discuss with the Auditors, without management being present, (a) their judgments about the quality, integrity and appropriateness of the Company's accounting principles and financial disclosure practices as applied in its financial reporting and (b) the completeness and accuracy of the Company's financial statements.

21. Consider and approve, if appropriate, significant changes to the Company's accounting principles and financial disclosure practices as suggested by the Auditors or management and the resulting financial statement impact. Review with the Auditors or management the extent to which any changes or improvements in accounting or financial practices, as approved by the Committee, have been implemented.

22. Review and discuss with management, the Auditors and the Company's independent counsel, as appropriate, any legal, regulatory or compliance matters that could have a significant impact on the Company's financial statements, including applicable changes in accounting standards or rules, or compliance with applicable laws and regulations, inquiries received from regulators or government agencies and any pending material litigation.

23. Enquire of the Company’s financial and accounting officer(s) and the Auditors on any matters which should be brought to the attention of the Committee concerning accounting, financial and operating practices and controls and accounting practices of the Company.

24. Review the principal control risks to the business of the Company, its subsidiaries and joint ventures; and verify that effective control systems are in place to manage and mitigate these risks.

25. Review and discuss with management any earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as any financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be done generally (i.e. discussion of the types of information to be disclosed and the types of presentations made).

26. Review and discuss with management any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses. Obtain explanations from management of all significant variances between comparative reporting periods.

27. Review and discuss with management the Company's major risk exposures and the steps management has taken to monitor, control and manage such exposures, including the Company's risk assessment and risk management guidelines and policies.

(d) Risk Management

28. Review, based upon the recommendation of the Auditors and management, the scope and plan of the work to be done by the Company's financial and accounting group and the responsibilities, budget and staffing needs of such group.

29. Ensure that management has designed and implemented effective systems of risk management and internal controls and, at least annually, review the effectiveness of the implementation of such systems.

30. Approve and recommend to the Board for adoption policies and procedures on risk oversight and management to establish an effective and efficient system for identifying, assessing, monitoring and managing risk relating to financial management and internal control.

31. Review the appointment of the chief financial officer and any key financial executives involved in the financial reporting process and recommend to the Board any changes in such appointments.

(e) Other Responsibilities

32. Create an agenda for the ensuing year.

33. Review and approve related-party transactions if required under applicable securities law, stock exchange or other regulatory requirements.

34. Review and approve (a) any change or waiver in the Company's Code of Business Conduct and Ethics applicable to senior financial officers and (b) any disclosures

made under applicable securities law, stock exchange or other regulatory requirements regarding such change or waiver.

35. Establish, review and approve policies for the hiring of employees, partners, former employees or former partners of the Company's Auditors or former independent auditors.

36. Review and reassess the duties and responsibilities set out in this Charter annually and recommend to the Board any changes deemed appropriate by the Committee.

37. Review its own performance annually, seeking input from management and the Board.

38. Confirm annually that all responsibilities outlined in this Charter have been carried out.

39. Perform any other activities consistent with this Charter, the Company's constating documents and governing law, as the Committee or the Board deems necessary or appropriate.

V. Reporting

The Committee will report regularly to the Board and will submit the minutes of all meetings of the Audit Committee to the Board. The Committee will also report to the Board on the proceedings and deliberations of the Committee at such times and in such manner as the Board may require. The Committee will review with the full Board any issues that have arisen with respect to quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance or independence of the Auditors or the performance of the Company's financial and accounting group.

VI. Resources and Access to Information

The Committee will have the authority to retain independent legal, accounting and other advisors or consultants to advise the Committee, as it determines necessary to carry out its duties.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities. The Committee has direct access to anyone in the organization and may request any officer or employee of the Company or the Company's outside counsel or the Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee with or without the presence of management. In the performance of any of its duties and responsibilities, the Committee will have access to any and all books and records of the Company necessary for the execution of the Committee's obligations.

The Committee will determine the extent of funding necessary for payment of (a) compensation to the Company's independent public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company, (b) compensation to any independent legal, accounting and other advisors or consultants retained to advise the Committee and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

APPENDIX B
FINANCIAL STATEMENTS

Fantasy 360 Technologies Inc.

Financial Statements
Three months ended March 31, 2021 and 2020

Expressed in Canadian Dollars

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed interim unaudited financial statements of Fantasy 360 Technologies Inc. are the responsibility of the Company’s management. The condensed interim unaudited financial statements are prepared in accordance with International Financial Reporting Standards and reflect management’s best estimates and judgment based on information currently available.

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

Fantasy 360 Technologies Inc.
Statements of financial position
(Expressed in Canadian dollars)

	Note		March 31, 2021		December 31, 2020
ASSETS					
Current assets					
Cash		$	401,224	$	192,475
Prepaids	3		10,480		32,778
Trade receivables			-		63,565
Government sales tax receivable			13,963		6,087
			425,667		294,905
Non-current assets					
Investments	4		12,253		3,254
Due from related parties	6		542,383		542,383
Equipment	5		7,327		4,041
TOTAL ASSETS		**$**	**987,630**	**$**	**844,583**
LIABILITIES					
Current liabilities					
Trade payables	6	$	24,926	$	86,192
Accrued liabilities			43,584		141,423
Deferred revenue			33,320		-
Deposit on shares	8		1,323,646		1,172,796
Due to related parties	6		622,899		99,529
			2,048,375		1,499,940
Non-current liabilities					
CEBA loan	7		35,285		33,667
TOTAL LIABILITIES			2,083,660		1,533,607
SHAREHOLDER'S EQUITY					
Share capital	8		1		1
Deficit	8		(1,096,031)		(689,025)
TOTAL SHAREHOLDER'S EQUITY			(1,096,030)		(689,024)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**$**	**987,630**	**$**	**844,583**

Nature of operations and going concern – Note 1
Subsequent events – Note 13

Fantasy 360 Technologies Inc.
Statements of loss and comprehensive loss
(Expressed in Canadian dollars)

	Note	Three months ended March 31, 2021	2020
Revenue		$ -	$ 352,996
Cost of goods sold		-	200,876
		-	152,120
Expenses			
Depreciation	5	1,600	1,600
Bad debt expense	11	391	-
Consulting fees	6	62,495	66,365
Foreign exchange loss (gain)		323	(21,834)
General and administration		11,118	10,777
Interest and accretion		1,618	-
Professional fees		20,392	9,144
Rent		39,195	43,173
Research and development	9	338,070	-
Salaries and wages		34,389	112,822
Sales and marketing		30,654	4,199
Total expenses		(540,245)	(226,246)
Other Items			
Equity gain (loss) on investments	4	8,999	(151)
Interest and other income	10	124,240	2
		133,239	(149)
Net loss and comprehensive loss for the period		(407,006)	(74,275)
Basic and diluted loss per share		**$ (0.01)**	**$ (0.00)**
Weighted average number of common shares outstanding for the period - basic and diluted		**63,308,820**	**63,308,820**

Fantasy 360 Technologies Inc.
Statements of loss and comprehensive loss
(Expressed in Canadian dollars)

	Note	Three months ended March 31, 2021	2020
Revenue		$ -	$ 352,996
Cost of goods sold		-	200,876
		-	152,120
Expenses			
Depreciation	5	1,600	1,600
Bad debt expense	11	391	-
Consulting fees	6	62,495	66,365
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Rent		39,195	43,173
Research and development	9	338,070	-
Salaries and wages		34,389	112,822
Sales and marketing		30,654	4,199
Total expenses		(540,245)	(226,246)
Other Items			
Equity gain (loss) on investments	4	8,999	(151)
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		133,239	(149)
Net loss and comprehensive loss for the period		(407,006)	(74,275)
Basic and diluted loss per share		**$ (0.01)**	**$ (0.00)**
Weighted average number of common shares outstanding for the period - basic and diluted		**63,308,820**	**63,308,820**

Fantasy 360 Technologies Inc.
Statements of changes in shareholder's equity
(Expressed in Canadian dollars)

		Share Capital			
	Note	Number of shares	Amount	Deficit	Total
Balance at January 1, 2020		**63,308,820**	**$ 1**	**$ (769,818)**	**$ (769,817)**
Net loss for the period		-	-	(74,275)	(74,275)
Balance at March 31, 2020		**63,308,820**	**$ 1**	**$ (844,093)**	**$ (844,092)**
Balance at January 1, 2021		**63,308,820**	**$ 1**	**$ (689,025)**	**$ (689,024)**
Net loss for the period		-	-	(407,006)	(407,006)
Balance at March 31, 2021		**63,308,820**	**$ 1**	**$ (1,096,031)**	**$ (1,096,030)**

(Expressed in Canadian dollars)

	Three months ended March 31, 2021	2020
Operating activities		
Net loss for the period	$ (407,006)	$ (74,275)
Adjustments for non-cash items:		
Accretion	1,618	-
Depreciation	1,600	1,600
Gain on related party debt	(15,251)	-
Foreign exchange (gain) loss	-	(21,834)
Equity (gain) loss on investment	(8,999)	151
Changes in non-cash working capital items:		
Prepaids	22,298	(13,296)
Trade receivables	63,565	111,829
Government sales tax receivable	(7,876)	2,336
Trade payables	(61,266)	80,027
Accrued liabilities	(82,588)	1,099
Deferred revenue	33,320	(156,304)
Net cash flows used in operating activities	(460,585)	(68,667)
Investing activities		
Capitalization of property and equipment costs	(4,886)	-
Net cash flows used in investing activities	(4,886)	-
Financing activities		
Proceeds from related parties	523,370	136,987
Repayments to related parties	-	(79,000)
Proceeds received in advance of share issuance	150,850	-
Net cash flows from financing activities	674,220	57,987
Change in cash	208,749	(10,680)
Cash, beginning	192,475	22,078
Cash, ending	**$ 401,224**	**$ 11,398**

1. Nature of Operations and Going Concern

Fantasy 360 Technologies Inc. ("Fantasy 360" or the "Company") is a wholly owned subsidiary of Victory Square Technologies Inc. ("Victory Square"). The Company provides immersive experiences primarily through the construction of interactive real-world simulations using VR and AR.

The Company's registered office is at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The head office and principal address of the Company is located at Suite 604, 535 Thurlow Street, Vancouver, British Columbia, Canada, V6E 3L2.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2021, the Company had a working capital deficit of $1,622,708 (December 31, 2020 – $1,205,035) and an accumulated deficit of $1,096,031 (December 31, 2020 – $689,025). The Company does not have sufficient cash to sustain operations for the next twelve months without additional financing. The continued operations of the Company are dependent upon its ability to generate future cash flows and/or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due; however, they may not be at terms that are favorable to the Company. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

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. The pandemic has had an impact on the operations of the Company, including decreasing demand for the immersive experiences the Company offers and causing the Company to turn to change focus to a scalable pre-built box product for sale. Management has monitored the effects of the pandemic on operations to date and continues to monitor the situation continuously. Management notes it could have a potential impact of increasing the difficulty to raise funding, finding target investments to acquire or on its investees' ability to obtain profitable operations.

2. Statement of Compliance and Basis of Preparation

These condensed interim unaudited financial statements were authorized for issue on June 11, 2021, by the directors of the Company.

a) Statement of Compliance

These condensed interim unaudited financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards.

Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these condensed interim unaudited financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2020.

The condensed interim unaudited financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended December 31, 2020.

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

b) Basis of Preparation

The condensed interim unaudited financial statements have been prepared on a historical cost basis, except for certain assets measured at fair value, and are presented in Canadian dollars. Under IFRS, the Canadian dollar is the functional currency of the Company.

Certain comparative figures have been restated to conform to the current period's presentation.

3. Prepaids

Prepaids consist of rental and security deposits.

4. Investments

On February 8, 2018, the Company purchased 33.34% of Shape Immersive ("Shape") for $40 and advanced a working capital loan of $150,000 to Shape. The loan was unsecured, non-interest bearing and had no specified terms of repayment.

On September 27, 2018, the Company's interest in Shape was reduced to 21.42%.

During the period ended March 31, 2021, the Company recorded an equity gain of $8,999 (2020 – loss of $151) and the value of the investment was increased to $12,253 as at March 31, 2021 (2020 - $3,254).

5. Equipment

	Computer Equipment	Other Equipment	Total
Cost			
Balance, January 1, 2021	$ 15,312	$ 3,886	$ 19,198
Additions	3,823	1,063	4,886
Balance, March 31, 2021	$ 19,135	$ 4,949	$ 24,084
Accumulated depreciation			
Balance, January 1, 2021	$ 13,214	$ 1,943	$ 15,157
Depreciation	1,276	324	1,600
Balance, March 31, 2021	$ 14,490	$ 2,267	$ 16,757
Net book value, January 1, 2021	$ 2,098	$ 1,943	$ 4,041
Net book value, March 31, 2021	$ 4,645	$ 2,682	$ 7,327

6. Related Party Transactions

During the period ended March 31, 2021 and 2020, the Company entered into the following transactions with related parties:

	March 31, 2021	March 31, 2020
Consulting fees paid to CEO	$ 12,000	$ -
Consulting fees paid to company controlled by CFO	$ 29,779	$ 32,253

Related Party Balances

At March 31, 2021, the Company has $33 (2020 - $1,626) due to related parties included in trade payables. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

(Expressed in Canadian dollars)

6. Related Party Transactions (Continued)

Related Party Receivables

		March 31, 2021		December 31, 2020
Due from GameOn Entertainment Inc.	$	542,383	$	542,383
	$	542,383	$	542,383

The related party balances are unsecured, due on demand, and non-interest bearing.

Related Party Loans

		March 31, 2021		December 31, 2020
Due to Victory Square	$	622,899	$	99,529
	$	622,899	$	99,529

Loans from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

7. CEBA

The Canadian Emergency Business Account (CEBA) loan originally launched on April 9, 2020 and is intended to support businesses during the COVID-19 pandemic. The value of the government loan received at below market rate of interest is treated as a government grant. The loan was recognized at fair value using the Company's incremental borrowing rate of 20%. The difference between this discounted value of $19,749 and the proceeds received of $40,000 was recognized as a gain on CEBA loans of $20,251. The loan also had accretion of $2,725 for the period ended December 31, 2020.

On December 4, 2020, the CEBA program was expanded and the Company received an additional $20,000 in funds on December 31, 2020. This amount was discounted to a present value of $11,193 and an additional $8,807 gain was recognized.

As at December 31, 2020, the combined carrying value of the loans is $33,667 and the combined gain on CEBA loans is $29,058. The full value of the grant has been spent in the course of business operations and the gain has been recognized in other income.

For the period ended March 31, 2021, the Company recognized accretion on the CEBA loan of $1,618 (2020 - $Nil).

8. Share Capital

Authorized Share Capital
Unlimited common shares without par value.

Issued Share Capital
At March 31, 2021, there were 63,308,820 common shares outstanding (2020 – 63,308,820).

During the year ended December 31, 2020, the Company split its common shares on the basis of 240,000 new shares for every 1 old share. Prior to the split, the Company had 100 common shares issued and outstanding. No fractional shares were issued pursuant to the split, and subsequent to the split, the Company had 24,000,000 common shares issued and outstanding.

On March 12, 2021, the Company split its common shares on the basis of 2.6378675 new shares for every one old share. Prior to the split the Company had 24,000,000 common shares issued and outstanding. No fractional shares were issued pursuant to the split. The ending common shares outstanding after the split was 63,308,820.

8. Share Capital (Continued)

All share references included in these financial statements, including the number of shares, weighted average number of common shares and earnings per income (loss) per share, have been adjusted for the split, including all such numbers presented for the prior years.

Warrants and Options

The Company has no warrants or options outstanding.

Deposit on Shares

During the year ended December 31, 2020, the Company received $1,172,796 in proceeds as deposits on shares to be issued from treasury (Note 13).

During the period ended March 31, 2021, the Company received an additional $150,850 in advance of a private placement. The transaction had not closed as at March 31, 2021.

9. Research and Development

During the period ended March 31, 2021, the Company began incurring costs related to the UNCONTAINED project, both relating to the internal development of intangible software as well as a customized shipping container. Total research and development costs for the period ended March 31, 2021 were $338,070 (2020 - $Nil).

10. Interest and Other Income

Major sources of interest and other income include $46,838 (2020 - $Nil) in government grants and $77,402 (2020 - $Nil) in government subsidies. Government grants included Canada Emergency Wage Subsidy (CEWS), Canada Emergency Rent Subsidy (CERS), and a CanExport Canadian government grant that supports businesses as they explore/expand new and under-developed international markets. There are no unfulfilled conditions or other contingencies related to these grants or subsidies.

11. Financial Risk Management

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

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company’s receivables consist of trade receivables, and amounts due from related parties. During the period ended March 31, 2021, the Company wrote off receivables in the amount of $391 (2020 - $Nil) that it believed were uncollectible. Based on the evaluation of remaining receivables at March 31, 2021, the Company believes that its receivables are collectable, however, due to the current COVID-19 pandemic, there is an increase in the uncertainty of collectability and management has determined credit risk to be high.

b) Interest rate risk

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

11. Financial Risk Management (Continued)

c) Liquidity risk

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

Historically, the Company's main source of funding has been loans from its parent company. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as high.

d) Foreign exchange risk

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

Fair value

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

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

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

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

When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the use of significant unobservable inputs are considered Level 3.

Cash is measured using Level 1 inputs.

The Company's financial instruments consist of cash, trade receivables, trade payables, loan payable, and related party balances. The carrying value of financial instruments approximates the fair value at March 31, 2021.

12. Capital Management

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

13. Subsequent Events

a) On April 1, 2021, the Company settled outstanding deposit on share amount of $1,172,795 via the issuance of 4,691,180 common shares of the Company at $0.25 per share (Note 8).

b) On April 23, 2021, the Company closed a non-brokered private placement of 6,750,803 subscription receipts at a price of $0.35 per Subscription Receipt for aggregate gross proceeds of $2,362,781. In connection with the financing, the Company will pay $141,766 cash for finders' fees and issue 405,046 Finders Warrants. The Subscription Receipts will be held in escrow until the Company's shares are conditionally approved for listing on the CSE and receipt for a final prospectus has been issued.

c) On May 1, 2021, the Company's board of directors approved the grant of 3,900,000 stock options to various directors, employees, and consultants which are exercisable at $0.25 for a period of 5 years. On this date, 600,000 bonus shares were also approved for issue to the CEO with an deemed price of $0.25. In addition, the CEO will receive 400,000 stock options which are exercisable at $0.25 for a period of 5 years.

d) On May 1, 2021, the Company approved the issuance of 120,000 shares to a consultant and 600,000 shares to the CEO.

Fantasy 360 Technologies Inc.

Financial Statements
Years ended December 31, 2020 and 2019

Expressed in Canadian Dollars

To the Shareholders of Fantasy 360 Technologies Inc.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management, and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board is also responsible for recommending the appointment of the Company's external auditors.

DMCL Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, the Board of Directors, Audit Committee and management to discuss their audit findings.

August 5, 2021

"Tim Beiber"	"Sheri Rempel"
CEO, Director	CFO

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Fantasy 360 Technologies Inc.

Opinion

We have audited the financial statements of Fantasy 360 Technologies Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of income (loss) and comprehensive income (loss), changes in shareholder's equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Barry Hartley.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

August 5, 2021

Fantasy 360 Technologies Inc.
Statements of financial position
(Expressed in Canadian dollars)

	Note		December 31, 2020		December 31, 2019
ASSETS					
Current assets					
Cash		$	192,475	$	22,078
Prepaids	3		32,778		7,613
Trade receivables			63,565		125,560
Government sales tax receivable			6,087		7,674
			294,905		162,925
Non-current assets					
Investments	4		3,254		914
Due from related parties	6		542,383		79,000
Equipment	5		4,041		10,441
TOTAL ASSETS		**$**	**844,583**	**$**	**253,280**
LIABILITIES					
Current liabilities					
Trade payables	6	$	86,192	$	70,012
Accrued liabilities			141,423		168,739
Deferred revenue			-		310,834
Deposit on shares	8		1,172,796		-
Due to related parties	6		99,529		473,512
			1,499,940		1,023,097
Non-current liabilities					
CEBA loan	7		33,667		-
TOTAL LIABILITIES			1,533,607		1,023,097
SHAREHOLDER'S EQUITY					
Share capital	8		1		1
Deficit			(689,025)		(769,818)
TOTAL SHAREHOLDER'S EQUITY			(689,024)		(769,817)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**$**	**844,583**	**$**	**253,280**

Nature of operations and going concern – Note 1
Subsequent events – Note 13

See accompanying notes to the financial statements.

Fantasy 360 Technologies Inc.
Statements of income (loss) and comprehensive income (loss)
(Expressed in Canadian dollars)

	Note		2020		2019
					Year ended December 31,
Revenue		$	1,441,468	$	2,028,535
Cost of goods sold			888,747		1,666,172
			552,721		362,363
Expenses					
Depreciation	5		6,400		5,052
Bad debt expense	10		-		34,745
Consulting fees			104,515		-
Foreign exchange loss			11,796		29,480
General and administration			35,364		37,341
Interest and accretion	7		6,018		-
Management fees	6		54,000		-
Professional fees	6		76,528		21,481
Rent			127,567		245,253
Salaries and wages			241,566		522,745
Sales and marketing			22,475		54,092
Total expenses			(686,229)		(950,189)
Other Items					
Equity gain (loss) on investments	4		2,340		(963)
Gain on CEBA loan	7		29,058		-
Gain on settlement of related party debt	6		15,251		-
Interest and other income	9		167,652		435
			214,301		(528)
Net income (loss) and comprehensive income (loss) for the year			80,793		(588,354)
Basic and diluted income (loss) per share		**$**	**0.00**	**$**	**(0.01)**
Weighted average number of common shares outstanding for the year - basic and diluted			**63,308,820**		**63,308,820**

See accompanying notes to the financial statements.

Fantasy 360 Technologies Inc.
Statements of changes in shareholder's equity
(Expressed in Canadian dollars)

	Note	Share Capital					
		Number of shares		Amount		Deficit		Total
Balance at December 31, 2018		**63,308,820**	**$**	**1**	**$**	**(181,464)**	**$**	**(181,463)**
Net loss for the year		-		-		(588,354)		(588,354)
Balance at December 31, 2019		**63,308,820**		**1**		**(769,818)**		**(769,817)**
Net income for the year		-		-		80,793		80,793
Balance at December 31, 2020		**63,308,820**	**$**	**1**	**$**	**(689,025)**	**$**	**(689,024)**

See accompanying notes to the financial statements.

Fantasy 360 Technologies Inc.
Statements of cash flows
(Expressed in Canadian dollars)

		Years ended December 31, 2020		2019
Operating activities				
Net income (loss) for the year	$	80,793	$	(588,354)
Adjustments for non-cash items:				
Accretion		2,725		-
Depreciation		6,400		5,052
Bad debt expense		-		34,745
Equity (gain) loss on investment		(2,340)		963
Gain on CEBA loan		(29,058)		-
Gain on settlement of related party debt		(15,251)		-
Changes in non-cash working capital items:				
Prepaid expenses		(25,166)		3,667
Receivables		61,996		(14,914)
Government sales tax receivable		1,587		(207)
Trade payables		16,180		(68,486)
Accrued liabilities		(12,065)		86,051
Deferred revenue		(310,834)		303,896
Net cash flows used in operating activities		(225,033)		(237,587)
Investing activities				
Purchase of equipment		-		(8,082)
Net cash flows used in investing activities		-		(8,082)
Financing activities				
Proceeds from related parties		531,710		-
Repayments to related parties		(1,369,076)		-
Proceeds received in advance of share issuance		1,172,796		-
Proceeds from government loans		60,000		-
Net cash flows from financing activities		395,430		-
Change in cash		170,397		(245,669)
Cash, beginning		22,078		267,747
Cash, ending	**$**	**192,475**	**$**	**22,078**

See accompanying notes to the financial statements.

1. Nature of Operations and Going Concern

Fantasy 360 Technologies Inc. ("Fantasy 360" or the "Company") is a wholly owned subsidiary of Victory Square Technologies Inc. ("Victory Square"). The Company provides immersive experiences primarily through the construction of interactive real-world simulations using VR and AR.

The Company's registered office is at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The head office and principal address of the Company is located at Suite 604, 535 Thurlow Street, Vancouver, British Columbia, Canada, V6E 3L2.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2020, the Company had a working capital deficit of $1,205,035 (2019 – $860,172) and an accumulated deficit of $689,025 (2019 - $769,818). The Company does not have sufficient cash to sustain operations for the next twelve months without additional financing. The continued operations of the Company are dependent upon its ability to generate future cash flows and/or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due; however, they may not be at terms that are favorable to the Company. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

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. The pandemic has had an impact on the operations of the Company. Management has monitored the effects of the pandemic on operations to date and continues to monitor the situation. Management notes it could have a potential impact of increasing the difficulty to raise funding, finding target investments to acquire or on its investees' ability to obtain profitable operations.

2. Significant Accounting Policies

These financial statements were authorized for issue on June 11, 2021, by the directors of the Company.

a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") as applicable to the preparation of annual financial statements.

b) Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for certain assets measured at fair value, and are presented in Canadian dollars. Under IFRS, the Canadian dollar is the functional currency of the Company.

c) Use of Estimates and Judgements

The preparation of the financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, and expenses. Actual results may differ from these estimates.

2. Significant Accounting Policies (Continued)

c) Use of Estimates and Judgements (Continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include the following:

Recognition and Valuation of Deferred Tax Assets
The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future or whether taxable temporary differences will reverse such that deferred tax assets can be utilized. Recognition therefore involves a degree of estimation and judgement regarding the future financial performance or the timing of the reversed deferred tax liabilities of the particular legal entity in which the deferred tax assets have been recognized.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements include the following:

Going Concern
Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the years ended December 31, 2020 and 2019. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, management concluded the going concern basis of accounting is appropriate based on its profit and cash flow forecasts and access to replacement financing for the future twelve months.

d) Equipment

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

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

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

Class of property and equipment	Depreciation rate
Computer equipment	3 years
Furniture and other equipment	3 years

e) Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity

2. Significant Accounting Policies (Continued)

e) Financial instruments (continued)

instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost

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

Financial assets and liabilities at FVTPL

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

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

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

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

2. Significant Accounting Policies (Continued)

e) Financial instruments (continued)

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

f) Investments

Investments which are classified as financial instruments under IFRS 9 are initially recorded at the fair value at the time of acquisition. Subsequent measurement depends on the classification of the financial instrument as noted above in Note 2(e).

For those investments in which the Company has significant influence the Company uses the equity method of accounting whereby an equity investment is initially recorded at cost and subsequently adjusted to reflect the investor's share of the net profit or loss of the investee. Any distributions received from the investee company reduce the carrying amount of the investment.

The Company has determined that it has significant influence over Shape Immersive Entertainment Inc. ("Shape") (Note 4).

g) Foreign Currency Translation

These financial statements are presented in Canadian dollars. At the time of financial reporting the following conversion methods are used:

Translation of Foreign Currency Transactions
At each statement of financial position date, foreign currency monetary items are translated to reflect the exchange rate at the statement of financial position date. Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are recorded in profit and loss.

h) Income Taxes

Current Income Tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax
Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates

2. Significant Accounting Policies (Continued)

h) Income Taxes (continued)

(and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

i) Impairment of Non-financial Assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income (loss).

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

j) Revenue Recognition

Revenue from Contracts with Customers
IFRS 15 utilizes a methodical framework for entities to follow in order to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Immersive Experiences Revenue
Revenue from providing immersive experiences is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual total costs spent relative to the expected total costs.

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

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

k) Leases

On January 1, 2019, the Company adopted IFRS 16 – Leases ("IFRS 16") which replaced IAS 17 – Leases ("IAS 17") using the modified retrospective approach, under which the cumulative effect of initial application was recognized on the statement of financial position as at January 1, 2019 without restating the financial

2. Significant Accounting Policies (Continued)

k) Leases (Continued)

statements on a retrospective basis. The most significant effect of the new standard is the lessee's recognition of the initial present value of unavoidable future lease payments as right-of-use ("ROU") assets and lease liabilities on the statement of financial position, including those for most leases that would currently be accounted for as operating leases. Both leases with durations of 12 months or less and leases for low-value assets may be exempted.

The Company has a lease for its headquarters in Vancouver, British Columbia, however, the lease period is less than 12 months, therefore it is exempted from the new standard under IFRS 16.

l) Government Grants

Loans received from government grants are recognized initially at fair value, with the difference between the fair value of the loan based on prevailing market interest rates and the amount received recorded as a government grant gain in the consolidated statements of loss and comprehensive loss.

Investment tax credits are recorded when the Company has complied with eligible requirements to receive the credit, using the cost reduction approach. Investment tax credits related to eligible scientific research and experimental development ("SRED") expenditures are included in profit or loss as a reduction of the expenses that they relate to. Investment tax credits related to the acquisition of property and equipment are deducted from the cost of the related assets, with any amortization calculated on the net amount, when received or when the Company has reasonable assurance that investment tax credits will be realized.

The investment tax credits are subject to review and audit by the Canada Revenue Agency ("CRA"). Although the Company has used its best judgment and understanding of the related income tax legislation in determining the amounts and timing of investment tax credits, it is possible that the amounts could change by a material amount in the near term depending on a review and audit by the CRA.

m) Income (Loss) per Share

Basic income (loss) per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted income (loss) per share, whereby all "in the money" stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

n) Comprehensive Loss

Comprehensive income is the change in the Company's net assets that results from transactions, events, and circumstances from sources other than the Company's shareholders and includes items that are not included in the consolidated statement of loss and comprehensive loss. For the year ended December 31, 2020 and 2019, the Company did not have any items recognized as other comprehensive income (loss).

o) Recent Accounting Pronouncements

At the date of authorization of these financial statements, certain new standards and amendments to existing standards have been published by the IASB that are not yet effective and have not been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

(Expressed in Canadian dollars)

3. Prepaids

Prepaids consist of rental and security deposits.

4. Investments

On February 8, 2018 the Company purchased 33.34% of Shape for $40 and advanced a working capital loan of $150,000 to Shape. The loan was unsecured, non-interest bearing and had no specified terms of repayment.

On September 27, 2018, the Company's interest in Shape was reduced to 21.42%. During the year ended December 31, 2020, the Company recorded an equity gain of $2,340 (2019 – loss of $963) and the value of the investment was increased to $3,254 at December 31, 2020 (2019 - $914).

5. Equipment

		Computer Equipment		Furniture and Equipment		Total
Cost						
Balance, December 31, 2018	$	11,116	$	-	$	11,116
Additions		4,196		3,886		8,082
Balance, December 31, 2019 and 2020	$	15,312	$	3,886	$	19,198
Accumulated depreciation						
Balance, December 31, 2018	$	3,705	$	-	$	3,705
Depreciation		4,405		647		5,052
Balance, December 31, 2019	$	8,110	$	647	$	8,757
Depreciation		5,104		1,296		6,400
Balance, December 31, 2020	$	13,214	$	1,943	$	15,157
Net book value, December 31, 2019	$	7,202	$	3,239	$	10,441
Net book value, December 31, 2020	$	2,098	$	1,943	$	4,041

6. Related Party Transactions

During the years ended December 31, 2020 and 2019, the Company entered into the following transactions with related parties:

		December 31, 2020		December 31, 2019
Management fees paid to Victory Square	$	54,000	$	-
Professional fees paid to company controlled by CFO	$	26,306	$	14,794

Related Party Balances

At December 31, 2020, the Company has $1,626 (2019 - $17,473) due to related parties included in trades payables. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Related Party Receivables

		December 31, 2020		December 31, 2019
Due from GameOn Entertainment Inc.	$	542,383	$	79,000
	$	542,383	$	79,000

The related party balances are unsecured, due on demand, and non-interest bearing.

(Expressed in Canadian dollars)

6. Related Party Transactions (Continued)

Related Party Loans

	December 31, 2020	December 31, 2019
Due to Victory Square	$ 99,529	$ 473,512
	$ 99,529	$ 473,512

Loans from related parties are unsecured, non-interest bearing and have no fixed terms of repayment. During the year end December 31, 2020, the Company recognized a gain on settlement of related party debts of $15,251 (2019 - $Nil).

7. CEBA

The Canadian Emergency Business Account (CEBA) loan originally launched on April 9, 2020 and is intended to support businesses during the COVID-19 pandemic. The value of the government loan received at below market rate of interest is treated as a government grant. The loan was recognized at fair value using the Company's incremental borrowing rate of 20%. The difference between this discounted value of $19,749 and the proceeds received of $40,000 was recognized as a gain on CEBA loans of $20,251. The loan also had accretion of $2,725 for the period ended December 31, 2020.

On December 4, 2020, the CEBA program was expanded and the Company received an additional $20,000 in funds on December 31, 2020. This amount was discounted to a present value of $11,193 and an additional $8,807 gain was recognized.

As at December 31, 2020, the combined carrying value of the loans is $33,667 and the combined gain on CEBA loans is $29,058. The full value of the grant has been spent in the course of business operations and the gain has been recognized in other income.

8. Share Capital

Authorized Share Capital

Unlimited common shares without par value.

Issued Share Capital

At December 31, 2020, there were 63,308,820 common shares outstanding (2019 – 63,308,820).

During the year ended December 31, 2020, the Company split its common shares on the basis of 240,000 new shares for every 1 old share. Prior to the split, the Company had 100 common shares issued and outstanding. No fractional shares were issued pursuant to the split, and subsequent to the split, the Company had 24,000,000 common shares issued and outstanding.

Subsequent to year end, the Company split the common shares on the basis of 2.6378675 new shares for one old share resulting in 63,308,820 common shares outstanding (Note 13). All share references included in these financial statements to the number of shares and weighted average number of common shares and earnings or loss per share have been adjusted for the split, including all such numbers presented for the prior year.

Warrants and Options

The Company has no warrants or options outstanding.

8. Share Capital (Continued)

Deposit on Shares

During the year ended December 31, 2020, the Company received $1,172,796 (2019 - $Nil) in proceeds as deposits on shares to be issued from treasury. As at December 31, 2020, shares have not been issued. (Note 13).

9. Interest and Other Income

Major sources of interest and other income include $116,421 (2019 - $Nil) in government grants and $50,409 (2019 - $Nil) in government subsidies. Government grants included Canada Emergency Wage Subsidy (CEWS), Canada Emergency Rent Subsidy (CERS), and a CanExport Canadian government grant that supports businesses as they explore/expand new and under-developed international markets. There are no unfulfilled conditions or other contingencies related to these grants or subsidies.

10. Financial Risk Management

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

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's receivables consist of trade receivables, due from related parties and government sales tax receivable. During the year ended December 31, 2020, the Company wrote off receivables in the amount of $Nil (2019 - $34,745) that it believed were uncollectible. Based on the evaluation of remaining receivables at December 31, 2020, the Company believes that its receivables are collectable, however, due to the current COVID-19 pandemic, there is an increase in the uncertainty of collectability and management has determined credit risk to be high.

b) Interest rate risk

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

c) Liquidity risk

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

Historically, the Company's main source of funding has been loans from the parent company. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as high.

10. Financial Risk Management (Continued)

d) Foreign exchange risk

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

Fair value

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

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

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

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

When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the use of significant unobservable inputs are considered Level 3.

Cash is measured using Level 1 inputs.

The Company's financial instruments consist of cash, trade receivables, trade payables, loan payable, and related party balances. The carrying value of financial instruments approximates the fair value at December 31, 2020.

11. Capital Management

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

(Expressed in Canadian dollars)

12. Income Taxes

The following tables reconciles the expected income tax recovery at the Canadian statutory income tax rates to the amounts recognized in the statements of loss and comprehensive loss for the years ended December 31, 2020 and 2019.

		December 31, 2020		December 31, 2019
Income(loss) before income tax	$	80,793	$	(588,354)
Tax rate		27%		27%
Expected income tax recovery		21,814		(158,856)
Increase (decrease) in income tax recovery resulting from:				
Non-deductible items and other		(30,590)		21,538
Change in deferred tax asset not recognized		8,776		137,318
Total income tax expense (recovery)	$	-	$	-

		December 31, 2020		December 31, 2019
Non-capital losses	$	175,030	$	165,494
Other		40,028		40,788
		215,058		206,282
Deferred tax asset not recognized		(215,058)		(206,282)
Deferrd tax asset (liability)	$	-	$	-

The Company has non-capital loss carryforwards which may be carried forward to apply against future year income tax subject to the final determination by taxation authorities, expiring in the following years:

Year of expiry		Total
2037		67,768
2038		-
2039		580,490
2040		-
Total	$	648,258

13. Subsequent Events

a) On April 1, 2021, the Company split its common shares on the basis of 2.6378675 new shares for every one old share. Prior to the split the Company had 24,000,000 common shares issued and outstanding. No fractional shares were issued pursuant to the split. The ending common shares outstanding after the split was 63,308,820. All share references included in these financial statements, including the number of shares, weighted average number of common shares and earnings per income (loss) per share, have been adjusted for the split, including all such numbers presented for the prior years (Note 8).

b) On April 1, 2021, the Company settled outstanding deposit on share amount of $1,172,795 via the issuance of 4,691,180 common shares of the Company at $0.25 per share (Note 8).

c) On April 23, 2021, the Company closed a non-brokered private placement of 6,750,803 subscription receipts at a price of $0.35 per Subscription Receipt for aggregate gross proceeds of $2,362,781. In connection with the financing, the Company will pay $141,766 cash for finders' fees and issue 405,046 Finders Warrants. The Subscription Receipts will be held in escrow until the Company's shares are conditionally approved for listing on the CSE and receipt for a final prospectus has been issued.

d) On May 1, 2021, the Company's board of directors approved the grant of 4,300,000 stock options to various directors, officers, employees, and consultants which are exercisable at $0.25 for a period of 5 years. On this date, 600,000 bonus shares were also approved for issue to the CEO with a deemed price of $0.25.

e) On May 1, 2021, the Company approved the issuance of 120,000 shares to a consultant.

APPENDIX C
MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS FOR FANTASY 360 TECHNOLOGIES INC.

Three months ended

March 31, 2021 and 2020

Contents

This management's discussion and analysis ("MD&A") of the performance, financial condition, and results of operations of Fantasy 360 Technologies Inc. ("Fantasy 360", or the "Company"), should be read in conjunction with the Company's condensed interim unaudited financial statements and the related notes thereto for the three months ended March 31, 2021 and 2020 as well as the condensed annual audited financial statements and the related notes thereto for the years ended December 31, 2020 and 2019 (the "Financial Statements"), copies of which are available on SEDAR at www.sedar.com.

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

Unless otherwise indicated, the information contained in this MD&A is as of June 11, 2021.

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

Forward Looking Information

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

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

The forward-looking information may include statements regarding:

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

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

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

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

Introduction to the business

Fantasy 360 Technologies Inc. (“Fantasy 360” or the “Company”) is a subsidiary of Victory Square Technologies Inc. (“Victory Square”). The Company provides immersive experiences primarily through the construction of interactive real-world simulations using VR and AR.

The Company’s registered office is at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The head office and principal address of the Company is located at Suite 604, 535 Thurlow Street, Vancouver, British Columbia, Canada, V6E 3L2.

Overall Performance

The following key transactions were recorded in the financial statements of the Company for the year ended December 31, 2020:

- Completion of Apex Entertainment Escape Rooms (3) with 35% of gross margin.
- Completion of bioMérieux corporate digital experience with 61% of gross margin.
- Completion of 4 themed escape rooms to the Family Entertainment Group with 41% of gross margin.
- Completion of an Intel corporate digital experience with 75% of gross margin.
- Completion of our 3rd anti-smoking experience for The Real Cost on X-Games events in partnership with Etzel Agency and US FDA.

Recent operating highlights include:

- Immersive Tech shifted focus and capitalized upon the pandemic shutdown of live events and attractions. The executive team focused efforts and resources on creating the next generation of family-fun attractions, a state-of-the-art 5D all immersive attraction called "UNCONTAINED". In early April of 2021, the Company announced that Immersive Tech had signed a letter of intent with Autobahn Indoor Speedway USA for an option of up to 10-unit purchase of "UNCONTAINED".
- Immersive Tech has entered into an agreement with renowned magician & celebrity YouTube creator Chris Ramsay on an exclusive immersive experience like no other. The narrative tie-ins to the “UNCONTAINED” experience, offering fans an opportunity to be part of the story themselves.

Selected Financial Information

Selected information for the Company are as follows:

	As at March 31, 2021	As at December 31, 2020
Current assets	425,667	294,905
Non-current assets	561,963	549,678
Total assets	987,630	844,583
Currrent liabilities	2,048,375	1,499,940
Non-current liabilities	35,285	33,667
Total liabilities	2,083,660	1,533,607

	Three months ended March 31, 2021	2020
Total revenue	-	352,996
Net income (loss)	(407,006)	(74,275)
Comprehensive income (loss)	(407,006)	(74,275)
Net income (loss) per share, basic	(0.01)	(0.00)
Net income (loss) per share, diluted	(0.01)	(0.00)

Discussion of Operations

REVENUE

Revenue for the period ended March 31, 2021 was $Nil compared to $352,996 for the period ended March 31, 2020. The decrease in revenue in 2021 is related to the decrease in immersive experiences revenue as a result of the COVID-19 pandemic and the fewer contracts entered into as at March 31, 2021 as compared to March 31, 2020. In 2021, the Company also shifted away from immersive experience contracts and moved toward a project called UNCONTAINED which is currently in development and not yet generating revenues.

COST OF GOODS SOLD

Cost of goods sold for the period ended March 31, 2021 were $Nil compared to $200,876 for the period ended March 31, 2020. The decrease in cost of goods sold is related to the above-described decrease in immersive experiences revenue related to the COVID-19 pandemic. For more information on COVID-19's impact on the Company, see "*COVID-19 Pandemic*".

GROSS MARGIN

Gross margin for the period ended March 31, 2021 was $Nil or 0% compared to $152,120 or 43% for the period ended March 31, 2020. The decrease in gross margin in 2021 was due to the lack of revenue recognized in the period as compared to 2020 where revenues were being earned to offset the cost of goods sold being incurred.

EXPENSES

For the period ended March 31, 2021, total expenses were $540,245 compared to $226,246 recorded in the period ended March 31, 2020.

Material variances over the comparable period are discussed below.

Consulting fees

Consulting fees for the period ended March 31, 2021 were $62,495 compared to $66,365 for the period ended March 31, 2020. The slight decrease in consulting fees was a result of the Company incurring more costs related to research and development as discussed below.

Professional fees

Professional fees for the period ended March 31, 2021 were $20,392 compared to $9,144 for the period ended March 31, 2020. The increase in 2021 is attributable to accounting and legal fees paid for the Company in relation to the anticipated initial public offering (IPO).

Research and development

Research and development for the period ended March 31, 2021 was $338,070 compared to $Nil for the period ended March 31, 2020. During the period ended March 31, 2021, the Company began incurring costs related to the UNCONTAINED project, both relating to the internal development of intangible software as well as a physical, customized shipping container. The increase in this expense also correlates to decreases in other accounts as seen on the financial statements as well as discussed herein.

Salaries and Wages

Salaries and wages for the period ended March 31, 2021 were $34,389 compared to $112,822 for the period ended March 31, 2020. The decrease in salaries and wages in 2021 is due to the above-mentioned movement of previously salaried employees to consultant or contractor roles as well as the re-allocation of expenses to research and development as noted above.

Sales and Marketing

Sales and Marketing for the period ended March 31, 2021 were $30,654 compared to $4,199 for the period ended March 31, 2020. The current period increase is again attributable to the costs associated with marketing for the anticipated IPO as well as to market the new UNCONTAINED project.

Summary of Quarterly Results

The following information is derived from quarterly financial information:

Fiscal Quarter Ended	Revenue	Net Income / (Loss) for the Period	Basic Income / (Loss) Per Share	Diluted Income / (Loss) Per Share
March 31, 2021	-	(407,006)	(0.01)	(0.01)
December 31, 2020	67,188	(104,616)	(0.00)	(0.00)
September 30, 2020	583,302	496,713	0.01	0.01
June 30, 2020	437,982	(237,029)	(0.01)	(0.01)
March 31, 2020	352,996	(74,275)	(0.00)	(0.00)
December 31, 2019	334,283	(486,745)	(0.01)	(0.01)
September 30, 2019	1,119,148	205,773	0.00	0.00
June 30, 2019	414,476	(77,475)	(0.00)	(0.00)

Liquidity

At March 31, 2021, the Company had total current assets of $425,667 (2020 - $294,905) comprised of $401,224 (2020 - $192,475) in cash, $10,480 (2020 - $32,778) in prepaid expenses, $Nil (2020 - $63,565) in trade receivables, and $13,963 (2020 - $6,087) in government sales tax receivable. Conversely, the Company had total current liabilities of $2,048,375 (2020 - $1,499,940) comprised of $24,926 (2020 - $83,192) in trade payables, $43,584 (2020 - $141,423) in accrued liabilities, $33,320 (2020 - $Nil) in deferred revenue, $1,323,646 (2020 - $1,172,796) in deposit on shares, and $622,899 (2020 - $99,529) in amounts due to related parties.

As at March 31, 2021, the Company had a working capital deficiency of $1,622,708 compared to $1,205,035 as at December 31, 2020.

The Company's ability to meet its obligations and activities over the long-term depends on its ability to generate cash flow through the issuance of common shares of the Company pursuant to equity financings and short-term or long-term loans. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company has minimal cash flow from operations and is dependent upon raising equity financing to sustain its operations.

Capital Resources

As at May 31, 2021, the Company has 89,451,251 fully diluted outstanding shares. The Subscription receipts issued and included on this total are the following:

- 6,750,830 Subscription Receipts Underlying Shares
- 3,375,415 Subscription Receipts Underlying Warrants
- 405,046 Subscription Receipt Broker Warrants

Off-Balance Sheet Arrangements

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

Transactions Between Related Parties

During the period ended March 31, 2021 and 2020, the Company entered into the following transactions with related parties:

		March 31, 2021		March 31, 2020
Consulting fees paid to CEO	$	12,000	$	-
Consulting fees paid to company controlled by CFO	$	29,779	$	32,253

Related Party Balances

At March 31, 2021, the Company has $33 (2020 - $1,626) due to related parties included in accounts payables. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Related Party Receivables

		March 31, 2021		December 31, 2020
Due from GameOn Entertainment	$	542,383	$	542,383
	$	542,383	$	542,383

The related party balances are unsecured, due on demand, and non-interest bearing.

Related Party Loans

		March 31, 2021		December 31, 2020
Due to Victory Square	$	622,899	$	99,529
	$	622,899	$	99,529

Loans from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Critical Accounting Estimates

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

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

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

As at March 31, 2021, the Company reviewed the carrying value of its assets and indicators of impairment. After this review, it was determined that there were no indicators of impairment and no impairments were recognized in the audited financial statements.

Changes in Accounting Policies including Initial Adoption

Leases

The Company adopted all of the requirements of IFRS 16 – Leases as of January 1, 2019. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated, and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. The Company has a lease for its headquarters in Vancouver, British Columbia, however, the lease period is less than 12 months, therefore it is exempted from the new standard under IFRS 16.

Financial Instruments and Other Instruments

Fair value

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

The different levels for valuation of financial instruments carried at fair value have been defined as follows:

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

Quoted market prices for an identical asset or liability represent a Level 1 valuation. When quoted market prices are not available, the Company maximizes the use of observable inputs within valuation models. When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the use of significant unobservable inputs are considered Level 3.

Cash is measured using Level 1 inputs.

The Company’s financial instruments consist of cash, trade receivables, due from related parties, trade payables, loan payable, and related party loans. The carrying value of cash, trade receivables, trade payables, and related party loans approximates their fair value due to the short- term nature of these instruments. The carrying value of the loan payable approximates its fair value since it was calculated using the Company’s borrowing rate although the terms of the loan are below market. The carrying values of the amounts due from related parties approximates their fair values since they were recorded at fair value at inception.

Other Risks and Uncertainties

FINANCIAL RISK MANAGEMENT

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The cash is deposited in a bank account in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a bank that is a high credit quality financial institution as determined by rating agencies. Credit risk on cash is assessed as low. The Company's receivables consist of trade receivables, due from related parties, and government sales tax receivable. Based on the evaluation of receivables at March 31, 2021, the Company believes that its receivables are collectable. However, due to the current COVID-19 pandemic, there is an increase in the uncertainty of collectability and management has determined credit risk to be high.

Interest rate risk

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

Liquidity risk

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

Historically, the Company's main source of funding has been loans from related parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as high.

Foreign exchange risk

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

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

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

Limited Operating History

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

Going-Concern Risk

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

Negative Cash Flow

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

Additional Requirements for Capital

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

Technology Sector Risk

General risks of technology companies include the risks of rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and frequent new product introductions.

Regulatory Risks

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

Intellectual Property Rights

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

Cyber Security Risks

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

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

Competition

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

Key Personnel

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

Conflicts of Interest

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

COVID-19

In March of 2020, the World Health Organization declared 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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s ability to raise funds in the future. The Company was not immune from the effects of the global pandemic. The Company encountered supply chain issues, travel restrictions, and impact on production.

The Company initially faced a decrease in its business due to the in-person nature of its product. However, the Company was able to deliver its product to key customers and close several new deals within the 2020 fiscal year. In the second half of fiscal 2020, Immersive Tech shifted focus and capitalized upon the pandemic shutdown of live events and attractions. The executive team focused efforts and resources on creating a state-of-the-art 5D all immersive attraction called "UNCONTAINED". While similar companies folded during 2020, Immersive Tech capitalized upon the time to create the next generation of family-fun attractions. In early April of 2021, the Company announced that Immersive Tech had signed of a letter of intent with Autobahn Indoor Speedway USA for an option of up to 10-unit purchase of "UNCONTAINED".

DISCLOSURE OF INTERNAL CONTROLS AND PROCEDURES

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

INFORMATION AVAILABLE ON SEDAR

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

MANAGEMENT DISCUSSION AND ANALYSIS FOR FANTASY 360 TECHNOLOGIES INC.

Year ended December 31, 2020

Contents

This management's discussion and analysis ("MD&A") of the performance, financial condition, and results of operations of Fantasy 360 Technologies Inc. ("Fantasy 360", or the "Company"), should be read in conjunction with the Company's financial statements and the related notes thereto for the years ended December 31, 2020 and 2019 (the "Financial Statements"), copies of which are available on SEDAR at www.sedar.com.

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

Unless otherwise indicated, the information contained in this MD&A is as of August 5, 2021.

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

Forward Looking Information

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

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

The forward-looking information may include statements regarding:

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

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

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

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

Introduction to the business

Fantasy 360 Technologies Inc. (“Fantasy 360” or the “Company”) is a subsidiary of Victory Square Technologies Inc. (“Victory Square”). The Company provides immersive experiences primarily through the construction of interactive real-world simulations using VR and AR.

The Company’s registered office is at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The head office and principal address of the Company is located at Suite 604, 535 Thurlow Street, Vancouver, British Columbia, Canada, V6E 3L2.

Overall Performance

The following key transactions were recorded in the audited financial statements of the Company for the year ended December 31, 2020:

- Completion of Apex Entertainment Escape Rooms (3) with 35% of gross margin.
- Completion of bioMérieux corporate digital experience with 61% of gross margin.
- Completion of 4 themed escape rooms to the Family Entertainment Group with 41% of gross margin.
- Completion of an Intel corporate digital experience with 75% of gross margin.
- Completion of our 3rd anti-smoking experience for The Real Cost on X-Games events in partnership with Etzel Agency and US FDA.

Recent operating highlights include:

- Immersive Tech shifted focus and capitalized upon the pandemic shutdown of live events and attractions. The executive team focused efforts and resources on creating the next generation of family-fun attractions, a state-of-the-art 5D all immersive attraction called "UNCONTAINED". In early April of 2021, the Company announced that Immersive Tech had signed a letter of intent with Autobahn Indoor Speedway USA for an option of up to 10-unit purchase of "UNCONTAINED".
- Immersive Tech has entered into an agreement with renowned magician & celebrity YouTube creator Chris Ramsay on an exclusive immersive experience like no other. The narrative tie-ins to the “UNCONTAINED” experience, offering fans an opportunity to be part of the story themselves.

Selected Annual Information

Selected information for the Company for the periods ended December 31, 2020 and 2019 are as follows:

		Years ended December 31,	
	2020	**2019**	**2018**
Current assets	294,905	162,925	431,885
Non-current assets	549,678	90,355	9,288
Total assets	844,583	253,280	441,173
Currrent liabilities	1,499,940	1,023,097	622,636
Non-current liabilities	33,667	-	-
Total liabilities	1,533,607	1,023,097	622,636
Total revenue	1,441,468	2,028,535	2,032,197
Net income (loss)	80,793	(588,354)	(70,728)
Comprehensive income (loss)	80,793	(588,354)	(70,728)
Net income (loss) per share, basic	0.00	(0.01)	(0.00)
Net income (loss) per share, diluted	63,308,820	63,308,820	63,308,820

Discussion of Operations

REVENUE

Revenue for the year ended December 31, 2020 was $1,441,468 compared to $2,028,535 for the year ended December 31, 2019. The decrease in annual revenue in 2020 is related to the decrease in immersive experiences revenue as a result of the COVID-19 pandemic. Immersive Tech's revenues from immersive services were from 11 customers in 2020 and 20 customers in 2019.

COST OF GOODS SOLD

Cost of goods sold for the year ended December 31, 2020 were $888,747 compared to $1,666,172 for the year ended December 31, 2019. The decrease in cost of goods sold is related to the above-described decrease in immersive experiences revenue related to the COVID-19 pandemic. For more information on COVID-19's impact on the Company, see "*COVID-19 Pandemic*".

GROSS MARGIN

Gross margin for the year ended December 31, 2020 was $552,721 or 38% compared to $362,363 or 18% for the year ended December 31, 2019. The increase in gross margin was due to the cancellation of certain contracts in 2020 due to the COVID-19 pandemic, of which deposits are non-refundable. Therefore, higher revenues with less costs were incurred in 2020 compared to 2019.

EXPENSES

For the year ended December 31, 2020, total expenses were $686,229 compared to $950,189 recorded in the year ended December 31, 2019.

Material variances over the comparable period are discussed below.

Consulting fees

Consulting fees for the year ended December 31, 2020 were $104,515 compared to $Nil for the year ended December 31, 2019. The increase in consulting fees was a result of the Company moving previously salaried employees to consulting roles due to the change in operations resulting from COVID-19. This increase correlates to the below noted decrease in salaries and wages expense.

Professional fees

Professional fees for the year ended December 31, 2020 were $76,528 compared to $21,481 for the year ended December 31, 2019. The increase in 2020 is attributable to audit fees accrued for the Company for 2020 annual audit whereas in 2019 no such audit nor fees were incurred.

Rent

Rent for the year ended December 31, 2020 was $127,567 compared to $245,253 for the year ended December 31, 2019. The decrease in 2020 is due to the Company limiting their rental costs and adjusting for decreased operations as a result of COVID-19 and the impact on their business.

Salaries and Wages

Salaries and wages for the year ended December 31, 2020 were $241,566 compared to $522,745 for the year ended December 31, 2019. The decrease in salaries and wages in 2020 is due to the above-mentioned movement of previously salaried employees to consultant or contractor roles.

Summary of Quarterly Results

The following information is derived from quarterly financial information:

Fiscal Quarter Ended	Revenue	Net Income / (Loss) for the Period	Basic Income / (Loss) Per Share	Diluted Income / (Loss) Per Share
December 31, 2020	67,188	(104,616)	(0.00)	(0.00)
September 30, 2020	583,302	496,713	0.01	0.01
June 30, 2020	437,982	(237,029)	(0.01)	(0.01)
March 31, 2020	352,996	(74,275)	(0.00)	(0.00)
December 31, 2019	334,283	(486,745)	(0.01)	(0.01)
September 30, 2019	1,119,148	205,773	0.00	0.00
June 30, 2019	414,476	(77,475)	(0.00)	(0.00)
March 31, 2019	160,628	(229,907)	0.00	0.00

Liquidity

At December 31, 2020, the Company had total current assets of $294,905 (2019 - $162,925) comprised of $192,475 (2019 - $22,078) in cash, $32,778 (2019 - $7,613) in prepaid expenses, $6,087 (2019 - $7,674) in government sales tax receivable, and trade receivables of $63,565 (2019 - $125,560). Conversely, the Company had total current liabilities of $1,499,940 (2019 - $1,023,097) comprised of $86,192 (2019 - $70,012) in trade payables, $141,423 (2019 - $168,739) in accrued liabilities, $Nil (2019 - $310,834) in deferred revenue, $1,172,796 (2019 - $Nil) in deposit on shares, and $99,529 (2019 - $473,512) in related party loans.

At December 31, 2020, the Company had a working capital deficit of $1,205,035 compared to working capital deficiency of $860,172 at December 31, 2019.

The Company's ability to meet its obligations and activities over the long-term depends on its ability to generate cash flow through the issuance of common shares of the Company pursuant to equity financings and short-term or long-term loans. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company has minimal cash flow from operations and is dependent upon raising equity financing to sustain its operations.

Capital Resources

As at May 31, 2021, the Company has 89,451,251 fully diluted outstanding shares. The Subscription receipts issued and included on this total are the following:

- 6,750,830 Subscription Receipts Underlying Shares
- 3,375,415 Subscription Receipts Underlying Warrants
- 405,046 Subscription Receipt Broker Warrants

Off-Balance Sheet Arrangements

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

Transactions Between Related Parties

During the years ended December 31, 2020 and 2019, the Company entered into the following transactions with related parties:

		December 31, 2020		December 31, 2019
Management fees paid to Victory Square	$	54,000	$	-
Professional fees paid to company controlled by CFO	$	26,306	$	14,794

Related Party Balances

At December 31, 2020, the Company has $1,626 (2019 - $17,473) due to related parties included in accounts payables. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Related Party Receivables

		December 31, 2020		December 31, 2019
Due from GameOn Entertainment	$	542,383	$	79,000
	$	542,383	$	79,000

Related Party Loans

		December 31, 2020		December 31, 2019
Due to Victory Square	$	99,529	$	473,512
	$	99,529	$	473,512

Loans from related parties are unsecured, non-interest bearing and have no fixed terms of repayment. During the year end December 31, 2020, the Company recognized a gain on settlement of related party debts of $15,251 (2019 - $Nil).

Fourth Quarter

For the three months ended December 31, 2020, the Company had $67,188 (2019 – $334,283) revenues. The decrease in the three months ended 2020 was due to the impact of COVID-19 on the Company's operations. Cost of goods sold for the three months ended December 31, 2020 were $389,391 (2019 - $423,419). This value was relatively consistent period over period, due to timing of projection completion in the two periods. Expenses totaled $146,379 (2019 – $355,249). The decrease in operating expenses in 2020 is again attributable to the impact of COVID-19 on the business and the re-focusing of budget towards new ventures as described in "Overall Performance". The remainder of the other items were driven by drive mainly by amortization, impairment of an investment, and foreign exchange.

Critical Accounting Estimates

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

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

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

As at December 31, 2020, the Company reviewed the carrying value of its assets and indicators of impairment. After this review, it was determined that there were no indicators of impairment and no impairments were recognized in the audited financial statements.

Changes in Accounting Policies including Initial Adoption

Leases

The Company adopted all of the requirements of IFRS 16 – Leases as of January 1, 2019. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated, and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. The Company has a lease for its headquarters in Vancouver, British Columbia, however, the lease period is less than 12 months, therefore it is exempted from the new standard under IFRS 16.

Financial Instruments and Other Instruments

Fair value

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

The different levels for valuation of financial instruments carried at fair value have been defined as follows:

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

Quoted market prices for an identical asset or liability represent a Level 1 valuation. When quoted market prices are not available, the Company maximizes the use of observable inputs within valuation models. When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the use of significant unobservable inputs are considered Level 3.

Cash is measured using Level 1 inputs.

The Company’s financial instruments consist of cash, trade receivables, due from related parties, trade payables, loan payable, and related party loans. The carrying value of cash, trade receivables, trade payables, and related party loans approximates their fair value due to the short- term nature of these instruments. The carrying value of the loan payable approximates its fair value since it was calculated using the Company’s borrowing rate although the terms of the loan are below market. The carrying values of the amounts due from related parties approximates their fair values since they were recorded at fair value at inception.

Other Risks and Uncertainties

FINANCIAL RISK MANAGEMENT

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The cash is deposited in a bank account in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a bank that is a high credit quality financial institution as determined by rating agencies. Credit risk on cash is assessed as low. The Company's receivables consist of trade receivables, due from related parties, and government sales tax receivable. Based on the evaluation of receivables at December 31, 2020, the Company believes that its receivables are collectable. However, due to the current COVID-19 pandemic, there is an increase in the uncertainty of collectability and management has determined credit risk to be high.

Interest rate risk

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

Liquidity risk

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

Historically, the Company's main source of funding has been loans from related parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as high.

Foreign exchange risk

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

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

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

Limited Operating History

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

Going-Concern Risk

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

Negative Cash Flow

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

Additional Requirements for Capital

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

Technology Sector Risk

General risks of technology companies include the risks of rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and frequent new product introductions.

Regulatory Risks

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

Intellectual Property Rights

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

Cyber Security Risks

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

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

Competition

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

Key Personnel

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

Conflicts of Interest

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

COVID-19

In March of 2020, the World Health Organization declared 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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s ability to raise funds in the future. The Company was not immune from the effects of the global pandemic. The Company encountered supply chain issues, travel restrictions, and impact on production.

The Company initially faced a decrease in its business due to the in-person nature of its product. However, the Company was able to deliver its product to key customers and close several new deals within the 2020 fiscal year. In the second half of fiscal 2020, Immersive Tech shifted focus and capitalized upon the pandemic shutdown of live events and attractions. The executive team focused efforts and resources on creating a state-of-the-art 5D all immersive attraction called "UNCONTAINED". While similar companies folded during 2020, Immersive Tech capitalized upon the time to create the next generation of family-fun attractions. In early April of 2021, the Company announced that Immersive Tech had signed of a letter of intent with Autobahn Indoor Speedway USA for an option of up to 10-unit purchase of "UNCONTAINED".

DISCLOSURE OF INTERNAL CONTROLS AND PROCEDURES

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

INFORMATION AVAILABLE ON SEDAR

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

CERTIFICATE OF THE COMPANY

Dated: August 9, 2021

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of British Columbia.

FANTASY 360 TECHNOLOGIES INC.

(Signed) *Timothy Bieber* Chief Executive Officer	(Signed) *Sheri Rempel* Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) *Alvin Graylin* Director	(Signed) *Cathy Hackl* Director

CERTIFICATE OF THE PROMOTER

Dated: August 9, 2021

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of British Columbia.

(Signed) *Shafin Tejani*
Victory Square Technologies Inc.

Schedule "B"

Capitalization Tables

Issued Capital

	Number of Securities (non-diluted)	**Number of Securities (fully-diluted)**	**%of Issued (non-diluted)**	**% of Issued (fully diluted)**
Public Float				
Total outstanding (A)	75,350,785[(1), (2), (3), (4)]	89,451,233[(4)]	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	59,408,820 (VST: 58,808,820[(3)]; Tim Bieber: 600,000[(2)])	63,908,820 (3,500,000 options and 1,000,000 special warrants held by related persons)	78.8%	71.4%
Total Public Float (A-B)	15,941,965	25,542,413	21.2%	28.6%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	64,471,922 (VST: 58,808,820[(3)]; Tim Bieber (CEO): 600,000; 5,063,102 being 75% of all shares held by former holders of subscription receipts)	71,503,473 (3,500,000 options held by related persons; 1,000,000 special warrants held by related persons; 2,531,551 being 75% of all warrants underlying subscription receipts)	85.6%	79.9%
Total Tradeable Float (A-C)	10,878,863	17,947,760	14.4%	20.1%

Notes:

(1) Following the date of the Prospectus, 6,750,803 common shares were issued pursuant to the conversion of subscription receipts of the Company.

(2) Following listing, an aggregate of 600,000 common shares will be issued to Tim Bieber, CEO of the Company, pursuant to the terms of his employment agreement. The numbers in the above table include these 600,000 common shares to be issued immediately post-listing, however, for avoidance of doubt, such 600,000 common shares have not been issued as of the date of this Form 2A.

(3) An aggregate of 4,500,000 common shares are held in escrow for the purpose of distribution to shareholders of Victory Square Technologies Inc. prior to December 31, 2021.

(4) Prior to the date hereof, Victory Square Technologies Inc. completed a distribution of common shares of the Company to shareholders of Victory Square Technologies Inc. In connection therewith, an aggregate of 18 common shares of Fantasy 360 Technologies Inc. were returned to treasury due to rounding.

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	65	1,815
100 – 499 securities	20	6,462
500 – 999 securities	15	10,795
1,000 – 1,999 securities	14	18,930
2,000 – 2,999 securities	8	19,747
3,000 – 3,999 securities	7	23,223
4,000 – 4,999 securities	3	13,271
5,000 or more securities	109	12,845,332
TOTAL	**241**	**12,939,575**

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

**** NB: does not include a small number of beneficial holders that will be OBOs.****

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	1,841	64,302
100 – 499 securities	762	187,497
500 – 999 securities	245	238,765
1,000 – 1,999 securities		
2,000 – 2,999 securities	89	270,703
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	73	1,620,295
Unconfirmed		620,828
TOTAL	**3,010**	**3,002,390**
TOTAL Public (registered and beneficial	**3,251**	**15,941,965**

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	2 (1)	59,408,820 (1)
TOTAL	**2**	59,408,820

(1) Following listing, an aggregate of 600,000 common shares will be issued to Tim Bieber, CEO of the Company, pursuant to the terms of his employment agreement. The numbers in the above table include these 600,000 common shares to be issued immediately post-listing, however, for avoidance of doubt, such 600,000 common shares have not been issued as of the date of this Form 2A.

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Common Shares issuable pursuant to consulting agreements (vests according to agreements)	720,000	720,000
Stock Options ($0.25 exercise price, exercisable for up to 5 years)	7,400,000	7,400,000
Warrants ($0.52 exercise price, exercise price for 24 months, s/t acceleration if	3,375,402	3,375,402

price exceeds $0.78)		
Finder's Warrants ($0.52 exercise price, exercise price for 24 months, s/t acceleration if price exceeds $0.78)	405,046	405,046
Special Warrants ($0.25 exercise price for 2 years from listing date)	2,200,000	2,200,000
Total		14,100,448

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

Schedule "C"

Certificate of the Issuer

Pursuant to a resolution duly passed by its Board of Directors, Fantasy 360 Technologies Ltd., hereby applies for the listing of the above mentioned securities on the Canadian Securities Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Fantasy 360 Technologies Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 30th day of August, 2021.

"Tim Bieber"	*"Sheri Rempel"*
Tim Bieber	Sheri Rempel
Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Alvin Graylin"	*"Alexandros Tzilios"*
Alvin Graylin	Alexandros Tzilios
Director	Director

Certificate of the Promoter

The foregoing contains full, true and plain disclosure of all material information relating to Fantasy 360 Technologies Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 30th day of August, 2021.

PROMOTER

"Shafin Tejani"
Victory Square Technologies Inc.
Promoter