



Tiidal Gaming Group Corp.

Annual Information Form

For the year ended October 31, 2021

Dated March 10, 2022

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MEANING OF CERTAIN REFERENCES AND CURRENCY INFORMATION

In this annual information form (“**AIF**”), unless the otherwise indicated, or the context otherwise requires, references to the “**Company**” or “**Tiidal**” refer to Tiidal Gaming Group Corp. together with its wholly-owned subsidiaries. References to “**GTA**” refer to the Company prior to completion of the Business Combination (as defined herein).

This AIF applies to the business activities and operations of the Company for the year ended October 31, 2021, as updated to March 10, 2022 to reflect the completion of the Business Combination on November 9, 2021. In connection with the Business Combination, the Company changed its year end from March 31 to October 31. Unless otherwise indicated, the information in this AIF is given as of the date hereof.

Unless otherwise indicated, all references in this AIF to “\$” refer to Canadian dollars and all references to “US\$” refer to United States dollars.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained in this AIF is based upon information from third-party sources, including independent industry publications, industry reports and publications, websites and other publicly available information. Although the Company believes these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of this data, the assurance and completeness of this data and the reasonableness of the estimates and assumptions relied upon and other limitations and uncertainties inherent in any such data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Company has not independently verified any of the data from third-party sources referred to in this AIF and accordingly, the accuracy and completeness of such data is not guaranteed.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

This AIF includes “forward-looking information” and “forward-looking statements” within the meaning of applicable Canadian securities laws and United States securities laws (collectively herein referred to as “**forward-looking statements**”). All information, other than statements of historical facts, included in this AIF that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements can often be identified by the words “will”, “may”, “estimate”, “expect”, “plan”, “project”, “intend”, “anticipate”, “target”, “believe”, “continue”, “outlook”, “forecast” and similar expressions or the negatives thereof and includes, among others, information regarding: expectations of the Business Combination, statements relating to the business and future developments, activities or events related to the Company after the date of this AIF, including such things as future business strategy, competitive strengths, objectives, goals, expansion and growth of the Company’s business, operations and plans, expectations of market size and growth in the markets in which the Company operates or contemplates future operations, expectations for other economic, business, regulatory and/or competitive factors related to the Company or the esports industry generally, and other events or conditions that may occur in the future. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include but are not limited to statements related to activities, events or developments that the Company expects or anticipates will or may occur in the future, statements related to the business strategy objectives and goals of the Company, and the assessment of future plans and operations by management of the Company, which are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect.

Readers are cautioned that forward-looking statements are not based on historical facts but instead are based on reasonable assumptions and estimates of management of the Company at the time they were provided or made and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information and statements. Such factors include, among others, the novel Coronavirus (Covid 19); the Company’s future revenues are uncertain; historical losses and negative operating cash flows; limited operating history; global economic risk; the Company will be reliant on attracting and retaining skilled management and directors; the Company’s business is substantially dependent on the continued popularity and/or competitive success of esports and esports players; loss of esports players; competition and changes in technology; evolving business model; dependence on games and platforms not owned by the Company; future acquisitions; due diligence undertaken in connection with future acquisitions; reliance on sponsors and corporate

partners; brand development; competition in online gaming and interactive entertainment industries; success of esports betting products not guaranteed; the online gaming industry is heavily regulated; social responsibility concerns; evolving regulatory landscape; the Company's intellectual property may be insufficient to properly safeguard its technology and brands; the Company may be party to intellectual property infringement or invalidity claims and adverse outcomes of litigation could unfavorably affect its operating results; the Company may infringe other intellectual property rights belonging to third parties, such as trademarks, copyrights, and confidential information; management of growth; reliance on third parties; risk of failing to adapt to changing technology and industry standards; cybersecurity risks; difficulty to forecast; changing economic conditions; operational risks; the Company is a holding company; market for securities and volatility of share price; dividends; use of available funds; additional financing and other factors beyond the Company's control, as more particularly described under the heading "*Risk Factors*" in this AIF.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. 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 may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. All of the forward-looking statements made in this AIF are qualified by these cautionary statements and other cautionary statements or other factors contained herein. Although management of the Company believes that the expectations conveyed by forward-looking statements herein are reasonable based on information available on the date such forward-looking statements are made, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake any obligation to update any forward-looking statements, even if new information becomes available as a result of future events or if circumstances or management estimates or opinions should change or for any other reason, except as required by applicable securities laws. The forward-looking statements contained herein are presented for the purposes of assisting readers in understanding the Company's expected financial and operating performance and the Company's plan, objectives and goals of the Company and may not be appropriate for other purposes.

Historical statements contained in this AIF regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. In this regard, certain financial information contained herein has been extracted from, or based upon, information available in the public domain. Additionally, historical results should not be taken as a representation that such trends will be replicated in the future. No statement in this AIF is intended to be nor may be construed as a profit forecast.

The forward-looking statements contained in this AIF represent the Company's views and expectations as of the date hereof. The Company anticipates that subsequent events and developments may cause its views to change. However, while the Company may elect to update such forward-looking information and statements at a future time, it has no current intention of doing so except to the extent required by applicable law.

CORPORATE STRUCTURE

Name, Address and Incorporation

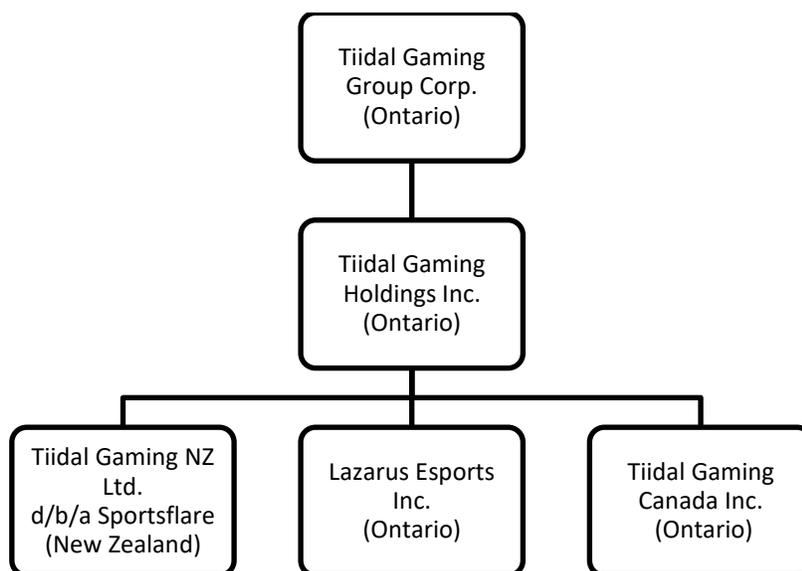
The Company was incorporated under the *Business Corporations Act* (Ontario) ("**OBCA**") on August 9, 2006 under the name "2110249 Ontario Inc.". On October 20, 2006, the Company amended its articles to, among other things, change its name from "2110249 Ontario Inc." to "GTA Corpfin Capital Inc.". On March 5, 2007, the Company amended its articles to remove the restrictions on the issuer, transfer and ownership of its common shares. On June 30, 2010, the Company amended its articles to change its name from "GTA Corpfin Capital Inc." to "GTA Resources and Mining Inc.". On March 4, 2019, the Company amended its articles to change its name from "GTA Resources and Mining Inc." to "GTA Financecorp Inc." and to consolidate the outstanding common shares on the basis of 50:1.

Subsequent to GTA's most recently completed financial year, the Company completed the Business Combination and filed articles of amendment to effect: (i) a name change from "GTA Financecorp Inc." to "Tiidal Gaming Group Corp."; and (ii) consolidating the issued and outstanding common shares of the Company on the basis of one new common share for every 11.2678 issued and outstanding common shares (the "**Common Shares**").

The head office and registered office of the Company is located at 365 Bay Street, Suite 800, Toronto, Ontario M5H 2V1.

Inter-corporate Relationships

The following diagram illustrates the Company's corporate structure as constituted immediately following the completion of the Business Combination and as at the date hereof, together with the place of incorporation/governing law of each subsidiary and the percentage of voting securities beneficially owned by the Company. Unless otherwise noted all lines represent 100% ownership of outstanding voting securities of the applicable subsidiary.



GENERAL DEVELOPMENT OF THE BUSINESS

Recent Developments

Prior to the completion of the Business Combination, the only active business operations of the Company was to carry on the activities as a company seeking business opportunities and assets or businesses with good growth potential to merge with or acquire. Following the most recently completed financial year and taking into account the completion of the Business Combination, the Company has continued the business of Tiidal Gaming Group Inc. (“**TGGI**”).

Business Combination

The Company entered into a business combination agreement (the “**Business Combination Agreement**”) with TGGI and 2852773 Ontario Inc (“**Subco**”), a wholly-owned subsidiary of the Company, dated July 12, 2021, as amended and restated on September 16, 2021, providing for the reverse takeover of the Company by TGGI by way of three-cornered amalgamation. Pursuant to the amalgamation agreement dated November 9, 2021 (the “**Amalgamation Agreement**”), TGGI and Subco to form an amalgamated entity called “Tiidal Gaming Holdings Inc.,” a wholly-owned subsidiary of the Company. The Business Combination, which was completed on November 9, 2021, was effected by way of a three-cornered amalgamation constituting a reverse takeover of the Company by TGGI. Immediately prior to and in connection with the Business Combination, the Company amended its articles to (a) effect a consolidation (the “**Consolidation**”) of the common shares of the Company on a post-Consolidation Common Share (a “**Common Share**”) for every 11.2678 pre-Consolidation Common Shares basis and (b) change its name from “GTA Financecorp Inc.” to “Tiidal Gaming Group Corp.”. In addition TGGI completed a subdivision of its common shares (the “**Share Split**”) on the basis of one pre-Share Split common share of TGGI for every 1.2738 post-Share Split common share of TGGI.

The shareholders of the Company approved resolutions on September 15, 2021 to, among other things, effect the Consolidation, the Name Change, which were each effected on November 9, 2021 in connection with the completion of the Business Combination.

On November 17, 2021, the Common Shares commenced trading on the Canadian Securities Exchange under the ticker symbol “TIDL”.

Subscription Receipt Financing

Prior to the completion of the Business Combination, on July 13, 2021 and October 7, 2021, TGGI completed the private placement of subscription receipts (the “**Subscription Receipts**”) in two tranches at a price of \$0.50 per Subscription Receipt for aggregate gross proceeds of \$3,422,165.50 (the “**Subscription Receipt Financing**”), the brokered portion of which was conducted by a syndicate of agents co-led by Beacon Securities Limited and Echelon Wealth Partners Inc. and including M Partners Inc. and Haywood Securities Inc. (collectively, the “**Agents**”) pursuant to the terms of an agency agreement dated July 13, 2021 among TGGI, the Company and the Agents (the “**Agency Agreement**”). The proceeds from the Subscription Receipt Financing less certain expenses and 50% of the Agents’ commission, were placed into escrow on completion of the Subscription Receipt Financing. In connection with the completion of the Business Combination, 7,191,221 Subscription Receipts, including 346,890 Subscription Receipts issued to the Agents as a portion of the Agents’ commission and advisory fee, were converted on a one-for-one basis, for no additional consideration, into an aggregate of 7,191,221 common shares of TGGI (“**Tiidal Shares**”) and 3,595,609 common share purchase warrants of TGGI, which upon completion of the Business Combination became Common Shares and Common Share purchase warrants of the Company (the “**Warrants**”), and the escrowed proceeds from the Subscription Receipt Financing, less the commission of the Agents and certain fees and expenses, were released from escrow to the Company. Each Warrant may be exercised for one Common Share at an exercise price of \$0.75 per Common Share for a period of 24 months from the date of issue.

In connection with the Subscription Receipt Financing, TGGI issued the Agents compensation options to purchase common shares of TGGI, which upon completion of the Business Combination compensation options of the Company (the “**Compensation Options**”). Each Compensation Option may be exercised for one Common Share at an exercise price of \$0.50 per Common Share until November 9, 2023.

Three-Year History

The Company

On March 19, 2019, the Company sold all of its mining assets to CBLT Inc. (“**CBLT**”) in exchange for 21,000,000 common shares of CBLT (the “**CBLT Shares**”) and 21,000,000 common share purchase warrants of CBLT (the “**CBLT Warrants**”), each such CBLT Share was valued at \$0.03 per CBLT Share and each CBLT Warrant being exercisable at \$0.08 per CBLT Warrant for a period of twenty-four months from the date of issue.

On July 19, 2019, the Company paid a dividend in kind to its shareholders of record on March 18, 2019, on a pro rata basis of the CBLT Shares at \$0.03 per CBLT Share.

On October 21, 2019, the Company announced that it had entered into a definitive agreement with GameWorks, Inc., a US corporation, to effect a reverse merger transaction with the intention that the resulting issuer would apply to list its shares on the Exchange. As part of the transaction, it was anticipated that the Company would complete a share consolidation, change its name to GameWorks, Ltd. and complete a financing of not less than USD\$7.5 million. Pursuant to the proposed transaction, the Company incorporated a subsidiary company, GTA GW Mergeco, Inc.

On March 16, 2020, the Company and GameWorks, Inc. mutually agreed to terminate the definitive agreement to effect a reverse merger and GameWorks, Inc. agreed to reimburse the Company for costs incurred in connection with the proposed transaction totalling \$19,238.

On June 5, 2020, the Company completed an equity financing of 5,000,000 Common Shares at a price per Common Shares of \$0.025 for gross proceeds of \$125,000.

On July 14, 2020, the Company paid a dividend in kind to its shareholders of record on March 18, 2019, on a pro rata basis in the form of the CBLT Warrants at \$0.00874 per CBLT Warrant.

On November 9, 2021, Tiidal Gaming, the Company and Subco completed the Business Combination, and on November 17, 2021, the Common Shares commenced trading on the CSE under the symbol “TIDL”.

On December 21, 2021, the Company announced the formation of an advisory board comprised of leaders across the media, technology and sports and entertainment sectors (the “**Tiidal Advisory Board**”) consisting of inaugural members Ken Hershman, Daren Trousdell, Mike Modano, Jeffrey Orridge.

On January 4, 2022, the Company appointed Tom Hearne as Chief Executive Officer and director of the Company and the appointment of Charles Watson as Chief Gaming Officer of the Company. In connection with the appointment of Mr. Hearne as a director, Jeffrey Orridge resigned from the board of directors of the Company.

On March 10, 2022, the Company announced that its wholly-owned subsidiary had applied to the Alcohol and Gaming Commission of Ontario (the “**AGCO**”) to obtain the *Gaming Related Supplier - Manufacturers License* (the “**AGCO License**”), which, if granted, will enable Sportsflare, the Company's wholly-owned technology division, to supply AGCO approved sportsbooks with its advanced artificial intelligence (AI) powered esports betting solutions following the launch of the AGCO's new online gaming market on April 4, 2022. There can be no assurance that the AGCO will grant the AGCO License to the Company.

TGGI

TGGI was incorporated on October 22, 2018, under the OBCA as an esports and gaming platform company with the objective of owning and operating businesses across the esports and gaming ecosystem. Tiidal's focus was to acquire and operate select esports and gaming related businesses under a single umbrella and pursue a strategy that focused on building scale through the ownership and operation of unique assets that could benefit from a shared vision and synergies across the industry.

Tiidal's initial objective was to accelerate the development and operations of its esports organization, Lazarus. Lazarus was founded in 2010 as a pioneering esports team and organization in Canada under the brand name “SetToDestroyX”.

In November 2018, SetToDestroyX was renamed to “Lazarus” to reflect a new vision and brand identity for the organization.

In December 2020, Tiidal entered the esports betting market through the acquisition of Sportsflare in order to establish a scalable technology offering, limit exposure to any single intellectual property risk as the technology is game agnostic, and focus on business-to-business services so as to avoid costly user acquisition that business-to-consumer operations required to scale.

On December 14, 2020, TGGI entered into an asset purchase agreement with Tiidal Gaming NZ Ltd., a wholly-owned subsidiary of Tiidal (“**Sportsflare**”), and Sportsflare NZ Ltd. (the “**Sportsflare Purchase Agreement**”), Sportsflare acquired all right, title and interests to the property and assets, including intellectual property, of Sportsflare NZ Ltd. and assumed certain liabilities of Sportsflare NZ Ltd. The consideration paid to Sportsflare NZ Ltd. for the purchase of such property and assets was equal to \$3,000,000, including the assumed liabilities, which, pursuant to the Sportsflare Purchase Agreement, shall be satisfied through the issuance of an aggregate of 6,000,000 Tiidal Shares at a deemed price of \$0.50 per Tiidal Share, which are issuable as follows: (i) 3,000,000 Tiidal Shares were issued on closing of the transaction on December 14, 2020, (ii) 1,500,000 Tiidal Shares issuable upon the satisfaction of certain performance milestones (the “**Performance Milestone**”) on or before December 14, 2021, and (iii) 1,500,000 Tiidal Shares issuable upon the satisfaction of certain revenue milestones (the “**Revenue Milestone**”) on or before December 31, 2021 (collectively, the “**Sportsflare Consideration Shares**”). On September 24, 2021, TGGI, Tiidal Gaming NZ Ltd. and Sportsflare NZ Ltd. entered into an amendment to the Sportsflare Purchase Agreement extending the expire dates of each of the Performance Milestone and the Revenue Milestone to December 31, 2022 and amending the Performance Milestone such that 500,000 Sportsflare Consideration Shares, of the 1,500,000 Sportsflare Consideration Shares issuable on such milestone, will be issuable upon the successful integration of a certain potential customer purchasing and using Sportsflare's product for a period of three consecutive months. As of the date of this, an aggregate of 3,000,000 Tiidal Shares or 3,821,400 Common Shares have been issued pursuant to the Sportsflare Purchase Agreement, as amended, and 3,821,400 Common Shares remain issuable under the Sportsflare Purchase Agreement, as amended.

On November 9, 2021, TGGI completed the Share Split in connection with closing of the Business Combination.

Lazarus

In July 2019, Lazarus teams finished second (duos) and fourth (singles) at the Fortnite World Cup in New York City, which achievements helped contribute to Lazarus being the highest earning Fortnite team in the world with approximately US\$3.7MM in historical winnings. Across all competitions, Lazarus has US\$5MM+ in historical winnings, placing it in the top 35 teams globally by historical earnings.

On March 1, 2021, Lazarus entered into Esports merchandise manufacture distribution agreement with Glass-U, LLC dba NEU for the manufacture and sale of Lazarus merchandise and jerseys.

On April 15, 2021, Lazarus entered into a sponsorship agreement with Simply Digital Technologies Inc. to promote Simply Digital through sponsorships of Lazarus' streamers and athletes.

On September 22, 2021, Lazarus entered into a sponsorship agreement with SummaForte Inc. to promote SummaForte through sponsorships of Lazarus' streamers and athletes.

Sportsflare

In 2021, Tiidal has continued to grow this segment of its business through Sportsflare, which has entered into partnerships with GameScorekeeper ApS ("**GameScorekeeper**"), Gaming Stars, BOA Gaming and HudStats.

On February 23, 2020, Sportsflare entered into an agreement with Global Esports Entertainment GmbH for the non-exclusive use by Global Esports Entertainment of Sportsflare's Bet-On-Yourself product.

On February 12, 2021, Sportsflare entered into an agreement with GameScorekeeper ApS granting GameScorekeeper a non-exclusive license to resell and use Sportsflare's Esports Odds and Betbuilder products for the development and distribution of GameScoreKeeper's products. Sportsflare and GameScorekeeper will share the revenue generated from the sales of Esports Odds and BetBuilder.

On April 5, 2021, Sportsflare enter into a joint distribution agreement with BOA Solutions Ltd. whereby Sportsflare provides BOA with Esports data-feeds for BOA's products and Sportsflare and BOA will share revenues generated by BOA's products powered by Sportsflare technology.

On April 13, 2021, Sportsflare entered into an agreement with HudStats BV to partner in providing each other with in-game data for the integration and use in each other's products for an ongoing term whereby Sportsflare and HudStat will share revenue generated from sales and integration of each other's products.

On August 25, 2021, Sportsflare entered into an agreement with Parlay Games Inc. for the non-exclusive use by Parlay Games of Sportsflare's Bet-on-Yourself product.

On December 7, 2021, the Company announced that Sportsflare entered into an agreement with GameScorekeeper, pursuant to which GameScorekeeper will deliver Sportsflare's Betbuilder, Esports Odds, and Bet-on-Yourself products to existing and new customers. Additionally, Gamescorekeeper will provide its esports solutions to Sportsflare, and both parties will share the revenue generated from every client secured through the partnership.

On January 20, 2022, the Company announced that Sporsflare entered into a partnership with EveryMatrix Group to integrate Sportsflare's Betbuilder product into EveryMartrix's technology platform.

Financing Activities

On April 5, 2019, TGGI completed a non-brokered private placement of 10,933,250 Tiidal Shares at a price of \$0.20 per Tiidal Share for aggregate proceeds of \$2,186,650.00 (the "**2018-2019 Tiidal Private Placement**"). The 2018-2019 Tiidal Private Placement closed in six tranches, which respectively closed on November 6, 2018 (1,875,000 Tiidal Shares issued at a price of \$0.20 per Tiidal Share), November 15, 2018 (575,000 Tiidal Shares issued at a price of \$0.20 per Tiidal Share), February 12, 2019 (500,000 Tiidal Shares issued at a price of \$0.20 per Tiidal Share), February 28, 2019 (1,650,000 Tiidal Shares issued at a price of \$0.20 per Tiidal Share), March 26, 2019 (5,007,500 Tiidal Shares issued at a price of \$0.20 per Tiidal Share) and April 5, 2019 (1,325,750 Tiidal Shares issued at a price of \$0.20 per Tiidal Share).

On January 7, 2020, TGGI completed a private placement of 3,306,667 Tiidal Shares at a price of \$0.50 per Tiidal Share for aggregate gross proceeds of \$1,653,333.50 (the "**2019-2020 Private Placement**"). The 2019-2020 Private

Placement closed in five tranches, which respectively closed on June 19, 2019 (590,000 Tiidal Shares issued at a price of \$0.50 per Tiidal Share), July 3, 2019 (430,000 Tiidal Shares issued at a price of \$0.50 per Tiidal Share), September 18, 2019 (2,096,667 Tiidal Shares issued at a price of \$0.50 per Tiidal Share), November 19, 2019 (160,000 Tiidal Shares issued at a price of \$0.50 per Tiidal Share) and January 7, 2020 (30,000 Tiidal Shares issued at a price of \$0.50 per Tiidal Share).

On March 31, 2021, TGGI completed a non-brokered private placement of 7% unsecured convertible promissory notes (the “**Tiidal Convertible Notes**”) for aggregate gross proceeds of \$280,250 (the “**Tiidal Convertible Note Financing**”). In connection with the completion of the Business Combination, the outstanding principal of each Tiidal Convertible Note and the accrued and unpaid interest thereon converted into an aggregate of 687,607 Tiidal Shares and 343,800 common share purchase warrants of TGGI, which upon completion of the Business Combination became 687,607 Common Shares and 343,800 Warrants. Each Warrant may be exercised for one Common Share at an exercise price of \$0.75 per Common Share for a period of 24 months from the date of issue.

On July 13, 2021 and October 7, 2021, TGGI completed the Subscription Receipt Financing in two separate tranches. See “*General Development of the Business – Recent Developments – Subscription Receipt Financing*”.

DESCRIPTION OF THE BUSINESS

General

Prior to the Business Combination, the Company had no active business operations aside from seeking business opportunities. Upon completion of the Business Combination, Tiidal’s business became the business of the Company. The Company is a North American based esports and gaming platform company building an integrated business focused on transforming the way people watch, interact and enjoy digital entertainment. Tiidal’s current operations are focused on two parts of the esports industry: competitive and casual gaming and esports betting technology.

Overview of the Company’s Business

Tiidal is a North American based esports and gaming platform company building an integrated business focused on transforming the way people watch, interact and enjoy digital entertainment. Tiidal’s current operations are focused on two parts of the esports industry: (i) esports competitive and casual gaming and digital entertainment operations (generating revenue in the amount of \$395,706 for the financial year ended October 31, 2021); and (ii) esports betting technology offerings (generating revenue in the amount of \$33,691 for the financial year ended October 31, 2021).

The Company’s competitive and casual gaming operations include Lazarus, a professional esports organization, which competes in a variety of areas across platforms, including PC, mobile and console. Lazarus also has a variety of streamers focused on more casual gaming and content across a variety of distribution channels, including YouTube, Twitch and Facebook Gaming. Through Lazarus and the Company’s content and streaming assets, Tiidal partners with brands and companies looking to access younger audiences in an authentic way. Tiidal also continues to explore opportunities with respect to a franchise in a leading competitive game and closely monitor existing opportunities as well as prospective opportunities. Tiidal continues to establish a long-term presence in certain non-franchise gaming scenes in anticipation of future franchise spots becoming available. This objective is dependent largely upon, among other things, external factors such as availability of existing franchises, the establishment of new franchises in existing leagues or new leagues, and the availability of capital to invest in the long-term commitments of franchise ownership. There can be no assurance that Tiidal will secure a franchise in a competitive game.

The Company’s esports betting technology offerings are branded under the name “Sportsflare”. Sportsflare is an artificial intelligence based data and analytics company focused on creating new betting experiences for the esports era. Sportsflare is a business-to-business technology offering that offers a suite of unique betting data products catered to sportsbooks, gaming websites and mobile games, among others. Sportsflare offers four products: (i) Esports Betbuilder; (ii) Micromarkets; (iii) Bet-on-Yourself; and (iv) Esports Odds.

Market

Esports broadly refers to and describes the general activity and industry around competitive video gaming that takes place from an amateur through professional level, many times in an organized individual or team setting. Esports is a subsector of the broader video gaming market. The players and organizations compete against each other in a variety of games through franchise and non-franchise leagues and from the amateur through professional tiers of events and tournaments. The advent of online platforms, such as Twitch, has allowed more and more spectators to watch competitions globally from anywhere in the world and has contributed to the growth in the popularity of esports. Competitive gamers can now participate in regulated leagues, tournaments or other competitions and matches, across various video games on different entertainment systems. Further, competitive gamers, teams, team managers, streamers, game developers, viewing platforms and other participants in the esports industry are able to monetize the attention through different means, including through viewer subscriptions and marketing sponsorships.

Esports has grown to have significant spectatorship, which rivals traditional sports in many ways. Similar to traditional sports, esports fans follow their favourite players, teams, games and streamers in a predominantly digital environment as well as through in-person live events. In addition to participating through competition or viewership, people may also bet on esports similar to traditional sports.

According to the Newzoo 2021 Global Esports & Live Streaming Market Report¹, the global esports audience will grow to 474.0 million people, global game streaming audience will grow to 728.8 million and global esports revenues will grow to \$1.08 billion in 2021. According to the same report, global esports revenues are expected to further grow to \$1.6 billion by 2024. The broader video gaming market is expected to amount to \$178 billion in 2021 up from \$155 billion in 2020.² There are more than 2.7 billion gamers worldwide and 48% of the gaming studios are working on virtual reality and augmented reality games. The virtual reality gaming market was \$1.1 billion in 2020. The mobile gaming market has become the largest sector of the gaming industry and could be worth \$169 billion by 2025.³

The esports betting market was estimated to have as high as \$15 billion in total wagers in 2020. In what Everymatrix classifies as “classic games”, the most popular esports markets were League of Legends, CS:GO, and Dota 2. In the “simulation of real-life sports” category, FIFA and NBA2K were most popular.⁴

Principal Products and Services

Presently, the Company’s business principally consists of two operating segments: (i) its Lazarus Esports competitive and casual organization and digital entertainment operations; and (ii) its Sportsflare esports betting technology offerings.

(i) Esports

The esports segment consists of professional and amateur esports athletes as well as a variety of content creators and streamers that focus on esports and gaming related content. Teams are usually managed by a team manager or coach who, in conjunction with the Lazarus general manager, is responsible for all elements of team performance, including scouting, roster construction, strategy and player development. In choosing potential games or leagues for competitive participation, Lazarus will consider a number of factors, including: (i) financial guarantees or league revenue sharing agreements; (ii) long-term prospects and value of the game title and community; (iii) potential for future franchising opportunities; and (iv) levels of viewership and player engagement that are able to be commercialized through partnerships and sponsorships. A variety of content creators and streamers are also managed for strategic purposes or in connection with various campaigns and partnerships whereby they stream on platforms like Twitch or publish content to platforms like YouTube, Facebook Gaming, Twitter and/or Instagram.

The esports division generates or may be able to generate revenue in the following ways:

1. League revenue shares and prize money

¹ Newzoo’s Global Esports & Live Streaming Market Report 2021: <https://newzoo.com/insights/trend-reports/newzoos-global-esports-live-streaming-market-report-2021-free-version/>

² Global Video Game Market Value from 2020-2025: <https://www.statista.com/statistics/292056/video-game-market-value-worldwide/>

³ <https://techjury.net/blog/video-games-industry-statistics/#gref>

⁴ <https://everymatrix.com/esports-betting-report/>

- Depending on the league, esports organizations can obtain a revenue split with league operators for revenues generated from the competitions, including advertising, merchandise and guaranteed financial commitments from the operators. Additionally, prize money is also a source of revenue from leagues or individual tournaments and events (similar to prize pools in sports like tennis or golf).
- 2. Merchandise
 - This line of business includes clothing, memorabilia and other types of products that can be branded or co-branded for sale predominantly through e-commerce channels.
- 3. Sales of digital goods
 - In-game digital goods are an increasingly important and popular way to monetize gaming. This also includes the recent explosion of non-fungible tokens (or NFTs). In various games there is an ability for esports organizations to brand and sell digital goods.
- 4. Partnership and sponsorship deals
 - Brand partnerships and sponsorships are cash and/or product-based relationships whereby endemic and non-endemic brands and companies partner with Lazarus through advertising and promotion of their brands to raise awareness of products and services.

The Company continues to build out its esports and, more broadly, digital entertainment and media focused offerings and believes there is significant opportunity and secular tailwinds in the market.

*(ii) **Technology***

Sportsflare has developed a variety of proprietary artificial intelligence-based technologies that focus on data and analytics primarily for business-to-business offerings. Sportsflare’s products and technologies can be grouped in to four primary categories: (i) Esports Odds; (ii) Betbuilder; (iii) Micromarkets; and (iv) Bet-on-Yourself.

Esports Odds

The Esports Odds product is powered by deep learning algorithms and official game data providing a wide range of player-based markets. The product covers pricing and risk management as well as statistics, data and insights to create engaging experiences for games like Counter Strike: Global Offensive (“**CS:GO**”), League of Legends (“**LoL**”) and Dota 2. Esports Odds are principally targeted towards sportsbook operators and B2B sportsbook technology providers across Europe, Asia-Pacific, North America and South America.

Betbuilder

Betbuilder enables same-game parlay-betting, allowing users to combine any outcome and create their own unique betting markets. Betbuilders are a popular and successful product in traditional sports and are proving to have the same appeal in the esports market. Betbuilder integrates with the biggest esports titles such as CS:GO, LoL and Dota 2.

Micromarkets

The Micromarkets product can turn almost every action and outcome in a gaming match into a live betting opportunity. Micromarkets provides players with granular and high-frequency betting options. Similar products tend to appeal to younger audiences, offering faster betting cycle time, more than 1,250 markets per match and more than 15.5 million markets per year in CS:GO, LoL and Dota 2. Certain features include positional event markets, location-based AI, and betting and visualization widgets. Algorithmic development for the product has been completed and it is now undergoing continued testing and evaluation.

Bet-on-Yourself

This product includes real money and free-to-play wagering options and is a new experience in the market allowing casual and enthusiast gamers to wager on their favourite games. The offering works cross-platform, including PC, Xbox and Playstation, allows for in-game objectives beyond only winning and uses AI for pricing and risk management to offer the best odds available. It currently integrates with Fortnite and Call of Duty Warzone. Bet-on-Yourself opens the possibility of 2.7 billion gamers to the market, not just esports enthusiasts. The principal markets are esports tournament platforms, sportsbooks (esports and non-esports alike), fantasy websites and media websites across North America, South America and Asia-Pacific.

Research and Development

Research and development is performed 100% “in-house” and is proprietary to the Company. Presently, the Company’s major research and development initiatives focus on its Micromarkets product. In 2020, the Company implemented a research program involving the creation of multiple machine learning models to predict important *positional event outcomes* of an esports match, such as “next place for a kill to occur”. The Company developed preliminary models for Dota 2 in July 2021 and LoL in May 2020. The majority of research and development resources are now focused on achieving models that are stable to offer trading that is unexploitable by bettors. The Company will attempt to develop automated model evaluation, human-in-the-loop model evaluation and expansion to CS:GO, the latter of which will require additional development work, since CS:GO has a different input dimension than Dota 2 or LoL. As the Company has gained access to official data from game publishers or their data providers, the Company solely requires an API integration with the HUDStats positional betting widget for Micromarkets to enter commercial production. The Company anticipates that its Micromarkets’ Dota 2 offering will be ready for commercial production in March 2022 and LoL and CS:GO will follow subsequently. Anticipated research and development costs in respect of the development of Micromarkets are \$300,000 and the anticipated research and development costs of developing the Company’s current products into plug and play options are \$400,000.

Specialized Skills and Knowledge

Specialized skills and knowledge necessary for the Company’s esports specific operations include the ability to source and identify talent, recruit and retain that talent, create compelling partnership opportunities for brands and sponsors to engage with the esports and gaming audiences, and having a deep understanding of the industry both from a competitive and casual viewpoint. Additionally, specialized skill and knowledge is necessary to capitalize on significant trends in the video gaming media industry. These specialized skills and knowledge are available to the Company through retaining a management team that has business acumen, esports and entertainment experience and industry connections.

Specialized skills and knowledge necessary for the Company’s technology operations include the ability to create predictive AI models from granular video game inputs, a substantial knowledge of esports and game-specific mechanics, and knowledge of betting markets, bookmaking, and trading. All of these specialized skills and knowledge are currently available to the Company through its personnel’s experience and credentials. The Company’s personnel includes a significant number of technical experts in AI, technology and product development.

Additional areas of specialized skills, knowledge, or access, include:

- Licences – gambling licences are important for certain target market jurisdictions as some of our target customers may require that we hold B2B gaming licences in their jurisdictions. The Company does not currently hold any gambling licenses, however the Company’s wholly-owned subsidiary has applied to the AGCO for the AGCO License. See “*General Development of the Business – Recent Developments – Three-Year History*”.
- Official data access – it is important to have negotiations in place with providers of official live data, as the Company’s coverage of any live esports betting matches (Micromarkets, Live Odds) is dependent on the Company being able to access such data.

Competitive Conditions

The competitive environment in esports, gaming, and esports betting are highly competitive and evolving. The Company faces competition from a variety of companies, including both traditional and incumbent players as well as start-ups and new generation organizations both public and private. However, the Company believes that it has a unique approach to the industry. The Company's focus on being a platform company and integrating its operations across esports and technology provides the Company with what it believes is a unique advantage and operating model that diversifies across the industry while maximizing synergy between its operations.

From an esports perspective, due to the large number of options available and global nature of the online videogaming industry, the Company faces strong competition to attract esports audiences. The Company competes with other esports organizations, in varying respects and degrees, in both franchised and non-franchised league structures. Currently, the Company participates in non-franchised leagues, such as Apex as well as mobile esports, such as PUBG Mobile, and believes it has more flexibility in its operating model due to the lower fixed costs imposed by non-franchised league models compared to franchised leagues. Furthermore, traditional sports leagues compete with esports leagues for fan viewership, media rights, partnerships, and franchise ownership.

The Company also competes for viewership and third-party advertising and/or sponsorship agreements with influencers, both individual and corporate that run independent streams, some of which are in direct competition with the Company's leagues and teams. Twitch, YouTube and other third-party streaming networks and social media sites may also provide competition to viewership across the Company's channels and operations. The Company's esports operations could be considered competitive to companies such as FazeClan, Cloud 9, and eUnited.

From a technology perspective, the Company focuses on being an enabler of the hyper-competitive business-to-consumer sportsbook world, in which most industry attention is presently focused. The Company does not have the same challenges around competition for user acquisition and retention as business-to-consumer platforms do. Rather, it is positioned to work with a broad group of players in the industry through its proprietary assets and offerings.

Generally, most companies and betting providers are looking at esports and gaming the same way as traditional sports. The Company views this as a limiting position to take given the new opportunities presented by the gaming medium, and hence have positioned itself in a way that is intended to capture these new opportunities. The Company has strong and innovative technology products with a focus on both content and integration that can provide a differentiated offering in the market. While the Company's product offerings mean it does not directly compete against any single company, portions of its offerings could be considered competitive to companies like Pandascore, Betradar, and Abios. Due to the esports industry's potential for growth and monetization and low barriers to entry, Tiidal expects to face additional competition from new entrants and increasing competition from established companies in the industry.

Intangible Properties

The Company does not own any patents, copyrights or trademarks or other registered intellectual property rights in respect of its intangible property and currently relies on the common law for property protection of its copyrights and trademarks. The Company's intangible property includes brand names (Lazarus and Sportsflare) and intellectual property developed through its software and technology development. The Lazarus and Sportsflare brand names allow the Company to operate and develop brand loyalty and drive business and differentiation and recognition in the marketplace.

Employees

As of March 10, 2022, the Company has 22 employees and 3 independent contractors comprising its operations and 20 professional players and 24 content creators under its Lazarus brand.

Changes to Contracts

The Company is unaware of any aspect of its business that may be materially affected in in the 12 months following the date of this AIF by either renegotiation or termination.

Cycles

The Company's business does not currently fluctuate due to seasonal trends.

Economic Dependence

The Company does not have economic dependence on any one customer or supplier.

RISK FACTORS

The following discussion summarizes the principal risk factors that apply to the Company's business and that may have a material adverse effect on the Company's business, financial condition and results of operations, or the trading price of the Common Shares. Some of the following factors are interrelated and, consequently, readers should treat such risk factors as a whole. These risks and uncertainties are not the only ones that could affect the Company or the Common Shares and additional risks and uncertainties not currently known to the Company, or that it currently deems to be immaterial, may also impair the business, financial condition and results of operations of the Company and/or the value of the Common Shares. If any of the following risks or other risks occur, they could have a material adverse effect on the Company's business, financial condition and results of operations and/or the value of the Common Shares. There is no assurance that any risk management steps taken by the Company will avoid future loss due to the occurrence of the risks described below or other unforeseen risks.

Business and Operational Risks

Novel Coronavirus ("COVID-19")

The operations of the Company could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. It is not possible to accurately predict the impact COVID-19 will have on operations and the ability of others to meet their obligations, 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. 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 operations and ability to finance its operations.

The Company's future revenues are uncertain

Although management is optimistic about the Company's prospects, there is no guarantee that expected outcomes and sustainable revenue streams will be achieved. The Company faces risks frequently encountered by early-stage companies. In particular, its growth and prospects depend on its ability to expand its operation and grow its revenue streams while maintaining effective cost controls. Any failure to expand is likely to have a material adverse effect on the Company's business, financial condition and results.

Historical losses and negative operating cash flows

Tiidal has a history of operating losses, and the Company may generate continued operating losses and negative cash flows in the future while it carries out its current business plan. The successful development and commercialization of the Company's operations will depend on a number of significant financial, logistical, technical, marketing, legal, competitive, economic and other factors, the outcome of which cannot be predicted. There is no guarantee that the Company's operations will be profitable or produce positive cash flow or that it will be successful in generating significant revenues in the future or at all. The Company's inability to ultimately generate sufficient revenues to become profitable and have positive cash flows could have a material adverse effect on its prospects, business, financial condition, results of operations or overall viability as an operating business.

Limited operating history

The Company has a limited history of operations and is in the early stage of development. As such, the Company will be subject to many risks common to early-stage enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, and lack of revenue. There is no assurance that the Company will achieve its operating goals. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. There can be no assurance that the Company will be able to earn material revenue or that any of its activities will generate positive cash flow.

Global economic risk

The ongoing economic slowdown and downturn of global capital markets due to the global pandemic or other global and political events has generally made the raising of capital by equity or debt financing more difficult. The Company is dependent upon the capital markets to raise additional financing in the future while continuing to establish and grow the Company's customer and consumer bases. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, the Company is subject to liquidity risks in meeting 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 Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and the Company's management. If uncertain market conditions persist, the ability to raise capital could be jeopardized and thus have an adverse impact on operations and on the trading price of the Common Shares.

The Company will be reliant on attracting and retaining skilled management and directors

The Company's success will, in part, be dependent upon the skill, judgment, industry relationships and expertise of the its board and management. The loss of a director or key management personnel may materially and adversely affect the business of Tiidal. There can be no assurance that these individuals will continue to be employed by, or remain involved with, the Company for any particular period of time.

The Company's business is substantially dependent on the continued popularity and/or competitive success of esports and esports players

The esports industry is in the early stages of its development. Although the esports industry has experienced rapid growth, consumer preferences may shift and there is no assurance that this growth will continue in the future. The Company has taken steps to diversify its business and mitigate these risks to an extent and continues to seek out new opportunities in the esports and gaming industries. However, due to the rapidly evolving nature of technology and online gaming, the esports industry may experience volatile and declining popularity as new options for online gaming and esports become available, or consumer preferences shift to other forms of entertainment, and as a consequence, the Company's business and results of operations may be materially negatively affected.

The Company's financial results may also depend on the popularity of the players, influencers and other on-screen talent that will provide services to the Company. Such individuals can impact online viewership ratings, which in turn could affect the long-term value of the media rights and sponsorship opportunities available to the Company. There can be no assurance that the Company's players, influencers and other on-screen talent will develop or maintain continued popularity.

Loss of esports players

The Company competes with other esports businesses to sign and retain esports players, influencers and other on-screen talent, some of which have greater resources, brand recognition and popularity. The Company's talent under contract may choose to defect to other esports organizations for various reasons, including that they have been made a superior offer or they have chosen to pursue other opportunities. The loss or defection of any of the Company's esports players, influencers and other on-screen talent could have negative consequences on the Company's business and results of operations.

Competition and changes in technology

The Company must compete with other esports organizations, in varying respects and degrees. For example, the Company will be in competition with other esports teams, streamers, and other forms of digital entertainment as well as established and start-up B2B data companies. As a result of the large number of options available and global nature of the online gaming industry, the Company faces strong competition for esports competitors and fans. Given the nature of esports, there can be no assurance that the Company will be able to compete effectively, including with companies that may have greater resources than the Company has and consequently, the Company's business and results of operations may be materially negatively affected.

Current and potential competitors have established or may establish cooperative relationships amongst themselves or with third parties to compete more effectively. Existing and potential competitors may also develop enhancements to, or future generations of, competitive products and services that will have better performance features than the Company's products and services. As a result of the early stage of the industry in which the Company operates, it expects to face additional competition from new entrants. To remain competitive, the Company will require a continued high level of investment in research and development, marketing, sales and client support. The Company may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Company.

Evolving business model

As the esports and gaming industries evolve, management expects the services and products associated with them to evolve. As a result, to stay current with the industry, the Company's business model may need to evolve as well. From time to time, the Company may modify aspects of its business model relating to its esports organization and digital entertainment operations, as well as its technology offerings. The Company cannot offer any assurance that these or any other modifications will be successful or will not result in harm to the business. The Company may not be able to manage growth effectively, which could damage its reputation, limit its growth and negatively affect its operating results. Such circumstances would have a material adverse effect on the Company's ability to continue as a going concern, which would have a material adverse effect on its business, financial condition and results of operations.

Dependence on games and platforms not owned by the Company

The Company depends on intellectual property, whether that is games it competes in, streams in relation to or uses for data purposes to produce products and services, that it does not own or control. Any changes regarding access, use, maintenance or formatting from the owners of the games or platforms could materially impact the Company's business and impair its ability to operate.

Future acquisitions

As part of the Company's business strategy, the Company may attempt to acquire businesses that it believes are a strategic fit with its business. However, the Company may not be able to complete such acquisitions on favourable terms, or at all. Any future acquisitions may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of its business. Since the Company may not be able to accurately predict these difficulties and expenditures, these costs may outweigh the value it realizes from a future acquisition. Future acquisitions could result in issuances of securities that would dilute shareholders' ownership interest, the incurrence of debt, contingent liabilities, amortization of expenses related to other intangible assets, and the incurrence of large, immediate write-offs.

Due diligence undertaken in connection with future acquisitions

The due diligence process undertaken by the Company in connection with future acquisitions may not reveal all facts that may be relevant in connection with an acquisition. Before making acquisitions, the Company will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Company may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an acquisition, the Company will rely on

resources available, including information provided by the target of the acquisition and, in some circumstances, third-party investigations. The due diligence investigation that is carried out with respect to any acquisition opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

Reliance on sponsors and corporate partners

Part of the Company's business relies on partnerships with corporate sponsors and brand partners to generate a portion of its revenue. If the Company fails to secure contracts for sponsorship revenue its business, financial condition and results of operations would be adversely affected. Additionally, the Company operates in a relatively new and rapidly evolving industry and as such, it is difficult to predict the prospects for growth. There is no assurance that team sponsors and brand partners will continue to increase their expenditures on esports and other digital media partnerships. If the industry grows more slowly than anticipated or the Company's existing products and services lose, or its new products and services fail to achieve, market acceptance, the Company may be unable to achieve its strategic business objectives, which could have a material adverse effect on its prospects, business, financial condition or results of operation. A general economic downturn or adverse economic conditions may also result in a general decline in advertising and sponsorship spending, which would reduce the Company's ability to continue to generate revenue from these sources.

Tiidal depends on its ability to negotiate and renegotiate sponsorship agreements on favourable terms. Sponsorship contracts vary in terms of length of term. As a result, the Company may have limited visibility as to its future sponsorship revenue streams. The Company cannot ensure its sponsorship revenue generating sources will continue to operate or that the Company will be able to replace, in a timely or effective manner, departing sponsors with new sources that generate comparable revenue. Any non-renewal, renegotiation, termination or deferral of significant sponsorship contracts that in the aggregate account for a significant amount of revenue, could have a material adverse effect on the Company's prospects, business, financial condition or results of operations.

Brand development

The brand identity that the Company and its wholly owned subsidiaries have developed has significantly contributed to the success of its business. Maintaining and enhancing these brands is critical to expanding our user base, network of publishers and advertisers. The Company believes that the importance of brand recognition will increase due to the relatively low barrier to entry in the industry. The brands may be negatively impacted by a number of factors, including software malfunctions, delivery of incorrect information, data privacy and security issues, and the Company's ability to continue to provide high-quality products and services and to retain players, influencers and other on-screen talent. If the Company fails to maintain and enhance its brands, or if it incurs excessive expenses in this effort, it could have a material adverse effect on the Company's prospects, business, financial condition and results of operations.

Competition in online gaming and 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 Company, which could negatively impact its business. Furthermore, new competitors, whether licensed or not, may enter the Company's key product and/or geographic markets. There is no assurance that the Company 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

Company cannot efficiently adapt its processes and infrastructure to meet the needs of its product offering innovations, its business could be negatively impacted.

Success of esports betting products not guaranteed

The esports betting industry is characterized by elements of chance. Accordingly, for many of its products, the Company employs theoretical win rates to estimate what a certain type of esports bet, on average, will win or lose in the long run. Net win is impacted by variations in the hold percentage (the ratio of net win to total amount wagered), or actual outcome. The Company uses the hold percentage as an indicator of an esports bet's performance against its expected outcome. Although each esports bet generally performs within a defined statistical range of outcomes, actual outcomes may vary for any given period. In addition to the element of chance, win rates (hold percentages) may also (depending on the game involved) be affected by the spread of limits and factors that are beyond the Company's control, such as a customer's skill, experience and behavior, the mix of games played, the financial resources of customers, the volume of bets placed and the amount of time spent gaming. As a result of the variability in these factors, the actual win rates of esports bets may differ from the theoretical win rates that have been estimated and could result in the winnings of players - using betting platforms belonging to any of the Company's clients - exceeding those anticipated. The variability of win rates (hold rates) also has the potential to negatively impact the Company's financial condition, results of operations, and cash flows, since the Company relies primarily on a revenue share model with its clients.

Additionally, the Company's products may contain errors, bugs, flaws or corrupted data, and these defects may only become apparent after their launch. Furthermore, programming errors, defects and data corruption could disrupt operations, adversely affect the experience of the Company's customers, harm the Company's reputation, cause customers to stop utilizing the Company's platforms, divert resources and delay market acceptance of the Company's offerings, any of which could result in legal liability to the Company or harm its business, financial condition, results of operations and prospects. If the Company's customer base and engagement continue to grow, and the amount and types of offerings continue to grow and evolve, it will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy customers' needs. Such infrastructure expansion may be complex, and unanticipated delays in completing these projects or availability of components may lead to increased project costs, operational inefficiencies, or interruptions in the delivery or degradation of the quality of the Company's offerings. In addition, there may be issues related to this infrastructure that are not identified during the testing phases of design and implementation, which may only become evident after the Company has started to fully use the underlying equipment or software, that could further degrade the customer experience or increase its costs. As such, the Company could fail to continue to effectively scale and grow its technical infrastructure to accommodate increased demands.

The online gaming industry is heavily regulated

While the Company does not presently hold licenses for its technology offerings in the betting sector based on current operations as a business-to-business data offering that does not directly interact with end-customers, the regulation around betting is evolving rapidly and that may change in the future. The Company's wholly-owned subsidiary has applied for the AGCO License, however there can be no assurance or guarantee that the AGCO will grant the Company's wholly-owned subsidiary the AGCO License. The Company and its officers, directors, major shareholders, key employees and business partners will generally be subject to the laws and regulations relating to online gaming of the jurisdictions in which the Company may conduct business, as well as the general laws and regulations that apply to all e-commerce businesses, such as those related to privacy and personal information, tax and consumer protection. These laws and regulations vary from one jurisdiction to another and future legislative and regulatory action, court decisions or other governmental action, which may be affected by, among other things, political pressures, attitudes and climates, as well as personal biases, may have a material impact on the Company's operations and financial results. In particular, some jurisdictions have introduced regulations attempting to restrict or prohibit online gaming, while others have taken the position that online gaming should be licensed and regulated and have adopted or are in the process of considering legislation to enable that to happen. Even where a jurisdiction purports to license and regulate online gaming, the licensing and regulatory regimes can vary considerably in terms of their business-friendliness and at times may be intended to provide incumbent operators with advantages over new licensees. As such, some "liberalized" regulatory regimes are considerably more commercially attractive than others.

Regulatory regimes imposed upon gaming providers vary by jurisdiction. Typically, however, most regulatory regimes include the following elements:

- a requirement for gaming license applicants to make detailed and extensive disclosures as to their beneficial ownership, their source of funds, the probity and integrity of certain persons associated with the applicant, the applicant's management competence and structure and business plans, the applicant's proposed geographical territories of operation and the applicant's ability to operate a gaming business in a socially responsible manner in compliance with regulation;
- interviews and assessments by the relevant gaming authority intended to inform a regulatory determination of the suitability of applicants for gaming licenses;
- ongoing reporting and disclosure obligations, both on a periodic and ad hoc basis in response to material issues affecting the business;
- the testing and certification of software and systems, generally designed to confirm such things as the fairness of the gaming products offered by the business, their genuine randomness and ability accurately to generate settlement instructions and recover from outages;
- the need to account for applicable gaming duties and other taxes and levies, such as fees or contributions to bodies that organize the sports on which bets are offered, as well as contributions to the prevention and treatment of problem gaming; and
- social responsibility obligations.

Any gaming license may be revoked, suspended or conditioned at any time, and the industry has recently experienced significantly more enforcement actions, particularly in Great Britain, where the Gambling Commission has issued fines against numerous operators for regulatory failings. The loss of a gaming license in one jurisdiction could trigger the loss of a gaming license or affect the Company's eligibility for such a license in another jurisdiction, and any of such losses, or potential for such loss, could cause the Company to cease offering some or all of its product offerings in the impacted jurisdictions. The Company may be unable to obtain or maintain all necessary registrations, licenses, permits or approvals, and could incur fines or experience delays related to the licensing process, which could adversely affect its operations. The determination of suitability process may be expensive and time-consuming. The Company's delay or failure to obtain gaming licenses in any jurisdiction may prevent it from distributing its product offerings, increasing its customer base and/or generating revenues in that jurisdiction. A gaming regulatory body may refuse to issue or renew a gaming license if the Company, or one of its directors, officers, employees, major shareholders or business partners: (i) are considered to be a detriment to the integrity or lawful conduct or management of gaming, (ii) no longer meet a licensing or registration requirement, (iii) have breached or are in breach of a condition of licensure or registration or an operational agreement with a regulatory authority, (iv) have made a material misrepresentation, omission or misstatement in an application for licensure or registration or in reply to an inquiry by a person conducting an audit, investigation or inspection for a gaming regulatory authority, (v) have been refused a similar gaming license in another jurisdiction, (vi) have held a similar gaming license in that province, state or another jurisdiction which has been suspended, revoked or cancelled, or (vii) has been convicted of an offence, inside or outside of a particular jurisdiction that calls into question the honesty or integrity of the Company or any of its directors, officers, employees or associates.

Social responsibility concerns

Public opinion can significantly influence the regulation of online gaming. A negative shift in the perception of online gaming by the public or by politicians, lobbyists or others could affect future legislation or regulation in different jurisdictions. Among other things, such a shift could cause jurisdictions to abandon proposals to legalize online gaming, thereby limiting the number of new jurisdictions into which the Company could expand. Negative public perception could also lead to new restrictions on or to the prohibition of online gaming in jurisdictions in which the Company may operate. In addition, concerns with safer betting and gaming could lead to negative publicity, resulting in increased regulatory attention, which may result in restrictions on the Company's future operations. If the Company had to restrict its future marketing or product offerings or incur increased compliance costs, this could have a material adverse effect on its business, results of operations, financial condition and prospects. The Company will likely face scrutiny related to environmental, social, governance and responsible gaming activities, and its reputation and the value of its brands can be materially adversely harmed if it fails to act responsibly in a number of areas, such as environmental, supply chain management, climate change, diversity and inclusion, workplace conduct, responsible gaming, human rights, philanthropy and support for local communities. Any harm to the Company's reputation could

impact employee engagement and retention, and the willingness of future customers and the Company's partners to do business with it, which could have a materially adverse effect on its business, results of operations and cash flows.

Evolving regulatory landscape

The online gaming and 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 (such as passing new laws or regulations or extending existing laws or regulations to online gaming and related activities), taxation of gaming activities, data and information privacy and payment processing laws and regulations, and other factors that the Company 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 Company at adapting to change and pursuing business opportunities.

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 Company 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 Company 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 Company 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 affected.

The Company 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 marketplace 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 Company 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 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 Company 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.

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 third parties

The Company is reliant to an extent on third parties, including data and information technology service providers. The Company's success is partially dependent on its ability to attract and retain quality service providers. There can be no assurance that these business relationships will continue to be maintained or that new ones will be successfully formed. A breach or disruption in these relationships or failure to engage third party service providers could be detrimental to the future business, operating results and/or profitability of the Company.

Additionally, 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 Company.

Risk of failing to adapt to changing technology and industry standards

The Company's future success depends on its ability to adapt and enhance its suite of technology and software, such 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, which will increase the Company's research and development costs. If the Company is unable to develop technology and products that address its 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.

Cybersecurity risks

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. To mitigate cybersecurity risks, the Company has built a technical team headed by Christopher Herrmann, which has designed and maintains the Company's technology platform from a security perspective. The Company does not currently have cybersecurity insurance. Although the Company has security systems in place and

what it deems sufficient security around its system to prevent unauthorized access, it must ensure that it continually enhances security and fraud protection within its platform, and if the Company is unable to do so it 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 the Company's security precautions may occur. The techniques used to obtain unauthorized, improper or illegal access to the Company's systems, data or customers' data and to sabotage its system are constantly evolving and may be difficult to detect quickly. An information breach in the Company's system and loss of confidential information such as credit card numbers and related information, or interruption in the operation of the Company's applications, could have a longer and more significant impact on the Company's business operations than any hardware failure. A compromise in the Company's security system could severely harm its business by the loss of its customers' confidence in it 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 customers may also inhibit the growth of the Internet as a means of conducting commercial transactions, which may result in a reduction in revenues and increase operating expenses preventing the Company from achieving profitability.

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 esports betting and gaming 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 Company.

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 Company'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 Company 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 Company's product offerings, reducing its cash flows and revenues. If the Company experiences a significant unexpected decrease in demand for its product offerings, its business may be harmed.

Operational risks

The Company will be affected by a number of operational risks and the Company 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 gaming; 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; 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 Company'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 Company may elect not to insure because of the cost. Such a lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

The Company is a holding company

The Company is a holding company and the vast majority its assets are the capital stock of Lazarus and Sportsflare. As a result, investors in the Company are subject to the risks attributable to Lazarus and Sportsflare. As a holding company, the Company conducts substantially all of its business through Lazarus and Sportsflare, which generates substantially all of its revenues. Consequently, the Company's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of Lazarus and Sportsflare and the distribution of those earnings to the Company. The ability of Lazarus and Sportsflare to pay dividends and other distributions will depend on its operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by Lazarus and Sportsflare and contractual restrictions contained in the instruments governing its debt. In the event of a bankruptcy, liquidation or reorganization of Lazarus or Sportsflare, holders of indebtedness and trade creditors may be entitled to payment of their claims from the assets of Lazarus or Sportsflare before the Company.

Risks Related to the Common Shares

Market for securities and volatility of share price

External factors outside of our control, such as announcements of quarterly variations in operating results, revenues and costs and sentiments toward stocks, may have a significant impact on the market price of the Common Shares. Global stock markets, including the Canadian Securities Exchange (the "CSE"), have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the Common Shares.

Dividends

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company intends to retain earnings, if any, to finance the growth and development of the Company's business and, where appropriate, retire debt. The payment of future cash dividends, if any, will be reviewed periodically by the board of directors of the Company and will depend upon, among other things, conditions then existing, including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Use of available funds

The Board and/or management will have discretion in the actual application of the available funds and may elect to allocate available funds differently from than formerly described if they believe it would be in the Company's best interests to do so. Shareholders may not agree with the manner in which the Board and/or management chooses to allocate and spend the available funds. The failure by the Board and/or management to apply these funds effectively could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Additional financing

The Company will require equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to fund on-going operations, capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon the Company's business, results of operations, financial condition or prospects.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Any debt financing secured in the future could involve restrictive

covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

DIVIDENDS AND DISTRIBUTIONS

The Company has not paid dividends since the completion of the Business Combination. Other than the requirements of the OBCA, there are no restrictions on the Company that would prevent it from paying a dividend. As of the date of this AIF, the board of directors of the Company intends to retain all future earnings to finance the development and growth of its business, and therefore, it has no current intention to declare or pay dividends on the Common Shares in the foreseeable future. Any future determination to pay distributions will be at the sole discretion of the board of directors and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of distributions and any other factors that the Board relevant. The Company is not bound or limited in any way to pay dividends in the event that the Board determined that a dividend was in the best interest of its shareholders.

DESCRIPTION OF CAPITAL STRUCTURE

The Company is authorized to issue an unlimited number of Common Shares. As at the date of this AIF, 72,043,327 Common Shares were issued and outstanding.

Common Shares

Holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors, to one vote per share at meetings of shareholders of the Company and, upon dissolution, to share equally in such assets of the Company as are distributable to the holders of Common Shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the CSE under the symbol “TIDL”. The Common Shares commenced trading on the CSE effective November 17, 2021. The following table indicates the high and low values and volume with respect to trading activity for the Common Shares on the CSE on a monthly basis since the commencement of trading to the date of this AIF (Source: www.finance.yahoo.com).

Month	High (C\$)	Low (C\$)	Volume
2021			
November 17- 30	0.29	0.25	2,279,234
December	0.25	0.18	345,144
2022			
January	0.35	0.22	2,387,503
February	0.27	0.13	979,205
March 1- 10	0.20	0.14	672,121

The price of the Common Shares as quoted by the CSE at the close of business on March 10, 2022 was \$0.17.

Prior Sales

Following completion of the Business Combination, the Company has issued the following securities that are not listed or quoted on a marketplace:

Date of Issuance	Type of Security	Number of Securities	Issue/Exercise Price	Reason for Issuance
November 17, 2021	Options	1,500,000	\$0.50	Grant of stock options
January 4, 2022	Options	4,400,000	\$0.30	Grant of stock options
February 1, 2022	Common Shares	112,136	\$0.50	Shares for Debt
March 1, 2022	Options	185,000	\$0.30	Grant of stock options

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrow Agreement

As required under the policies of the CSE and in connection with the Business Combination, certain principals of the Company entered into a 36-month escrow agreement (the “**Escrow Agreement**”) as if it was subject to the requirements of National Policy 46-201 – *Escrow for Initial Public Offerings* (“**NP 46-201**”). Pursuant to the Escrow Agreement, 10% of the escrowed securities were released on November 17, 2021, the date the Common Shares were listed on the CSE, and 15% of the escrowed securities are scheduled to be released from escrow in tranches on the 6-, 12-, 18-, 24-, 30- and 36-month anniversaries following the listing date of November 17, 2021. The escrow agent is TSX Trust Company. The following securities of the Company are currently on deposit in escrow under the Escrow Agreement:

Designation of Class	Number of Securities Held in Escrow	Percentage of Class ⁽¹⁾
Common Shares	28,687,449	39.82%
Options	4,314,345	-
Warrants	3,238,636	-
Contingent Shares ⁽²⁾	2,292,840	-

Notes:

- (1) Based on 72,043,327 Common Shares issued and outstanding as of the date of this AIF.
- (2) Common Shares issuable pursuant to the terms of a consulting agreement upon certain performance milestones.

Voluntary Pooling Arrangement

In connection with the Business Combination, the Common Shares issued to prior shareholders of TGGI (other than prior holders of Subscription Receipts and convertible debentures of TGGI) upon completion of the Business Combination are subject resale restrictions pursuant to an 18-month voluntary pooling arrangement (the “**Voluntary Pooling Arrangement**”). Pursuant to the Voluntary Pooling Arrangement, 10% of the Common Shares were released on November 9, 2021, the closing date of the Business Combination, and 15% of such Common Shares are scheduled to be released from escrow in tranches on the 3-, 6-, 9-, 12-, 15- and 18-month anniversaries following the closing date of the Business Combination. There is no escrow agent in respect of these securities. The following securities of the Company are currently subject to the Voluntary Pooling Arrangement:

Designation of Class	Number of Securities Held in Escrow	Percentage of Class ⁽¹⁾
Common Shares	17,580,885	24.40%
Common Shares ⁽²⁾	24,686,244	34.27%
Common Shares ⁽³⁾	12,253,956	17.01%

Notes:

- (1) Based on 72,043,327 Common Shares issued and outstanding as of the date of this AIF.

- (2) Pursuant to the Voluntary Pooling Arrangement, such Common Shares are scheduled to be released from the resale restrictions set out above on a pro rata basis starting on the date that is 12 months from the closing date of the Business Combination.
- (3) Pursuant to the Voluntary Pooling Arrangement, such Common Shares are scheduled to be released from the resale restrictions set out above on a pro rata basis starting on the date that is 18 months from the closing date of the Business Combination.

DIRECTORS AND OFFICERS

The following table sets forth the name, municipality of residence, position held with the Company, principal occupation for the five preceding years and number of Common Shares beneficially owned by each person who is a director and/or an executive officer of the Company. The statement as to the Common Shares beneficially owned, controlled or directed, directly or indirectly, by the directors and executive officers hereinafter named is in each instance based upon information furnished by the person concerned and is as at the date hereof.

Name and Municipality of Residence and Position with the Company ⁽¹⁾	Principal Occupation During the Last Five Years ⁽¹⁾	Period Served as Director/Officer Since	Number of Common Shares Beneficially Owned ⁽²⁾	Percentage of Common Shares Held ⁽³⁾
Thomas Hearne ⁽³⁾ <i>East Garafraxa, Ontario</i> Chief Executive Officer and Director	Chief Executive Officer of the Company; Chief Financial Officer and Director of Sportech PLC; Chief Financial Officer theScore, Inc.	January 2022	437,500	0.61%
Charles Watson <i>Kitchener, Ontario</i> Chief Gaming Officer	Chief Gaming Officer of the Company; Former Chief Executive Officer of the Company and TGGI;	September 2018	8,279,700	11.49%
Alex McAulay <i>Vancouver, British Columbia</i> Chief Financial Officer	Chief Executive Officer of ACM Management Inc.	December 2018	264,992	0.37%
Maksymilian Polaczuk <i>New Zealand</i> Chief Technology Officer	Chief Executive Officer of Sportsflare; and former AI Engineer, Xero	April 2017	1,146,420	1.59%
Zachary Goldenberg ⁽³⁾ <i>Toronto, Ontario</i> Director	Principal, Liberty Venture Partners	January 2020	6,647,960	9.23%
David Wang ⁽³⁾ <i>Las Vegas, Nevada</i> Director	Executive Vice President, Strategic Initiatives at Bally Interactive, prior Chief Executive Office of Bet.Works, prior Vice President of Wynn Resorts	November 2020	1,592,250	2.21%
Neil Duffy <i>Toronto, Ontario</i> Director	Chief Revenue Office of eFuse; former Vice President and Chief Commercial Officer at WorldGaming and Collegiate StarLeague	February 2019	318,450	0.44%

Notes:

- (1) The information as to province or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors and officer individually.
- (2) The information as to shares beneficially owned or over which a director or officer, directly or indirectly, exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors and officers individually.
- (3) Member of the Audit Committee.

The directors of the Company are elected by the shareholders at each annual general meeting and typically hold office until the next annual general meeting at which time they may be re-elected or replaced.

The by-laws of the Company permit the Board to appoint directors to fill any casual vacancies that may occur. Individuals appointed as directors to fill casual vacancies on the Board of Directors hold office for the remainder of

the term of the director that he or she is replacing, being until the next annual general meeting at which time they may be re-elected or replaced.

As of March 10, 2022, the directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or direction over, a total of 18,687,272 Common Shares (on an undiluted basis), representing approximately 25.94% of the issued and outstanding Common Shares on an undiluted basis.

Corporate Cease Trade Orders

Other than as set out below, to the Company's knowledge, no director or executive officer of the Company is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- (a) was subject to a 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, that was in effect for a period of more than 30 consecutive days that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a 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, that was in effect for a period of more than 30 consecutive days, 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.

Mr. Goldenberg became a director of Star Navigation Systems Group Inc. ("**StarNav**") on December 11, 2019 when StarNav was the subject of a cease trade order issued on November 1, 2019 by the Ontario Securities Commission as a result of its failure to meet its timely disclosure filing obligations. The cease trade order was partially revoked by the Ontario Securities Commission on March 6, 2020. Mr. Goldenberg resigned from the board of directors of StarNav effective April 30, 2020.

Mr. McAulay was appointed as the Chief Financial Officer CBD Global Sciences Inc. ("**CBD**") in October 2019 and on June 17, 2020, the Alberta Securities Commission and the British Columbia Securities Commission issued a management cease trade order ordering the cessation of trading in the securities of CBD by certain of its insiders, for its failure to file annual audited financial statements, management's discussion and analysis, and certification of annual filings for the year ended December 31, 2019. The management cease trade order was lifted on August 6, 2020 upon filing of the applicable continuous disclosure.

Mr. McAulay was appointed as the Chief Financial Officer RYU Apparel Inc. ("**RYU**") on July 15, 2020 when RYU was subject to a management cease trade order by the British Columbia Securities Commission and Alberta Securities Commission. On August 5, 2020, the British Columbia Securities Commission and Alberta Securities Commission issued a cease trade order for its failure to meet its timely disclosure filing obligations. The management cease trade order and cease trade order were revoked on August 31, 2020 upon filing of the applicable continuous disclosure.

Bankruptcies and Other Proceedings

To the Company's knowledge, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as of the date hereof, or has been within the ten 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
- (b) has, within the ten 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 or Sanctions

To the Company's knowledge, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (a) 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
- (b) 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

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict is required to disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies provided under the OBCA.

Other than disclosed herein, there are no known existing or potential conflicts of interest among the Company, its directors and officers or other members of management of the Company or of any proposed director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies. See "*Risk Factors*".

AUDIT COMMITTEE DISCLOSURE

Audit Committee Charter

The Audit Committee has adopted a written charter setting out its mandate and responsibilities. The Audit Committee is responsible for assisting the Board of Directors in fulfilling its oversight responsibilities relating to financial accounting and reporting processes and internal controls. The Audit Committee's primary duties and responsibilities are to: (i) conduct reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Audit Committee; (ii) assess the integrity of internal controls and financial reporting procedures of the Company and ensure implementation of such controls and procedures; (iii) ensure appropriate standards of corporate conduct for senior financial personnel and employees and, if necessary, adopt a corporate code of ethics; (iv) review the quarterly and annual financial statements and related management's discussion and analysis ("**MD&A**") of the Company's consolidated financial position and operating results and in the case of the annual financial statements and MD&A report thereon to the Board of Directors for approval of same; (v) select and monitor the independence and performance of the Company's external auditors and approve their remuneration; (vi) provide oversight to related party transactions entered into by the Company; and (vii) provide oversight of all disclosure relating to Financial Statements, MD&A and information derived therefrom. The Audit Committee is responsible for inquiring of management and the external auditors about significant risks or exposures, both internal and external to which the Company may be subject and assessing the steps management has taken to minimize such risks. The Audit Committee is also responsible for establishing and implementing procedures in respect of complaints and submissions relating to accounting matters and the approval of non-audit services by the external auditors.

The Charter of the Company's Audit Committee is set forth in Appendix "A" hereto.

Composition of the Audit Committee

The Audit Committee has been constituted to oversee the financial reporting processes of the Company and is comprised of two independent directors, namely Mr. Zachary Goldenberg (Chair) and Mr. David Wang. Mr. Thomas Hearne is not independent by virtue of his position as Chief Executive Officer of the Company. Each member of the Audit Committee is “financially literate” as defined in NI 52-110, as all of the Audit Committee members possess extensive financial knowledge, experience and comprehension of financial statements.

Relevant Education and Experience

Each member of the Audit Committee has experience relevant to his or her responsibilities as an Audit Committee member.

Zachary Goldenberg. Mr. Goldenberg is a Principal of Liberty Venture Partners, a Toronto-based advisory and investment firm focused on start-up and growth companies in rapidly emerging industries. A corporate lawyer by background, Mr. Goldenberg has significant experience in both the private and public markets as an advisor, investor and board director and has spent much of the past decade working with companies transitioning from private to public navigate the Canadian public venture markets and to source and close strategic transactions. Mr. Goldenberg received a JD / HBA from Western Law and Ivey School of Business in 2013 and is a member of the TSX Venture Exchange’s Ontario Advisory Committee. Mr. Goldenberg is a member of the Law Society of Ontario.

David Wang. Mr. Wang is the Chief Executive Officer of Bally Interactive, the digital gaming arm of Bally Corporation (NYSE: BALY). Mr. Wang is an entrepreneur with two successful exits. Most recently, Mr. Wang was previously the Founder/Chief Executive Officer of Bet.Works, a leading U.S. regulated sports betting platform, which was acquired by Bally Corporation in 2021. In addition, Mr. Wang served Senior Executive Roles and has spearheaded Digital Gaming for various leading gaming/entertainment companies including Wynn Resorts (NYSE: Wynn), (MGM: Resorts) and SEGA Games (wholly owned Subsidiary of SEGA SAMMY). Mr. Wang earned an MBA in International Business from the Kellogg School of Management and has professional designations pending with the Colorado IRGRA, New Jersey DGE, Indiana Gaming Commission, Tennessee Education Lottery and the Pennsylvania Gaming Control Board.

Thomas Hearne. Mr. Hearne is the Chief Executive Officer of the Company. Mr. Hearne has over 30 years of experience as a senior financial executive of both private and public companies, most recently the Chief Financial Officer and Director of Sportech PLC on the London Stock Exchange and theScore, on the Toronto Venture Exchange. Mr. Hearne has an MBA from the Schulich School of Business and is a Chartered Public Accountant and member of CPA Ontario. Mr. Hearne has been a licensed gaming operator in the United Kingdom, and many states in the United States of America.

Reliance on Certain Exemptions

The Company is relying on the exemption in Section 6.1 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) from the requirement of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee charter sets out procedures regarding the provision of non-audit services by the Company’s independent chartered professional accountants. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor’s independence and requires Audit Committee pre-approval of permitted non-audit and non-audit related services.

External Auditor Service Fees (by category)

Harbourside CPA LLP was appointed as the Company’s external auditor following completion of the Business Combination on November 9, 2021. Prior to completion of the Business Combination, the external auditors for the Corporation were Grant Thornton LLP. The aggregate fees billed by Grant Thornton LLP for the last two fiscal years is set out in the table below.

Year	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
2021	\$9,000	\$8,700	\$Nil	\$Nil
2020	\$21,500	\$Nil	\$Nil	\$Nil

Notes:

- (1) “Audit Fees” refers to the aggregate fees billed by the external auditor for audit services.
- (2) “Audit Related Fees” refers to aggregate fees billed for assurance and related services by the Corporation’s external auditor that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and not reported under Audit Fees.
- (3) “Tax Fees” includes fees for professional services rendered by the external auditor for tax compliance, tax advice, and tax planning.
- (4) “All Other Fees” includes all fees billed by the external auditors for services not covered in the other three categories including procedures performed in connection with prospectus offerings.

PROMOTERS

Charles Watson is the sole promoter of the Company. As of the date of this AIF, Mr. Watson beneficially owns, or controls or directs, directly or indirectly, a total of 8,279,700 Common Shares, representing approximately 11.49% of the issued and outstanding Common Shares on an undiluted basis, and 636,900 Options, representing 9.07% of the Common Shares on a fully diluted basis. Other than Mr. Watson’s executive compensation in the amount paid of \$120,000 per year. No person who was a promoter of the Company:

- received anything of value directly or indirectly from the Company or a subsidiary within the last two years;
- sold or otherwise transferred any asset to the Company or a subsidiary within the last two years;
- has been a director, chief executive officer or chief financial officer of any company that during the past 10 years was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
- has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority within the last two years;
- has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision within the last two years; or
- has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no actual or pending legal proceedings material to the Company that the Company is or was a party to, or that any of its property is or was the subject of, since the beginning of the Company’s most recently completed financial year. In addition, the Company is not currently aware of any such legal proceedings being contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this AIF, no director, executive officer or principal shareholder of the Company, or any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this AIF that has materially affected or will materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the Common Shares Odyssey Trust Company, located at 702, 67 Yonge Street, Toronto, Ontario M5E 1J8.

MATERIAL CONTRACTS

There are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to the Company and that were entered into by the Company within the most recently completed financial year or before the most recently completed financial year if the material contract is still in effect, other than as follows:

1. the Business Combination Agreement;
2. the Amalgamation Agreement;
3. the Agency Agreement;
4. the Escrow Agreement; and
5. the supplemental warrant indenture dated as of November 9, 2021 between the Company, Tiidal Gaming Holdings Inc. and TSX Trust Company, as warrant agent, governing the terms of the common share purchase warrants of the Company issued in connection with the Subscription Receipt Financing.

INTERESTS OF EXPERTS

The auditors of the Company are Harbourside CPA LLP, at its office located at Suite 1140 – 1185 West Georgia Street, Vancouver, British Columbia V6E 4E6. Prior to completion of the Business Combination, the auditors of the Company were Grant Thornton LLP, at its office located at 11th Floor, 200 King Street West, Toronto, Ontario M5H 3T4.

Grant Thornton LLP was independent of the Company during the period during which it was the auditor of the Company in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of Ontario. Harbourside CPA LLP is independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia.

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this AIF or as having prepared or certified a report or valuation described or included in this AIF holds more than 1% beneficial interest, direct or indirect, in any securities or property of the Company or of an Associate or Affiliate of the Company and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Company or of an Associate or Affiliate of the Company and no such person is a promoter of the Company or an Associate or Affiliate of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Additional information, including information concerning directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, where applicable, will be contained in the management proxy circular of the Company for its annual shareholders' meeting to be held in 2022.

Additional financial information is contained in the Company's audited financial statements and MD&A for the most recently completed financial year, copies of which have been filed with the securities regulatory authorities in the provinces of Alberta, British Columbia and Ontario. Such documents, as well as additional information about the Company, may be found under the Company's issuer profile on SEDAR at www.sedar.com.

**Appendix “A”
AUDIT COMMITTEE CHARTER**

TIIDAL GAMING GROUP CORP.

**Charter of the
Audit Committee of the Board of Directors**

I. PURPOSE

The Audit Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Tiidal Gaming Group Corp. (formerly, GTA Financecorp Inc.) (the “Corporation”) to assist the Board in fulfilling its oversight responsibilities relating to the financial accounting and reporting process and internal controls for the Corporation. The Committee’s primary duties and responsibilities are to:

- select and monitor the independence and performance of the Corporation's outside auditors (the “External Auditor”), including attending at private meetings with the External Auditor and reviewing and approving all renewals or dismissals of the External Auditor and their remuneration;
- conduct such reviews and discussions with management and the External Auditor relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- review the quarterly and annual financial statements and management's discussion and analysis of the Corporation's financial position and operating results and report thereon to the Board for approval of same;
- provide oversight to related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the External Auditor as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties, to set and pay the compensation of any such consultants or experts, and to communicate directly with internal and External Auditors.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution. In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part III of this Charter.

II. COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal and listing requirements, including, without limitation, those of the Canadian Securities Exchange (“CSE”), the Business Corporations Act, Multilateral Instrument 52-110 (the “Rule”) and all applicable securities regulatory authorities. Each member of the Committee shall meet the requirements for financial literacy set forth in the Rule.
2. The Committee shall be composed of three or more directors as shall be appointed or reappointed by the Board after each annual shareholders’ meeting. The members of the Committee shall appoint from among

themselves a member who shall serve as Chair.

3. A majority of the members of the Committee shall not be employees, control persons or officers of the Corporation or any of its Associates or Affiliates (as set out in CSE policies).
4. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements and a majority of the members of the Committee shall constitute a quorum.
5. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
6. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
7. The time and place at which meetings of the Committee shall be held, and procedures at such meetings shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
8. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
9. The Committee shall keep minutes of its meetings, which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member to act as a secretary at any meeting.
10. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.
11. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

III. RESPONSIBILITIES

A. Financial Accounting and Reporting Process and Internal Controls

1. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with International Financial Reporting Standards (“IFRS”) and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements and annual and interim earnings press releases before the Corporation publicly discloses this information. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the External Auditor as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the

information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.

2. The Committee shall review management's internal control report and the evaluation of such report by the External Auditor, together with management's response.
3. The Committee shall review management's discussion and analysis relating to annual and interim financial statements and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws prior to their being filed with the appropriate regulatory authorities.
4. The Committee shall meet no less frequently than annually with the External Auditor and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, deems appropriate.
5. The Committee shall inquire of management and the External Auditor about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
6. The Committee shall review the post-audit or management letter containing the recommendations of the External Auditor and management's response and subsequent follow-up to any identified weaknesses.
7. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
8. The Committee shall ensure there are adequate procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically reassess the adequacy of such procedures.
9. The Committee shall establish procedures to receive and respond to complaints with respect to accounting, internal accounting controls and auditing matters, and for the confidential anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
10. The Committee shall provide oversight to related party transactions entered into by the Corporation.

B. External Auditor

1. The Committee shall be directly responsible for the selection, appointment, compensation and oversight of the External Auditor, including the resolution of disagreements between management and the External Auditor regarding financial reporting, and the External Auditor shall report directly to the Committee.
2. The Committee shall recommend to the Board:
 - (a) the External Auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or other services for the Corporation; and
 - (b) the compensation of the External Auditor.
3. The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the External Auditor.
4. The Committee shall monitor and assess the relationship between management and the External Auditor and monitor, confirm, support and assure the independence and objectivity of the External Auditor.
5. The Committee shall review the Independent Auditor's audit plan, including scope, procedures and timing

of the audit.

6. The Committee shall review the results of the annual audit with the External Auditor, including matters related to the conduct of the audit.
7. The Committee shall obtain timely reports from the External Auditor describing critical accounting policies and practices, alternative treatments of information within GAAP that were discussed with management, their ramifications, and the External Auditor's preferred treatment and material written communications between the Corporation and the External Auditor.
8. The Committee shall review fees paid by the Corporation to the External Auditor and other professionals in respect of audit and non-audit services on an annual basis.
9. The Committee shall pre-approve all non-audit services to be provided to the Corporation and its subsidiaries by the Corporation's External Auditor, subject to the exemptions and powers of delegation provided for in the Rule.
10. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former External Auditor of the Corporation.

C. Other Responsibilities

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.