



GOOD GAMER ENTERTAINMENT INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**For the fifteen months ended March 31, 2022
and year ended December 31, 2020**

INTRODUCTION

The following information, prepared as of July 28, 2022, should be read in conjunction with the audited consolidated financial statements of Good Gamer Entertainment Inc. (formerly Credent Capital Corp.) (“the Company” or “Good Gamer” or “GGE”) for the period ended March 31, 2022 and the period from January 1, 2020 to December 31, 2020; including the notes thereto. The financial statements and financial data contained in this discussion and analysis are presented in accordance with International Financial Reporting Standards (“IFRS”). The reporting currency is the Canadian dollar. Additional information on the Corporation is available for viewing on SEDAR at www.sedar.com.

The following discussion and analysis provide information that management believes is relevant to the assessment and understanding of the Company’s results of operations and financial condition. Certain statements herein contain forward-looking statements relating to the operations or to the environment in which we operate, which are based on our operations, forecasts, and projections. Forward-looking statements are not guaranteed of future performance. They involve risks, uncertainties and assumptions; and actual results may differ materially from those anticipated in these forward-looking statements. The risks include those outlined under the “Risk Factors” section of this MD&A and elsewhere in the Company’s public disclosure documents. Included in the risk factors is the public health crisis caused by the pandemic, COVID-19 which caused disruptions in global supply chain, business operations and financial markets. As of report date, the crisis has delayed the ability of the Company to progress and test its technologies development. It is possible that COVID-19 may have other material adverse effects on the Company’s business and financial condition, however the full effects of the impact are uncertain.

BUSINESS OVERVIEW AND OVERALL PERFORMANCE

The Company was incorporated under the Business Corporations Act (British Columbia) on March 25, 2011. On July 5, 2011, the Company’s shares began trading on the TSX Venture Exchange (“TSX-V”) under the symbol “CCT.P”. The Company’s previous principal business was the identification, evaluation and negotiation for the acquisition of assets or a business subject to receipt of shareholder approval and acceptance by regulatory authorities for the purpose of obtaining a listing on the TSX-V and becoming an issuer.

On January 26, 2021, the Company entered into an amalgamation agreement (the “Definitive Agreement”) with Good Gamer Corp., a British Columbia based fantasy sports and Esports real-money gaming platform, and 1285860 B.C. Ltd. (the “Credent Sub”), a wholly owned subsidiary of the Company, whereby Credent will acquire all of the issued and outstanding securities of Good Gamer (the “Transaction”). The Transaction was a reverse takeover of the Company by Good Gamer Corp. and its shareholders. On October 15, 2021 the Transaction was approved under the policies of the TSXV and was completed.

Reverse Takeover (“RTO”)

The Transaction was effected by way of a three-cornered amalgamation among the Company, Good Gamer Corp. (“GGC”), and Credent Sub. Pursuant to the Transaction, holders of the issued and outstanding common shares of the Target (the “Target Shares”) received one Credent Share for each Target Share held (the “Exchange Ratio”). 40,414,090 Credent Shares was issued pursuant to the Transaction (consisting of 30,414,088 currently issued Good Gamer Shares and 10,000,000 Good Gamer Shares issuable on conversion of the Subscription Receipts). Pursuant to the Transaction, all existing securities convertible into Target Shares were exchanged, based on the Exchange Ratio, for similar securities to purchase Credent Shares on substantially similar terms and conditions.

In connection with the Transaction, Good Gamer completed a private placement of 10,000,000 subscription receipts at a price of \$0.40 per subscription receipt for proceeds of \$4,000,000 (the “Subscription Recipients”).

On the completion of the Transaction, the Company changed its name to Good Gamer Entertainment inc. and consolidated the issued and outstanding common shares in the capital of the Company on 1-for-5 basis.

Prior to closing of the Transaction, the Company settled \$84,800 of the \$139,000 corporate indebtedness by issuing 212,000 post-consolidation shares (the “Debt Conversion”). Upon closing, the 212,000 post-consolidation shares issued under the Debt Conversion were held in escrow.

In conjunction with closing of the Transaction, the Company issued 1,000,000 common shares and 1,000,000 share purchase warrants to an arm’s length party as a finder’s fee.

Upon the completion of the transaction, the Company is now operating through the following subsidiaries:

<u>Entity</u>	<u>Country of Incorporation</u>	<u>Parent Company</u>	<u>Effective Interest</u>
Good Gamer Corp.	Canada	GGE	100%
Perk Power Inc.	Canada	GGC	100%
Good Gamer US	USA	GGC	100%
Good Gamer India Private Limited	India	GGC	99% (discontinued)

The Sshares commenced trading on the TSX-V under the new ticker symbol “GOOD” on October 21, 2021. Upon completion of the Transaction, the Board of Directors filed a change of year end to change the Company’s year end from April 30 to March 31, effective for the year ended March 31, 2022.

Good Gamer’s Business

With the acquisition of GGC, the Company's principal business activity changed to operating an online Esports skills-based real-money gaming Tournament Management Platform (TMP) in Canada and the United States. Good Gamer had the initial ambition to become a leader in the skill gaming arena in North America. In order to gain users quickly we have converted, or are converting, our TMP games to free-to-play to build our user base, as well as created and launched the “earn rewards while you game” app ‘PlayCash’. Our casual games will be available for download within the Playcash app as well as a variety of “offerwalls” and Rewarded videos. Players are able to download Playcash and play games, take surveys and watch videos to earn “playcash” which the user can then redeem for Giftcards from a variety of providers including Visa, Master Card and Amazon. These users will then be cross-promoted to our TMP games at a later date.

In addition to the updated free-to-play casual games and the Playcash app, GG had been developing a blockchain based “play to earn” game with NFT characters as the Development partner for Fork gaming’s “ChosenOnes.io” game and NFTs.

Esports Real-Money Skill Based Tournament Management Platform (“TMP”)

The Good Gamer tournament management platform, which is operated through 100% owned subsidiary Good Gamer Corp. (US), was beta-launched on April 21, 2021 in Canada and the United States, allows game developers to enhance unity-based mobile games, enabling real money social competition in their games and allowing the game developers to host casual Esports tournaments for mobile players to win real money prizes (the “Tournament Management Platform”). Players will be able to fund their account with real money, which then gets credited with a corresponding amount into the player’s online app account for the game that they are entering in.

On February 17, 2022, the Company successfully launched its first two game titles on the TMP; “Balloon Protect” and “Lava Monster”.

Balloon Protect is described as an "action-packed arcade game where users can earn real money by swiping left and right to keep their balloon rising up without being destroyed. Users have the ability to play heads-up against a random opponent for real cash prizes, or join daily Classic, Super, Battle, Rumble, Mayhem, Series, and Cup Tournaments and win cash prizes."

Lava Monster is described as a challenging skill-based puzzle game where users can earn real cash prizes by using strategy and problem-solving to lead their Lava Monster to safety. Users have the ability to play alone or enter leaderboard tournaments."

Balloon Protect and Lava monster are both now available on the iOS App Store. In addition, Balloon Protect is also available in the Samsung Galaxy store. Prize tournaments are not available in regions where skill-based gaming is prohibited. As referenced above under "Good Gamer's Business", all TMP games have been; or are being converted to, free-to-play games for the initial launch and to both acquire and scale users.

Good Gamer NFTs

Through the 100% owned subsidiary Good Gamer Corp. (CA), the Company will develop multiple blockchain applications to create the "Chosen Ones" non-fungible tokens ("NFTs"), artwork, characters and a Play-to-Earn ("P2E") NFT-based blockchain game. The full list of applications includes:

- **NFT Character Generator:** The character generator will combine multiple trait layers to create 10,000 unique Legendary Heroes NFTs based on the Chosen Ones characters. The platform will also be used to create future NFTs, which will be called "Heroes", that will be used in-game and sold in the NFT marketplace. NFT generated characters will represent the actual characters that a player will use in the game and in the Sandbox metaverse.
- **Minting Machine:** The NFT minting software will create a smart contract on the Polygon MATIC blockchain for users to mint and purchase NFTs on the chosenones.io website.
- **Smart Contract Generator:** Allows to create a smart contract as a certificate of ownership for NFTs and tokens and will create a DeFi staking product when the game is launched.
- **P2E NFT Mobile Game:** MOBA (Multi PLayer Online Battle Arena) style Unity-based mobile game where players will utilize their NFTs to battle other players in a futuristic battle areasna/world. Players will earn tokens after successfully winning a battle and completing tasks.
- **Marketplace:** where players can purchase and sell various NFTs to play in the game.

DMP and Adserver

On December 18, 2019, the Company issued 2,500,000 common shares for the purchase of a license of data management platform (DMP) from Delson Union S.A. valued at \$740,000. A DMP is a software platform used for collecting and managing data. DMPs allow businesses to identify audience segments, which can be used to target specific users and contexts in online advertising campaigns. DMPs may use big data and artificial intelligence algorithms to process and analyze large data sets about users from various sources. Some advantages of using DMPs include data organization, increased insight on audiences and markets, and effective advertisement budgeting. Delson Union S.A. DMP system follows the above description. The DMP License provides the company a source code and a license to deploy the DMP only in the field of online gaming, contests, Esports platforms, advertising and social networks, e-commerce and similar or related purposes to advertising and marketing on electronic platforms.

Potential impact of the Pandemic on Corporate Operations and Activities

In March 2020, the World Health Organization characterized the COVID-19 virus as a global pandemic. The immediate effect was a halt to the Company's operations, as well as project development delays due to a shortage of funding from external sources. Since March 2020, the Company has returned to normal operation levels, while observing both positive and negative implications resulting from the global pandemic, anticipating the following dynamics in the case the global pandemic does not end in the immediate future.

Potential positive impact:

- With the global pandemic there was an increase in mobile gaming activity¹, which could mean if the global pandemic were not to end, it may result in an enhanced ability for the Company to grow its user base for its projects including the mobile game portfolio, the Tournament Management Platform, and the Play-to-Earn blockchain-based game.
- The ability to grow the user base for these projects would result in the ability for the Company to expedite growth of revenue for these projects.

Potential negative impact:

- If key staff, contractors, partners, or vendors have members that contract the virus and are unable to work for periods of time, this can delay business processes, project completion timelines, and the ability for the Company to achieve certain objectives at times.
- If funding parties were to have business disruptions or office closures during a time when the Company is attempting to finance, this could delay financing procedures and impact on the Company's ability to achieve certain objectives.

At current, 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 business or ability to raise funds.

SELECTED ANNUAL INFORMATION

	As at March 31, 2022	As at December 31, 2020
	\$	\$
Cash	1,582,654	798,390
Prepaid expenses and software development	440,524	448,363
Total no-current liabilities	-	53,080
Total assets	2,086,303	2,583,462
Total equity before deficit	22,826,198	4,597,763
Deficit	(21,157,044)	(2,713,153)
Working Capital	1,649,051	668,329
	Fifteen months ended	Twelve months ended
	March 31, 2022	December 31, 2020
	\$	\$
Revenues	1,025	1,533
Software and development expenses	1,066,118	-
Operational expenses	2,714,650	2,208,660
Basic and diluted loss per share from continuing operations	(0.52)	(0.11)
Basic and diluted loss per share from discontinued operations	(0.00)	(0.01)

¹ <https://finance.yahoo.com/news/75-pandemic-driven-increase-mobile-130000595.html>
<https://venturebeat.com/2020/12/13/how-the-pandemic-jump-started-mobile-gamings-social-evolution/>

RESULTS OF OPERATIONS

Period ended March 31, 2022 with comparatives for the period ended December 31, 2020

For the period ended March 31, 2022, the Company had a net loss of \$18,445,328 and a comprehensive loss of \$18,446,320 compared to a net loss of \$2,285,764 and comprehensive loss of \$2,287,657 for the period ended December 31, 2020. The increase in net loss and comprehensive loss was primarily driven by the following:

- Sales during the year ended March 31, 2022 amounted to \$1,025 (2020 - \$1,533) with gross profit of \$1,025 (2020 – \$1,533) resulting in a gross margin of 100% (2020 – 100%). The Company generated revenues from the display advertisements. The revenues from the fantasy app were reclassified to discontinued operations upon the ceasing of operations in the India subsidiary.
- Software and development expenses of \$1,066,118 (2020 - \$Nil) consisted of amortization of intangible assets (before the change in policy) of \$233,682, professional fees of \$595,544, salaries of development personnel \$232,229 and share-based compensation to them \$4,663, increased mainly due to the change in accounting policy of charging development costs to results of operations before the establishment of commercial viability. Last year's software development expenses were capitalized to intangible assets and were eventually impaired during the period ended March 31, 2022.
- The Company's variance in operating expenses of \$2,714,650 vs. last year's \$2,208,660 is further explained as follows:
 - Amortization of \$1,455 (2020 – \$316,423) decreased due to the lower base for amortization during the period ended March 31, 2022 resulting from the impairment of the related fixed assets.
 - Marketing expenses of the user acquisition campaign of \$160,987 (2020 – \$994,648) decreased due to its discontinuance in the beginning of 2021.
 - Management fees of \$199,028 (2020 – \$149,875) refer to payments made to companies controlled by directors and officers. (See **Transactions with Related Parties**)
 - Office and miscellaneous of \$81,663 (2020 – \$13,005) increased mainly due to ramp up of operations as well as additional costs combined by the whole group in the current fiscal year.
 - Professional fees of \$803,627 (2020 – \$359,684) increased significantly due to legal fees in regard to private placement funding, and consulting fees in regard to advisory services on equity financing.
 - Salaries and wages of \$236,429 (2020 – \$98,110) primarily relate to salaries of internal developers as well as members of management and new employees hired this year for the company's expansion.
 - Share-based compensation expenses amounted to \$686,565 (2020 – \$132,149). This represents the value of the options vested during the period ended March 31, 2022. This account increased due to 1,757,500 options being granted during the period.
 - Software, internet and domain expenses increased to \$472,751 (2020 – \$158,190) due to spending on software subscriptions which are needed to sustain the company operations.
 - Transfer agent and filing fees of \$49,400 (2020 – \$Nil) increased due to fees relating to listing as well as maintenance fees for the transfer agent.
- Other income (expenses) reversed from last year's \$27,992 income to this year's \$1,048,788 expenses due to the following:
 - Impairment loss of \$1,002,752 (2020 – \$Nil) was recognized on the intangible assets that are not going to generate future revenues due to changes in legal environment and hence are impaired.
 - Bad debt expense \$46,970 (2020 - \$Nil) was recognized in the current year for some notes receivable deemed as uncollectible.
- Listing expense of \$13,472,873 (2020 – \$Nil) resulted from the RTO transaction completed in 2021.

FOURTH QUARTER*Three months ended March 31, 2022 with comparatives for the three months ended December 31, 2020*

For the three months ended March 31, 2022, the Company had a net loss of \$762,810 and comprehensive loss of \$762,908 compared to a net loss of \$1,449,400 and comprehensive loss of \$1,450,388 for the period ended December 31, 2020. The increase in net loss and comprehensive loss was primarily driven by the following:

- Sales during the quarter ended March 31, 2022 amounted to \$93 (2020 - \$224) with gross profit of \$93 (2020 – \$224) resulting in a gross margin of 100% (2020 – 100%). The Company generated revenues from the display advertisements. The revenues from the fantasy app were reclassified to discontinued operations upon the ceasing of operations in the India subsidiary.
- Software and development expenses of \$295,525 (2020 – \$Nil) consisted of amortization of intangible assets (before the change in policy) of \$542, professional fees of \$237,119 and salaries of development personnel \$57,864, increased mainly due to the change in accounting policy of charging development costs to results of operations before the establishment of commercial viability. Last year’s software development expenses were capitalized to intangible assets and were eventually impaired during the period ended March 31, 2022.
- The Company’s variance in operating expenses of \$464,804 vs. last year’s \$1,448,398 is further explained as follows:
 - Marketing expenses of the user acquisition campaign of \$62,723 (2020 – \$838,188) lower marketing activities towards the end of the current fiscal year compared to previous year.
 - Management fees of \$27,486 (2020 – \$55,375) refer to payments made to companies controlled by directors and officers. (See **Transactions with Related Parties**)
 - Office and miscellaneous of \$51,362 (2020 – \$8,305) increased mainly due to ramp up of operations as well as additional costs combined by the whole group in the current fiscal year.
 - Professional fees of \$134,507 (2020 – \$163,604) decreased due to lower level of activities with regards to private placement funding, and consulting fees in regards to advisory services on equity financing towards the end of the three month period.
 - Salaries and wages of \$54,348 (2020 – \$89,564) decreased as the Company charged the software development related salaries separately in the current fiscal year.
 - Share-based compensation expenses amounted to \$100,439 (2020 – \$140,996). This account increased due to higher value of options vested during the period.
 - Software, internet and domain expenses increased to \$7,259 (2020 – \$140,173) decreased due to adjustments for software expenses in previous quarters and lower expenditures towards the end of the year.
 - Transfer agent and filing fees of \$3,147 (2020 – \$Nil) increased due to fees relating to maintenance fees for the transfer agent.
- Other income decreased from last year’s \$4,324 to this year’s \$3,127 due to the following:
 - Interest income of \$1,421 (2020 – \$Nil) increased from higher average cash balance during the fiscal quarter.
- Listing expense reversal of \$66,028 (2020 – \$Nil) resulted from the higher valuation of the net assets acquired during the RTO transaction completed in the current fiscal year.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected financial data in respect of the last nine quarters of the Company. The data is derived from the financial statements of the Company prepared in accordance with IFRS.

	Qtr 5 March 31, 2022	Qtr 4 December 31, 2021	Qtr 3 September 30, 2021	Qtr 2 June 30, 2021	Qtr 1 March 31, 2021	Qtr 4 December 31, 2020	Qtr 3 September 30, 2020	Qtr 2 June 30, 2020	Qtr 1 March 31, 2020
Total Revenues, including interest income	\$93	\$134	\$172	\$356	\$270	224	\$284	\$406	\$619
Net loss	\$ (762,810)	\$ (15,482,340)	\$ (615,722)	\$ (658,161)	\$ (842,495)	\$ (1,449,400)	\$ (483,966)	\$ (175,934)	\$ (176,464)
Basic and diluted loss per common share	\$ (0.03)	\$ (0.39)	\$ (0.02)	\$ (0.02)	\$ (0.05)	\$ (0.09)	\$ (0.03)	\$ (0.01)	\$ (0.01)

In the four quarters of 2020 the Company was increasing its professional fees, management expenses, salaries and wages as it was developing a new product (Fantasy app) which was launched in the fourth quarter in conjunction with the marketing campaign which was aimed to acquire users. However, the revenues have not increased in the same proportion as expenses which led to the net loss of \$1,449,400 as of December 31, 2020. In the first quarter of 2021 the marketing campaign was closed and the revenues from Fantasy app decreased. During the same period a reverse takeover amalgamation was entered into related financing which led to increased consultant and legal fees in the following quarters. In the fourth quarter the amalgamation transaction was approved and the listing expense of \$13,388,073 was booked which resulted from the difference between the fair value of the consideration and the fair value of net liabilities acquired upon closing of RTO. This resulted in the net loss of \$15,482,340 as of December 31, 2021. During the fifth quarter of 2021 the company was developing the casual games to add to TMP product as well as NFT characters, mint generator and marketplace, and therefore professional fees and salaries for developers team has increased significantly, which resulted in the net loss of \$762,810 as of March 31, 2022.

LIQUIDITY AND CAPITAL RESOURCES

The Company’s approach to managing its liquidity is to ensure that it has sufficient resources to meet its liabilities as they come due and have sufficient working capital to fund operations for the ensuing fiscal year. Financing of operations has been achieved by equity financing. The Company anticipates that it will require significant funds from either equity or debt financing for the development of its applications and to support general administrative expenses.

As at March 31, 2022, the Company had \$2,067,946 in current assets (December 31, 2020 – \$1,314,410) and \$418,895 in current liabilities (December 31, 2020 - \$646,081) for a working capital of \$1,649,051 compared to a working capital of \$668,329 as at December 31, 2020. Working capital increased mostly due to increased cash balance following the private placement.

As at March 31, 2022, the Company had a share capital balance of \$20,746,918 (December 31, 2020 – \$4,453,198) and an accumulated deficit of \$21,157,044 (December 31, 2020 – \$2,713,153).

Financing of operations has been achieved by equity and debt financing. As the Company will not generate sufficient funds from operations for the foreseeable future, the Company is primarily reliant upon the sale of equity securities in order to fund future operations. Since inception, the Company has funded limited operations

through the issuance of equity securities on a private placement basis. The Company's ability to raise funds through the issuance of equity will depend on economic, market and commodity prices at the time of financing.

The Company expects to generate similar losses quarter over quarter for the next fiscal year in relation to the Company's development, administration and promotion of its technologies. As of the report date, management anticipates that the funds raised to date will not be sufficient to sustain operations and the development of the Company's technologies for the next fiscal year.

Detailed discussions related to the Company's cash flows during the period ended March 31, 2022

Cash balances increased by a total of \$784,264 during the period ended March 31, 2022 (2020 – \$798,390).

During the year ended March 31, 2022, cash used in operating activities was \$3,104,874 compared to cash used in operating activities of \$2,061,244 during the year ended December 31, 2020. The increase in cash used in operating activities is primarily attributed to higher development expenditures during the period and professional fees relating to the closing of the RTO this year. (See **Results of Operations** for a detailed discussion of the expense variances.)

Cash provided by in investing activities during the year ended March 31, 2022 was \$60,717 (2020 – cash used of \$481,215). The cash used in investing activities was lower this year due to lower expenditures on the Company's intangible assets during the year.

Cash provided by financing activities during the year ended March 31, 2022 was \$3,829,411 compared to cash provided by financing activities of \$3,270,167 during the year ended December 31, 2020. The cash provided by financing activities was primarily due to the equity financing and promissory notes issued to the Company's related parties (see **Transactions with Related Parties**).

CAPITAL STOCK

The authorized capital of the Company consists of an unlimited number of common shares without par value.

As at March 31, 2022, there were 42,582,756 common shares, 4,797,500 stock options and 13,592,601 issued and outstanding (December 31, 2020 – 29,693,908 common shares, 4,110,179 stock options and 6,632,664 warrants).

As at the date of this report, there were 42,567,756 common shares, 4,547,500 stock options and 12,012,601 warrants issued and outstanding.

Transactions occurring after March 31, 2022:

- 50,000 options exercisable at \$0.50 per share were canceled.
- 200,000 options exercisable at \$0.57 per share were canceled.
- 1,580,000 warrants exercisable at \$1.00 per share expired unexercised.

During the year ended March 31, 2022:

- The Company issued 91,666 shares for options exercised at \$0.25 per share.
- 558,334 options expired unexercised.

- In conjunction with closing of the reverse takeover transaction, the Company initiated another round of private placement equity financing of \$4,000,000 of the subscriptions for 10,000,000 subscription receipts at \$0.40 per subscription receipt. Each subscription receipt, prior to the closing of the transaction, was automatically converted into one common share of the Company and one-half of one share purchase warrant (each a "Company Warrant"), with each whole Company Warrant exercisable into one common share of the Company at an exercise price of \$1.00 per share for a period of two years upon the satisfaction of certain escrow release conditions.
- On October 15, 2021, in conjunction with closing of reverse takeover transaction, finder's fee was paid to an arm's length party, of 1,000,000 Resulting Issuer Shares and 1,000,000 Finder's Warrants. Each Resulting Issuer Warrant will be exercisable at \$0.40 per share for a period of two years from the date of issue. The shares were issued at a price of \$0.40 per share for a total value of \$400,000.
- On October 15, 2021 the Company issued 212,000 shares at the price of \$0.40 per share to settle outstanding debt of \$84,800 with a related party of GGE.
- The Company issued 500,000 units for the settlement of payable balance to a consultant at \$0.40 per unit. Each unit comprises one share and one warrant of the company, which is exercisable into one share of the Company at \$0.40 per share and expire on June 1st, 2023.
- The Company issued 220,179 shares for the options exercised at \$0.01 per share.

During the year ended December 31, 2020:

- The Company issued 10,105,328 units at \$0.25 per unit, for total proceeds of \$2,551,333. Each unit consists of one common share of the Company, and one-half of one share purchase warrant. Each whole warrant is exercisable into one common share of the Company at a price of \$1.00 per share, for a period of 2 years. The warrants were valued at \$nil, using the residual value method. Of the total proceeds, \$250,660 were received subsequent to period end, and recorded as subscriptions receivable. The Company incurred \$26,000 in share issuance costs in connection with this offering.
- The Company issued 3,060,000 shares for the settlement of related party debt at \$0.25 per share.

Stock Options and warrants

During the period ended March 31, 2022:

- On March 3, 2022, the Company issued 100,000 options with exercise price of \$0.50 per share that vest evenly every three (3) months over one (1) year following the date of the grant. Fair value of the options amounting to \$37,177 was estimated using a risk-free rate of 1.43%, volatility of 100%, term of 3.75 years and dividend yield of 0%.
- On December 15, 2021, the Company issued 100,000 options with exercise price of \$0.55 per share that vest evenly every three (3) months over one (1) year following the date of the grant. Fair value of the options amounting to \$41,217 was estimated using a risk-free rate of 0.91%, volatility of 100%, term of 3.75 years and dividend yield of 0%.
- On November 24, 2021, the Company issued 677,500 options with exercise price of \$0.57 per share that vest evenly every three (3) months over one (1) year following the date of the grant. Fair value of the options amounting to \$265,300 was estimated using a risk-free rate of 1.04%, volatility of 100%, term of 1.75 years and dividend yield of 0%.
- On November 24, 2021, the Company issued 380,000 options with exercise price of \$0.57 per share that vest evenly every three (3) months over two (2) years following the date of the grant. Fair value of the options amounting to \$173,304 was estimated using a risk-free rate of 1.04%, volatility of 100%, term of 2.75 years and dividend yield of 0%.
- The Company issued 300,000 options with exercise price of \$0.25 per option that vest evenly every quarter over a twelve month (12) period with the first tranche of 75,000 options vesting on the date

which is three (3) months following the date of the grant, and the remaining tranches vesting every three (3) months thereafter such that the Option is fully-vested by the date which is twelve (12) months following the date of the grant.

- During the period ended December 31, 2021, the Company issued 500,000 warrants entitling the holder to acquire one common share for each warrant with an exercise price of \$0.40, expiring on June 1st, 2023.
- On October 1, 2021 the Company issued replacement warrants to Good Gamer Corp. warrant holders in the amount of 7,132,664 with exercise price of \$1.00, expiring on October 1, 2023. Also, 5,000,000 warrants were issued as part of 10,000,000 subscription receipts with exercise price of \$1.00, expiring on October 1, 2023. Additionally, 459,937 finder's warrants with exercise price of \$0.40, expiring on October 1, 2022.
- On October 15, 2021 the Company issued 1,000,000 warrants valued at \$Nil in conjunction with closing the Transaction as part of the finder's fee to an arm's length party with exercise price of \$0.40, expiring on October 15, 2023.

During the year ended December 31, 2020:

- The Company issued a total of 4,110,179 stock options at weighted average exercise price of \$0.25 and a weighted average contractual life of 2.66 years remaining as at year end.
- During the year ended December 31, 2020, the Company issued 6,632,664 warrants entitling the holder to acquire one common share for each warrant with an exercise price of \$1.00, expiring on November 24, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

To the best of Management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

PROPOSED TRANSACTIONS

On February 1, 2022 the Company entered into an agreement with an arm's length party to develop and launch a play-to-earn NFT game franchise. In consideration of its services, the Company will receive USD \$1 and 99,900,000 Chosen Ones tokens, being 9.99% of the total outstanding token supply of the Chosen Ones governance tokens, for a total transaction value of \$1,000. Good Gamer will receive a 45% revenue share from the sales and resales of the Original Mints of the Legendary Heroes NFTs. Good Gamer will also receive a 25% revenue share on NFT rentals and marketplace sales and an additional 25% of net revenue from all e-commerce sales.

CONTRACTUAL COMMITMENTS

On February 16, 2021, the Company entered into the license agreement with an arm's length party for the use of affiliate system software for the purpose of affiliate management and statistical recording and reporting. The contractual obligation is for 24 months ending March 31, 2023 and contract commitment is \$63,780 (GBP £37,200).

On November 4, 2021, the Company entered into D&O Liability Policy with an arm's length party for the insurance coverage. The contractual obligation is for 12 month ending November 3, 2022 and contract commitment is \$120,000.

TRANSACTIONS WITH RELATED PARTIES

The amounts due to related parties are due to the directors and officers of the Company. The balances are unsecured, non-interest bearing and have no specific terms for repayment. These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the period ended March 31, 2022 and December 31, 2020, the Company entered into the following transactions with related parties:

	For the period ended	
	March 31, 2022	December 31, 2020
Management fees to companies with:		
Officer and director Charlo Barbosa	\$ 105,000	\$ 10,000
Former officer Charles Craighton	-	122,875
Officer Zara Kanji	60,000	7,000
Director fees to the director:		
Howard Donaldson	7,500	6,000
Russ McMeekin	7,500	1,500
Adam Hudani	7,500	1,500
Charlo Barbosa	7,500	1,000
Praveen Varshey	2,433	-
Leon Murdock (director of US subsidiary)	1,687	-
Professional fees to companies with:		
Officer Charlo Barbosa	-	32,250
Officer and director of Indian subsidiary Ravishankar Nagarajachar	9,936	18,834
Former officer Keith Bussey	20,311	4,367
Officer Zara Kanji	25,127	8,906
Officer Kelly Pladson	38,375	-
Former director James Young	-	1,500
Salary to:		
Former officer Adam Hudani	95,674	30,996
Former officer Keith Bussey	45,869	8,800
Share-based compensation to:		
Former officer and current director Adam Hudani	70,715	11,408
Officer and director Charlo Barbosa	233,758	18,066
Officer and director of Indian subsidiary Ravishankar Nagarajachar	7,192	8,183
Director Howard Donaldson	21,580	24,548
Director Russ McMeekin	25,524	5,223
Director Praveen Varshey	57,999	-
Director Gurminder Sangha	27,134	-
Director of US subsidiary Leon Murdock	6,783	-
Former officer Keith Bussey	40,696	3,116
Former director James Young	-	2,991

Shareholder Jon Malach	-	2,994
Officer Zara Kanji	15,893	-
Officer Kelly Pladson	10,595	-
Interest expense on notes payable to companies with common director Charlo Barbosa	7,649	8,601
Accretion expense on notes payable to companies with common director Charlo Barbosa	3,750	25,132
Development costs (Companies controlled by common director Charlo Barbosa)	23,338	-
Advertizing (Companies controlled by common director Charlo Barbosa)	10,359	-
	\$ 997,376	365,787

As at March 31, 2022, \$5,000 (December 31, 2020 - \$5,000) loan was due to the shareholder.

As at March 31, 2022, and December 31, 2020, the Company has the following balances with related parties:

	March 31, 2022	December 31, 2020
Due from related parties:		
Former officer Adam Hudani	\$ 3,174	\$ -
Accounts payable to companies with:		
Common officer and director Charlo Barbosa	19,321	239,841
Former officer Charles Craighton	-	42,300
Common officer Zara Kanji	15,750	4,101
Common director Ravishankar Nagarajachar	625	-
Accrued liabilities to companies with:		
Common director Howard Donaldson	-	6,000
Common director Russ McMeekin	-	1,500
Common director Charlo Barbosa	-	1,000
Common officer Zara Kanji	7,500	5,000
Common director Adam Hudani	-	1,500
Common director of Indian subsidiary Ravishankar Nagarajachar	-	3,597
Notes payable to companies with common directors Charlo Barbosa	-	53,080
Loan due to shareholder	-	5,000
	\$ 46,371	\$ 362,919

CHANGE IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

All significant changes in accounting policies and critical accounting estimates are fully disclosed in Note 2 of the consolidated financial statements for the period ended March 31, 2022 and the audited financial statements for the year ended December 31, 2020 which are available on SEDAR at www.sedar.com.

FINANCIAL RISK MANAGEMENT

The Company's financial assets consist of cash, and due from related parties. The estimated fair values of cash, subscription receivable, and due from related parties approximate their respective carrying values due to the short period to maturity.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- a. Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
- b. Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- c. Level 3 – inputs that are not based on observable market data.

For the period ended March 31, 2022 and year ended December 31, 2020, the fair value of the cash, notes receivable, accounts payable, and promissory notes due to related parties and loan due to shareholder approximate the book value due to the short term nature.

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

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company believes that these sources will be sufficient to cover the likely short-term cash requirements. The Company's cash is currently invested in business accounts which is available on demand by the Company for its operations.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has no significant interest rate risk due to the short-term nature of its interest generating assets.

Credit Risk

Credit risk is the risk of a loss in a counterparty to a financial instrument when it fails to meet its contractual obligations. The Company's exposure to credit risk is limited to its cash. The Company limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions.

Foreign Currency Risk

The Company is exposed to currency risk on its financial instruments denominated in US dollars and Indian Rupees. As at March 31, 2022, the Company has net financial assets of approximately \$51,000 (December 31, 2020 – \$107,000) denominated in US dollars, net financial liabilities of approximately \$27,200 (December 31, 2020 - \$22,000) denominated in Euros, net financial liabilities of approximately \$51,200 (December 31, 2020 - \$Nil) denominated in British Pounds, and net financial liabilities of approximately \$7,400 (December 31, 2020 - \$12,500) denominated in Indian Rupees. A 10% change in the exchange rate of the U.S dollar, Euro, British Pound, and Indian Rupee over the Canadian dollar would result in a change in foreign exchange of approximately \$3,500 to net and comprehensive loss.

RISKS RELATED TO OUR BUSINESS

The Company believes that the following risks and uncertainties may materially affect its success.

Limited Operating History

The Company has yet to generate a profit from its activities. The Company is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Revenues, taxes, capital expenditures, operating expenses and development costs are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or 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 expansion and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Financing Risks and Dilution to Shareholders

The Company will have limited financial resources, no operations and hardly have revenues. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

In Game Economy/Redemptions

There is a risk of giving out too high of a quantity of Playcash "points" to the players for their successful tasks and game play. This revshare has been intelligently calculated to start and will be reviewed on a daily basis to have adjustments made to ensure

Competition

There is competition within the gaming and esports market. The Company will compete with other companies, many of which have greater financial, technical and other resources than the Company, as well as for the recruitment and retention of qualified employees and other personnel.

Intellectual Property

There are risks related to cybersecurity of the database in general which are applicable to Good Gamer's business. The fact that Good Gamer is reliant on third-party ad networks and agencies to engage in its business, litigation risks associated with Good Gamer's business, the sufficiency of Good Gamer's intellectual property cannot be guaranteed, the risks associated with intellectual property infringement and invalidity claims and the risks present should Good Gamer be unable to adapt to changing technology and industry standards.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of the directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers, or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Governmental Regulations

There are risks to the regulation of Good Gamer's business which include the fact that the play-to-earn and real-money gaming industry may become regulated or banned by the Government and Good Gamer could be subject to regulatory investigations or proceedings as a result, while being subjected to social responsibility concerns.

Foreign Exchange

There are risks associated with Good Gamer having a foreign incorporated subsidiary such as that Good Gamer derives most of its revenue from foreign jurisdictions and, as a result, the business and operations of Good Gamer may be impacted by fluctuations in foreign currency, also any judgments rendered against Good Gamer may not be enforceable in any one jurisdiction.

Stock Markets

There are risks associated with the overall stock market turmoil and possible recession.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The British Columbia Business Corporations Act ("BCBCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director must disclose his interest in such contract or agreement and refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Payment Processing

There is a risk where the business may lose its payment processing or banking. Some banks may decide not to allow gaming companies (even skill gaming) to deposit funds. The company may also incur chargebacks if the players lose a contest and if the chargeback rate is excessive, the payment processor may stop working with the company.

Business Cooperation With Gaming Industry and NFTs

It became evident that large multinational incorporated businesses are reluctant to engage into business connections with the companies from the gaming industry and crypto/NFT industry due to legal uncertainties and internal policies and decisions. Therefore, the company may incur additional costs and efforts to prove the legitimacy of its operations to obtain a contract for services from such corporations, or may be denied the service at all.

Labor Market in Gaming Industry

Gaming industry is a new growing industry so the labor market has not developed for it yet and there is a shortage of professionals that are currently available. Therefore, the company may incur challenges with hiring qualified personnel to run business operations and further develop its products.

Public Interest Trends

Skill gaming and NFT games are new products in the gaming world and there are no historical trends of public interest to them available yet. Therefore, the company cannot guarantee the long-term success of its products and that interest from the players (customers) will be retained in the long run as it may change with the new gaming products that become available. There have been several large transactions in the 'Tournament Management Space' including Growth Curve Capital becoming majority shareholders in Mistplay, as well as Repeat.gg recently being acquired by Sony as part of their continued esports expansion. Free-to-Play casual games are a massively growing market with our focus on "puzzle" games being very popular and 'sticky' with the 30+ demo.

Fluctuations in Cryptocurrency values

NFTs are crypto assets that represent ownership of a unique digital item such as an image, song, meme, tweet or video clip. Ownership is recorded on an open blockchain, allowing owners to buy and sell an NFT on a specialized marketplace in place of the property it represents. Values of digital assets such as NFT and crypto currencies have historically been highly volatile. A decline in exchange price of NFT or crypto currency that the Company holds would negatively impact its financial position. A significant portion of demand for digital assets is generated by speculators and investors seeking to profit from the short- or long-term holding of these assets. Speculation regarding future appreciation in the value of a digital asset may inflate and make more volatile the price of that digital asset.

Public Health Crisis

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. The expected impacts on global commerce are expected to be far reaching. This will impact demand for the Company's products and services and its ability to continue developing and testing their technologies in the near term and will impact the Company's supply chains. It may also impact expected credit losses on the Company's receivables. The duration and impact of the COVID-19 outbreak is unknown at this time and 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 subsidiary, in future periods. The management is closely evaluating the impact of COVID-19 on the Company's business.

As certain of the Company's officers have other outside business activities and, thus, may not be in a position to devote all of their professional time to the Company, the Company's operations may be sporadic, which may result in periodic interruptions or suspensions.

FORWARD-LOOKING STATEMENTS

This MD&A may include certain "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategies competitive strengths, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward-looking statements. When used in this MD&A, the words "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve 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 statements. Such factors include, among others, risks that actual results of current exploration activities will differ, changes in project parameters as plans continue to be refined, unavailability of financing, fluctuations in precious and/or base metals prices and other factors, as outlined in the Company's preliminary long form prospectus filed on SEDAR. 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. 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.

CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its projects and products; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets.

DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies that may be engaged in the similar business of developing technologies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his/her interest and abstain from voting in the matter(s). In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

On October 15, 2021, the following resigned as directors of the Company: John A. Versfelt, Lonny Wong and Tom Oliver.

On October 15, 2021, the following were appointed as Directors: Charlo Barbosa, Howard Donaldson, Russ McMeekin and Praveen Varshney.

On October 15, 2021, Zara Kanji was appointed as Chief Financial Officer of the Company.

On October 29, 2021, Keith Bussey resigned as the Chief Technology Officer of the Company.

On October 30, 2021, Adam Hudani resigned as the Chief Operating Officer of the Company.

On December 15, 2021, Robert Sean Penn was appointed as the Investor Relations Officer of the Company.

On December 23, 2021, Gurminder Sangha was appointed as a Director. On January 31, 2022, he resigned as a Director of the Company.

On February 7, 2022, Adam Hudani was appointed as a Director.

On June 15, 2022 Robert Sean Penn was removed as Investor Relations Officer.

Current Directors and Officers of the Company are as follows:

Charlo Barbosa, CEO and Director

Adam Hudani, Director

Howard Donaldson, Director

Russ McMeekin, Director

Praveen Varshey, Director

Leon Murdock, Director of Good Gamer US

Ravishankar Nagarajachar, Director and VP of Operations at Good Gamer India

Kelly Pladson, Corporate Secretary

Zara Kanji, CFO

OUTLOOK

The Company's objective is to maximize the value of the Company for our shareholders, and our strategy to obtain this result is to focus on project evaluations and project generation. To proceed with this strategy, additional financings may be required during the current fiscal year.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.