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**GLOBAL DAILY FANTASY SPORTS INC.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED  
MARCH 31, 2017

*(Unaudited - Expressed in Canadian Dollars)*

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

**GLOBAL DAILY FANTASY SPORTS INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	March 31, 2017 \$	December 31, 2016 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		4,995,785	5,824,829
Amounts receivable		5,000	5,181
GST / VAT receivable		32,065	47,123
Prepays		<u>104,369</u>	<u>104,215</u>
<b>Total current assets</b>		<u>5,137,219</u>	<u>5,981,348</u>
<b>Non-current assets</b>			
Property, plant and equipment	4	19,906	21,428
Intangible assets	5	<u>1,663,409</u>	<u>1,344,015</u>
<b>Total non-current assets</b>		<u>1,683,315</u>	<u>1,365,443</u>
<b>TOTAL ASSETS</b>		<u>6,820,534</u>	<u>7,346,791</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	7	<u>149,724</u>	<u>242,201</u>
<b>TOTAL LIABILITIES</b>		<u>149,724</u>	<u>242,201</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	6	17,752,845	17,686,507
Share-based payment reserve		638,124	638,124
Deficit		<u>(11,720,159)</u>	<u>(11,220,041)</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>6,670,810</u>	<u>7,104,590</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>6,820,534</u>	<u>7,346,791</u>

Commitments - Notes 5 and 10

Event after the Reporting Period - Note 11

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on May 30, 2017 and are signed on its behalf by:

/s/ Darcy Krogh  
Darcy Krogh  
Director

/s/ Scott Emerson  
Scott Emerson  
Director

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

**GLOBAL DAILY FANTASY SPORTS INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	Three Months Ended March 31,	
		2017 \$	2016 \$
<b>Expenses</b>			
Accounting and administration	7(b)	17,262	4,600
Audit		13,065	9,082
Corporate development		3,997	-
Data access fees		23,721	-
Depreciation	4	1,522	-
Investment conference		6,495	-
Legal		50,400	19,015
License fees		10,968	-
Management and director compensation	7(a)	117,500	6,000
Office		13,970	1,173
Professional fees		98,131	-
Regulatory		667	5,503
Rent		28,857	1,100
Salaries and benefits		84,674	-
Shareholder costs		620	650
Transfer agent		1,673	825
Travel and related		42,332	11,021
		<u>515,854</u>	<u>58,969</u>
<b>Loss before other items</b>		<u>(515,854)</u>	<u>(58,969)</u>
<b>Other items</b>			
Interest income		13,240	394
Foreign exchange (loss) gain		2,496	(449)
		<u>15,736</u>	<u>(55)</u>
<b>Comprehensive loss for the period</b>		<u>(500,118)</u>	<u>(59,024)</u>
<b>Basic and diluted loss per common share</b>		<u>\$(0.01)</u>	<u>\$(0.00)</u>
<b>Basic and diluted weighted average number of common shares outstanding</b>		<u>47,407,866</u>	<u>12,260,447</u>

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

**GLOBAL DAILY FANTASY SPORTS INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
*(Unaudited - Expressed in Canadian Dollars)*

	<b>Three Months Ended March 31, 2017</b>				
	<b>Share Capital</b>		<b>Share-Based Payment Reserve</b>	<b>Deficit</b>	<b>Total Equity</b>
	<b>Number of Shares</b>	<b>Amount \$</b>			
<b>Balance at December 31, 2016</b>	47,260,447	17,686,507	638,124	(11,220,041)	7,104,590
Common shares issued for:					
- finder's fees	165,846	66,338	-	-	66,338
Net loss for the period	-	-	-	(500,118)	(500,118)
<b>Balance at March 31, 2017</b>	<b>47,426,293</b>	<b>17,752,845</b>	<b>638,124</b>	<b>(11,720,159)</b>	<b>6,670,810</b>

	<b>Three Months Ended March 31, 2016</b>				
	<b>Share Capital</b>		<b>Share-Based Payment Reserve</b>	<b>Deficit</b>	<b>Total Equity</b>
	<b>Number of Shares</b>	<b>Amount \$</b>			
<b>Balance at December 31, 2015</b>	12,260,447	9,869,945	638,124	(10,373,501)	134,568
Net loss for the period	-	-	-	(59,024)	(59,024)
<b>Balance at March 31, 2016</b>	<b>12,260,447</b>	<b>9,869,945</b>	<b>638,124</b>	<b>(10,432,525)</b>	<b>75,444</b>

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

**GLOBAL DAILY FANTASY SPORTS INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
*(Unaudited - Expressed in Canadian Dollars)*

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	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Net loss for the period	(500,118)	(59,024)
Adjustments for:		
Depreciation	1,522	-
Changes in non-cash working capital items:		
Amounts receivable	181	-
GST / VAT receivable	15,058	(1,680)
Prepays	(154)	(3,937)
Accounts payable and accrued liabilities	<u>(26,139)</u>	<u>36,587</u>
<b>Net cash used in operating activities</b>	<u>(509,650)</u>	<u>(28,054)</u>
<b>Investing activity</b>		
Intangible assets	<u>(319,394)</u>	<u>-</u>
<b>Net cash used in investing activity</b>	<u>(319,394)</u>	<u>-</u>
<b>Net change in cash</b>	(829,044)	(28,054)
<b>Cash at beginning of period</b>	<u>5,824,829</u>	<u>172,656</u>
<b>Cash at end of period</b>	<u>4,995,785</u>	<u>144,602</u>

**Supplemental cash flow information - Note 9**

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

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**  
*(Unaudited - Expressed in Canadian Dollars)*

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**1. Nature of Operations**

The Company was incorporated on December 2, 1985 under the provisions of the Company Act (British Columbia). On June 17, 2016 the Company changed its name from Lariat Energy Ltd. to Global Daily Fantasy Sports Inc. The Company is listed and its common shares are traded on the TSX Venture Exchange ("TSXV") under the symbol "DFS". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 Canada.

The Company's past principal business activity was the acquisition, exploration and development of petroleum and natural gas interests. Effective December 31, 2015 the Company disposed of its remaining petroleum and natural gas interests and commenced searching for other business opportunities.

On March 16, 2016 the Company announced its intention to change its business and transition to the online daily fantasy sports ("DFS") industry as a business to business technology provider of DFS software, which will allow its customers the ability to offer a customized and fully-branded DFS product to their clients. On August 17, 2016 the Company received TSXV approval to the change of business. See also Note 5.

As at March 31, 2017 the Company had working capital in the amount of \$4,987,495. These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Management considers that the Company has adequate resources to successfully develop its on-line gaming platform and necessary infrastructure and establish future profitable operations. However, the Company recognizes the Company's objectives and scope of expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future. If for any reason the Company is unable to continue as a going concern, it could impact the Company's ability to realize assets at their recognized values and to meet its liabilities in the ordinary course of business at the amounts stated in the condensed consolidated interim financial statements. These condensed consolidated interim financial statements do not reflect any adjustments related to conditions that occurred subsequent to March 31, 2017.

**2. Basis of Preparation**

*Statement of Compliance*

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2016, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's financial statements for the year ended December 31, 2016.

*Basis of Measurement*

The Company's condensed consolidated interim statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**  
*(Unaudited - Expressed in Canadian Dollars)*

**3. Subsidiaries**

The subsidiaries of the Company are as follows:

<u>Company</u>	<u>Incorporation Date</u>	<u>Location of Incorporation</u>	<u>Ownership Interest</u>
GDFSI Malta Holding Limited	August 30, 2016	Malta	100%
GDFSI Malta Limited	August 30, 2016	Malta	100%

**4. Property, Plant and Equipment**

	<b>Office Furniture and Equipment \$</b>
<b>Cost:</b>	
Balance at December 31, 2015	-
Additions	<u>23,403</u>
Balance at December 31, 2016 and March 31, 2017	<u>23,403</u>
<b>Accumulated Depreciation:</b>	
Balance at December 31, 2015	-
Depreciation	<u>1,975</u>
Balance at December 31, 2016	1,975
Depreciation	<u>1,522</u>
Balance at March 31, 2017	<u>3,497</u>
<b>Carrying Value:</b>	
Balance at December 30, 2016	<u>21,428</u>
Balance at March 31, 2017	<u>19,906</u>

**5. Intangible Assets**

	<b>March 31, 2017 \$</b>	<b>December 31, 2016 \$</b>
Bellwether Agreement (a)	1,204,211	926,016
NYX Agreement (b)	322,663	322,663
Other	<u>136,535</u>	<u>95,336</u>
	<u>1,663,409</u>	<u>1,344,015</u>

(a) On May 12, 2016 the Company entered into an agreement (the “Bellwether Agreement”) with Bellwether Technologies, Inc. (“Bellwether”), a privately owned Nevada corporation, pursuant to which Bellwether:

- (i) granted the Company a perpetual license for a software platform license (the “Bellwether Platform License”);
- (ii) agreed to develop a proprietary software (the “DFS Product”); and
- (iii) agreed to provide maintenance and support of the Bellwether Platform License and DFS Product (the “Bellwether Support”) for a two year period.

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**5. Intangible Assets (continued)**

The Company has agreed to pay Bellwether a fee of US \$400,000 for the Bellwether Platform License, of which \$194,685 (US \$150,000) was paid and a further US \$250,000 is payable upon the completion and sign-off by the Company of phase 3 of the development of the DFS Product. The Company has also agreed to pay Bellwether a monthly development fee of US \$70,000 to develop and complete the DFS Product. As of March 31, 2017 the Company has paid Bellwether development fees totalling \$1,009,526 (US \$770,000) in connection with the development of the DFS Product.

The Company and Bellwether have agreed to negotiate a fee for the Bellwether Support.

- (b) On May 31, 2016 the Company entered into an agreement (the “NYX Agreement”) with NYX Digital Gaming (USA), LLC (“NYX”), a wholly-owned subsidiary of NYX Gaming Group Limited, to establish a strategic relationship with NYX to develop and distribute the DFS Product on NYX’s proprietary suite of software files (the “OGS Platform”) to NYX clients as follows:
- (i) the Company and NYX will co-operate in the development of the DFS Product;
  - (ii) NYX granted the Company an exclusive, irrevocable, non-transferable (except to an affiliate or a third party non-competitor of NYX) worldwide right to distribute the DFS Product on the OGS network (the “Network Distribution Rights”);
  - (iii) NYX granted the Company an exclusive, irrevocable, non sub-licensable and nontransferable (except to an affiliate or a third party non-competitor of NYX) worldwide licence to use and exploit the OGS Platform and to use, display, install, copy and create derivative works or otherwise exploit the OGS Platform in connection with the distribution of the DFS Product on the OGS network (the “OGS Licence”); and
  - (iv) NYX agreed to offer and promote the DFS Product to its current and future customer base as its sole daily fantasy sports solution and to use its sales and marketing teams to maximize commercial exploitation of the DFS Product throughout the OGS network.

In consideration for the Network Distribution Rights and the OGS Licence, the Company paid NYX \$159,488 (US \$125,000) on April 12, 2016 and, on August 5, 2016, made a further payment of \$163,175 (US \$125,000).

The Company must also make a payment of US \$250,000 to NYX upon the commercial launch of the DFS Product on the OGS Platform and the OGS network (the “Commercial Launch”).

In addition, the Company will pay to NYX a monthly royalty (the “DFS Royalty”), comprising the greater of:

- (i) 30% net gaming revenue earned from the use of the OGS Platform and OGS network to distribute the DFS Product; or
- (ii) minimum royalty of US \$5,000 per month for the first 24 months, and US \$10,000 thereafter.

The Company’s obligation to remit the applicable DFS Royalty will begin 30 days after the Commercial Launch. The term of the NYX Agreement is five years from the Commercial Launch, which initial term may be renewed by the Company on written notice to NYX for an additional five year period.

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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*(Unaudited - Expressed in Canadian Dollars)*

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**6. Share Capital**

(a) ***Authorized Share Capital***

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) ***Equity Financings***

No financings were completed during the three months ended March 31, 2017.

During fiscal 2016 the Company:

- (i) completed a non-brokered private placement of 20,000,000 units, at a price of \$0.10 per unit for proceeds of \$2,000,000. Each unit consisted of one common share of the Company and one quarter of one non-transferable warrant. Each whole warrant entitles the holder to purchase an additional common share at an exercise price of \$0.15 per share for a period of 24 months after the closing.

Directors, officers and close family members purchased 8,410,000 units for \$841,000; and

- (ii) completed a non-brokered private placement financing of 15,000,000 units, at a price of \$0.40 per unit for proceeds of \$6,000,000. Each unit consisted of one common share of the Company and one half of one non-transferable warrant. Each whole warrant entitles the holder to purchase an additional common share for a period of 24 months after closing, at an exercise price of \$0.75 per share for the initial 12 months after the closing and, thereafter, at an exercise price of \$1.00 per share.

The Company incurred a finder's fee of \$132,676 which remained unpaid at December 31, 2016 and was included in accounts payable and accrued liabilities. Subsequent to December 31, 2016 the Company paid the finder's fee by paying \$66,338 cash and issuing 165,846 common shares.

A director of the Company purchased 62,500 units for \$25,000.

The Company incurred a total of \$50,762 for legal and filing costs associated with these private placements.

(c) ***Warrants***

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at March 31, 2017 and 2016 and the changes for the three months ended on those dates, is as follows:

	2017		2016	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning and end of period	12,500,000	0.51	-	-

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**  
*(Unaudited - Expressed in Canadian Dollars)*

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**6. Share Capital (continued)**

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at March 31, 2017:

Number	Exercise Price \$	Expiry Date
3,797,500	0.15	July 15, 2018
1,202,500	0.15	August 9, 2018
5,157,583	0.75 / 1.00	September 16, 2017 / 2018
276,750	0.75 / 1.00	September 20, 2017 / 2018
773,125	0.75 / 1.00	September 29, 2017 / 2018
917,542	0.75 / 1.00	October 18, 2017 / 2018
57,500	0.75 / 1.00	October 26, 2017 / 2018
<u>317,500</u>	0.75 / 1.00	November 28, 2017 / 2018
<u>12,500,000</u>		

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV.

The vesting provisions are determined by the Board of Directors and, unless otherwise stated, fully vest when granted.

No share options were granted during the three months ended March 31, 2017 and 2016 and as at March 31, 2017 the Company had no share options outstanding.

**7. Related Party Disclosures**

Transactions with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

(a) *Transactions with Key Management Personnel*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and its executive officers.

During the three months ended March 31, 2017 the Company incurred \$117,500 (2016 - \$6,000) for compensation to directors and officers of the Company. As at March 31, 2017, \$26,500 (December 31 - 2016, \$22,500) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

During the three months ended March 31, 2017 the Company was charged \$10,900 (2016 - \$4,600) by Chase Management Ltd. ("Chase"), a private corporation owned by a director, for accounting and administration services provided by Chase personnel, excluding the director. As at March 31, 2017, \$8,900 (December 31, 2016 - \$9,600) remained unpaid and has been included in accounts payable and accrued liabilities.

See also Note 6(b).

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**8. Financial Instruments and Risk Management**

*Categories of Financial Assets and Financial Liabilities*

Financial instruments are classified into one of the following five categories: fair value through profit or loss (“FVTPL”); held-to-maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities. The carrying values of the Company’s financial instruments are classified into the following categories:

<b>Financial Instrument</b>	<b>Category</b>	<b>March 31, 2017 \$</b>	<b>December 31, 2016 \$</b>
Cash	FVTPL	4,995,785	5,824,829
Amounts receivable	Loans and receivables	5,000	5,181
Accounts payable and accrued liabilities	Other liabilities	(149,724)	(242,201)

The Company’s financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash, amounts receivable, accounts payable and accrued liabilities and purchase obligation approximate their fair value due to their short-term nature. The Company’s fair value of cash under the fair value hierarchy is measured using Level 1 inputs.

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

*Credit Risk*

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company’s liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

**GLOBAL DAILY FANTASY SPORTS INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**8. Financial Instruments and Risk Management (continued)**

<b>Contractual Maturity Analysis at March 31, 2017</b>					
	<b>Less than 3 Months \$</b>	<b>3 - 12 Months \$</b>	<b>1 - 5 Years \$</b>	<b>Over 5 Years \$</b>	<b>Total \$</b>
Cash	4,995,785	-	-	-	4,995,785
Amounts receivable	5,000	-	-	-	5,000
Accounts payable and accrued liabilities	(149,724)	-	-	-	(149,724)

  

<b>Contractual Maturity Analysis at December 31, 2016</b>					
	<b>Less than 3 Months \$</b>	<b>3 - 12 Months \$</b>	<b>1 - 5 Years \$</b>	<b>Over 5 Years \$</b>	<b>Total \$</b>
Cash	5,824,829	-	-	-	5,824,829
Amounts receivable	5,181	-	-	-	5,181
Accounts payable and accrued liabilities	(242,201)	-	-	-	(242,201)

*Market Risk*

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

*Interest Rate Risk*

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents bear floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

*Regulatory Risk*

The Company is exposed to risk due to the regulatory uncertainty of the DFS industry and online gaming activities. The industry is currently unregulated. The Company is unable to predict whether regulations will be introduced in the future.

*Capital Management*

The Company does not have any externally imposed regulatory capital requirements for managing capital. The Company has defined its capital to mean working capital and shareholders equity, as determined at each reporting date. The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, or engage in debt financing.

**9. Supplemental Cash Flow Information**

During the three months ended March 31, 2017 and 2016 non-cash activities were conducted by the Company as follows:

	<b>2017 \$</b>	<b>2016 \$</b>
Operating activity		
Accounts payable and accrued liabilities	<u>66,338</u>	<u>-</u>
Financing activity		
Common shares issued for finder's fees	<u>(66,338)</u>	<u>-</u>

**GLOBAL DAILY FANTASY SPORTS INC.**  
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*(Unaudited - Expressed in Canadian Dollars)*

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**10. Commitments**

The Company has lease commitments for office space in Toronto, Canada and Valletta, Malta. The Company also has entered into a license agreement whereby it has agreed to pay monthly fees for access to real-time sports data feed and content.

Estimated contractual payments are as follows:

	<b>2017</b>	<b>2018 - 2019</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Office rent	77,100	137,300	214,400
Data license	<u>31,800</u>	<u>111,600</u>	<u>143,400</u>
	<u>108,900</u>	<u>248,900</u>	<u>357,800</u>

See also Note 5.

**11. Event after the Reporting Period**

Effective May 11, 2017 the Company entered into an asset purchase agreement (the “Mondogoal Purchase”) with Mondogoal Limited (“Mondogoal”) whereby the Company purchased Mondogoal’s operating assets (the “Purchased Assets”) for DFS operations in Italy. The purchase price for the Purchased Assets is:

- (i) US \$275,000, of which the Company paid US \$247,500 and the remaining US \$27,500 hold back is due August 17, 2017; and
- (ii) issuance of common shares of the Company (the “Earn-out Shares”), the number of which will be determined on the anniversary of each of the next three years, having a value equal to the net gaming revenues derived from the Purchased Assets, and subject to a maximum of US \$300,000 in Earn-out Shares. All share issuances are subject to TSXV approvals.