

AMPD VENTURES INC.
(FORMERLY E-GAMING VENTURES CORP.)

Condensed Interim Financial Statements

For the six months ended August 31, 2019

Expressed in Canadian Dollars

AMPD VENTURES INC.
(FORMERLY E-GAMING VENTURES CORP.)

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NOTICE TO READER

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

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

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

October 29, 2019

AMPD VENTURES INC.
(FORMERLY E-GAMING VENTURES CORP.)

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

	Notes	August 31, 2019	February 28, 2019
Assets			
Current assets:			
Cash	3	\$ 2,708,792	\$ 699,714
GST recoverable		1,333	-
Loan receivable	4	100,701	-
		\$ 2,810,826	\$ 699,714
Liabilities and Shareholders' Equity			
Current liabilities:			
Trades payable and accrued liabilities		\$ 50,592	\$ 27,083
Subscription receipts	5	94,985	608,967
		145,577	636,050
Shareholders' equity:			
Capital stock	5	158,606	129,706
Special warrants	5	2,681,475	-
Subscription receipts	5	-	28,900
Reserves	5	25,087	-
Deficit		(199,919)	(94,942)
		2,665,249	63,664
		\$ 2,810,826	\$ 699,714

Nature of business (Note 1)
Proposed business transaction (Note 9)

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

AMPD VENTURES INC.

(FORMERLY E-GAMING VENTURES CORP.)

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

	Notes	Share capital		Special warrants	Subscription receipts	Reserves	Deficit	Total Equity
		Shares	Amount					
Balance, June 27, 2018 (date of incorporation)		– \$	– \$	– \$	– \$	– \$	– \$	–
Common shares issued for cash		1	1	–	–	–	–	1
Subscription receipts		–	–	–	118,585	–	–	118,585
Net loss for the period		–	–	–	–	–	(47,814)	(47,814)
Balance, August 31, 2018		1	1	–	118,585	–	(47,814)	70,772
Incorporator share repurchased		(1)	(1)	–	–	–	–	(1)
Common shares issued for cash	5	7,922,100	129,706	–	(118,585)	–	–	11,121
Subscription receipts	5	–	–	–	28,900	–	–	28,900
Net loss for the period		–	–	–	–	–	(47,128)	(47,128)
Balance, February 28, 2019		7,922,100	129,706	–	28,900	–	(94,942)	63,664
Conversion of special warrants	5	578,000	28,900	–	(28,900)	–	–	–
Special warrants issued for cash	5	–	–	2,837,400	–	–	–	2,837,400
Share issuance costs	5	–	–	(130,838)	–	–	–	(130,838)
Fair value of agent's warrants	5	–	–	(25,087)	–	25,087	–	–
Net loss for the period		–	–	–	–	–	(104,977)	(104,977)
Balance, August 31, 2019		8,500,100 \$	158,606 \$	2,681,475 \$	– \$	25,087 \$	(199,919) \$	2,665,249

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

AMPD VENTURES INC.
(FORMERLY E-GAMING VENTURES CORP.)

Condensed Interim Statements of Loss and Comprehensive Loss
For the six months ended August 31, 2019 and 2018
(Expressed in Canadian Dollars)

	Three months ended August 31,		Six months ended August 31,	
	2019	2018	2019	2018
Expenses:				
Consulting	\$ 22,508	\$ –	\$ 22,508	\$ –
Marketing and promotion	108	–	987	–
Office and administration	860	219	1,724	219
Professional fees	(207)	28,617	56,167	28,617
Regulatory	6,890	–	6,890	–
Rent	6,300	–	12,600	–
Travel	4,079	18,978	4,802	18,978
	(40,538)	(47,814)	(105,678)	(47,814)
Interest income	4	701	–	701
Net and comprehensive loss	\$ (39,837)	\$ (47,814)	\$ (104,977)	\$ (47,814)
Loss per common share – basic and diluted	\$ (0.01)	\$ (478.14)	\$ (0.01)	\$ (478.14)
Weighted average number of common shares outstanding – basic and diluted	8,154,557	100	8,038,328	100

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

AMPD VENTURES INC.
(FORMERLY E-GAMING VENTURES CORP.)

Condensed Interim Statements of Cash Flows
For the six months ended August 31, 2019 and 2018
(Expressed in Canadian Dollars)

	2019	2018
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (104,977)	\$ (47,814)
Items not affecting cash:		
Accrued interest on loan	(701)	–
Changes in non-cash working capital:		
GST recoverable	(1,333)	–
Prepays	–	(3,959)
Trades payables and accrued liabilities	23,509	32,575
Due to related party	–	28,320
Subscriptions receipts	(513,982)	(69,665)
	(597,484)	(60,543)
Investing activities		
Loan receivable	(100,000)	–
	(100,000)	–
Financing activities		
Proceeds from special warrant issuances	2,706,562	118,585
	2,706,562	118,585
Change in cash	2,009,078	58,042
Cash, beginning of period	699,714	–
Cash, end of period	\$ 2,708,792	\$ 58,042

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

AMPD VENTURES INC.

(FORMERLY E-GAMING VENTURES CORP.)

Notes to the Condensed Interim Financial Statements

For the six months ended August 31, 2019

(Expressed in Canadian Dollars)

1. NATURE OF BUSINESS

AMPD Ventures Inc. (formerly E-Gaming Ventures Corp.) (the "Company") was incorporated under the laws of the Province of British Columbia on June 27, 2018. The Company changed its name from 1169750 B.C. Ltd. to CannaGlobe Therapeutics Corp. on August 2, 2018, then to E-Gaming Ventures Corp. on January 28, 2019, and then to AMPD Ventures Inc. on July 25, 2019.

The Company's head office and principal address is Suite 2050-1055 W. Georgia Street, Vancouver BC, V6E 3P3. The registered and records office is 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7.

On October 11, 2019, the Company completed its business combination with AMPD Holdings Corp., ("AMPD"), a private company incorporated under the Canada Business Corporations Act. AMPD is a technology company building high performance computing infrastructure, cloud computing and next-gen content to gaming developers and publishers.

The Company acquired 100% of the issued and outstanding common shares of AMPD (the "Transaction") resulting in AMPD becoming a wholly owned subsidiary of the Company and the Company will continue on the business of AMPD. Upon completion of the Transaction, the security holders of AMPD became shareholders of the combined entity (the "Resulting Issuer") (Note 9).

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful identification of a viable business project, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. These conditions cast significant doubt on the Company's ability to continue as a going concern. During the period ended August 31, 2019, the Company reported a net loss of \$104,977. As at August 31, 2019, the Company had working capital of \$2,665,249 (February 28, 2019 - \$63,664).

2. BASIS OF PRESENTATION

These financial statements were authorized for issue on October 29, 2019 by the directors of the Company.

Statement of compliance

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

These condensed interim financial statements have been prepared using accounting policies consistent with those used in the Company's February 28, 2019 audited financial statements. It is therefore recommended that these interim financial statements be read in conjunction with the Company's February 28, 2019 audited financial statements.

AMPD VENTURES INC.

(FORMERLY E-GAMING VENTURES CORP.)

Notes to the Condensed Interim Financial Statements

For the six months ended August 31, 2019

(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (cont'd)

Basis of presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. These financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Recent accounting pronouncements

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

Adoption of new accounting standards

The Company has adopted the following new standard, with a date of initial application of March 1, 2019 and have been applied in preparing these financial statements:

IFRS 16, Leases ("IFRS 16") IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. This standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

The Company's management has assessed the impact of IFRS 16 on its leases which are short-term and fall under the exemptions of IFRS 16. The adoption of this amendment did not have a significant impact on the financial statements.

AMPD VENTURES INC.

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Notes to the Condensed Interim Financial Statements

For the six months ended August 31, 2019

(Expressed in Canadian Dollars)

3. Cash

	August 31, 2019	February 28, 2019
Cash in bank	\$ 509,626	\$ 48,995
Funds held in trust	2,199,166	621,819
Undeposited funds ⁽¹⁾	-	28,900
	\$ 2,708,792	\$ 699,714

⁽¹⁾ Funds were deposited in the bank subsequent to February 28, 2019.

4. LOAN RECEIVABLE

On July 30, 2019, the Company entered into a Loan Agreement with AMPD whereby the Company has agreed to lend \$100,000 (the "Loan") to AMPD for the purpose of funding the operating expenses of AMPD and not for settlement of outstanding debts or liabilities unless agreed upon by the Company.

The Loan will bear interest at 8% per annum and will mature at the earlier of (a) the listing of the common shares of the Company on a recognized Canadian securities exchange; or (b) December 31, 2019, unless sooner determined due to the occurrence of a default event as defined in the Loan Agreement. The term of the Loan may be extended on the Company's authorization. The Loan is secured by a General Security Agreement dated July 30, 2019.

As at August 31, 2019, the Company recorded \$701 in accrued interest and is included in loan receivable.

5. SHARE CAPITAL

a. Authorized

Unlimited number of common shares without par value.

b. Issued and outstanding

During the period ended August 31, 2019, the Company issued 578,000 common shares on the conversion of 578,000 special warrants on the expiry of its 4 months plus one day hold period

During the period ended February 28, 2019, the Company completed the following transactions:

- i) On June 27, 2018, 100 common share was issued to a director of the Company for \$1.
- ii) On February 20, 2019, 7,487,000 common shares were issued for aggregate gross proceeds of \$112,305.
- iii) On February 22, 2019, 435,000 common shares were issued for aggregate gross proceeds of \$17,400.

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(FORMERLY E-GAMING VENTURES CORP.)

Notes to the Condensed Interim Financial Statements

For the six months ended August 31, 2019

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd)

c. Special warrants

In connection to the Transaction with AMPD (Note 9), the Company issued 8,106,854 special warrants for the Company's concurrent financing at a price of \$0.35 per special warrant for total gross proceeds of \$2,837,400 for its first tranche closed during the period ended August 31, 2019. Each special warrant entitles the holder to one common share at no additional consideration and will be deemed to be exercised on the earlier of (i) the third business day after a receipt for a final prospectus qualifying the distribution of the shares; and (ii) four months and one day after issue date of the special warrants. The Company paid share issuance costs totaling \$130,838 in cash and issued 262,249 in agent's warrants. On September 10, 2019, 8,106,854 special warrants converted into 8,106,854 common shares of the Company.

The Company also received gross proceeds of \$94,985 as at August 31, 2019 for its second tranche of the concurrent financing. If the Transaction does not close, the funds received will be returned to the subscribers. As at August 31, 2019, \$94,985 was received by the Company and was classified as a liability. Subsequent to August 31, 2019, the Company completed its second tranche of the concurrent financing by issuing 531,986 special warrants for total gross proceeds of \$186,195.

d. Agent's Warrants

In connection to the concurrent financing, 262,249 agent's warrants were issued on completion of the first tranche of the concurrent financing. Each agent warrant is exercisable at a price of \$0.35 expiring on May 19, 2021. The agent's warrants are subject to a hold period expiring four month and one day from date of issuance.

During the period ended August 31, 2019, the Company recorded a fair value of \$25,087 on the agent's warrants.

Warrant transactions are summarized as follows:

	Warrants	
	Number	Weighted Average Exercise Price
Outstanding, February 28, 2019	-	\$ -
Granted	262,249	\$ 0.35
Outstanding, August 31, 2019	262,249	\$ 0.35
Number currently exercisable	262,249	\$ 0.35

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Notes to the Condensed Interim Financial Statements

For the six months ended August 31, 2019

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (cont'd)

d. Agent's Warrants (cont'd)

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

August 31, 2019	Warrants
Risk free rate	1.61%
Expected dividend yield	0%
Expected stock price volatility	68%
Weighted average expected life	1 year
Weighted average fair value	\$0.10

6. COMMITMENTS

On December 1, 2018, the Company entered into a sublease agreement with a company (the "Sublandlord") for a portion of the office premises for a period of one year, expiring November 30, 2020, in exchange for \$2,000 per month plus applicable taxes.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at August 31, 2019, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit 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's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at August 31, 2019, the Company had cash on hand of \$2,708,792, which is sufficient to settle its current liabilities of \$145,577.

Market risk

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

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7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

(a) 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 the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty.

(b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices. The Company closely monitors individual equity movements to determine the appropriate course of action to be taken by the Company.

8. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at August 31, 2019, the Company's shareholders' equity was \$2,665,249 (February 28, 2019 - \$63,664) and it had current liabilities of \$145,577 (February 28, 2019 - \$636,050). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its future liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company currently is not subject to externally imposed capital requirements.

9. PROPOSED BUSINESS TRANSACTION

The Company entered into a Share Exchange Agreement dated July 15, 2019 with AMPD pursuant to which the Company proposes to acquire all of the issued and outstanding securities of AMPD in exchange for the issuance of securities of the Company, which will result in AMPD becoming a wholly owned subsidiary of the Company. In conjunction with the Transaction, the Company will file a non-offering prospectus that will result in it becoming a reporting issuer and will apply to list (the "Listing") its common shares on the Canadian Securities Exchange (the "Exchange"). Upon completion of the Transaction, the Company will carry on the business of AMPD.

The Transaction

In consideration of the Transaction, the Company shall, upon completion of the Transaction, issue 20 million of its shares to the then existing shareholders of AMPD at a price of \$0.35 per share. At closing, each of the AMPD optionholders and warrant holders shall receive replacement securities, if not exercised, of their holdings multiplied by the share exchange ratio. The replacement security will maintain the same expiration date.

Further, at closing, the convertible loans in AMPD, if not converted prior to closing, will be exchanged into the Company's common shares multiplied by the share exchange ratio.

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(FORMERLY E-GAMING VENTURES CORP.)

Notes to the Condensed Interim Financial Statements

For the six months ended August 31, 2019

(Expressed in Canadian Dollars)

9. PROPOSED BUSINESS TRANSACTION (cont'd)

Concurrent Financing

In conjunction with, and prior to the closing of the Transaction, the Company held a concurrent financing of special warrants at a price of \$0.35 per special warrant. Each special warrant entitles the holder to one common share at no additional consideration and will be deemed to be exercised on the earlier of (i) the third business day after a receipt for a final prospectus qualifying the distribution of the shares; and (ii) four months and one day after issue date of the special warrants. A commission of 7% cash and 7% agent's warrants was paid and issued to third parties on a portion of the financing. Each agent's warrant will entitle the holder to purchase one common share at a price of \$0.35 for a period of two years from date of issuance.

During the six months ended August 31, 2019, the Company completed the first tranche of the concurrent financing of 8,106,853 special warrants at a price of \$0.35 per special warrant for total gross proceeds of \$2,837,400 (Note 5(c)). On September 10, 2019, 8,106,853 special warrants were converted into 8,106,853 common shares of the Company. The Company paid \$130,838 in share issuance costs and issued 262,249 agent's warrants on a portion of the financing.

On September 18, 2019, the Company closed its second and final tranche of the concurrent financing by issuing 531,986 special warrants for total gross proceeds of \$186,195. The Company paid \$6,070 in share issuance costs and issued 17,342 in agent's warrants in connection with this second tranche. On October 24, 2019, 531,986 special warrants were converted into 531,986 common shares of the Company.

On October 15, 2019, the Company received approval from the BC Securities Commission on its prospectus filing to become a publicly traded company. On October 23, 2019, the Company also received final approval from the Canadian Securities Exchange ("CSE") and the Company's common shares commenced trading on the CSE on October 24, 2019 under the symbol "AMPD".

In connection with the CSE listing, the Company granted 900,000 incentive stock options to directors, officers and employees of the Company in accordance with the Company's stock option plan (the Option Plan). The options have an exercise price of \$0.35 per share and are exercisable for a period of five years unless terminated pursuant to the terms of the Option Plan. The options and any shares issued upon exercise thereof will be subject to a hold period of four months and one day from the date of grant.