Poydras Specialty Finance Corp.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended March 31, 2014

(Unaudited)

(Expressed in US Dollars Unless Otherwise Stated)

Poydras Specialty Finance Corp.
Interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in US Dollars)

ASSETS		March 31, 2014		December 31, 2013
Current				
Cash	**$**	**196,970**	$	427,390
Accounts receivable *(Note 4)*		**70,107**		53,672
Prepaid expenses *(Note 5)*		**15,008**		15,008
Prepaid placement fees *(Note 6)*		**176,256**		176,256
		458,341		672,326
Prepaid Expenses *(Note 5)*		**31,934**		34,436
Prepaid Placement Fees *(Note 6)*		**1,774,307**		1,810,841
Property and Equipment *(Note 7)*		**1,626,876**		1,715,688
Loan Receivable *(Note 8a)*		**397,490**		393,595
Loan Receivable From PSF II *(Note 8b)*		**7,717**		-
	$	**4,296,665**	$	4,626,886
LIABILITIES				
Current				
Accounts payable and accrued liabilities *(Note 13)*	**$**	**833,100**	$	421,081
Equipment loans payable *(Note 9)*		**663,970**		688,232
Accrued interest payable *(Note 11)*		**160,413**		81,880
Promissory note payable *(Note 10)*		**207,104**		211,072
		1,864,587		1,402,265
Equipment Loans Payable *(Note 9)*		**78,365**		232,115
Convertible Debentures Payable *(Note 11)*		**3,731,611**		3,366,397
		5,674,563		5,000,777
EQUITY				
Share Capital *(Note 12)*		**171,172**		171,172
Reserve – Poydras Gaming *(Note 22)*		**(206,781)**		(206,781)
Accumulated other comprehensive income		**234,979**		98,447
Deficit		**(2,824,865)**		(1,692,194)
Equity Attributable to Owners of the Company		**(2,625,495)**		(1,629,356)
Non-controlling Interest *(Note 22)*		**1,247,597**		1,255,465
Total Equity		**(1,377,898)**		(373,891)
	$	**4,296,665**	$	4,626,886

Subsequent Events *(Note 23)*

Approved on behalf of the Board of Directors:

"Peter Macy", Director

"Daniel Davila", Director

- The accompanying notes are an integral part of these financial statements -

Poydras Specialty Finance Corp.

Interim Consolidated Statements of Comprehensive Loss

(Unaudited)

(Expressed in US Dollars)

		For the Three Months Ended March 31, 2014		From Incorporation on January 25, 2013 to March 31, 2013
Revenue				
Leasing revenue	$	155,881	$	10,171
Interest income		3,895		-
		159,776		10,171
Expenses				
Depreciation expense		88,812		9,150
Equipment placement fees		36,534		873
Equipment service fees		15,582		80
Financing costs *(Notes 11 and 21)*		98,593		-
Loss on valuation of debentures *(Notes 11)*		493,112		-
Office and administration		14,634		56
Professional fees *(Note 21)*		453,384		115,420
Salaries and benefits		90,000		-
Travel		9,664		-
		1,300,315		125,579
Net loss for the period		(1,140,539)		(115,408)
Attributable to:				
Non-controlling interest *(Note 22)*		7,868		78,763
Net loss for the period attributable to owners of the Company		(1,132,671)		(36,645)
Other comprehensive income:				
Items that may never be reclassified to net income / loss				
Cumulative translation differences (attributable to owners of the Company)		136,532		-
Comprehensive Loss for the Period	$	(996,139)	$	(36,645)
Loss per share - basic and diluted	$	0.02	$	366.45
Weighted average number of common shares outstanding		56,755,000		100

– The accompanying notes are an integral part of these financial statements –

Poydras Specialty Finance Corp.
Interim Consolidated Statement of Cash Flows
(Unaudited)
(Expressed in US Dollars)

Cash Provided By (Used In):	For the Three months ended March 31, 2014	From Incorporation on January 25, 2013 to March 31, 2013
Operations:		
Loss for the period before non-controlling interest	**$ (1,140,539)**	$ (115,408)
Items not affecting cash:		
Accrued interest income	**(3,895)**	-
Accrued interest expense	**84,788**	-
Amortization of prepaid placement fees	**36,534**	873
Amortization of prepaid service fees	**2,502**	80
Depreciation	**88,812**	9,150
Loss on valuation of debentures	**493,112**	-
	(438,686)	(105,305)
Change in non-cash working capital:		
Accounts receivable	**(16,435)**	(10,269)
Prepaid expenses	**-**	(50,000)
Accounts payable and accrued liabilities	**412,019**	393,972
	(43,102)	228,398
Investing:		
Prepaid placement fees	**-**	(550,000)
Purchase of gaming equipment	**(178,012)**	(338,200)
Loans receivable	**(7,717)**	-
	(185,729)	(888,200)
Financing:		
Proceeds from (repayment of) promissory notes payable	**(6,987)**	100
Non-controlling interest contributions	**-**	664,698
Issuance of shares for cash	**-**	97
	(6,987)	664,895
Net increase (decrease) in cash	**(235,818)**	5,093
Exchange impact on cash held in foreign currency	**5,398**	-
Cash - beginning of period	**427,390**	-
Cash - end of period	**$ 196,970**	$ 5,093

Non-Cash Investing and Financing Transactions *(Note 17)*

- The accompanying notes are an integral part of these financial statements –

Poydras Specialty Finance Corp.
Interim Consolidated Statement of Changes in Equity

(Unaudited)

(Expressed in US Dollars)

	Attributable to Owners of the Company							
	Share Capital *(Note 12)*							
	Shares	Amount $	Reserve - Poydras Gaming $	Accumulated Other Comprehensive Income $	Deficit $	Total $	Non-controlling Interest $	Total Equity $
Balance - January 25, 2013	-	-	-	-	-		-	-
Total Comprehensive income (loss)								
Net loss for the period	-	-	-	-	(36,645)	(36,645)	(78,763)	(115,408)
Total net loss and comprehensive loss	-	-	-	-	(36,645)	(36,645)	(78,763)	(115,408)
Transactions with owners of the Company								
Issuance of shares	100	97	-	-	-	97	-	97
Non-controlling interest contributions	-	-	-	-	-	-	664,698	664,698
Balance – March 31, 2013	**100**	**97**	**-**	**-**	**(36,645)**	**(36,548)**	**585,935**	**549,387**

- The accompanying notes are an integral part of these financial statements –

Poydras Specialty Finance Corp.
Interim Consolidated Statement of Changes in Equity
(Unaudited)
(Expressed in US Dollars)

	Attributable to Owners of the Company							
	Share Capital *(Note 12)*							
	Shares	Amount $	Reserve - Poydras Gaming $	Accumulated Other Comprehensive Income $	Deficit $	Total $	Non-controlling Interest $	Total Equity $
Balance - January 1, 2014	56,755,000	171,172	(206,781)	98,447	(1,692,194)	(1,629,356)	1,255,465	(373,891)
Total Comprehensive income								
Net loss for the period	-	-	-	-	(1,132,671)	(1,132,671)	(7,868)	(1,140,539)
Foreign currency translation	-	-	-	136,532	-	136,532	-	136,532
Total comprehensive income	-	-	-	136,532	(1,132,671)	(996,139)	(7,868)	(1,004,007)
Balance - March 31, 2014	**56,755,000**	**171,172**	**(206,781)**	**234,979**	**(2,824,865)**	**(2,625,495)**	**1,247,597**	**(1,377,898)**

- The accompanying notes are an integral part of these financial statements –

1. Nature of Operations

Poydras Specialty Finance Corp. ("**the Company**" or "**Poydras**") was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on January 25, 2013 as Platform 10 GP Inc. and changed its name to Poydras Specialty Finance Corp. on August 1, 2013. The Company is in the business of providing capital and gaming equipment to casino operators and vendors in the USA. The Company's registered office is located at 3 Church Street, Suite 300, Toronto, Ontario, M5E 1M2.

On May 9, 2014, the Company completed a reverse takeover ("**RTO**") of Poydras Gaming Finance Corp. (formerly Great Northern Gold Exploration Corporation) ("**Great Northern**"), a Canadian company trading on the TSX-V. Concurrently with the RTO, Great Northern completed equity and convertible debenture prospectus offerings for gross proceeds of C$3,345,000 and $7,732,000 respectively. Concurrently with the RTO, Great Northern and the Company acquired all of the units of Windy Hill Capital LLC ("**Windy Hill**") and the remaining minority interest in Poydras Gaming LLC *(Note 23)*. As a result of the minority interest acquisition, Great Northern and the Company now own 100% of the limited partnership and general partnership interests in Poydras Gaming,

2. Basis of Presentation

a) Statement of Compliance

These condensed interim consolidated financial statements were prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies and methods of application applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company's most recent annual consolidated financial statements as at and for the year ended December 31, 2013, except for those policies which have changed as a result of the adoption of new and amended IFRS pronouncements effective January 1, 2014.

These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and therefore should be read in conjunction with the Company's most recent annual consolidated financial statements as at and for the year ended December 31, 2013. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in Note 3 of these condensed interim consolidated financial statements.

These financial statements were approved for issue by the board of directors effective May 29, 2014.

b) Basis of Measurement

These financial statements have been prepared on the historical cost basis, as explained in the accounting policies set out in Note 3 of the audited consolidated financial statements of the Company for the year ended December 31, 2013.

All figures presented in these financial statements are in US dollars unless otherwise indicated.

2. Basis of Presentation - *Continued*

c) Basis of Consolidation

These interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned U.S. subsidiary Platform 9 Corporation ("**Platform 9**") which as of March 31, 2014 owned 50% of the general partnership interest and as well as a majority of the limited partnership interests in its licensed operating subsidiary, Poydras Gaming LLC (formerly Poydras Gaming LLLP) ("**Poydras Gaming**"). As of March 31, 2014, Platform 9 owned an overall 61.57% economic interest in Poydras Gaming. The remaining 50% general partnership interest in Poydras Gaming was owned by Poydras Capital Partners LLC ("**PCP**"). PCP is owned by the founders, who as a group, also controlled the operations and relevant activities of Poydras Gaming as at March 31, 2014.

On May 9, 2014, Great Northern and Platform 9 acquired from PCP and from Poydras Street Finance II LLC ("**PSF II**") the 50% general partnership ("**GP**") interest in Poydras Gaming in exchange for $600,000 and acquired also the remaining limited partnership interest in Poydras Gaming for $2,000,000 *(Note 23)*. Effective May 9, 2014, the Company owns 100% interest in Poydras Gaming.

d) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These financial statements are presented in US dollars. The functional currency of the Canadian parent company is the Canadian dollar and the functional currency of Platform 9 and Poydras Gaming is the US dollar. Canadian parent's financial statement amounts are translated into US dollars as follows: assets and liabilities – at the closing rate as at the balance sheet date, and income and expenses – at the average rate of the period. All resulting changes are recognized in other comprehensive loss as cumulative translation differences.

Transactions in foreign currencies are translated into the functional currency at exchange rates at the dates of the transactions. Foreign currency differences arising on translation are recognized in profit or loss. Foreign currency monetary assets and liabilities are translated at the functional currency exchange rate at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. All gains and losses on translation of these foreign currency transactions are included in the consolidated statement of comprehensive loss.

3. Significant Adoption of New and Amended IFRS Pronouncements

The accounting policies followed in these interim consolidated financial statements are consistent with those for the year ended December 31, 2013, except as described below. These financial statements should be read together with the audited consolidated financial statements for the year ended December 31, 2013, which in Note 3 detail all significant accounting policies adopted by the Company.

(Expressed in US Dollars unless otherwise stated)

3. Significant Adoption of New and Amended IFRS Pronouncements - *Continued*

a) Changes in Accounting Policies

The Company has adopted the following new and revised standard effective January 1, 2014. The changes were made in accordance with the applicable transitional provisions. The adoption of these standards did not result in significant changes to the Company's financial statements.

IFRIC 21, *Levies* - In May 2013, the IASB issued IFRIC 21, *Levies.* The IFRIC 21 provides guidance on accounting for levies in accordance with the requirements of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets.* The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation. It also notes that levies do not arise from executory contracts or other contractual arrangements. The interpretation also confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. The adoption of these amendments effective January 1, 2014 did not have a material impact on the Company's financial statements.

b) Recent Accounting Pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards.

IFRS 9 – Financial Instruments: Classification and Measurement - This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, 'Financial Instruments: Recognition and Measurement'. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized costs only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value with changes in fair value through profit or loss. In addition, this new standard has been updated to include guidance on financial liabilities and de-recognition of financial instruments. The IASB tentatively decided at its February 2014 meeting that the mandatory effective date of IFRS 9, Financial Instruments, will be for annual periods beginning on or after January 1, 2018. The Company continues to monitor this and all other developments and continues to assess the impact

4. Accounting Receivable

		March 31, 2014		December 31, 2013
Taxes receivable from federal governments	$	28,829	$	13,471
Trade receivable		40,761		39,684
Other receivables		517		517
	$	70,107	$	53,672

(Expressed in US Dollars unless otherwise stated)

5. Prepaid Expenses

The summary of the Company's prepaid expenses is as follows:

As at March 31, 2014		Cost		Accumulated Amortization		Net Book Value
Equipment service fees	$	50,000	$	(8,058)	$	41,942
Other prepaid expenses	$	5,000	$	-		5,000
	$	55,000	$	(8,058)	$	46,942

As at December 31, 2013		Cost		Accumulated Amortization		Net Book Value
Equipment service fees	$	50,000	$	(5,556)	$	44,444
Other prepaid expenses	$	5,000	$	-		5,000
	$	55,000	$	(5,556)	$	49,444

Allocation of prepaid expenses between current and non-current assets is as follows:

		March 31, 2014		December 31, 2013
Equipment service fees	$	41,942	$	44,444
Other prepaid expenses		5,000		5,000
		46,942		49,444
Less current portion		(15,008)		(15,008)
Non-current portion	$	31,934	$	34,436,

6. Prepaid Placement Fees

The summary of the Company's prepaid placement fees is as follows:

As at March 31, 2014		Cost		Accumulated Amortization		Net Book Value
Placement fees	$	2,050,000	$	(99,437)	$	1,950,563

As at December 31, 2013		Cost		Accumulated Amortization		Net Book Value
Placement fees	$	2,050,000	$	(62,903)	$	1,987,097

(Expressed in US Dollars unless otherwise stated)

6. Prepaid Placement Fees - *Continued*

Allocation of prepaid placement fees between current and long term portions is as follows:

		March 31, 2014		December 31, 2013
Placement fees	$	1,950,563	$	1,987,097
Less current portion		(176,256)		(176,256)
Non-current portion	$	1,774,307	$	1,810,841

7. Property and Equipment

The summary of the Company's property and equipment is as follows:

Gaming Equipment		Cost		Accumulated Amortization		Net Book Value
Beginning balance – January 25, 2013	$	-	$	-	$	-
Purchases		757,675		-		757,675
Equipment under finance leases		1,215,836		-		1,215,836
Amortization		-		(257,823)		(257,823)
Balance – December 31, 2013	$	1,973,511	$	(257,823)	$	1,715,688
Amortization		-		(88,812)		(88,812)
Balance – March 31, 2014	$	1,973,511	$	(346,635)	$	1,626,876

Legal ownership title to the equipment financed under capital lease agreements will transfer to the Company upon full repayment of the equipment loans payable *(Note 9)*.

8. Loans Receivable

a) Financing Loan Receivable

On October 2, 2013, the Company entered into a financing loan agreement with a company involved in assembling gaming equipment and leasing it to gaming casinos in the USA. The Company agreed to provide an initial loan of $500,000 for the construction and placement in casinos of 50 gaming machines. The loan provides for the Company to receive a fixed dollar amount revenue share from the machines for as long as they are in operation at their initial location or a subsequent placement location based on a sliding schedule for the number of days in which a given machine is in operation. For the purposes of calculating a return of principal, the note bears an annual interest rate of 4% and is without recourse to the borrower. The loan and accrued interest will be repaid by the borrower by paying a fixed amount of money per gaming machine for every day the financed gaming machines are in operation at a casino. As a security for the loan, the Company will have a perfected first priority security interest in the borrower's right, title and interest in the gaming equipment and certain revenue share agreements that the borrower is expected to enter into with casinos. Subject to certain terms and conditions, the Company has an exclusive right, but not an obligation, to provide additional funding of up to $9,500,000 for the construction and placement of up to 950 additional gaming machines.

(Expressed in US Dollars unless otherwise stated)

8. Loans Receivable - *Continued*

b) Financing Loan Receivable - *Continued*

As of March 31, 2014, the Company has advanced to the borrower $389,850 (December 31, 2013 - $389,850). The remaining $110,150 will be advanced to the borrower when the first 30 gaming machines are placed and operational in a casino. For the three months ended March 31, 2014, the Company accrued $3,985 (March 31, 2013 - $Nil) of interest income on this loan. As of March 31, 2014, the borrower has not placed any gaming machines with casinos. Subsequent to March 31, 2014, the borrower has placed two gaming machines with one casino in California.

c) Loan Receivable from PSF II

During the current period, the Company paid for certain expenses of PSF II totaling $7,717. This amount is unsecured, non-interest bearing and is not expected to be collected within the next 12 months. On May 9, 2014, the Company acquired a 100% equity interest in PSF II *(Note 23).*

9. Equipment Loans Payable

The Company is financing acquisition of a number of the gaming machines by obtaining capital lease financing directly from the vendors. The realized financing obligation is recorded and presented as Equipment Loans Payable. Details of these loans are as follows:

	March 31, 2014	December 31, 2013
Equipment financing loan commencing on March 1, 2013 for a principal amount of $302,000, bearing an annual interest rate of 6%, with a maturity date of March 1, 2015 and secured by the underlying equipment. Repayable in monthly blended principal and interest payments of $12,046.34.	$ 164,797	$ 198,698
Equipment financing loan commencing on May 13, 2013 for a principal amount of $710,436, bearing an annual interest rate of 8%, with a maturity date of May 13, 2015 and secured by the underlying equipment. Repayable in monthly blended principal and interest payments of $32,182.97.	459,880	581,137
Equipment financing loan commencing on May 10, 2013 for a principal amount of $203,400, bearing an annual interest rate of 6%, with a maturity date of May 10, 2015 and secured by the underlying equipment. Repayable in monthly blended principal and interest payments of $8,113.33.	117,658	140,512
	742,335	920,347
Less current portion	(663,970)	(688,232)
Non-current portion	$ 78,365	$ 232,115

10. Promissory Note Payable

During the year ended December 31, 2013, the Company signed a promissory note payable with the Company's directors and officers for a principal amount of $204,085. The loan is unsecured, bears interest at 6% per annum and is due on demand. As of March 31, 2014, the carrying value of the promissory note payable of $207,104 consists of $204,085 of principal and $3,019 accrued interest expense. The loan principal and accrued interest was repaid in full subsequent to March 31, 2014.

11. Convertible Debentures Payable

On September 30, 2013 (the **"Effective Date**"), the Company arranged a financing of C$3,000,000 through the issuance of convertible debentures. The debentures were bearing an annual interest rate of 12% in year one and 15% in year two.

The debentures had a maturity date of September 30, 2015 and were secured by a general security agreement executed by the Company and its wholly-owned subsidiary, Platform 9 and provide a pledge of the Company's interest in Poydras Gaming.

As finders' fees, the Company issued 1,755,000 common shares as finder's shares valued at C$0.10 per share for a total value of $170,639 (C$175,500) and paid $51,886 in cash. Since the debentures are carried at fair value, all financing costs were expensed as incurred. As of March 31, 2014, the Company recorded an aggregate of $160,413 (December 31, 2013 - $84,258) of accrued interest payable on these debentures. Current period accrued interest expense was $81,769

The convertible debentures are classified as a liability and are carried at fair value. The equity conversion feature permits conversion into a variable number of the Company's shares and therefore does not meet the definition of an equity component. The Company has elected to account for the conversion feature and the convertible debentures as one instrument at fair value through profit or loss.

As of March 31, 2014, the fair value of the convertible debentures includes $1,017,416 (December 31, 2013 - $545,788) estimated fair value of the conversion feature which was recorded as $493,112 (December 31, 2013 - $561,633) loss on valuation of debentures on the statement of comprehensive loss.

Subsequent to March 31, 2014, concurrently with closing of the RTO on May 9, 2014, the Company repaid accrued interest in cash and converted C$3,000,000 of the debenture principal into 30,000,000 common shares of the Company at the rate of C$0.10 per common share.

12. Shareholders' Equity

a) Authorized and Issued Share Capital

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

12. Shareholders' Equity - *Continued*

b) Share Capital Transactions

(i) On August 20, 2013, the Company issued 48,750,000 common shares and on September 30, 2013, the Company issued 6,250,000 common shares as Founders Shares at a C$0.00001 per share for total proceeds of $535 (C$550). The issuance of the Founder Shares is a transaction with the owners of the Company in their capacity as owners and accordingly these shares have been accounted for at the amount of the cash consideration received.

(ii) On September 30, 2013, as compensation for the Agents for arranging of the C$3,000,000 convertible debenture, the Company issued 1,755,000 common shares as finder's shares valued at C$0.10 per share for a total value of $170,639 (C$175,500). The fair value of shares was determined based on the equivalent cash consideration the Agents could have received for their services at the Agents' option.

(iii) Subsequent to period end, on May 9, 2014, the Company issued 30,000,000 common shares upon conversion of C$3,000,0000 of convertible debentures.

13. Operating Leases Revenue

The Company entered into two arrangements to lease out gaming machines to casinos in the state of Oklahoma. These lease arrangements were classified as operating leases as substantially all of the risks and rewards associated with the gaming machines will not be transferred to the casinos. There are no minimum lease payments associated with these arrangements as all lease payments are contingent on the performance of the gaming machines.

Contingent rents recognized during the period were $155,881 (March 31, 2013 - $10,171). These amounts were recorded as leasing revenue.

Lease revenue contract #1

The term of the lease revenue contract #1 with a Northeastern Tribe of Oklahoma is 5 years expiring between March and July 2018 for 98 gaming machines placed by the Company in one casino. The Company has an option to place a total of up to 173 machines in Northeastern Tribe's casinos, As of March 31, 2014 revenue was generated by 98 machines placed with the Northeastern Tribe's casino, Subsequent to March 31, 2014, the Company placed additional 8 machines effective April 1, 2014, for a total of 106 machines.

Lease revenue contract #2

The Company's lease revenue contract #2 with a Northwestern Tribe of Oklahoma allows the Company to place up to 150 gaming machines in its casinos. As of March 31, 2014, 25 machines were placed with the Northwestern Tribe and an additional 25 are awaiting an installation in a casino.

(Expressed in US Dollars unless otherwise stated)

14. Earnings (Loss) Per Share

The calculation of basic and diluted earnings (loss) per share has been calculated based on the weighted average number of ordinary shares issued and outstanding during the reporting period.

Diluted and basic loss per share for the period January 25th, 2013 to March 31, 2013 and the three months ended March 31, 2014 are the same because the effects of potential issuances of shares under the convertible loans would be anti-dilutive.

15. Related Party Transactions

Related party transactions and balances are as follows:

(a) During the period ended March 31, 2014, the Company recorded $90,000 (March 31, 2013 - $Nil) of salaries to the Company's three directors and officers and each received a salary of $10,000 per month commencing on September 15, 2013.

(b) During the period ended March 31, 2014, the Company recorded $3,019 of interest expense on promissory notes payable to directors and officers of the Company *(Note 10)*.

(c) As of March 31, 2014, the amount owing to directors and officers of the Company under the promissory notes payable was $207,104 *(Note 10).*

(d) As of March 31, 2014, included in accounts payable and accrued liabilities is $15,000 (December 31, 2013 - $15,000) owing to the Company's directors and officers for accrued salaries. This liability is non-interest bearing and is repayable on demand.

(e) Compensation of Key Management Personnel

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. As of March 31, 2014, the Company's key management personnel consist of the Company's directors and senior management (Chief Executive Officer, President and Chief Financial Officer). The following is a summary of compensation paid to the key management personnel:

Nature of Transactions	Notes	March 31, 2014	March 31, 2013
Salaries	(i)	$ 90,000	$ Nil

(i) Salaries include those details disclosed above

The above transactions occurred in the normal course of operations, and are measured at the amount of consideration established and agreed to by the related parties.

(Expressed in US Dollars unless otherwise stated)

16. Segmented Information

The Company's operating businesses are structured and managed on a project by project basis. The Company is engaged in the business of leasing of gaming equipment to casinos and providing capital to a gaming equipment manufacturer. Senior management reviews gross margins on a project by project basis and operating expenses are reviewed on a consolidated basis. Financial information, including revenues and related expenses, are not reviewed on a business line basis by the Company's senior management. Hence, based on the Company's organizational structure and the manner in which the operations are managed and evaluated by senior management, the Company is considered to be operating in one reportable segment. All revenues are generated in the USA and substantially all of the Company's assets are located in the USA.

17. Non-Cash Investing and Financing Transactions

The following is a supplemental schedule of non-cash financing and investing activities:

	For the three months ended March 31, 2014	From January 25, 2013 to March 31, 2013
Equipment purchases under finance leases	**$ -**	$ 302,000

18. Capital Management

The Company depends on internal generated revenues and external financing to fund its activities. The capital structure of the Company currently consists of common shares and convertible loans. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and performance of gaming equipment in casinos to which equipment is being leased by the Company. In order to maintain or adjust the capital structure, the Company may arrange more loans, issue new common shares through private placements, or sell assets to fund operations. Management reviews its capital management approach on regular basis. The Company is not subject to externally imposed capital requirements.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other short-term guaranteed deposits, all held with major financial institutions.

(Expressed in US Dollars unless otherwise stated)

19. Financial Instruments

a) Categories of Financial Assets and Liabilities

The carrying value of the Company's financial instruments is classified into the following categories:

		March 31, 2014		December 31, 2013
Loans and receivables (i)	$	672,284	$	874,657
Other financial liabilities (ii)	$	1,942,952	$	1,634,380
FVTPL liabilities (iii)	$	3,731,611	$	3,366,397

(i) Financial instruments classified as loans and receivables consist of cash, accounts receivable and loan receivable

(ii) Financial instruments classified as other financial liabilities consist of accounts payable, accrued interest payable, promissory notes payable and equipment loans payable

(iii) Financial instruments classified as fair value through profit or loss consist of convertible debenture payable

The carrying values of the Company's financial instruments approximate their fair values.

b) Fair Value of Financial Instruments

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates;

Level 3: Valuation based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value of cash, accounts receivable, accounts payable, loans payable, promissory notes payable approximate their respective carrying values due to their short term maturities. The fair value of the loan receivable approximates the carrying value because the underlying market rate did not change.

Convertible debentures are carried at fair value in the statement of financial position. The Company calculates the fair value of the convertible loans using a discounted cash flow model taking into account the fair value of the conversion option. The application of level 3 inputs is used in this valuation methodology.

The fair value of the instrument was calculated using an internal valuation methodology taking into account the fact the instrument is only convertible after the RTO takes place. The fair value of the instrument is calculated based on fair values of the underlying entities in the combined group adjusted for the likelihood the reverse takeover would occur.

19. Financial Instruments - *Continued*

b) Fair Value of Financial Instruments - *Continued*

Significant unobservable inputs include the fair value of combined entity after the proposed reverse takeover transaction (the valuation ranges between $17,930,000 and $19,050,000) and the probability factor for the completion of the reverse takeover (as of March 31, 2014 estimated to be 85%). Had the likelihood of the reverse takeover occurring been estimated at 100%, the conversion option would have increased in value by $179,544.

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

FVTPL Liabilities		March 31, 2014		December 31, 2013
Balance – opening	$	3,366,397	$	-
Issuance of convertible debentures		-		2,820,609
Fair value of the conversion feature		493,112		545,788
Foreign exchange		(127,898)		-
Balance – ending	$	3,731,611	$	3,366,397

There were no transfers of instruments between levels in the fair value hierarchy.

c) Management of Risks Arising from Financial Instruments

The Company's financial instruments are exposed to the following financial risks:

(i) Credit Risk – Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. The Company's credit risk consists primarily of cash, accounts receivable and loan receivable. The credit risk is minimized by placing cash and investing short-term investments with large Canadian and USA financial institutions. Credit risk is managed through dealing with financially strong counterparties and regular cash collections. Accounts receivable and loan receivable are due from a financially strong trade customer. In addition the loan receivable is secured through collateral on gaming equipment.

(ii) Currency Risk – The Company's main operations are conducted in the USA and using US dollars. The Canadian parent company conducts certain transactions in Canadian dollars, therefore the Company is exposed to foreign currency fluctuation. The Company uses US dollars as its reporting currency and the parent company's resulting exchange differences between Canadian functional currency and US reporting currency are reported as accumulated other comprehensive income (loss), which is presented as a separate component of equity. The currency exchange fluctuations between the Canadian and US dollars relating to the parent company's income and expenses would have an impact on profit or loss of the Company.

As of March 31, 2014 and for the period then ended, a 1% increase in the value of the Canadian dollar in relation to the US dollar would have decreased net assets by $44,129 and would have increased net loss of the Company by $9,404.

(Expressed in US Dollars unless otherwise stated)

19. Financial Instruments - *Continued*

c) Management of Risks Arising from Financial Instruments - *Continued*

(iii) Liquidity Risk – Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due if additional capital is not available to the Company when required. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations, loan obligations and capital expenditures. The Company ensures that sufficient funds are raised from debt or equity financings to meet its operating requirements, after taking under account its existing working capital and expected future revenues. The Company's cash is invested in business accounts which are available on demand for the Company's programs and are not invested in any asset backed deposits or investments. Additional information regarding liquidity risk is disclosed in Note 1.

The following table summarizes amounts and maturity dates of the Company's contractual obligations as of March 31, 2014:

	2014	2015	Total
Accounts payable and accrued liabilities	$ 833,100	$ -	$ 833,100
Equipment loans payable*	693,770	79,163	772,933
Accrued interest payable**	194,322	-	194,322
Promissory notes payable***	208,581	-	208,581
Convertible debentures	2,714,195	-	2,714,195
	$ 4,643,968	$ 79,163	$ 4,723,131

* Including future interest expense on equipment loans payable to maturity

** Including future interest expense on convertible debentures accrued as of May 9, 2014, the date of conversion of the Convertible debenture into common shares of the Company.

*** Including additional interest expense on the promissory note up to the date of repayment of the note on May 14, 2014

20. Major Customers and Concentration of Risk

During the period ended March 31, 2014, 100% of revenue has been earned in the USA, and 98% of total revenue has been earned from two customers.

(Expressed in US Dollars unless otherwise stated)

21. Nature of Expenses

		Three Months Ended March 31, 2014		Period Ended March 31,2013
Financing costs				
Interest expense	$	98,593		-
Professional fees				
Accounting and audit	$	33,989	$	-
Legal fees		404,077		115,420
Tax		15,318		-
		453,384	$	115,420

22. Acquisition of Poydras Gaming

During the year ended December 31, 2013, the Company's wholly owned subsidiary Platform 9 acquired a majority interest in Poydras Gaming, a privately owned partnership involved in leasing gaming equipment to casino operators in the USA, by investing an aggregate amount of $2,047,229 for general and limited partnership units issued by Poydras Gaming. The acquisition was achieved in a number of separate cash payments to Poydras Gaming commencing on September 30, 2013, which as of December 31, 2013 and March 31, 2014 resulted in Platform 9 having control of, and a 61.57% ownership interest in, Poydras Gaming. All companies involved in this acquisition were under a common control, therefore this transaction does not result in a business combination and it is treated as a corporate restructuring.

Even though Platform 9 legally acquired controlling interest in Poydras Gaming on September 30, 2013, the results of operations of Poydras Gaming have been presented in these consolidated financial statements as if the acquisition had taken place on the date of formation of Poydras Gaming, being February 11, 2013. Prior to September 30, 2013, Poydras Gaming was controlled by PCP, an entity whose founders also controlled the relevant activities of the Company and its principal investment, Poydras Gaming. The September 30, 2013 acquisition of direct interests in Poydras Gaming simply represents a restructuring of the founders' ownership interests to facilitate future operations of the Company. Any differences between the consideration paid by Platform 9 on various investment dates and the book value of the ownership interests acquired on these dates, is being recorded as a separate component of equity as Reserve – Poydras Gaming.

The non-controlling interest relates to minority owners of Poydras Gaming. As of December 31, 2013 and March 31, 2014, the minority interest in Poydras Gaming was 38.43%. Non-controlling interest is adjusted by the non-controlling interest's portion of the income or loss from operations of Poydras Gaming. Additional adjustments are made to the non-controlling interest when additional limited partnership units of Poydras Gaming are acquired either by the Company or by the minority owners.

(Expressed in US Dollars unless otherwise stated)

22. Acquisition of Poydras Gaming - *Continued*

Details of the non-controlling interest in Poydras Gaming are as follows:

Formation of Poydras Gaming on February 11, 2013	$	-
Capital contributions by non-controlling interest		1,313,794
Loss for the period allocated to non-controlling interest		(265,110)
Adjustments to non-controlling interest on subsequent acquisitions		206,781
Non-controlling interest as of December 31, 2013		1,255,465
Loss for the period allocated to non-controlling interest		(7,868)
Non-controlling interest as of March 31, 2014	$	1,247,597

As of December 31, 2013 and March 31, 2014, PSF II was holding the remaining limited partnership units of Poydras Gaming. PCP was holding the remaining 50% of the general partnership units of Poydras Gaming, which represents 7.5% of the overall equity interest in Poydras Gaming.

While the Company holds 61.57% of the ownership interest in Poydras Gaming, based on the terms of partnership agreement under which Poydras Gaming was established, decision over the relevant activities is achieved by way of general partnership. Poydras Gaming is therefore a consolidated structured entity.

The Company has issued no guarantees in respect to the Poydras Gaming nor has the Company entered into an arrangement requiring further financial support in the future. Financial support provided during 2013 was through direct investment in Poydras Gaming. The Company has no intent to provide additional financial support in the future as Poydras Gaming is expected to become a self-sufficient entity.

On May 9, 2014, Great Northern and Platform 9 acquired from PCP and from PSF II the remaining 50% general partnership interest in Poydras Gaming to the Company in exchange for $600,000 and acquired the remaining limited partnership interest in Poydras Gaming for $2,000,000. Effective May 9, 2014, the Company owns 100% interest in Poydras Gaming.

23. Subsequent Events

a) Reverse Takeover with Great Northern

On May 9, 2014, Great Northern and Poydras completed a reverse takeover acquisition ("**RTO**"), pursuant to which Great Northern acquired, all of the issued and outstanding shares of Poydras in exchange for shares of Great Northern (the "**Acquisition**"). Great Northern's common shares are listed on the TSX-V stock exchange. Prior to the Acquisition, all of the issued and outstanding common shares of Great Northern were consolidated on a two for one basis and each share in the capital of Poydras was transferred to Great Northern in exchange for one post-consolidation share in the capital of Great Northern.

Concurrently with closing of the RTO, the Company converted C$3,000,000 of the September 30, 2013 convertible debentures principal into 30,000,000 common shares of the Company at the rate of C$0.10 per common share.

In exchange for the shares of Poydras, Great Northern issued an aggregate of 86,755,000 post-consolidation common shares to the Company's shareholders and 500,000 post-consolidation common shares were also issued as payment for a finder's fee in connection with the RTO.

23. Subsequent Events - *Continued*

a) Reverse Takeover with Great Northern

Poydras became a legal subsidiary of Great Northern. Great Northern remains a publicly traded company and changed its name to Poydras Gaming Finance Corp. For accounting purposes, the Acquisition was treated as an acquisition of assets of Great Northern by Poydras.

b) Prospectus Financings

Concurrently with the RTO, Great Northern completed equity and convertible debenture prospectus offerings for gross proceeds of C$3,345,000 and $7,732,000 respectively. Details are as follows:

(i) Equity Financing

On May 9, 2014, Great Northern completed an equity prospectus financing of 13,380,000 post-consolidation shares at a price of C$0.25 per share for gross proceeds of C$3,345,000. As compensation for the agents, Great Northern paid (i) C$234,150 cash commission equal to 7% of gross proceeds of the offerings, (ii) C$25,000 work fee and (iii) C$3,000 administration fee. Great Northern also issued 936,600 Agents' Warrants equal to 7% of the number of shares issued pursuant to the equity offering. These Agents' Warrants can be exercised at C$0.25 per share on or before May 9, 2016. Great Northern also reimbursed the Agent for C$110,000 of legal and other out of pocket expenses.

(ii) Convertible Debentures Financing

On May 9, 2014, Great Northern completed a convertible debenture prospectus financing of 7,732 convertible debentures at a price of $1,000 per convertible debenture for an aggregate of $7,732,000 principal amount of secured convertible debentures (the "**Convertible Debentures**"). The Convertible Debentures bear interest at an annual rate of 11% payable quarterly on March 31, June 30, September 30 and December 31 in each year commencing on June 30, 2014. The maturity date of the Convertible Debentures is March 31, 2017 ("**Maturity Date**").

Conversion

Each Convertible Debenture is convertible into common shares of Great Northern at the option of the holder at any time prior to the close of business on the earlier of (i) the business day immediately preceding the Maturity Date and, (ii) if called for redemption, the business day immediately preceding the date specified by the Company in a redemption notice of the Company, at a conversion price of C$0.33 (the "**Conversion Price**"). The calculation of the number of common shares of the Company issuable on such conversion or redemption shall be based on the closing exchange rate of Canadian dollars converting into U.S. dollars posted by the Bank of Canada the day immediately preceding the date of the notice of conversion or redemption, as the case may be.

23. Subsequent Events - *Continued*

b) Prospectus Financings - *Continued*

(ii) <u>Convertible Debentures Financing</u> - Continued

Redemption

The Convertible Debentures will not be redeemable prior to March 31, 2016 (except in limited circumstances involving a change of control). On and after March 31, 2016 and prior to the Maturity Date, the Convertible Debentures may be redeemed in whole or in part at the option of the Company on not more than 60 days and not less than 30 days prior notice at a price equal to their principal amount plus accrued and unpaid interest Principal repayment upon redemption along with any unpaid accrued interest will be paid in cash.

Security

The Convertible Debentures are secured by: (1) a first ranking security interest over all present and future assets of Great Northern and the Company; (2) joint and several guarantees by the Company's subsidiaries, being Poydras Specialty Finance Corp., Platform 9, PSF II, Poydras Gaming and Windy Hill; and (3) first ranking pledges of the shares and units, participation or other equivalent rights in equity or capital, as the case may be, of each of Platform 9, PSF II, Poydras Gaming and Windy Hill and proceeds thereof.

Agents' Compensation

As compensation for the Agents, Great Northern paid to the Agents (i) $541,240 cash commission equal to 7% of gross proceeds of the debenture offerings and (ii) C$25,000 work fee. Great Northern also issued to the Agents 280 Agents' Warrants, for each $1,000 principal amount of Convertible Debentures sold, for an aggregate total of 2,164,960 Agents' Warrants. These Agents' Warrants can be exercised at C$0.25 per share on or before May 9, 2016. Great Northern also paid to the Agent C$189,841 retainer towards reimbursement of Agent's legal and other out of pocket expenses.

c) Acquisition of Windy Hill Capital LLC

Pursuant to a Share Exchange Agreement dated January 29, 2014, concurrently with the RTO on May 9, 2014, Great Northern and the Company acquired through Platform 9 all of the units of Windy Hill Capital LLC ("**Windy Hill**") in consideration for the issuance to the members of Windy Hill of: (i) an aggregate of 6,705,409 post-consolidation common shares valued at $1,500,000, (ii) unsecured promissory notes in the aggregate principal amount of $1,500,000 with a 10% interest rate and quarterly payments amortized over a three year term beginning six months from May 9, 2014, and (iii) $1,000,000 in cash. Windy Hill is an Oklahoma limited liability company that is a provider of capital and gaming equipment to casino operators in the U.S. Windy Hill holds an interest in long-term contracts on 126 gaming machines in operation in two casinos owned by a U.S. federally recognized Northwestern Tribe of Oklahoma.

23. Subsequent Events - *Continued*

d) Acquisition of Minority Interest in Poydras Gaming

Pursuant to the definitive acquisition agreement dated January 29, 2014, on May 9, 2014, Great Northern and the Company acquired through Platform 9:

- all of the units of PSF II in consideration for the issuance of (i) 4,023,245 post-consolidation common shares in the capital of Great Northern valued at $900,000, and (ii) $1,100,000 in cash. PSF II holds a minority limited partnership interest in Poydras Gaming.

- a 50% of the general partnership interest in Poydras Gaming held by PCP in consideration for the issuance of (i) 1,788,109 post-consolidation common shares in the capital of Great Northern valued at $400,000 and (ii) $200,000 in cash.

As a result of the minority interest acquisition, the Company now owns 100% of the limited partnership and general partnership interests in Poydras Gaming,

e) Stock Options

Upon completion of the RTO on May 9, 2014, the Company granted 10,550,000 stock options to its directors and officers. These stock options can be exercised at C$0.25 per share on or before May 9, 2019. These stock options are vesting over 3 years with 10% vesting on the date of grant and an additional 15% vesting every six months thereafter.