

**BIG BLOCKCHAIN INTELLIGENCE GROUP INC.**

**CSE FORM 2A  
LISTING STATEMENT**

November 30, 2017

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## GLOSSARY

“**Annual MD&A**” means the Issuer’s MD&A for the year ended September 30, 2017;

“**Acquisition**” means the acquisition of all the issued and outstanding Blockchain Shares by the Issuer as set out in the Share Exchange Agreement;

“**AML**” means anti-money laundering;

“**API**” means an application program interface, which is a set of routines, protocols, and tools for building software applications that specifies how software components should interact and are used when programming graphical user interface (GUI) components;

“**Associate**” has the meaning ascribed to such term in the *Securities Act* (British Columbia), as amended, including the regulations promulgated thereunder;

“**ASIC Miner**” means a piece of equipment containing an ASIC chip, configured to mine for bitcoins. They can come in the form of boards that plug into a backplane, devices with a USB connector, or standalone devices including all of the necessary software, that connect to a network via a wireless link or ethernet cable;

“**Auditors**” has the meaning ascribed to it in section 21.1 of this Listing Statement;

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, including the regulations promulgated thereunder;

“**Blockchain**” means Blockchain Technology Group Inc.;

“**Blockchain Options**” means options to acquire up to 4,064,724 Blockchain Shares;

“**Blockchain Optionholders**” means the holders of Blockchain Options;

“**Blockchain Shareholders**” means the shareholders of Blockchain;

“**Blockchain Shares**” means the common shares in the capital of Blockchain;

“**Blockchain Warrants**” means warrants to acquire up to 8,528,943 Blockchain Shares;

“**Board**” means the board of directors of the Issuer;

“**Business Combination**” has the meaning ascribed to such term in Multinational Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

“**CFE**” means Certified Fraud Examiner;

“**Common Shares**” means the common shares of the Issuer;

“**Company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“**Computershare**” means Computershare Trust Company of Canada;

“**Cryptocurrency**” means a digital currency, unlike fiat currency, which is based on mathematics alone and is produced by solving mathematical problems based on cryptography;

“**CSE**” means the Canadian Securities Exchange;

“**CSE Listing**” means the listing of the Common Shares on the CSE;

“**Escrow Agent**” means Computershare, in its capacity as escrow agent for the common shares held in escrow under the Escrow Agreement;

“**Escrow Agreement**” has the meaning ascribed to it in section 10 of this Listing Statement;

“**Exchange Ratio**” means the ratio of 1.3395 Common Shares for each issued and outstanding Blockchain Share as of November 30, 2017;

“**Financial Statements**” means the statement of financial position of the Issuer as at September 30, 2017, 2016 and 2015 and the statements of comprehensive loss, changes in shareholders’ equity (deficiency), and cash flows for the years then ended;

“**Financing**” means the equity financing of the Issuer completed on September 19, 2017 raising gross proceeds of \$3,500,000 through the issuance of Common Shares at \$0.35 per Common Share;

“**Fintech**” means the financial technologies used and applied in the financial services sector, chiefly used by financial institutions on the back end of their businesses;

“**Governmental Authority**” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission, or stock exchange, including the CSE;

“**Hash**” refers to a mathematical process that takes a variable amount of data and produces a shorter, fixed-length output and which has two important characteristics: (i) it is mathematically difficult to work out what the original input was by looking at the output; and (ii) changing even the smallest part of the input will produce an entirely different output;

“**Issuer**” means BIG Blockchain Intelligence Group Inc. (formerly Acana Capital Corp.);

“**Listing Date**” means the date of the CSE Listing;

“**Listing Statement**” means this listing statement;

“**MD&A**” means management’s discussion and analysis;

“**person**” means a Company or individual;

“**Plan**” has the meaning ascribed to it in section 8 of this Listing Statement;

“**Pro-Forma Financial Statements**” means the unaudited pro forma statement of financial position for the Issuer as at June 30, 2017 to give effect to the Transaction as if it had taken place as of June 30, 2017, which is attached as Schedule “B” of this Listing Statement;

“**Related Party Transaction**” has the meaning ascribed to such term in Multinational Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

“**SEDAR**” means System for Electronic Document Analysis and Retrieval;

“**Share Exchange Agreement**” means the agreement dated September 14, 2017 made among the Issuer, Blockchain, Blockchain Shareholders and Blockchain Optionholders;

“**Transaction**” means the completion of the Acquisition and the CSE Listing; and

“**TOR**” means an anonymous routing protocol, used by people wanting to hide their identity online. Transaction block A collection of transactions on the Bitcoin network, gathered into a block that can then be hashed and added to the Blockchain.

## **FORWARD LOOKING STATEMENTS**

Certain statements contained in this Listing Statement constitute forward-looking information and forward-looking statements (collectively, “**forward-looking statements**”) pursuant to the applicable securities laws. All statements, other than statements of historical fact, contained in this Listing Statement are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, projected costs and plans and objectives of the Issuer. The use of any of the words “anticipate”, “intend”, “continue”, “estimate”, “expect”, “may”, “will”, “plan”, “project”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Examples of such statements include: (A) expectations regarding the Issuer’s ability to raise capital; (B) the intention to grow the business and operations of the Issuer; and (C) the use of available funds of the Issuer. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Listing Statement. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the economy generally; obtaining requisite licenses or governmental approvals to conduct business; the revenues from the Issuer’s proposed business in information technology relating to blockchain technology, if any revenues are obtained; consumer interest in the products of the Issuer; competition; and anticipated and unanticipated costs. These forward-looking statements should not be relied upon as representing the Issuer’s views as of any date subsequent to the date of this Listing Statement. Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. 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 statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer. Additional factors are noted under “Risk Factors” in this Listing Statement. The forward-looking statements contained in this Listing Statement are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this Listing Statement are made as of the date of this Listing Statement and the Issuer does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

## **GENERAL MATTERS**

Any market data or industry forecasts used in this Listing Statement, unless otherwise specified, were obtained from publicly available sources. Although the Issuer believes these sources to be generally reliable, the accuracy and completeness of such information are not guaranteed and have not been independently verified.

Statistical information included in this Listing Statement and other data relating to the industry in which the Issuer intends to operate is derived from recognized industry reports published by industry analysts, industry associations and independent consulting and data compilation organizations.

**1. CORPORATE STRUCTURE**

**1.1 Corporate Name and Office**

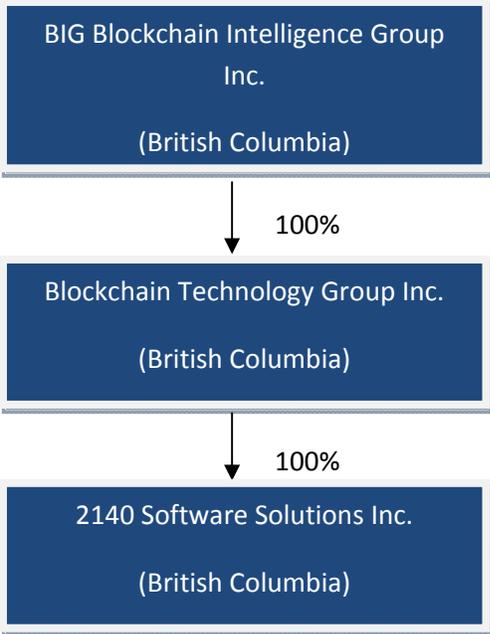
The Issuer’s registered and records office is located at 501-595 Howe Street, Vancouver, British Columbia V6C 2T5.

**1.2 Jurisdiction of Incorporation**

The Issuer was incorporated on October 17, 2014 under the BCBCA under the name of “Ameri-Can Agri Co. Inc.”. On February 1, 2016, the Issuer changed its name to “Acana Capital Corp.”. Pursuant to a plan of arrangement dated January 1, 2015, the Issuer was spun out from its former parent company, Mag One Products Inc., and transferred to the securityholders of Mag One Products Inc. at that time. Prior to the Acquisition, the Issuer’s principal business activity was the acquisition and development of real estate and farming properties. The Issuer was listed for trading on the CSE on March 11, 2015 under the trading symbol “ACM”. On November 30, 2017, the Issuer changed its name from “Acana Capital Corp.” to “BIG Blockchain Intelligence Group Inc. and began trading under the symbol “BIGG”.

**1.3 Intercorporate Relationships**

The following chart illustrates the intercorporate relationships that will exist among the Issuer and its subsidiaries as of the date hereof.



On May 31, 2010, Blockchain was incorporated under the BCBCA under the name of “0882351 BC Ltd.”. In 2015 it commenced operations and was doing business as “Blockchain Intelligence Group”. On July 2, 2015, it changed its name to “Blockchain Technology Group Inc.”. On November 30, 2017, the Issuer acquired Blockchain pursuant to the Share Exchange Agreement dated September 14, 2017 among the Issuer, Blockchain, the Blockchain Shareholders and the Blockchain Optionholders. Pursuant to the Share Exchange Agreement, the Issuer issued from treasury to the Blockchain Shareholders pro rata in portion to their holdings of Blockchain Shares, an aggregate of 37,939,483 Common Shares. The Acquisition was completed on November 30, 2017.

On July 17, 2015, 2140 Software Solutions Inc. was incorporated under the BCBCA and is a wholly-owned subsidiary of Blockchain.

#### **1.4 Fundamental Change**

The Issuer is requalifying following the fundamental change, being the acquisition of Blockchain on November 30, 2017. Prior to completing the fundamental change, the Issuer was known as Acana Capital Corp., with no subsidiaries, affiliates or associated companies and Blockchain was a privately held British Columbia company.

#### **1.5 Non-Corporate Issuers and Issuers Incorporated Outside of Canada**

The Issuer is not a non-corporate issuer or issuer incorporated outside of Canada.

### **2. GENERAL DEVELOPMENT OF THE BUSINESS**

#### **2.1 General Development of the Business**

Since incorporation the Issuer’s principal activity was the acquisition and development of real estate and farming properties in the United States.

In 2016, the Issuer entered into a purchase agreement with Crocker Acana LLC, whereby the Issuer agreed to sell its 50% interest in the JDLP partnership in exchange for US\$2,875,000. Upon the disposition of the JDLP, the Issuer’s farming properties, biological assets planted on the farming properties and equipment installed, previously owned through JDLP, were also disposed.

On July 18, 2017, the Issuer consolidated its issued and outstanding common shares on a 2.1 old shares to one new share basis.

In July 2017, the Issuer sold to an arm’s length third party its member’s interest in its two wholly-owned subsidiaries, Tucson Houghton LLC, an Arizona limited liability company, and Acana Capital LLC, a California limited liability company, for an aggregate purchase of USD\$5,000,000. Upon disposition of its member’s interest in the two subsidiaries, the Issuer disposed of all of its real estate properties to increase shareholder value and liquidity. The Issuer concurrently announced that it was actively seeking a new business portfolio. In addition, in July 2017, the Issuer disposed of its wholly-owned subsidiary, Ameri-Can Agri Co., a Nevada incorporated company, to a director at nominal value.

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On September 14, 2017, the Issuer entered into the Share Exchange Agreement with Blockchain, Blockchain Shareholders and Blockchain Optionholders pursuant to which:

- (a) effective September 19, 2017, the Issuer closed the Financing;
- (b) effective November 30, 2017, the Issuer acquired all of the issued and outstanding common shares of Blockchain in consideration of issuing to the former shareholders of Blockchain an aggregate of 37,939,483 Common Shares, such that Blockchain became a wholly-owned subsidiary of the Issuer, and the former shareholders of Blockchain became shareholders of the Issuer;
- (c) effective November 30, 2017, each Blockchain Warrant shall become a warrant, as applicable, subject to the application of the Exchange Ratio, to purchase Common Shares and the number of Common Shares and the exercise price will be adjusted in accordance with the terms governing the Blockchain Warrants;
- (d) effective November 30, 2017, each outstanding Blockchain Option held by a Blockchain Optionholder shall be exercisable for the number of Common Shares equal to the Exchange Ratio and shall have an exercise price per Common Share, rounded to the nearest whole cent, equal to the quotient obtained by dividing
  - (i) the exercise price per Blockchain Option immediately prior to November 30, 2017 by
  - (ii) the Exchange Ratiosubject to certain adjustments provided in the Share Exchange Agreement;
- (e) each of the former directors and officers of the Issuer resigned, and each of Shone Anstey, Diana Kim Evans, Lance Morginn, Anthony Zelen, Thomas Kennedy and Robert Birmingham were appointed as replacement directors; and Shone Anstey was appointed President, Lance Morginn was appointed Chief Executive Officer and Diana Kim Evans was appointed Chief Financial Officer; and
- (f) effective November 30, 2017, the Issuer changed its name to “BIG Blockchain Intelligence Group Inc.”, and its trading symbol on the CSE changed to “BIGG”.

29,223,645 Common Shares issued to acquire Blockchain are subject to the Escrow Agreement pursuant to which 10% were released on closing of the Share Exchange Agreement, and an additional 15% will be released every six months thereafter over 36 months. The Common Shares issued pursuant to the Financing are subject to resale restrictions.

The acquisition of Blockchain was an arm’s length transaction for the Issuer. No formal valuation was commissioned or received in connection with the Acquisition.

Additional information pertaining to the Issuer including financial information, is contained in the various disclosure documents of the Issuer filed with applicable securities commissions and made available through the Internet under the Issuer’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

### ***Blockchain Technology Group Inc.***

Blockchain is an information technology company focusing on the development of blockchain technology solutions, search and data analytics. Blockchain's proprietary platforms globally targets governments, law enforcement and the financial technology sector.

Blockchain commenced operations in April 2015. During the financial year ended December 31, 2015, Blockchain spent considerable time and effort building a core analytics platform and block parsing engine code-named 'Blockbits.com'. The analytics platform, a language agnostic platform that can be leveraged to every major programming language via a flexible API architecture, allows for conversion of blockchain data into a format that permits deep analytics.

During the financial year ended December 31, 2016, utilizing the search engine as the structural base, Blockchain created its analytics engine for Cryptocurrencies called QLUE.io<sup>TM</sup> and began development of a second product, BitRank<sup>TM</sup>.

QLUE.io<sup>TM</sup> is an application program interface platform for law enforcement, AML, and CFE officers to aid in the fight against financial crimes involving Bitcoin. It incorporates various techniques and advanced search algorithms to detect suspicious activity within Bitcoin transactions use of "dark web" tools such as TOR and other methods commonly used by criminals to cover illegal activities. QLUE.io<sup>TM</sup> was completed during 2016 and Blockchain began certain pilot programs in order to test the software.

BitRank<sup>TM</sup> is a wallet risk scoring system that uses search and analytics systems to determine safety level of a Bitcoin transaction by ranking the wallets involved in the transaction on the blockchain.

To date in 2017, Blockchain has obtained a patent for a key proprietary technology, signed its first government contract and is preparing to launch BitRank<sup>TM</sup>.

## **2.2 Significant Acquisitions or Dispositions**

In 2016, the Issuer entered into a purchase agreement with Crocker Acana LLC, whereby the Issuer agreed to sell its 50% interest in the JDLP partnership in exchange for US\$2,875,000. Upon the disposition of the JDLP, the Issuer's farming properties, biological assets planted on the farming properties and equipment installed, previously owned through JDLP, were also disposed.

In July 2017, the Issuer sold to an arm's length third party its member's interest in its two wholly-owned subsidiaries, Tucson Houghton LLC, an Arizona limited liability company, and Acana Capital LLC, a California limited liability company, for an aggregate purchase of USD\$5,000,000. Upon disposition of its member's interest in the two subsidiaries, the Issuer disposed of all of its real estate properties to increase shareholder value and liquidity. The Issuer concurrently announced that it was actively seeking a new business portfolio. In addition, in July 2017, the Issuer disposed of its wholly-owned subsidiary, Ameri-Can Agri Co., a Nevada incorporated company, to a director at nominal value.

On November 30, 2017, the Issuer completed the acquisition of Blockchain pursuant to the Share Exchange Agreement.

## **2.3 Trends, Commitments, Events or Uncertainties**

Except as may be disclosed elsewhere in this Listing Statement, the Issuer is not aware of any trend, commitment, event or uncertainty presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition, or results of operations.

## **3. NARRATIVE DESCRIPTION OF THE BUSINESS**

### **3.1 Description of the Business**

The Issuer was engaged in the acquisition and development of real estate and farming properties in the United States, but in July 2017, it divested of all its properties to improve its liquidity. Following the completion of the Acquisition, the Issuer assumed the business of Blockchain.

Blockchain is focused on developing and providing blockchain search and big data analytics globally, targeting the following sectors: Fintech sector; Law Enforcement; and Government.

In both the private and public sector, the blockchain is becoming a dominant technology for financial transactions and record keeping. Due to the rise in popularity of Cryptocurrencies (including Bitcoin) and related blockchain technologies, the mass of data that must be gathered, analyzed in real-time, and stored, has grown exponentially. This ongoing growth presents a typical big data problem, which current technologies will soon be unable to manage and process the volume of data and transactions being generated.

Of even greater significance than the major challenges of accumulation, analysis and storage is the reality that the data in question is encoded in a way that nullifies typical search and analytic technologies.

In response, Blockchain has developed the following suite of proprietary technology tools to address the growing demand for advanced search and analytic technologies associated with the blockchain:

- (a) QLUE.io™ is a cutting-edge tool for law enforcement professionals and agencies worldwide to help combat financial crimes involving Bitcoin. It provides users with access to advanced search algorithms to detect suspicious activity within Bitcoin transactions, and the use of 'dark web' tools such as Tor and other methods commonly employed by criminals to hide illegal activities.
- (b) BitRank™ is a risk scoring platform. BitRank utilizes the QLUE™ search and analytics system to determine the safety level of an anticipated Bitcoin transaction by providing users with a ranking of the Bitcoin wallet involved on the other side of the proposed transaction. Wallet holders can obtain their BitRank™ score using Blockchain's BitRankVerified.com webpage. Large volume look-ups will be accessible via BitRank™'s application program interface (API).
- (c) Blockbits.com is a Cryptocurrency block explorer, a class of online tools that retrieve and display a wide range of data related to the blocks within a blockchain, while providing the ability to drill down to related specific data points (i.e. a block's size, when it was found, which transactions it contains, etc.). Blockchain's Blockbits.com has been built internally and displays unique results within compared to the current offerings within the block explorer space.

Blockchain's suite of proprietary analytic tools were developed to be agnostic and multi-dimensional in their implementation. Therefore, as a solution, the tools can be utilized throughout a number of varying industries and sectors where data storage and its integrity are paramount. Blockchain's cryptographically-designed search and analytics solutions allow for credible real-time insight into a company's operations, improving efficiency and effectiveness, securely within the blockchain framework.

*History of Blockchain.* Blockchain is an innovative technology that delivers the potential for a powerful new form of transactional trust. It is considered by a growing number of people to be to be the most important technology-driven innovation since the introduction of the Internet.

Blockchain technology was initially defined in the original source code for the virtual currency Bitcoin, effectively providing a confirmation mechanism for Bitcoin. Bitcoin is a cryptocurrency invented in October 2008 with the publication of "*Bitcoin: A Peer-to-Peer Electronic Cash System*", a paper written by an unknown individual or individuals under the alias of Satoshi Nakamoto. The code was released as open source in January 2009. Thus the Bitcoin network was launched in 2009; however, it did not really take off until 2013 when it began to obtain more widespread acceptance and popularity.

Blockchain, the technological underpinning of cryptocurrencies, was quickly recognized as a disruptive technology that offers enhanced transparency and accessibility of records, with potentially transformative effects on record-keeping, reporting and assurance practices. It has the potential to revolutionize information management – starting with the transactions are processed and recorded, to the way they are reported and verified.

Blockchain technology enables the transfer of various classes of assets and value without the need for third-party verification. Capital markets and the broader financial services industry are a natural point of implementation. However, blockchain's implications are far reaching and extend well beyond the financial services sector. Law enforcement is a second sector to which blockchain technology naturally lends itself. Blockchain technology will have an impact at some level on just about every industry and country worldwide.

*What is blockchain technology?* The blockchain is a decentralized distributed digital ledger. Its key feature is that it is a distributed database network. In other words, it is a database that exists in multiple copies across multiple computers in a decentralized network of machines with each machine acting as a node on the network – there is no single, centralized database or server. The strength of the system is inherent to the multiple nodes and more nodes means a more secure system.

Transactions on the blockchain are signed digitally, using asymmetric cryptography. Asymmetric cryptography uses key pairs, making it difficult to hack. There is a public and private key that are related mathematically but due to the complexity of the mathematics these are computationally infeasible to guess. The public key can be used to sign and encrypt a message that is being sent. Only the designated recipient can decrypt the transaction with their private key. Additionally, public key cryptography can be used to authenticate an identity as well as verify that the message or transaction has not been altered. The new transaction data is propagated to all nodes on the network, syncing the world-wide ledger. Thus, to update the blockchain, the multiple distributed copies of it must be reconciled so that they all contain the same version. This happens by a consensus process which requires the majority of the nodes in the

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system to agree. Computers participating in a blockchain use an automated process to validate the format of the transaction record to be included in the next block. Once this “consensus” is reached, the information is recorded in a block.

Each block of the blockchain is made up of a list of transactions. Each block also contains a block header. That header contains at least three sets of metadata: (i) structured data about the transactions in the block; (ii) the timestamp and data about the proof-of-work algorithm which is how new blocks are mined and verified; (iii) a reference to the previous (or parent) block via a “hash”, which is a cryptographic algorithm. This creates the “chain” part of the blockchain. Each block in the blockchain can be identified by a hash of its header.

All blocks are timestamped and the chain is sequenced chronologically. Timestamped data storage in the blockchain can therefore be used to prove the existence of records at a point in time. Once included in blocks, transactions are permanent records.

New blocks are created by the process of “mining”, which validates new transactions and adds them to the blockchain. To mine new blocks the miners applies computing power to solve for a unique hash based on SHA256 encryption, by solving the hash for the block, the miner competes for the bitcoin reward. The successful rewarding is also known as “proof of work” and verifies the data within the block and is therefore appended to the chain. The difficulty of the math has increased exponentially, as is the computational power needed to solve it, hence the proof of work concept. Most mining operations are comprised of vast farms of pooled computing resources.

Because transactions within the blockchain can be traced to the authorized originator, an audit trail is automatically created. Since transactions are permanent, auditors, regulators, and others could gain unprecedented insight into the state of accounts, which includes not only the most recent transaction but also a complete record of all transactions.

**(a) Business Objectives**

The Issuer expects to accomplish the following business objectives over the 12-month period:

- (a) launch BitRank™, a Cryptocurrency “risk scoring” tool;
- (b) launch QLUE™ to a broader market of professionals in the Law Enforcement, Banking, Fintech and Regulatory sectors;
- (c) expand its blockchain consulting services division, 2140 Software Solutions Inc., building upon existing government and financial industry relationships while building new relationships;
- (d) complete the rollout of its global network targeting major financial centres and key cities with high Bitcoin adoption;
- (e) secure pending patent on key components of its proprietary technology;
- (f) add a sales and marketing division to expedite the build out and spread of brand awareness; and

(g) hire additional developers and increase overall staffing levels.

The Issuer's main sources of revenue will be from:

(a) API Access – Pay-As-You-Go model: Blockbits.com / BitRank™

- (i) Blockbits.com API search access will be available on a pay-per-use basis to companies and independent developers, providing access to the Resulting Issuer's global transactional information for quick data look-ups.
- (ii) BitRank™ scoring will be available on a single address lookup to end users for free; programming access to BitRank™ data will be available to pay-per-use API users and enterprise users only.

BitRank™ aims to provide the Fintech sector with measures to meet the regulatory requirements around AML, OFAC and KYC, on which every bank spends an average of \$49 million annually (source: Thompson Reuters), and of which Cryptocurrency is taking an increasing share.

(b) Monthly Subscription model – QLUE.io™ (Qualitative Law-Enforcement Unified Edge)

QLUE™ is Blockchain's flagship product. It is a forensic tool to combat the criminal exploitation of Cryptocurrencies and their use in illegal activities, such as money laundering and the financing of terrorism. Licenses will be negotiated on a per-client basis.

**(b) Milestones**

To achieve the business objectives set out in subsection 4.1(a) above, the following milestones must be met by the Issuer:

	<b>Description</b>	<b>Timeframe</b>
<b>Phase 1</b>	Release of BitRank™	Q4 2017
<b>Phase 2</b>	Deployment of 50 Global Network POP's	Q1 2018
<b>Phase 3</b>	Commercial release of QLUE™ Enterprise	Q1 2018
<b>Phase 4</b>	Launch of blockchain consulting services division	Q1 2018

**(c) Funds Available**

As of October 31, 2017, the Issuer had a working capital of approximately \$2.2 million. The following table represents the available funds of the Issuer and the principal purpose of those funds over a 12-month period:

<b>Source</b>	<b>Funds Available</b>
<b>Available Funds of the Issuer<sup>(1)</sup></b>	<b>\$3,610,626</b>
Expenses related to the completion of the Transaction	\$200,000

Research and Development	\$500,000
Business Development and Marketing	\$450,000
Investor Relations, Conference, Tradeshows and Travel	\$380,000
General and administrative costs estimated for operating 12 months	\$1,850,000
<b>Total Unallocated</b>	<b>\$230,626</b>

**Note:**

(1) Funds available as of June 30, 2017 after giving effect to the Acquisition

**(d) Principal Products**

The Issuer's principal products are as follows:

- (a) QLUE.io™ is a cutting-edge tool for Law Enforcement professionals and agencies worldwide to help combat financial crimes involving Bitcoin. It provides users with access to advanced search algorithms to detect suspicious activity within Bitcoin transactions, and the use of 'dark web' tools such as TOR and other methods commonly employed by criminals to hide illegal activities.
- (b) BitRank™ is a risk scoring platform. BitRank utilizes the QLUE™ search and analytics system to determine the safety level of an anticipated Bitcoin transaction by providing users with a ranking of the Bitcoin wallet involved on the other side of the proposed transaction. Wallet holders can obtain their BitRank™ score using Blockchain's BitRankVerified.com webpage. Large volume look-ups will be accessible via BitRank™'s application program interface (API).
- (c) Blockbits.com is a Cryptocurrency block explorer, a class of online tools that retrieve and display a wide range of data related to the blocks within a blockchain, while providing the ability to drill down to related specific data points (i.e. a block's size, when it was found, which transactions it contains, etc.). Blockchain's Blockbits.com has been built internally and displays unique results compared to the current offerings within the block explorer space.

As at the date of this Listing Statement, QLUE.io™ is fully developed and ready for sale. Blockbits.com is fully functional and in use by Blockchain. BitRank™ is expected to be completed and ready for sale by the end of October 2017. An enterprise level offering of QLUE.io™ is currently being developed and anticipated to be released in Q1 2018 at an anticipated additional development cost of \$250,000. All of the Issuer's products are developed internally.

**(e) Production and Sales**

Not applicable.

**(f) Competitive Conditions**

Not applicable.

**(g) Lending Operations**

Not applicable.

**(h) Bankruptcy or Receivership Proceedings**

Not applicable.

**(i) Material Restructuring Transactions**

Not applicable.

**(j) Social or Environmental Policies**

Not applicable.

**3.2 Companies with Asset-backed Securities Outstanding**

Not applicable.

**3.3 Mineral Projects**

Not applicable.

**3.4 Issuers with Oil and Gas Operations**

Not applicable.

**4. SELECTED CONSOLIDATED FINANCIAL INFORMATION**

**4.1 Financial Information – Annual Information**

*The Issuer*

The following table is a summary of selected financial information of the Issuer for the years ended September 30, 2017, September 30, 2016 and September 30, 2015 (from the period of incorporation):

	<b>Year ended September 30, 2017 (audited)</b>	<b>Year ended September 30, 2016 (audited)</b>	<b>From incorporation to September 30, 2015 (audited)</b>
Revenue	Nil	\$375,840	\$282,847
Net Income (Loss)	(\$4,304,743)	\$3,093,615	(\$2,654,007)
Basic and diluted earnings from continued operations (loss) per share	(\$0.15)	\$0.07	(0.04)
Total Assets	\$3,843,114	\$10,232,675	\$16,821,311
Total Liabilities	\$110,318	\$5,225,109	\$11,760,659

A copy of the Financial Statements previously filed with applicable securities commissions are available on the Issuer's SEDAR profile at [www.sedar.com](http://www.sedar.com).

A copy of the pro forma consolidated statement of financial position of the Issuer as at June 30, 2017 is attached to Schedule "B" of this Listing Statement.

***Blockchain Technology Group Inc.***

The following table is a summary of selected financial information of Blockchain for the financial years ended December 31, 2016 and December 31, 2015:

	<b>Year ended December 31, 2016 (audited)</b>	<b>Year ended December 31, 2015 (audited)</b>
Revenue	Nil	Nil
Net Loss	(\$1,092,317)	(\$265,768)
Basic and diluted loss per share	(\$0.07)	(\$0.02)
Total Assets	\$615,533	\$74,712
Total Liabilities	\$101,065	\$50,118

A copy of the Blockchain Financial Statements for the years ended December 31, 2016 and December 31, 2015 are attached to Schedule "A" to this Listing Statement.

**4.2 Quarterly Information**

***The Issuer***

The following information is in respect of the Issuer for the eight quarters preceding the date of this Listing Statement:

<b>Quarter Ended</b>	<b>Total Revenues</b>	<b>Net Income/Loss</b>	<b>Basic and diluted earning/loss per share</b>
<b>September 2017</b>	Nil	(\$4,051,350)	(\$0.17)
<b>June 30, 2017</b>	\$95,237	(\$21,317)	(\$0.00)
<b>March 31, 2017</b>	\$82,370	(\$25,122)	(\$0.00)
<b>December 31, 2016</b>	\$82,822	(\$1,538,951)	(\$0.03)
<b>September 30, 2016</b>	\$99,310	\$3,537,161	\$0.15
<b>June 30, 2016</b>	\$85,030	(\$262,549)	(\$0.01)
<b>March 31, 2016</b>	\$84,842	(\$121,780)	(\$0.00)
<b>December 31, 2015</b>	\$82,945	(\$60,455)	(\$0.00)

Copies of the respective unaudited interim financial statements for the periods listed above for the Issuer are available on the Issuer’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

***Blockchain Technology Group Inc.***

The following information is in respect of Blockchain for the eight quarters preceding the date of this Listing Statement for which Blockchain had prepared quarterly financial statements for that period:

<b>Quarter Ended</b>	<b>Total Revenues</b>	<b>Net Income/Loss</b>	<b>Basic and diluted loss per share</b>
<b>June 30, 2017</b>	\$50,110	(\$486,433)	(\$0.02)
<b>March 31, 2017</b>	\$13,472	(\$299,763)	(\$0.02)
<b>December 31, 2016</b>	Nil	(\$754,431)	(\$0.05)
<b>September 30, 2016</b>	Nil	(\$187,998)	(\$0.01)
<b>June 30, 2016</b>	Nil	(\$126,617)	(\$0.01)
<b>March 31, 2016</b>	Nil	(\$23,271)	(\$0.00)
<b>December 31, 2015</b>	Nil	(\$128,720)	(\$0.01)
<b>September 30, 2015</b>	Nil	(\$7,468)	(\$0.00)

**4.3 Dividends**

No dividends on Common Shares have been paid to date.

**4.4 Foreign GAAP**

Not applicable.

**5. MANAGEMENT’S DISCUSSION AND ANALYSIS**

A copy of the Annual MD&A related to its financial statements previously filed with applicable securities commissions are available through the Internet under the Issuer’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

**6. MARKET FOR SECURITIES**

The Common Shares are currently listed on the CSE under the trading symbol “BIGG”.

**7. CONSOLIDATED CAPITALIZATION**

***Pro Forma Consolidated Capitalization***

The following table summarizes the Issuer’s pro forma common shares, on a consolidated basis, after giving effect to the Transaction as described in the pro forma financial statements of the Issuer, a copy of which is attached at Schedule “B” hereto.

<b>Designation of Security</b>	<b>Amount Authorized</b>	<b>Anticipated Shares Outstanding (as of the effective date of the Transaction)</b>
Common Shares	Unlimited	73,758,877

### ***Fully Diluted Share Capital***

In addition to the information set out in the capitalization table above, the following table sets out the diluted share capital of the Issuer after giving effect to the Transaction:

	<b>Anticipated Shares Outstanding (as of the effective date of the Transaction)</b>
Common Shares issued and outstanding	35,819,394 (49%)
Common Shares issued to Blockchain Shareholders pursuant to the Acquisition	37,939,483 (51%)
<b>Total Common Shares</b>	73,758,877
Reserved for issuance pursuant to warrants of the Issuer	3,327,619
Reserved for issuance pursuant to Blockchain Warrants (including finder's warrants)	11,424,520
Reserved for issuance pursuant to Blockchain Options	5,444,695
<b>Total Common Shares Reserved for Issuance</b>	20,196,834
<b>Total Number of Fully Diluted Securities</b>	<b>93,955,711 (100%)</b>

## **8. OPTIONS TO PURCHASE SECURITIES**

The Issuer currently has a stock option plan which was approved by its shareholders on October 17, 2014 (the "**Plan**"). The following is a brief description of the principal terms of the Plan:

**Number of Shares Reserved:** The number of Common Shares which may be issued pursuant to options granted under the Plan shall equal to 10% of the issued and outstanding shares of the Issuer from time to time at the date of grant.

**Maximum Term of Options:** The term of any options granted under the Plan is fixed by the Board and may not exceed five years from the date of grant. The options are non-assignable and non-transferable. The term of an option may not be amended once issued under the CSE requirements. If an option is cancelled prior to the expiry date, the Issuer shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.

**Exercise Price:** The exercise price of options granted under the Plan is determined by the Board, provided that it is not less than the price permitted by the CSE or, if the shares are no longer listed on the CSE, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading.

**Vesting:** Vesting, if any, and other terms and conditions relating to such options shall be determined by the Board, or if the Board so elects, the committee, in accordance with the CSE requirements.

**Termination:** Any options granted pursuant to the Plan will terminate generally within 90 days of the holder ceasing to act as director, officer, or employee of the Issuer or any of its affiliates, and within

generally 30 days of the holder ceasing to act as an employee engaged in investor relations activities, unless such cessation is on account of death. If such cessation is on account of death, the options terminate on the first anniversary of such cessation. If such cessation is on account of cause, or terminated by regulatory sanction or by reason of judicial order, the options terminate immediately. Options that have been cancelled or that have expired without having been exercised shall continue to be issuable under the Plan. The Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of Common Shares.

Administration: The Plan is administered by the Board of, if the Board so elects, by a committee appointed by the Board.

Board Discretion: The Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting schedules, and other terms and conditions relating to such options shall be determined by the Board and in accordance with CSE requirements.

As of the date hereof, the Issuer has the following issued and outstanding options:

<b>Optionee</b>	<b>Number of Options Holding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
Employees	133,950	\$0.15	August 2, 2019
	535,800	\$0.11	March 14, 2021
	267,900	\$0.15	March 15, 2022
	267,900	\$0.19	August 7, 2022
	160,277	\$0.26	October 2, 2022
	352,958	\$0.26	October 5, 2022
	661,179	\$0.26	October 19, 2022
Directors	803,700	\$0.15	February 1, 2022
	1,366,916	\$0.26	October 19, 2022
Consultant	33,487	\$0.15	December 7, 2017
	16,743	\$0.15	January 12, 2018
	66,975	\$0.22	June 8, 2018
	40,185	\$0.26	August 29, 2018
	66,975	\$0.26	October 15, 2018
	669,750	\$0.19	October 11, 2022
<b>Total</b>	<b>5,444,695</b>		

## **9. DESCRIPTION OF THE SECURITIES**

### **9.1 Description of the Securities**

The Issuer will be authorized to issue an unlimited number of common shares and preferred shares without par value.

All preferred shares of the Issuer as a class shall, in preference to the Common Shares, be entitled to receive dividends, distribution of assets upon dissolution, liquidation or winding-up of the Issuer. The holders of preferred shares of the Issuer will not be entitled to receive notice of, to attend or to vote at any meeting of the shareholders of the Issuer, other than as required by the BCBCA.

Each Common Share ranks equally with all other common shares with respect to distribution of assets upon dissolution, liquidation or winding-up of the Issuer and payment of dividends. The holders of the Common Shares will be entitled to one vote for each share on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the directors of the Issuer. The holders of Common Shares have no pre-emptive or conversion rights. The rights attaching to the Common Shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.

As of the date hereof, 73,758,877 Common Shares are outstanding, nil preferred shares of the Issuer are outstanding and 20,196,834 Common Shares are reserved for issuance pursuant to convertible securities of the Issuer.

### **9.2 Debt Securities**

Not applicable.

### **9.3 Other Securities**

Not applicable.

### **9.4 Modification of Terms**

Not applicable.

### **9.5 Other Attributes**

Not applicable.

### **9.6 Prior Sales**

The following table summarizes the issuances of securities of the Issuer within 12 months prior to the date of this Listing Statement:

<b>Date of Issue</b>	<b>Description</b>	<b>Number of Securities</b>	<b>Price per Security</b>	<b>Total Issue Price</b>
September 15, 2017	Private Placement <sup>(1)</sup>	10,000,000 Common Shares	\$0.35	\$3,500,000
November 30, 2017	Private Placement <sup>(2)</sup>	37,939,483 Common Shares	\$0.25	\$9,484,870.75

**Notes:**

- (1) Issued pursuant to a private placement of shares. The Issuer also paid a cash finder's fee of \$20,650 and issued 267,634 finder's shares.  
(2) Issued pursuant to the Share Exchange Agreement.

## 9.7 Stock Exchange Price

The Common Shares are listed on the CSE as of the date of this Listing Statement under the symbol "BIGG". Prior to November 30, 2017 the Common Shares were listed under the symbol "ACM". The following table sets out the high and low trading price and volume of trading of Common Shares on the CSE during the last 12 months:

<b>Period</b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Volume</b>
November 2017 <sup>(1)</sup>	-	-	-
October 2017 <sup>(1)</sup>	-	-	-
September 2017 <sup>(1)</sup>	0.85	0.75	74,495
August 2017	1.00	0.44	975,896
July 2017 <sup>(2)</sup>	0.70	0.30	1,489,169
June 2017	0.05	0.05	4
May 2017	0.05	0.05	0
April 2017	0.17	0.05	2,960
March 2017	0.17	0.17	0
February 2017	0.17	0.17	100
January 2017	0.17	0.06	1,926
December 2016	0.06	0.06	10
November 2016	0.06	0.06	0

**Notes:**

- (1) Trading of the Common Shares was halted on September 15, 2017 upon entering into the Share Exchange Agreement.  
(2) Trading of the Common Shares was halted on July 26, 2017 upon entering into the letter of intent in connection to the Share Exchange Agreement. Trading resumed on July 31, 2017.

## 10. ESCROWED SECURITIES

Pursuant to the policies of the CSE, an escrow agreement was entered into on November 30, 2017 among Computershare, the Issuer, and certain Blockchain Shareholders (the “Escrow Agreement”). The following table shows the securities of the Issuer that are subject to the Escrow Agreement:

Designation of class	Number of securities held in escrow	Percentage of class
Common Shares	29,223,645	39.6% <sup>(1)</sup>
Warrants	6,787,023	46.0% <sup>(2)</sup>

**Notes:**

(1) Based on the 73,758,877 issued and outstanding Common Shares.

(2) Based on 14,752,139 issued and outstanding Warrants.

In respect of the Common Shares and Warrants subject to the Escrow Agreement, ten percent of such securities will be released from escrow on the Listing Date. The remaining ninety percent of such securities will be released from escrow in fifteen percent tranches during consecutive six-month intervals over a 36-month period following the Listing Date. This escrow release schedule is subject to acceleration in accordance with National Policy 46-201 – *Escrow for Initial Public Offerings* and the policies of the CSE. The following table sets forth details of the securities of the Issuer held in escrow:

Number of Securities	% of Outstanding	Release Schedule
29,223,645 Common Shares	39.6%	10% released on the Listing Date 15% released 6 months from the Listing Date 15% released 12 months from the Listing Date 15% released 18 months from the Listing Date 15% released 24 months from the Listing Date 15% released 30 months from the Listing Date 15% released 36 months from the Listing Date
6,787,023 Warrants	46.0%	10% released on the Listing Date 15% released 6 months from the Listing Date 15% released 12 months from the Listing Date 15% released 18 months from the Listing Date 15% released 24 months from the Listing Date 15% released 30 months from the Listing Date 15% released 36 months from the Listing Date

## 11. PRINCIPAL SHAREHOLDERS

As of the date of this Listing Statement, the following shareholders own, beneficially and of record, more than 10% of the issued Common Shares:

Name	Number of Common Shares	Percentage of class <sup>(1)</sup>
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November 30, 2017

	<b>Held</b>	
Shone Anstey	9,619,098	13.0%
Lance Morginn	9,418,172	12.8%

**Note:**

(1) Based on the 73,758,877 issued and outstanding Common Shares.

## 12. DIRECTORS AND OFFICERS OF THE ISSUER

### 12.1 Directors and Executive Officers of the Issuer

As of the date of this Listing Statement, the board of directors of the Issuer is composed of six members, as set out below.

The name, municipality of residence, position or office held with the Issuer and principal occupation of each proposed director and executive officer of the Issuer, as well as the number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, excluding common shares issued on the exercise of convertible securities, are as follows:

<b>Name, place of the residence and position with Issuer</b>	<b>Principal occupation during the last five years</b>	<b>Date of appointment as director or officer</b>	<b>Common Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed <sup>(1)</sup></b>
<b>Shone Anstey</b> Executive Chairman, President and Director Richmond, British Columbia	President of Blockchain from January 2015 to present; owner of XPC Technology Services from January 2008 to April 2015	November 30, 2017	9,619,098 (13.0%)
<b>Lance Morginn<sup>(2)</sup></b> Chief Executive Officer and Director Vancouver, British Columbia	CEO of Blockchain from January 2015 to present; CEO of Max Health Vending from April 2012 to January 2015.	November 30, 2017	9,418,172 (12.8%)
<b>Diana Kim Evans</b> Chief Financial Officer and Director North Vancouver, British Columbia	CFO of Blockchain from 2015 to present; President and Director of Golden Reign Resources Ltd. from April 2004 to present.	November 30, 2017	1,388,615 (1.9%)
<b>Anthony Zelen</b>	Director of Business	November 30,	5,355,245

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Name, place of the residence and position with Issuer	Principal occupation during the last five years	Date of appointment as director or officer	Common Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed <sup>(1)</sup>
Director Kelowna, British Columbia	Development of Blockchain from May 2015 to present; Vice President of Business Development of Dingaling Communications Inc. from September 2014 to December 2015; President of Senergy Communications Inc. from February 2006 to Present.	2017	(7.3%)
<b>Thomas Kennedy</b> <sup>(2)(3)</sup> Director Vancouver, British Columbia	Management consultant, legal consultant and director and/or officer of other publicly listed mineral and exploration companies.	November 30, 2017	Nil
<b>Robert Birmingham</b> <sup>(2)(3)</sup> Director Vancouver, British Columbia	President of Benaterra Communications Inc.; President, CEO and Director of New Destiny Mining Corp. since November 2011.	November 30, 2017	Nil

**Notes:**

- (1) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Resulting Issuer and has been furnished by the respective individuals.
- (2) Member of the audit committee.
- (3) Independent director.

## 12.2 Period of Service of Directors

Each of the directors and officers were appointed upon the closing of the Acquisition. The term of each director expires on the date of the next annual general meeting, unless his or her office is earlier vacated or he or she is removed in accordance with the Issuer's articles and the BCBCA.

## 12.3 Directors and Executive Officers Common Share Ownership

The directors and executive officers of the Issuer as a group, directly or indirectly, will beneficially own or exercise control or direction over 25,781,130 Common Shares, representing approximately 35% of the issued and outstanding common shares of the Issuer.

## 12.4 Committees

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The Issuer's audit committee consists of Lance Morginn, Thomas Kennedy and Robert Birmingham, each of whom is a director and financially literate in accordance with National Instrument 52-110 *Audit Committees* ("NI 52-110"). Thomas Kennedy and Robert Birmingham are independent, as defined under NI 52-110, and Lance Morginn is not independent as he is an officer of the Issuer. The Issuer is relying on the exemption found in Section 3.5 of NI 52-110 in respect of having a majority of independent directors on the audit committee of the Issuer.

The board of directors of the Issuer may from time to time establish additional committees.

## **12.5 Principal Occupation of Directors and Executive Officers**

Information on directors and executive officers' principal occupation is set out in section 13.1 – *Directors and Executive Officers of the Issuer*.

## **12.6 Corporate Cease Trade Orders or Bankruptcies**

Other than as disclosed herein, no proposed director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) 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
- (d) 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.

## **12.7 Penalties or Sanctions**

Other than as disclosed below, no proposed director or executive officer of the Issuer, or a shareholder holding a sufficient number of the Issuer's securities to affect materially the control of the Issuer, has been subject to:

- (a) 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; or

(b) 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.

Thomas Kennedy was a director of the Klondike Silver Corp., a TSX-V listed company on October 10, 2013, at which time the British Columbia Securities Commission (“BCSC”) issued a cease trade order (“CTO”) against the Company for failure to file comparative financial statements and related Management’s Discussion and Analysis for the year ended May 31, 2013. The CTO was rescinded by the BCSC on October 21, 2013.

## **12.8 Settlement Agreements**

Not applicable.

## **12.9 Personal Bankruptcies**

Except as disclosed herein, no proposed director or executive officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, 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, receiver manager or trustee appointed to hold the assets of the director or officer.

## **12.10 Conflicts of Interest**

The proposed directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests, which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his or her interest and abstain from voting on such matter.

To the best of the Issuer’s knowledge, there are no known existing or potential conflicts of interest among the Issuer, proposed directors, proposed officers or other proposed members of management of the Issuer as a result of their outside business interests except that certain proposed directors and officers may serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies. See “*Risk Factors*”.

## **12.11 Management Details**

The following sets out details of the proposed directors and management of the Issuer:

### ***Lance Morginn (45), Chief Executive Officer and Director***

Mr. Morginn has served as the Chief Executive Officer and Director of Blockchain since January 2015. From April 2012 to January 2015, Mr. Morginn served as Chief Executive Office of Max Health Vending, a company providing healthy snack and drinking vending machines in workplaces around Vancouver, British Columbia, as well as created software to manage vending operations. In January 2010, Mr.

Morginn founded Cab Ride Media, a taxi advertising company, and acted as Chief Executive Office until August 2010. From February 2002 to January 2015, Mr. Morginn was the Chief Executive Office of FiberFeed Networks Inc., an internet services provider that provides website creation, co-location of servers and website hosting.

Mr. Morginn is an employee of the Issuer and expects to devote 100% of his time to the affairs of the Issuer.

***Shone Anstey (45), Executive Chairman, President and Director***

Mr. Anstey has over 20 years of experience building complex technologies and software within the IT industry, which includes data centre deployments, large scale webops development and industrial Bitcoin mines. Mr. Anstey has served as the President of Blockchain since June 2013 and was appointed Executive Chairman on May 22, 2017. From January 2008 to April 2015, Mr. Anstey operated XPC Technology Services, a wholly-owned software development and IT services company. From January 2007 to December 2007, Mr. Anstey was the Vice President of Business Development at Multimedia Technologies, a video game and software distributor. From January 2003 to January 2006, Mr. Anstey was the Vice President of Business Development at Data Fortress Group, a company providing internet services.

Mr. Anstey is an employee of the Issuer and expects to devote 100% of his time to the affairs of the Issuer.

***Diana Kim Evans (47) Chief Financial Officer and Director***

Ms. Evans has over 20 years of experience in building, leading and advising corporations on finance system, strategic planning, budgeting, capital decisions and acquisitions. Ms. Evans has served as the Chief Financial Officer of Blockchain since 2015. Ms. Evans is currently the President and Director of Golden Reign Resources Ltd, a TSX-V-listed company focusing on mining exploration and development and has an officer of that company since April 2004. From June 2002 to April 2012, Ms. Evans was the Director, Chief Financial Officer and Corporation Secretary of EastCoal Inc., a TSX-V-listed company involved in mining exploration. From November 2006 to November 2010, Ms. Evans was the Chief Financial Officer of Aldridge Minerals Inc., a TSXV-listed company involved in mining exploration and development.

Ms. Evans obtained her Bachelor of Arts from the University of British Columbia in 1992 and obtained her CPA, CGA designation from the Certified General Accounts of British Columbia in 2000.

Ms. Evans is an independent contractor and expects to devote 30% of her time to the affairs of the Issuer.

***Anthony Zelen (45), Director***

Mr. Zelen has served as a Director to Blockchain since January 2015. As a successful entrepreneur and business development manager, Mr. Zelen brings financial, managerial and public markets expertise to Blockchain. Mr. Zelen has over 20 years' experience working in the public markets for companies listed in Canada as well as in the United States as a director, financier and promoter. He has also been

successful in developing a number of private ventures. He has worked in various roles ranging from finance, business development to corporate communications and investor relations, public relations and strategic marketing for companies in a variety of sectors and industries. Mr. Zelen currently serves as the Director of several Canadian listed publicly traded companies.

Mr. Zelen is an independent contractor and expects to devote 15% of his time to the affairs of the Issuer.

***Thomas Kennedy (67), Director***

Mr. Kennedy, B.Comm., J.D., is a graduate of the University of British Columbia. After an initial career at the Federal Department of Justice, Mr. Kennedy has primarily focused as a legal, financial and business consultant to publicly-traded companies. Mr. Kennedy is currently a member of the Law Society of British Columbia, the Canadian Bar Association, the British Columbia Bar Association, and an Associate member of the American Bar Association. Mr. Kennedy is an officer and/or director of several publicly traded companies.

Mr. Kennedy is an independent contractor and expects to devote 5% of his time to the affairs of the Issuer.

***Robert Birmingham (36), Director***

Mr. Birmingham has over 10 years' experience in the resources and corporate sector. Mr. Birmingham is the current President & Chief Executive Officer of New Destiny Mining Inc., a TSX-V-listed company involved in mining exploration. He was previously the President & Chief Executive Officer of Revolver Resources Inc (now GGX Resources), a TSX-V-listed company involved in mining exploration. In addition, Mr. Birmingham has been a Director of multiple public companies on the TSX Venture Exchange and the Canadian Securities Exchange. Mr. Birmingham holds a Business Degree from Capilano University.

Mr. Birmingham is an independent contractor and expects to devote 5% of his time to the affairs of the Issuer.

**13. CAPITALIZATION**

**13.1 Class of Securities**

**Issued Capital**

	<b>Number of Securities (non-diluted)</b>	<b>Number of Securities (fully-diluted)</b>	<b>%of Issued (non-diluted)</b>	<b>% of Issued (fully diluted)</b>
<u>Public Float</u>				
Total outstanding (A)	73,758,877	93,955,728	100%	100%

	<b>Number of Securities (non-diluted)</b>	<b>Number of Securities (fully-diluted)</b>	<b>%of Issued (non-diluted)</b>	<b>% of Issued (fully diluted)</b>
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	25,781,199	36,783,927	35.0%	39.2%

Total Public Float (A-B)	47,977,678	57,171,801	65.0%	61.8%
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Freely-Tradeable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	50,259,051	57,046,073	68.1%	60.7%
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Total Tradeable Float (A-C)	23,499,826	36,909,655	31.9%	39.3%
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Public Securityholders (Registered)

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	140	3,161
100 – 499 securities	55	13,483
500 – 999 securities	1	952

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<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	1	2,641
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	178	73,733,640
<b>TOTAL</b>	<b>375</b>	<b>73,753,877</b>

Non-Public Securityholders (Beneficial)

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	54	1,527
100 – 499 securities	63	13,994
500 – 999 securities	26	16,904
1,000 – 1,999 securities	30	37,713
2,000 – 2,999 securities	12	27,550
3,000 – 3,999 securities	7	21,634
4,000 – 4,999 securities	0	0
5,000 or more securities	62	7,395,127
<b>TOTAL</b>	<b>254</b>	<b>7,514,449</b>

**13.2 Convertible Securities**

The following are details for any securities convertible or exchangeable into common shares of the Issuer:

Description of Security (include conversion/exercise terms, including conversion/exercise price)			Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Exercise Price	Expiry Date	Type of		

		<b>Security</b>		
\$0.21	March 11, 2020	Warrants	3,327,619	3,327,619
\$0.05 <sup>(1)</sup>	December 31, 2022	Warrants	6,697,500 <sup>(2)</sup>	6,697,500 <sup>(2)</sup>
\$0.07 to \$0.15	January 11, 2018 to November 22, 2018	Warrants	4,727,020 <sup>(2)</sup>	4,727,020 <sup>(2)</sup>
\$0.11 to \$0.26 <sup>(2)</sup>	October 2017 to October 2022	Options	5,444,695 <sup>(2)</sup>	5,444,695 <sup>(2)</sup>

**Notes:**

- (1) Warrants are subject to a vesting schedule based on meeting certain milestones. Certain warrants are deemed as fully paid and non-assessable and some have exercise prices between \$0.01 to \$0.07 per share.
- (2) Former Blockchain Options and Blockchain Warrants are subject to the Exchange Ratio.

### **13.3 Other Securities**

Other than the 1,931,191 common shares available for issuance under the Issuer's stock option plan, there are no listed securities reserved for issuance that are not included in section 14.2 – *Convertible Securities*.

## **14. EXECUTIVE COMPENSATION**

Details related to the executive compensation paid by Issuer, prepared in accordance with Form 51-102F6 of National Instrument 51-102 – *Continuous Disclosure Obligations*, can be found on SEDAR (www.sedar.com) in the Issuer's management information circular dated October 18, 2017.

The objectives, criteria and analysis of the compensation of the executive officers of the Issuer following the completion of the Acquisition will be determined by the Board and are expected to be substantially similar to how Blockchain currently compensates its executive officers.

### ***Blockchain Technology Group Inc.***

The following table, prepared in accordance with Form 51-102F6, sets forth all annual and long term compensation for services in all capacities to Blockchain for the three most recently completed financial years of Blockchain in respect of each of the individuals comprised of each Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, (other than the CEO and the CFO), as at December 31, 2016 whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of Blockchain, nor acting in a similar capacity, for the most recently

completed financial year ending December 31, 2016 (collectively the “Named Executive Officers” or “NEOs”).

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) <sup>(4)</sup>	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Shone Anstey <sup>(1)</sup> Executive Chairman & President	2016	24,000	Nil	Nil	Nil	Nil	Nil	5,000	29,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	83,333	83,333
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lance Morginn <sup>(2)</sup> CEO	2016	24,000	Nil	Nil	Nil	Nil	Nil	10,000	34,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	83,333	83,333
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Diana Kim Evans <sup>(3)</sup> CFO	2016	8,000	Nil	Nil	Nil	Nil	Nil	2,000	10,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	20,000	20,000
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes:**

- (1) Shone Anstey was appointed as Executive Chairman on May 22, 2017 and as President on July 31, 2015.
- (2) Lance Morginn was appointed as CEO on July 31, 2015.
- (3) Diana Kim Evans was appointed as CFO on July 31, 2015.
- (4) Other compensation comprises payments made to NEOs for services rendered and/or reimbursement of expenses incurred on behalf of the company.

### Compensation Discussion and Analysis

Blockchain does not have in place any formal objectives, criteria or analysis for determining or assessing the compensation of its executive officers and Directors, nor does it have a compensation committee.

Blockchain is aware of the challenges that it faces in its present stage of development and the financial limitations of being a start-up technology company. Corporate performance and level of activity has been a consideration in determining compensation. As Blockchain’s business and operations grow in size and complexity, it is anticipated that it will establish a compensation committee with formal objectives and policies, including specific performance goals or benchmarks as such relate to executive compensation, that will review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the company’s industry.

The compensation of Blockchain’s officers and directors is based on an incentive philosophy with the intent that all efforts will be directed toward a common objective of creating shareholder value. The compensation strategy is to attract talent and experience with focused leadership in the operations, financing, and management of the company with the objective of maximizing the value of the company. The officers and board of directors each have defined skills and experience that are essential to a start-up company in the blockchain technology sector.

#### *Elements of Executive Compensation*

Blockchain’s executive compensation policy consists of an annual base salary and long-term incentives in the form of stock options granted under the stock option plan approved by its shareholders on January 1, 2015 and amended on October 10, 2017 (the “Amended Blockchain Plan”).

The base salaries paid to officers of Blockchain have been modest and are not intended to provide fixed levels of pay that reflect each officer’s primary duties and responsibilities and the level of skill and

experience required to successfully perform their role. As the company is an early stage development company with limited financial resources, Blockchain's officers and directors have actively chosen to deploy the company's financial resources to hire and pay employees involved in developing of the company's technology. Blockchain intends, as its business expands, to pay base salaries to officers that are competitive with those for similar positions in the technology sector, to attract and retain executive talent in the market in which the company competes for talent.

An incentive component of Blockchain's compensation program is the potential longer-term reward provided through the grant of stock options. The Amended Blockchain Plan is intended to attract, retain and motivate officers and directors in key positions, and to align the interests of those individuals with those of the company's shareholders. The Amended Blockchain Plan provides such individuals with an opportunity to acquire a proprietary interest in the company's value growth through the exercise of stock options. Options are granted at the discretion of the board of directors, which considers factors such as how other, similar companies grant options and the potential value that each optionee is contributing to the company. The number of options granted to an individual is based on such considerations. Stock options are granted at an exercise price determined by the board of directors, for a term of exercise not exceeding ten years. Due to limited number of optionable shares available during this phase of the company's development, Blockchain's officers and directors have actively chosen to reward primarily employees and advisors with stock option grants.

The stage of the Blockchain's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal. As Blockchain progresses toward a revenue producing entity, and performance goals are more apt to be delegated, particular performance goals will become more complex and measurable, and included in the compensation structure accordingly.

#### *Compensation Policies and Risk Management*

The board of directors considers the implications of the risks associated with the company's compensation policies and practices when determining rewards for its officers. The board of directors intends to review at least once annually the risks, if any, associated with the company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Amended Blockchain Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their short-term compensation at the expense of the company and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of Blockchain and the current level of the company's activity, the board of directors is able to closely monitor and consider any risks which may be associated with the company's compensation policies and practices. Risks, if any, may be identified and mitigated through Board meetings during which financial and other information of the company are reviewed. No risks have been

identified arising from the company's compensation policies and practices that are reasonably likely to have a material adverse effect on the company.

#### *Hedging of Economic Risks in Blockchain's Securities*

Blockchain has not adopted a policy prohibiting directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in the value of the company's securities granted as compensation or held, directly or indirectly, by directors or officers. However, Blockchain is not aware of any directors or officers having entered into this type of transaction.

#### **Option-based Awards**

The Amended Blockchain Plan limits the grant of options, including previously granted options, to an aggregate total of 4,064,725 options to purchase common shares of Blockchain.

The Amended Blockchain Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the company. In determining the number of options to be granted to the executive officers, the board of directors takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options, to closely align the interests of the executive officers with the interests of shareholders.

The board of directors as a whole has the responsibility to administer the compensation policies related to the executive management of the company, including option-based awards.

#### **Outstanding Option-Based and Share-based Awards**

As at December 31, 2016, Blockchain has no incentive stock options (option-based awards) and no share-based awards outstanding for NEOs.

#### **Compensation Governance**

Options are granted at the discretion of the board of directors, which considers factors such as how other start-up technology companies grant options and the potential value that each optionee is contributing to the company. The number of options granted to an individual is based on such considerations.

#### **Outstanding Share-Based Awards and Option-Based Awards**

Blockchain does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs.

#### **Pension Plan Benefits**

Blockchain does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

#### **Termination and Change of Control Benefits**

Blockchain has no compensatory plan, contract or agreement with any NEO, except as follows.

**FORM 2A – LISTING STATEMENT**

November 30, 2017

Blockchain has management agreements dated May 1, 2016 with Messrs. Shone Anstey and Lance Morginn pursuant to the terms of which Blockchain pays each an annual management fee in the amount of \$36,000, subject to review and increase to market standards after an initial twelve (12) month period. The management agreement provides that in the event Blockchain terminates the management agreement without cause, Messrs. Anstey and Morginn are entitled to a severance payment in the amount equal to twelve months' salary. There are no conditions or obligations which Mr. Anstey or Mr. Morginn has to comply with in order to receive his severance pay. Further, the management agreement provides that in the event in a change of control, Messrs. Anstey and Morginn

- (a) are each entitled to receive a lump-sum payment of the greater of (i) \$200,000; or (ii) payment in the amount equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control;
- (b) are guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that each obtains comparable benefits from another source; and
- (c) shall have any stock options granted in their names vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is thirty-six months from the effective date of such change of control.

Except as set out above, there are no other obligations to compensate Messrs. Anstey and Morginn on resignation, retirement or any other termination.

Blockchain has a management agreement dated May 1, 2016 with Diana Kim Evans pursuant to the terms of which Blockchain pays an annual management fee in the amount of \$12,000 to Ms. Evans, subject to review and increase to market standards after an initial twelve (12) month period. The management agreement provides that in the event Blockchain terminates the management agreement without cause, Ms. Evans is entitled to a severance payment in the amount equal to twelve months' salary. There are no conditions or obligations which Ms. Evans has to comply with in order to receive her severance pay. Further, the management agreement provides that in the event in a change of control, Ms. Evans

- (a) is entitled to receive a lump-sum payment of the greater of (i) \$100,000; or (ii) payment in the amount equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control;
- (b) is guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that she obtains comparable benefits from another source; and
- (c) shall have any stock options granted in her name vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is 36 months from the effective date of such change of control.

Except as set out above, there are no other obligations to compensate Ms. Evans on resignation, retirement or any other termination.

## **15. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director or officer of the Issuer or person who acted in such capacity in the last financial year of the Issuer, or proposed director or officer of the Issuer, or any Associate of any such director or officer is, or has been, at any time since the beginning of the most recently completed financial year of the Issuer, indebted to the Issuer nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer.

## **16. RISK FACTORS**

Prior to making any investment decision regarding the Issuer, investors should carefully consider, among other things, the risk factors set forth below.

While this Listing Statement has described the risks and uncertainties that management of the Issuer believe to be material to the Issuer's business, it is possible that other risks and uncertainties affecting the Issuer's business will arise or become material in the future.

If the Issuer is unable to address these and other potential risks and uncertainties, its business, financial condition or results of operations could be materially and adversely affected. In this event, the value of the Common Shares could decline and an investor could lose all or part of their investment.

The following is a description of the principal risk factors that will affect the Issuer:

### **16.1 Risks Related to the Issuer's Business**

#### ***Low Barriers to Entry***

There is high potential that the Issuer will face competition from other companies, some of which can be expected to have longer operating histories and more financial resources and marketing experience than the Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Issuer.

The market for blockchain technology solutions and data analytics is evolving and while competition is low, the Issuer expects competition to increase in the future. The Issuer currently or potentially competes with other companies. Some of the Issuer's current competitors whom offer similar services are:

- Elliptic Enterprises Limited, a United Kingdom fintech startup providing data and analytics services to financial institutions and law enforcement agencies.
- Chainalysis Inc., a United States fintech startup providing anti-money laundering software for bitcoin.

There is no guarantee that any factors that differentiate the Issuer from its competitors will give the Issuer a market advantage or continue to be a differentiating factor for the Issuer in the foreseeable future.

Competitive pressures created by any one of the above-mentioned companies, or by the Issuer's competitors collectively, could have a material adverse effect on its business, results of operations and financial condition.

### ***Early Market Development Stage***

The Issuer is currently in an early development stage and its growth and success is heavily dependent upon the Issuer's ability to develop a market for its products. The existence of a market for products like QLUE.io™, BitRank™ and Blockbits.com is wholly dependent upon the Issuer's efforts to create and establish such market.

The Issuer has currently developed and targeted its products for, and substantially all of the Issuer's revenues for the foreseeable future will be derived from, its current identified market, being Law Enforcement, Banking, Fintech and Regulatory sectors. Should this market cease to exist, fail to grow or grow more slowly than anticipated, or become saturated with competitors, the Issuer's business, financial condition and results of operations could be adversely affected.

### ***Failure to Innovate***

The Issuer's success depends upon its ability to design, develop, test, market, license and support new software products and enhancements of current products on a timely basis in response to both competitive threats and marketplace demands. In addition, software products and enhancements must remain compatible with the other software products and systems used by its customers. Often, the Issuer must integrate software licensed or acquired from third parties with its proprietary software to create or improve its products. If the Issuer is unable to successfully integrate third party software to develop new software products and enhancements to existing products, or to complete products currently under development, its operating results will materially suffer. In addition, if the integrated or new products or enhancements do not achieve acceptance by the marketplace, the Issuer's operating results will materially suffer. Also, if new industry standards emerge that the Issuer does not anticipate or adapt to, its software products could be rendered obsolete and, as a result, its business and operating results, as well as its ability to compete in the marketplace, would be materially harmed.

### ***Competition***

The Issuer is engaged in an industry that is highly competitive. Because its industry is evolving and characterized by technological change, it is difficult for the Issuer to predict whether, when and by whom new competing technologies may be introduced or when new competitors may enter the market. The Issuer faces increased competition from companies with strong positions in certain markets the Issuer intends to serve and in new markets and regions it may enter. Many of the Issuer's competitors have significantly greater financial and other resources than the Issuer currently possesses and may spend significant amounts of resources to gain market share. The Issuer cannot assure investors that it will be able to compete effectively against current and future competitors. In addition, increased competition or other competitive pressures may result in price reductions, reduced margins or loss of market share, any of which could have a material adverse effect on the Issuer's business, financial condition or results of

operations. Competitors may be able to respond to new or emerging technologies and changes in customer requirements more effectively than the Issuer can, or devote greater resources to the development, promotion and sale of products than the Issuer can. Current and potential competitors may establish cooperative relationships among themselves or with third parties, including through mergers or acquisitions, to increase the ability of their products to address the needs of the Issuer's prospective customers. If these competitors were to acquire significantly increased market share, it could have a material adverse effect on the Issuer's business, financial condition or results of operations. The Issuer's competitors may also establish or strengthen co-operative relationships with systems integrators, third-party consulting firms or other parties with whom the Issuer has relationships, thereby limiting its ability to promote its products.

### ***Failure to Protect its Intellectual Property***

Failure to protect the Issuer's intellectual property could harm its ability to compete effectively. The Issuer is highly dependent on its ability to protect its proprietary technology. The Issuer intends to rely on a combination of copyright, trademark and trade secret laws, as well as non-disclosure agreements and other contractual provisions to establish and maintain its proprietary rights. The Issuer intends to protect its rights vigorously. However, there can be no assurance that these measures will, in all cases, be successful. Enforcement of the Issuer's intellectual property rights may be difficult, particularly in some nations outside of North America in which the Issuer may seek to market its products. While U.S. and Canadian copyright laws, international conventions and international treaties may provide meaningful protection against unauthorized duplication of software, the laws of some foreign jurisdictions may not protect proprietary rights to the same extent as the laws of Canada or of the United States. The absence of internationally harmonized intellectual property laws makes it more difficult to ensure consistent protection of the Issuer's proprietary rights. Software piracy has been, and is expected to be, a persistent problem for the software industry, and piracy of the Issuer's products represents a loss of revenue to the Issuer. Despite the precautions the Issuer may take, unauthorized third parties, including its competitors, may be able to: (i) copy certain portions of its products; or (ii) reverse engineer or obtain and use information that the Issuer regards as proprietary. Also, the Issuer's competitors could independently develop technologies that are perceived to be substantially equivalent or superior to the Issuer's technologies. The Issuer's competitive position may be materially adversely affected by its possible inability to effectively protect its intellectual property.

### ***Intellectual Property Infringement***

Other companies may claim that the Issuer has infringed their intellectual property, which could materially increase costs and materially harm the Issuer's ability to generate future revenue and profits. Claims of infringement are becoming increasingly common as the software industry develops and as related legal protections, including patents are applied to software products. Although the Issuer does not believe that its products infringe on the rights of third parties, third parties may assert infringement claims against the Issuer in the future. Although most of the Issuer's technology is proprietary in nature, the Issuer does include significant amounts of third party software in its products. In these cases, this software is licensed from the entity holding the intellectual property rights. Although the Issuer believes that it has secured proper licenses for all third-party software that is integrated into its products, third parties may

assert infringement claims against the Issuer in the future. Any such assertion may result in litigation or may require the Issuer to obtain a license for the intellectual property rights of third parties. Such licenses may not be available, or they may not be available on reasonable terms. In addition, such litigation could be disruptive to the Issuer's ability to generate revenue or enter into new market opportunities and may result in significantly increased costs as a result of the Issuer's efforts to defend against those claims or its attempt to license the patents or rework its products to ensure they comply with judicial decisions. Any of the foregoing could have a significant adverse impact on the Issuer's business and operating results as well as its ability to generate future revenue and profits. The loss of licenses to use third-party software or the lack of support or enhancement of such software could materially adversely affect the Issuer's business. The Issuer could also be forced to do one or more of the following: (i) stop selling, incorporating or using its products that use the challenged intellectual property; (ii) obtain from the owner of the infringed intellectual property right a license to sell or use the relevant technology, which license may not be available on reasonable terms, or at all; (iii) redesign those products that use allegedly infringing technology which may be costly or time-consuming; or (iv) refund license fees and other amounts received, and make payments of additional amounts in damages or settlement payments, for allegedly infringing technology or products.

### ***Reliance on Third Party Software***

The Issuer currently depend upon third-party software products to develop its products. If in future such reliance existed and the software products were not available, the Issuer might experience delays or increased costs in the development of its products. The Issuer currently does not rely on software products that it licenses from third-parties. Should the Issuer in the future rely upon third-party software licenses that may not continue to be available to the Issuer, and the related software may not continue to be appropriately supported, maintained, or enhanced by the licensors, the loss by the Issuer of the license to use, or the inability by licensors to support, maintain, and enhance any of such software, could result in increased costs or in delays or reductions in product shipments until equivalent software is developed or licensed and integrated with internally developed software. Such increased costs or delays or reductions in product shipments could materially adversely affect its business. The loss of the Issuer's rights to use software licensed to it by third parties could increase its operating expenses by forcing the Issuer to seek alternative technology and materially adversely affect its ability to compete. In addition, the Issuer's web-based software applications depend on the stability, functionality and scalability of the underlying infrastructure software including application servers, databases, java platform software and operating systems produced by IBM, Microsoft and others. If weaknesses in such infrastructure software exist, the Issuer may not be able to correct or compensate for such weaknesses. If the Issuer is unable to address weaknesses resulting from problems in the infrastructure software such that its products do not meet customer needs or expectations, its reputation, and consequently, its business may be significantly harmed.

### ***Regulatory Risks***

The activities of the Issuer will be subject to regulation by governmental authorities. Achievement of the Issuer's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Issuer cannot predict the time required to secure all appropriate regulatory

approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

### *Use of Open Source Software*

The Issuer's software makes use of and incorporates open source software components. These components are developed by third parties over whom the Issuer has no control. There are no assurances that those components do not infringe upon the intellectual property rights of others. The Issuer could be exposed to infringement claims and liability in connection with the use of those open source software components, and the Issuer may be forced to replace those components with internally developed software or software obtained from another supplier, which may increase its expenses. The developers of open source software are usually under no obligation to maintain or update that software, and the Issuer may be forced to maintain or update such software itself or replace such software with internally developed software or software obtained from another supplier, which may increase its expenses. Making such replacements could also delay enhancements to its products. Certain open source software licenses provide that the licensed software may be freely used, modified and distributed to others provided that any modifications made to such software, including the source code to such modifications, are also made available under the same terms and conditions. As a result, any modifications the Issuer makes to such software will be available to all downstream users of the software, including its competitors. In addition, certain open source licenses provide that if the Issuer wishes to combine the licensed software, in whole or in part, with its proprietary software, and distribute copies of the resulting combined work, the Issuer may only do so if such copies are distributed under the same terms and conditions as the open source software component of the work was licensed to the Issuer, including the requirement to make the source code to the entire work available to recipients of such copies. The types of combinations of open source software and proprietary code that are covered by the requirement to release the source code to the entire combined work are uncertain and much debated by users of open source software. An incorrect determination as to whether a combination is governed by such provisions will result in non-compliance with the terms of the open source license. Such non-compliance could result in the termination of the Issuer's license to use, modify and distribute copies of the affected open source software and the Issuer may be forced to replace such open source software with internally developed software or software obtained from another supplier, which may increase its expenses. In addition to terminating the affected open source license, the licensor of such open source software may seek to have a court order that the proprietary software that was combined with the open source software be made available to others, including its competitors, under the terms and conditions of the applicable open source license.

### *Lack of Operating History*

The Issuer has only recently started to carry on its business. The Issuer is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. The failure by the Issuer to meet any of these conditions could have a materially adverse effect on the Issuer and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Issuer will be successful in achieving a

return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations. The Issuer may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Issuer fails to do so, it could materially harm its business and impair the value of its common stock, resulting in a loss to shareholders. Even if the Issuer accomplishes these objectives, the Issuer may not generate the anticipated positive cash flows or profits. No assurance can be given that the Issuer can or will ever be successful in its operations and operate profitably.

### ***Growth and Consolidation in the Industry***

Acquisitions or other consolidating transactions could have adverse effects on the Issuer. The Issuer could lose strategic relationships if its partners are acquired by or enter into agreements with a competitor, causing the Issuer to lose access to distribution, content and other resources. The relationships between the Issuer and its strategic partners may deteriorate and cause an adverse effect on the business. The Issuer could lose customers if competitors or user of competing technology consolidate with the Issuer's current or potential customers. Furthermore, the Issuer's current competitors could become larger players in the market or new competitors could form from consolidations. Any of the foregoing events could put the Issuer at a competitive disadvantage, which could cause the Issuer to lose customers, revenue, and market share. Consolidation in the industry could also force the Issuer to divert greater resources to meet new or additional competitive threats, which could harm the Issuer's operating results.

### ***Intellectual Property Risks***

The Issuer's ability to compete largely depends on the superiority, uniqueness, and value of its intellectual property and technology, including both internally-developed technology and the ability to acquire patent protection and/or trademark protection. To protect its proprietary rights, the Issuer will rely on a combination of trademark, copyright, and trade secret laws, trademark and patent applications, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, certain risks may reduce the value of the Issuer's intellectual property. The Issuer's applications for trademarks and copyrights relating to its business may not be granted, and if granted, may be challenged or invalidated. There is no guarantee that issued trademarks and registered copyrights will provide the Issuer with any competitive advantages. The Issuer's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of its technology and may not prevent the development and design by others of products or technology similar to, competitive with, or superior to those the Issuer develops. There is a risk that another party may obtain a blocking patent and the Issuer would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products.

### **Disruption of its Information Technology Systems**

The Issuer relies on information technology in virtually all aspects of our business. A significant disruption or failure of our information technology systems could result in service interruptions, safety failures, security violations, regulatory compliance failures, and inability to protect information and assets against intruders, and other operational difficulties. Attacks perpetrated against its information systems

could result in loss of assets and critical information and exposes us to remediation costs and reputational damage. Although the Issuer has taken steps intended to mitigate these risks, including business continuity planning, disaster recovery planning and business impact analysis, a significant disruption or cyber intrusion could lead to misappropriation of assets or data corruption and could adversely affect its results of operations, financial condition and liquidity. Additionally, if the Issuer is unable to acquire or implement new technology, it may suffer a competitive disadvantage, which could also have an adverse effect on its results of operations, financial condition and liquidity.

Cyber-attacks could further adversely affect the Issuer's ability to operate facilities, information technology and business systems, or compromise confidential customer and employee information. Political, economic, social or financial market instability or damage to or interference with its operation assets, or its customers or suppliers may result in business interruptions, lost revenue, higher commodity prices, disruption in fuel supplies, lower energy consumption, unstable markets, increased security and repair or other costs, any of which may materially affect its consolidated financial results. Furthermore, instability in the financial markets as a result of terrorism, sustained or significant cyber-attacks, or war could also materially adversely affect the Issuer's ability to raise capital.

## **16.2 Risk Related to the Acquisition**

### ***Completion of the Acquisition***

The completion of the Acquisition is subject to several conditions precedent. There can be no assurances that the Acquisition, either on the terms of the Share Exchange Agreement or as negotiated, will be completed. In the event that any of those conditions are not satisfied or waived, the Acquisition may not be completed.

### ***Market for Securities and Volatility of Share Price***

There can be no assurance that an active trading market in the Issuer's securities will be established or sustained. The market price for the Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

### ***Payment of Dividends Unlikely***

There is no assurance that the Issuer will pay dividends on its shares in the near future or ever. The Issuer will likely require all its funds to further the development of its business.

### ***Management of Growth***

Any expansion of the Issuer's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Issuer will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to

manage any growth it experiences. There can be no assurance that the Issuer will be able to manage growth successfully. Any ability of the Issuer to manage growth successfully could have a material adverse effect on the Issuer's business, financial condition and results of operations.

### ***Reliance on Key Personnel and Consultants***

There can be no assurance that any of the Issuer's officers, directors, employees and consultants will remain with the Issuer or that, in the future, they will not organize competitive businesses or accept opportunities with companies competitive with the Issuer. The Issuer will depend on a number of key officers and directors the loss of any one of whom could have an adverse effect on the Issuer.

### ***Shareholders' Interest may be Diluted in the Future***

The Issuer will require additional funds for its planned activities. If the Issuer raises additional funding by issuing equity securities, which is highly likely, such financing could substantially dilute the interests of the Issuer's shareholders. Sales of substantial amounts of shares, or the availability of securities for sale, could adversely affect the prevailing market prices for the Issuer's shares. A decline in the market prices of the Issuer's shares could impair the ability of the Issuer to raise additional capital through the sale of new common shares should the Issuer desire to do so.

### ***Conflicts of Interest***

Certain of the proposed directors and officers of the Issuer are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Issuer and as officers and directors of such other companies.

### ***Litigation***

The Issuer may be forced to litigate, enforce, or defend its intellectual property rights, protect its trade secrets, or determine the validity and scope of other parties' proprietary rights. Such litigation would be a drain on the financial and management resources of the Issuer which may affect the operations and business of the Issuer. Furthermore, because the content of most of the Issuer's intellectual property concerns cannabis and other activities that are not legal in some state jurisdictions, the Issuer may face additional difficulties in defending its intellectual property rights.

The Issuer may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Issuer becomes involved be determined against the Issuer such a decision could adversely affect the Issuer's ability to continue operating and the market price for Issuer Shares and could use significant resources. Even if the Issuer is involved in litigation and wins, litigation can redirect significant company resources.

## **17. PROMOTERS**

Shone Anstey, proposed Executive Chairman, proposed President and proposed Director of the Issuer, Lance Morginn, the proposed CEO and proposed director of the Issuer, and Anthony Zelen, proposed director of the Issuer, are considered promoters of the Issuer in that they took the initiative of founding Blockchain. Mr. Anstey owns 9,619,098 Common Shares, Mr. Morginn owns 9,418,172 Common Shares and Mr. Zelen owns 5,355,245 Common Shares, representing 13.0%, 12.8% and 7.3% of the issued and outstanding Common Shares, respectively.

## **18. LEGAL PROCEEDINGS**

There are no legal proceedings to which the Issuer is, or has been, a party or of which any of its property is, or has been, the subject matter. Additionally, to the reasonable knowledge of the management of the Issuer, there are no such proceedings contemplated.

## **19. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except as described herein, to the knowledge of the Issuer's management, no director or officer, insider, nor any of their respective associates, affiliates or member of their group have any interest in any material transaction of the Issuer since its incorporation.

## **20. AUDITORS, TRANSFER AGENTS AND REGISTRARS**

### **20.1 Auditors**

The auditors of the Issuer are Manning Elliott LLP, Chartered Professional Accountants (the "**Auditors**"), located at 1100 – 1050 West Pender Street, Vancouver, British Columbia V6E 3S7.

### **20.2 Registrar and Transfer Agent**

The registrar and transfer agent of the Issuer is Computershare, located at 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, British Columbia V6C 3B9.

## **21. MATERIAL CONTRACTS**

Except for contracts entered into by the Issuer in the ordinary course of business, the only material contracts entered into by the Issuer in the previous two years is the following:

- (a) The Share Exchange Agreement dated September 14, 2017 between the Issuer, Blockchain, Blockchain Shareholders and Blockchain Optionholders.

***Blockchain Technology Group Inc.***

Except for contracts entered into by Blockchain in the ordinary course of business, the only material contracts entered into by Blockchain in the previous two years are the following:

- (a) The Share Exchange Agreement dated September 14, 2017 between Acana, Blockchain, Blockchain Shareholders and Blockchain Optionholders.
- (b) Advisory Agreement between Matthew Wood and Blockchain Technology Group Inc. date May 13, 2016.
- (c) Advisory Agreement between Michael Perklin and Blockchain Technology Group Inc. dated August 31, 2016
- (d) Advisory Agreement between Bernd Petak and Blockchain Technology Group Inc. dated October 15, 2016.
- (e) Advisory Agreement between Bryan Feinberg and Blockchain Technology Group Inc. dated December 7, 2016.
- (f) Advisory Agreement between David Blaszkowsky and Blockchain Technology Group Inc. dated January 12, 2017.
- (g) Advisory Agreement between Andrew Csinger and Blockchain Technology Group Inc. dated June 8, 2017.
- (h) Management Agreement between Kim Evans and Blockchain Technology Group Inc. dated May 1, 2016.
- (i) Management Agreement between Lance Morginn and Blockchain Technology Group Inc. dated May 1, 2016.
- (j) Management Agreement between Marty Anstey and Blockchain Technology Group Inc. dated May 1, 2016.
- (k) Management Agreement between Shone Anstey and Blockchain Technology Group Inc. dated May 1, 2016.
- (l) Employment Contract between Stephen Thompson and Blockchain Technology Group Inc. dated May 24, 2016.
- (m) Employment Agreement between Phillip Elm and Blockchain Technology Group Inc. dated August 2, 2016.
- (n) Employment Contract between Dominique Legault and Blockchain Technology Group Inc. dated February 22, 2017.
- (o) Employment Contract between Aziz Pulatov and Blockchain Technology Group Inc. dated February 25, 2017.

**FORM 2A – LISTING STATEMENT**

November 30, 2017

- (p) Employment Contract between Victor Xiang and Blockchain Technology Group Inc. dated February 25, 2017.
- (q) Employment Contract between Albert Szmigielski and Blockchain Technology Group Inc. dated March 15, 2017.
- (r) Employment Contract between Dina Jonathan-Schomer and Blockchain Technology Group Inc. dated October 1, 2017.
- (s) Employment Contract between Aaron Smith and Blockchain Technology Group Inc. dated October 19, 2017.
- (t) Employment Contract between Tejinder Basi and Blockchain Technology Group Inc. dated October 23, 2017.
- (u) Employment Contract between Christopher Anderson and Blockchain Technology Group Inc. dated October 19, 2017.
- (v) Verbal Sales Agreement between Dan Reitzek and Blockchain Technology Group Inc.
- (w) Strategic Advisory Agreement between Tormont Group Inc. and Blockchain Technology Group Inc. dated April 21, 2016.
- (x) Consulting Agreement between 1946077 Ontario Inc. and Blockchain Technology Group Inc. dated July 7, 2016.
- (y) Consulting Agreement between Polaris Marketing Corp. and Blockchain Technology Group Inc. dated July 27, 2016.
- (z) Letter Agreement re: Finder's Fee and Indemnity Agreement between Maxim Group LLC and Blockchain Technology Group Inc. dated August 4, 2016.
- (aa) Term Sheet between Outlier Ventures Limited and Blockchain Technology Group Inc. dated September 26, 2016.
- (bb) Selling Agreement between Rainmaker Securities LLC and Blockchain Technology Group Inc. dated October 11, 2016.
- (cc) Representative Agreement between Second Front Systems Inc. and Blockchain Technology Group Inc. dated March 28, 2017.
- (dd) Consulting Agreement between KeyNorth Professional Services Group and Blockchain Technology Group Inc. dated February 7, 2017.

## **22. INTEREST OF EXPERTS**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, located at 1500 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1, audited the Financial Statements and is independent within the meaning of the CPA Code of Professional Conduct of British Columbia. Based on

**FORM 2A – LISTING STATEMENT**

November 30, 2017

information provided by Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants has not received nor will receive the direct or indirect interests in the property of the Issuer. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Issuer or its associates and affiliates.

The Auditors audited the Blockchain Financial Statements and are independent within the meaning of the CPA Code of Professional Conduct of British Columbia. Based on information provided by the Auditors, the Auditors have not received nor will receive the direct or indirect interests in the property of the Issuer. Manning Elliott LLP, Chartered Accountants nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Issuer or its associates and affiliates.

## **23. OTHER MATERIAL FACTS**

The Issuer is not aware of any other material facts relating to Blockchain or the Issuer or to the Transaction that are not disclosed under the preceding items and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to Blockchain and the Issuer, assuming completion of the Transaction, other than those set forth herein.

## **24. FINANCIAL STATEMENTS**

### **24.1 Financial Statements**

A copy of the financial statements of Blockchain for the years ended December 31, 2016 and December 31, 2015 and for the six-month period ended June 30, 2017 are attached to Schedule “A” to this Listing Statement.

### **24.2 Re-Qualifying Issuer**

A copy of the pro forma consolidated statement of financial position of the Issuer as at June 30, 2017 is attached to Schedule “B” of this Listing Statement.

## CERTIFICATE OF BIG BLOCKCHAIN INTELLIGENCE GROUP INC.

Pursuant to a resolution duly passed by the board of directors of BIG Blockchain Intelligence Group Inc. (the “**Issuer**”), the Issuer, hereby applies for the listing of the above mentioned securities on the Canadian Securities Exchange. The foregoing contains full, true and plain disclosure of all material information relating to the Issuer. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 30th day of November, 2017.

*“Lance Morginn”*

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Lance Morginn  
Chief Executive Officer

*“Diana Kim Evans”*

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Diana Kim Evans  
Chief Financial Officer

*“Robert Birmingham”*

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Robert Birmingham  
Director

*“Thomas Kennedy”*

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Thomas Kennedy  
Director

*“Lance Morginn”*

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Lance Morginn  
Promoter

*“Anthony Zelen”*

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Anthony Zelen  
Promoter

*“Shone Anstey”*

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Shone Antsey  
Promoter

## CERTIFICATE OF BLOCKCHAIN TECHNOLOGY GROUP INC.

The foregoing contains full, true and plain disclosure of all material information relating to Blockchain Technology Group Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 30th day of November, 2017.

*“Lance Morginn”*

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Lance Morginn  
Chief Executive Officer

*“Diana Kim Evans”*

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Diana Kim Evans  
Chief Financial Officer

*“Shone Anstey”*

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Shone Anstey  
Director

*“Anthony Zelen”*

---

Anthony Zelen  
Director

*“Lance Morginn”*

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Lance Morginn  
Promoter

*“Anthony Zelen”*

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Anthony Zelen  
Promoter

*“Shone Anstey”*

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Shone Antsey  
Promoter

**SCHEDULE "A" – BLOCKCHAIN FINANCIAL STATEMENTS**

Please see attached.



**BLOCKCHAIN TECHNOLOGY GROUP INC.**

**Annual Consolidated Financial Statements  
For the Years ended December 31, 2016 and 2015**

**(Expressed in Canadian dollars)**



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## **INDEPENDENT AUDITORS' REPORT**

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To the Directors of  
Blockchain Technology Group Inc.

We have audited the accompanying consolidated financial statements of Blockchain Technology Group Inc. which comprise the consolidated statements of financial position as at December 31, 2016 and 2015, and the consolidated statements of comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Blockchain Technology Group Inc. as at December 31, 2016 and 2015, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 2(c) in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Blockchain Technology Group Inc. to continue as a going concern.

*Manning Elliott LLP*

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)

As at	December 31, 2016	December 31, 2015
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 76,657	\$ 2,904
Investments (Note 4)	248,890	-
Amounts receivable	28,183	9,917
Investment tax credits receivable (Note 5)	175,325	61,891
Due from related parties (Note 8)	14,063	-
Prepays	9,850	-
<b>Total current assets</b>	<b>552,968</b>	<b>74,712</b>
<b>Equipment (Note 6)</b>	<b>62,565</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 615,533</b>	<b>\$ 74,712</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 101,065	\$ 41,268
Due to related parties (Note 8)	-	8,850
<b>Total liabilities</b>	<b>101,065</b>	<b>50,118</b>
<b>Shareholders' equity</b>		
Share capital (Note 7)	939,997	289,885
Equity reserves (Note 7)	932,566	487
Deficit	(1,358,095)	(265,778)
<b>Total shareholders' equity</b>	<b>514,468</b>	<b>24,594</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 615,533</b>	<b>\$ 74,712</b>

**Basis of presentation and going concern** (Note 2)

**Commitments** (Note 11)

**Subsequent events** (Note 13)

**Approved on behalf of the Board:**

"Lance Morginn" Director

"Shone Anstey" Director

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

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in Canadian dollars)

	For the year ended	
	December 31, 2016	December 31, 2015
<b>General and Administrative Expenses</b>		
Advertising and promotion	\$ 54,806	\$ 8,864
Consulting (Note 8)	123,500	180,667
Depreciation	5,558	-
Office	50,878	14,349
Professional fees	26,513	16,282
Research and development (Note 8)	86,181	44,641
Share-based compensation	870,619	362
Travel	2,429	603
Wages and benefits (Note 8)	43,136	-
	<b>1,263,620</b>	<b>265,768</b>
<b>Other Income</b>		
Foreign exchange gain	54,368	-
Gain on sale of investments	52,525	-
Unrealized gain on investments	66,668	-
Loss on settlement of debt	(2,258)	-
	<b>171,303</b>	<b>-</b>
<b>LOSS AND COMPREHENSIVE LOSS FOR THE YEAR</b>	<b>\$ (1,092,317)</b>	<b>\$ (265,768)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.07)</b>	<b>\$ (0.02)</b>
<b>Weighted average number of common shares outstanding</b>	<b>16,506,924</b>	<b>11,782,922</b>

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

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in Canadian dollars)

	Share Capital		Equity Reserves	Deficit	Total
	Number of Shares	Amount			
<b>Balance at January 1, 2015</b>	12,500,000	\$ 10	\$ -	\$ (10)	\$ -
Shares issued on private placement	500,000	10,000	-	-	10,000
Shares issued to settle debt	4,100,000	280,000	-	-	280,000
Repurchase of shares	(2,500,000)	(125)	125	-	-
Share-based compensation	-	-	362	-	362
Loss and comprehensive loss	-	-	-	(265,768)	(265,768)
<b>Balance at December 31, 2015</b>	14,600,000	\$ 289,885	\$ 487	\$ (265,778)	\$ 24,594
Shares issued on private placement	4,664,479	778,423	-	-	778,423
Share subscriptions receivable	-	(10,000)	-	-	(10,000)
Shares issued to settle debt	66,667	10,000	-	-	10,000
Shares issued on exercise of options	100,000	19,740	(4,740)	-	15,000
Share issue costs	-	(81,851)	-	-	(81,851)
Finders' warrants on private placement	-	(66,200)	66,200	-	-
Share-based compensation	-	-	870,619	-	870,619
Loss and comprehensive loss	-	-	-	(1,092,317)	(1,092,317)
<b>Balance at December 31, 2016</b>	19,431,146	\$ 939,997	\$ 932,566	\$ (1,358,095)	\$ 514,468

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

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)

	For the year ended	
	December 31, 2016	December 31, 2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the year	\$ (1,092,317)	\$ (265,768)
Items not involving cash		
Depreciation	5,558	-
Share-based compensation	870,619	362
Foreign exchange gain	(47,742)	-
Realized gain on investments	(52,525)	-
Unrealized gain on investments	(66,668)	-
Loss on settlement of debt	2,258	-
Changes in non-cash working capital items:		
Amounts receivable	(18,266)	(9,917)
Investment tax credits receivable	(113,434)	(61,891)
Prepays	(9,850)	-
Due to (from) related parties	(22,913)	8,750
Accounts payable and accrued liabilities	69,797	321,368
Net cash used in operating activities	<u>(475,483)</u>	<u>(7,096)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	(68,123)	-
Proceeds from sale of investments	313,737	-
Net cash provided by investing activities	<u>245,614</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of common shares	385,473	10,000
Share issue costs	(81,851)	-
Net cash provided by financing activities	<u>303,622</u>	<u>10,000</u>
<b>Change in cash for the year</b>	<b>73,753</b>	<b>2,904</b>
<b>Cash, beginning of year</b>	<b>2,904</b>	<b>-</b>
<b>Cash, end of year</b>	<b>\$ 76,657</b>	<b>\$ 2,904</b>
<b>Non-cash transactions</b>		
Fair value of finder's warrants	\$ 66,200	\$ -
Debt settlement by issuance of common shares	10,000	280,000
Debt settlement by issuance of investments	6,984	-
Proceeds from share issuances received in investments	397,950	-
<b>Cash paid or accrued for interest or taxes</b>	<b>\$ -</b>	<b>\$ -</b>

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

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the years ended December 31, 2016 and 2015**  
**(Expressed in Canadian dollars)**

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**1. NATURE OF OPERATIONS**

Blockchain Technology Group Inc. (formerly 0882351 B.C. Ltd.) (the “Company”), which was incorporated under the *Business Corporations Act* (British Columbia) on May 31, 2010, has a registered and records office at 1130 – 400 Burrard Street, Vancouver, British Columbia, Canada, V6C 3A6. It is a private company with a corporate office and principal place of business at Suite 114 - 990 Beach Avenue, Vancouver, BC, Canada.

On June 2, 2013, the Company became a technology-based business. On July 2, 2015, the name of the Company was changed from 0882351 B.C. Ltd. to Blockchain Technology Group Inc., to better reflect the nature and development of the business.

The Company is a development stage technology-based company engaged in the research and development of a blockchain search engine with data processing and big data analytics for large enterprises with significant data requirements in the financial and ecommerce sectors globally. Blockchain is fundamentally a digital ledger of transactions with unique characteristics designed to create records that are secure, reliable, transparent, and accessible.

**2. BASIS OF PRESENTATION AND GOING CONCERN**

a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 30, 2017.

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which are measured at fair value as explained in Note 3 to these consolidated financial statements. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company.

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company’s subsidiaries. The accounts of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date the control ceases. All significant intercompany balances, transactions, income and expenses have been eliminated upon consolidation.

d) Going Concern

	<b>December 31, 2016</b>	December 31, 2015
Working capital	\$ 451,903	\$ 24,594
Deficit	<b>(1,358,095)</b>	(265,778)

These consolidated financial statements have been prepared on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses since inception and has negative cash flows from operations. Management cannot provide assurance that the Company will achieve profitable operations or become cash flow positive, or raise additional funds via equity issuances or debt instruments. Its ability to continue as a going concern depends upon whether it develops profitable operations and continues to raise adequate financing. These factors cast significant doubt on the Company’s ability to continue as a going concern.

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the years ended December 31, 2016 and 2015**  
**(Expressed in Canadian dollars)**

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**2. BASIS OF PRESENTATION AND GOING CONCERN**

d) Going Concern (cont'd...)

There can be no assurance that the Company will be able to raise the funds necessary to continue future operations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated statements of financial position. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

**3. SIGNIFICANT ACCOUNTING POLICIES Subsidiaries**

A subsidiary is an entity controlled by the Company. Control exists when the Company has exposure or rights to variable returns from its involvement with an entity, and the ability to affect those returns through its power over the entity. Where necessary, adjustments are made to the consolidated financial statements of the subsidiaries to bring their accounting policies into line with those of the Company.

The consolidated financial statements of the Company include the following subsidiary:

Name of subsidiary	Place of incorporation	Percentage ownership
2140 Software Solutions Inc.	British Columbia	100%

**Financial instruments**

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value net of transaction costs, if applicable. Measurement in subsequent periods depends on whether the financial instrument has been classified as “fair value through profit or loss”, “loans and receivables”, “available-for-sale”, “held-to-maturity”, or “financial liabilities measured at amortized cost” as follows:

**Financial assets**

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss (“FVTPL”).

(i) Financial assets at fair value through profit or loss (“FVTPL”)

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. FVTPL assets are initially recorded at fair value with unrealized gains and losses recognized through profit or loss. The Company’s cash and investments are classified as FVTPL.

(ii) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Due from related parties are classified as loans and receivables.

The Company does not have any financial assets classified as held to maturity or available for sale.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the years ended December 31, 2016 and 2015**  
**(Expressed in Canadian dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Financial liabilities**

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

(i) Other financial liabilities

The category consists of liabilities carried at amortized cost being the effective interest method. The Company's accounts payable and due to related parties are classified as other financial liabilities.

The Company does not have any financial liabilities classified as FVTPL.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the assets have been impacted.

For all financial assets objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principle payments; or

It has become probable that the borrower will enter bankruptcy or financial re-organization. For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

In a subsequent period if, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

**Share-based payment transactions**

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants are measured at the fair value of the goods or services received from these parties, or at their Black-Scholes fair values on the measurement date if the fair value of goods or services received cannot be reliably measured. A corresponding increase is recorded to equity reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Share capital**

Financial instruments issued by the Company are classified as share capital only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Share purchase warrants**

The fair value of compensatory warrants issued by the Company are determined on their issuance date, using the Black-Scholes option pricing model, and are recorded as a component of equity reserves. When the warrants are granted as compensation for the receipt of goods or services, they are recorded either as an expense or as a cost, capitalized to share capital or assets, on the same basis as equivalent cash payments.

When share purchase warrants are exercised, the cash proceeds and their fair value previously recorded in equity reserves are recorded as share capital.

**Income taxes**

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in profit or loss in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to apply to the period when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in profit or loss in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in profit or loss both in the period of change, which would include any impact on cumulative provisions, and in future periods.

**(Loss) earnings per share**

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow whose issuance is contingent on future events.

Diluted earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. For the years presented, this calculation proved to be anti-dilutive.

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Significant accounting judgments and estimation uncertainties**

The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) Valuation of share-based payments and compensatory warrants

Share-based payments and compensatory warrants are determined using the Black-Scholes option pricing model based on estimated fair values of all share-based awards at the date of grant and is expensed to profit or loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

(ii) Critical accounting judgments

a) Going concern

The determination of the Company's ability to continue as a going concern requires the Company to make certain judgments about whether the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

b) Deferred income taxes

The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant judgment of future taxable profit. Management is required to assess whether it is probable that the Company will benefit from its deferred tax assets. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

**Equipment**

Equipment is recorded at historical cost less related accumulated depreciation and impairment losses. Cost is determined as the expenditure directly attributable to the asset at acquisition, only when it is probable that future economic benefits will flow to the Company and the cost can be reliably measured. When an asset is disposed of, its carrying cost is derecognized. All repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

The Company provides for depreciation of equipment on a straight-line balance basis unless otherwise noted. Computer equipment is depreciated at an annual rate of 30%.

Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Equipment (cont'd...)**

When equipment is composed of major components with different useful lives, the components are accounted for as separate items of capital assets. Expenditures incurred to replace an asset component that is accounted for separately, including major inspections and overhaul expenditures, are capitalized.

The Company's equipment is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the asset's recoverable amount is estimated. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

**Cash and cash equivalents**

The Company considers all highly liquid instruments, with minimal interest rate risk and having an initial term to maturity of three months or less at the time of issuance to be cash equivalents.

**Investments**

The Company's investments are in cryptocurrencies which consist of digital hybrid currencies that are limited in supply, created and traded through open-source software and used as both a means of exchange and a store of value. On the date acquired, cryptocurrencies are recorded as a financial asset at the market value. The cryptocurrencies are subsequently re-measured at their fair value at the end of each financial reporting period, with any gains or losses recorded to profit or loss. When cryptocurrencies are sold, the gain or loss recognized on the sale of the cryptocurrencies is recorded to profit or loss.

**Foreign currency transactions**

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. The Company's functional currency is the Canadian Dollar. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

**Related party transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

**Research and development expenditures**

Research expenditures are expensed in the period incurred. Product development expenditures are expensed in the period incurred unless the product under development meets specific criteria related to technical, market and financial feasibility for deferral and amortization. The Company's policy is to amortize deferred product development expenditures over the expected future life of the product once product revenues or royalties are recorded. No product development expenditures have been deferred to date.

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Government assistance**

Government assistance consists of scientific research and experimental development (“SRED”) tax credits. SRED tax credits are accounted for as a reduction of the related expenditures and recorded when there is reasonable assurance that the Company has complied with the terms and conditions of the approved government program.

The refundable portion of tax credits is recorded in the period in which the related expenditures are incurred. The non-refundable portion of tax credits is recorded in the period in which the related expenditures are incurred or in a subsequent period to the extent that their future realization is determined to be probable, provided the Company has reasonable assurance the credits will be received and the Company will comply with the conditions associated with the award. SRED tax credits are subject to government review which could result in adjustments to profit or loss.

**Provisions**

Provisions are recorded when a present legal, statutory or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statements of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, if the effect is material, its carrying amount is the present value of those cash flows.

**New accounting standards and interpretations**

There were no new or amended standards or interpretations adopted during the year that had a significant impact on the consolidated financial statements.

**Accounting standards issued but not yet effective**

**IFRS 15, Revenue from Contracts with Customers**

IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative and relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers.

IFRS 15 applies to an annual reporting period beginning on or after January 1, 2018.

**IFRS 9, Financial Instruments – Classification and Measurement**

IFRS 9 is a new standard on financial instruments that will replace IAS 39, Financial Instruments: Recognition and Measurement.

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

**IFRS 16, Leases**

IFRS 16 specifies how an issuer will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less, or the underlying asset has an insignificant value. Lessors continue to classify leases as operating or finance, with IFRS 16’s approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019.

The Company is in the process of determining the impact that these changes will have on its consolidated financial statements.

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**4. INVESTMENTS**

The Company holds cryptocurrencies as investments as follows:

	Number of coins held	<b>December 31, 2016</b>	December 31, 2015
Bitcoin	185.28	\$ 246,033	\$ -
Solarcoin	25,916.45	2,857	-
		<b>\$ 248,890</b>	<b>\$ -</b>

**5. INVESTMENT TAX CREDITS RECEIVABLE**

The Company has filed scientific research and experimental development (“SRED”) expenditure claims with the Canada Revenue Agency. At December 31, 2016, the Company has investment tax credits receivable of \$175,325 (2015 - \$61,891) which is composed of a refundable federal investment tax credit of \$136,365 (2015 - \$48,138) and a refundable provincial investment tax credit of \$38,960 (2015 - \$13,753).

**6. EQUIPMENT**

	<b>Total</b>
<b>Balance at December 31, 2014 and 2015</b>	<b>\$ -</b>
Additions	68,123
Disposals	-
<b>Balance at December 31, 2016</b>	<b>\$ 68,123</b>
<b>Depreciation</b>	
<b>Balance at December 31, 2014 and 2015</b>	<b>\$ -</b>
Depreciation for the year	5,558
Disposals	-
<b>Balance at December 31, 2016</b>	<b>\$ 5,558</b>
<b>Carrying amounts</b>	
<b>At December 31, 2014 and 2015</b>	<b>\$ -</b>
<b>At December 31, 2016</b>	<b>\$ 62,565</b>

**7. SHARE CAPITAL**

**Authorized share capital**

Unlimited common shares, without par value

Unlimited preferred shares, without par value, with special rights or restrictions attached

On June 24, 2015, the authorized share structure of the Company was reorganized whereby the authorized share capital was amended to remove certain unissued classes of shares, add a new class of preferred shares and change the identifying name of the Class G shares to common shares.

**Share issuances**

As at December 31, 2016: 19,431,146 (2015 – 14,600,000) common shares were issued and outstanding

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**7. SHARE CAPITAL (cont'd...)**

**Share issuances (cont'd...)**

**2015**

On June 24, 2015, the Company split its common shares outstanding resulting in the issue of 12,499,900 common shares. The share split has been accounted for retroactively.

On July 9, 2015, the Company repurchased a total of 2,500,000 common shares at a cost of \$125 from directors and officers of the Company.

On September 1, 2015, the Company completed a private placement of 500,000 common shares at a price of \$0.02 per share to raise gross proceeds of \$10,000.

On September 1, 2015, the Company issued 500,000 common shares with a fair value of \$0.02 per share to settle debts of \$10,000.

On November 30, 2015 and December 31, 2015, the Company issued 1,766,665 common shares and 1,833,335 common shares, respectively, with a fair value of \$0.075 per share to settle aggregate debt of \$270,000.

**2016**

On June 13, 2016, the Company completed the third and final tranche of a private placement of an aggregate 3,089,479 units at a price of \$0.15 per unit to raise gross proceeds of \$463,423. Each unit is comprised of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase an additional common share a price of \$0.20 for a period of 24 months. The Company paid finder's fees of \$27,451 cash and granted 69,667 share purchase warrants exercisable for a period of 24 months at a price ranging from \$0.15 to \$0.20 per common share. The share purchase warrants were valued at \$6,900 and credited to reserves-share based. Fair value was determined using the Black-Scholes valuation model, based on a risk-free interest rate ranging from 0.38 to 0.49%, an expected life of two years, an expected volatility of 147.19% and a dividend rate of nil. All of the warrants are subject to an acceleration provision whereby if the Company's shares trade at \$0.25 or more for 10 consecutive trading days, the Company may reduce the exercise time to not less than 30 days upon provision of notice to warrant holders.

On June 13, 2016, the Company issued 66,667 common shares and 66,667 share purchase warrants exercisable for a period of 24 months at a price of \$0.20 to settle debt of \$10,000.

On December 12, 2016, the Company completed a private placement of 1,575,000 common shares at a price of \$0.20 per share to raise gross proceeds of \$315,000. The Company paid finder's fees of \$54,400 cash and granted 419,943 share purchase warrants exercisable for a period of 24 months at a price of \$0.10 per common share. The share purchase warrants were valued at \$59,300 and credited to reserves-share based. Fair value was determined using the Black-Scholes valuation model, based on a risk-free interest rate of 0.66%, an expected life of two years, an expected volatility of 147.19% and a dividend rate of nil. The finder's warrants are subject to an acceleration provision whereby if the Company's shares trade at \$0.25 or more for 10 consecutive trading days, the Company may reduce the exercise time to not less than 30 days upon provision of notice to warrant holders.

**Share purchase warrants**

The Company may issue share purchase warrants to acquire its common shares either in combination with share offerings, or on a stand-alone basis to its consultants and advisors. The terms of warrants issued are determined by the Company's Board of Directors.

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**7. SHARE CAPITAL (cont'd...)**

**Share purchase warrants (cont'd...)**

Share purchase warrant transactions are summarized for the years ended December 31, 2016 and 2015:

	Expiry Date	Exercise price	Balance, December 31, 2015	Issued/Granted	Expired/Cancelled	Balance, December 31, 2016
Warrants	January 11, 2018	\$0.20	-	100,000	-	100,000
Finder's warrants	January 11, 2018	\$0.15	-	7,000	-	7,000
Warrants	March 4, 2018	\$0.20	-	33,500	-	33,500
Warrants	June 13, 2018	\$0.20	-	3,022,646	-	3,022,646
Finder's warrants	June 13, 2018	\$0.20	-	62,667	-	62,667
Finder's warrants	November 22, 2018	\$0.10	-	419,943	-	419,943
			-	3,645,756	-	3,645,756
Weighted average exercise price			\$ -	\$ 0.19	\$ -	\$ 0.19

**Performance-based share purchase warrants**

On May 31, 2016, the Company granted an aggregate 12,000,000 performance warrants to directors, officers and employees at an exercise price of \$0.15 per warrant share with an expiration date of December 31, 2022. The performance warrants are subject to vesting upon the achievement of certain milestones by certain dates, as set out below:

Milestone	On or before	No. of Performance Warrants	Exercise price of vested Performance Warrants	No. of Performance Warrants vested
1 Upon completion of product – QLUE v1.0	December 31, 2016	1,000,000	\$0.15	1,000,000
2 Upon filing of software patent	June 30, 2017	2,000,000	\$0.15	-
3 Upon signing of first government contract	August 31, 2017	2,000,000	\$0.15	-
4 Upon completion of BitRank product	October 31, 2017	3,000,000	\$0.15	-
5 Upon completion of global network	December 31, 2017	4,000,000	\$0.15	-
		12,000,000	\$0.15	1,000,000

Subsequent to December 31, 2016 the Company achieved milestone 2 – filing of software patent as at June 30, 2017, and milestone 3 – first government contract as at July 31, 2017.

During the year ended December 31, 2016, the Company recorded share-based compensation totaling \$795,781 in relation to the performance warrants, which was expensed as share-based compensation in operations, with a corresponding increase in reserves-share based.

**Stock options**

The Company adopted an incentive stock option plan (the “Option Plan”) which provides that the Board of Directors of the Company may from time to time, at its discretion, grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. On October 10, 2017, the Option Plan was amended and restated. Refer to Note 13(h).

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**7. SHARE CAPITAL (cont'd...)**

The following options were outstanding as at December 31, 2016 and 2015:

	<b>December 31, 2016</b>		<b>December 31, 2015</b>	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening balance	50,000	\$0.15	-	\$ -
Granted	1,125,000	0.16	50,000	0.15
Exercised	(100,000)	(0.15)	-	-
Expired	(25,000)	(0.15)	-	-
Forfeited	(200,000)	(0.15)	-	-
Ending balance	850,000	\$0.17	50,000	\$0.15
Options exercisable	500,000	\$0.16	50,000	\$0.15

Weighted Average Exercise Price	Expiry Date	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life
\$ 0.15	May 12, 2017	100,000	75,000	0.36 years
\$ 0.20	August 30, 2017	100,000	50,000	0.66 years
\$ 0.15	September 1, 2017	50,000	50,000	0.67 years
\$ 0.20	October 15, 2017	50,000	-	0.79 years
\$ 0.20	December 7, 2017	50,000	-	0.93 years
\$ 0.20	August 2, 2019	100,000	25,000	2.59 years
\$ 0.15	March 14, 2021	400,000	300,000	4.20 years
		850,000	500,000	2.53 years

During the year ended December 31, 2016, the Company recorded share-based compensation totaling \$74,838 (2015 - \$362) in relation to the stock options, which was expensed as share-based compensation in operations, with a corresponding increase in reserves-share based.

The fair value of share options granted during the year was estimated on the measurement date using the Black-Scholes option-pricing model and is amortized over the vesting period of the underlying options. The weighted average assumptions used to calculate the fair value were in the follows ranges:

	<b>December 31, 2016</b>	<b>December 31, 2015</b>
Share price at measurement date	\$0.15	\$0.02
Exercise price	\$0.17	\$0.15
Risk-free interest rate	0.67%	0.41%
Expected life of options	2.85 years	2.00 years
Expected volatility	147.19%	147.19%
Forfeiture rate	0%	0%
Dividend yield	Nil	Nil

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**8. RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. Key management includes directors and officers of the Company. The Company entered into the following transactions with related parties:

- a) During the year ended December 31, 2016, the Company completed debt for shares settlements with officers, directors, and companies controlled by directors of the Company by issuing 3,600,000 (2015 - Nil) common shares to discharge liabilities in the amount of \$280,000 (2015 - Nil).
- b) During the year ended December 31, 2016, the Company paid finders fees of \$4,000 and granted 26,667 finders warrants to a spouse of a director and officer.
- c) As at December 31, 2016 accounts payable included \$77,960 (2015 - \$29,357) owing to directors and officers of the Company.
- d) As at December 31, 2016 due from related parties consisted of amounts owing from directors and officers of the Company in the amount of \$14,063 (2015 - Nil).
- e) As at December 31, 2016 due to related parties consisted of amounts owing to directors and officers of the Company in the amount of Nil (2015 - \$8,850).

**Key Management Compensation**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

	December 31, 2016	December 31, 2015
Consulting fees	\$ 20,000	\$ 180,667
Research and development - wages	18,598	60,000
Wages and benefits	40,000	-
<b>Total</b>	<b>\$ 78,598</b>	<b>\$ 240,667</b>

**9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at December 31, 2016, the Company's financial instruments are comprised of cash, due from/to related parties, investments and accounts payable. The fair values of due from related parties and accounts payable approximate their carrying values due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs that are not based on observable market data (unobservable inputs).

As at December 31, 2016, the fair value of cash and investments held by the Company was based on Level 1 of the fair value hierarchy.

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**9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)**

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

*Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company has no significant concentration of credit risk arising from operations. The Company has cash balances but no interest-bearing debt. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash, investments and due from related parties. The Company's current policy is to invest excess cash in variable interest investment-grade demand deposit certificates issued by reputable financial institutions with which it keeps its bank accounts and management believes the risk to be remote. The Company's credit risk has not changed significantly from the prior year.

*Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its short-term obligations. The Company forecasts cash flows for a period of twelve months to identify financial requirements. These requirements are met by accessing financing through private placements, the risks of which are discussed in Note 2 above.

*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 equity prices.

i. Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has no interest-bearing financial instruments other than cash, so its exposure to interest rate risk is insignificant.

ii. Foreign currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has investment assets, some liabilities and revenue or expenses denominated in a foreign currency, so is exposed to foreign currency risk.

iii. Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required.

**10. CAPITAL MANAGEMENT**

The Company includes all components of equity in the definition of capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its blockchain technology and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may consider issuing new shares, and/or issue debt, acquire or dispose of assets, or adjust the amount of cash and investments on hand. The Company is not currently subject to any externally imposed capital requirements.

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**10. CAPITAL MANAGEMENT (cont'd...)**

The Company has been dependent upon external financings to fund activities. Until such time as it begins to generate revenue, in order to carry out planned expenditures and pay for administrative costs the Company will spend its existing working capital and may seek to raise additional funds as needed.

In order to maximize ongoing development, the Company does not pay out dividends. The Company's investment policy is to keep its cash on deposit in an interest bearing Canadian chartered bank account. There have been no changes to the Company's approach to capital management during the year ended December 31, 2016.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

**11. COMMITMENTS**

The Company has entered into an operating lease agreement for its corporate head office premises. The annual lease commitments under the lease are as follows:

2017	\$ 24,000
2018	\$ 24,000
2019	\$ 8,000

**12. INCOME TAXES**

The Company's provision for income taxes differs from the amount computed by applying the combined Canadian federal and provincial income tax rates to income (loss) before income taxes as a result of the following:

	<b>For the year ended December 31,</b>	
	<b>2016</b>	<b>2015</b>
Loss for the year before income tax	\$ (1,092,317)	\$ (265,768)
Expected income tax recovery at statutory rate of 26%	\$ (284,003)	\$ (69,099)
Permanent differences	237,241	13,032
Change in unrecognized deductible temporary differences	46,762	56,067
Provision for income taxes	\$ -	\$ -

The tax effect of the following temporary differences and non-capital losses have not been recognized in the consolidated financial statements.

	<b>2016</b>	<b>2015</b>
Non-capital losses available for future periods	\$ 109,330	\$ 56,070
Share issue costs	17,025	-
Equipment	1,445	-
Investments	(24,968)	-
	\$ 102,832	\$ 56,070

The Company has approximately \$420,500 of Canadian non-capital losses which may be applied to reduce taxable income in future years, and which if not utilized, will expire through to 2036. Future tax benefits which may arise as a result of future income tax assets have not been recognized in these consolidated financial statements as management believes that it is not probable that sufficient taxable income will be available to realize such assets.

**BLOCKCHAIN TECHNOLOGY GROUP INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the years ended December 31, 2016 and 2015**  
**(Expressed in Canadian dollars)**

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**13. SUBSEQUENT EVENTS**

Subsequent to December 31, 2016 the Company:

- (a) granted an aggregate 3,577,224 incentive stock options exercisable at a range from \$0.20 to \$0.35 per share for a period of one to five years to directors, officers, employees and consultants;
- (b) received proceeds of \$22,500 upon the exercise of 150,000 stock options priced at \$0.15 per common share and \$23,363 from the exercise of 116,813 share purchase warrants priced at \$0.20 per common share;
- (c) on April 10, 2017, the Company closed a non-brokered private placement and issued 625,668 common shares at a price of \$0.30 per share for gross proceeds of \$187,700. A total finder's fees of \$2,700 was paid with respect to the funds received for this private placement;
- (d) on July 25, 2017, the Company increased the number of issued and outstanding performance warrants as described under Note 7 from 12,000,000 to 13,000,000 and amended the terms by reducing the exercise prices from \$0.15 to a range of Nil to \$0.01 per share for the first three tranches comprised of 8,000,000 performance warrants and from \$0.15 to \$0.07 per share for the final two tranches comprised of 5,000,000 performance warrants. On November 16, 2017, the Company amended the exercise prices from a range of Nil to \$0.01 to Nil to \$0.02 per share for the first three tranches comprised of 8,000,000 performance warrants;
- (e) on September 14, 2017, the Company entered into a definitive share exchange agreement with Acana Capital Corp. ("Acana"), pursuant to which Acana will acquire all of the issued and outstanding shares of the Company on the basis of 1.3395 common shares of Acana per common share of the Company outstanding at the closing, causing the Company to become a wholly-owned subsidiary of Acana (the "Transaction");
- (f) on September 14, 2017, the Company entered into a non-interest bearing promissory note agreement with Acana under which the Company received \$50,000 that is due and payable on December 31, 2017;
- (g) on September 29, 2017, the Company entered into a loan agreement with Acana under which the Company received \$1,000,000 that is due and payable on March 29, 2018, or earlier in the event of termination of the Transaction described under Note 13(d). The loan agreement is non-interest bearing and secured by a general security agreement with the Company; and
- (h) on October 10, 2017, the Company amended and restated its incentive stock option plan (the "Option Plan") as described under Note 7 so as to convert its Option Plan into a 20% fixed stock option plan (the "Amended Plan"). Pursuant to the Amended Plan, an aggregate total of 4,064,725 options to purchase common shares may be granted to eligible persons (as such term is defined in the Amended Plan) from time to time at the discretion of the Board of Directors.

**SCHEDULE “B” – PRO-FORMA FINANCIAL STATEMENTS**

Please see attached.

**BIG BLOCKCHAIN INTELLIGENCE GROUP INC.**  
**(formerly Acana Capital Corp.)**

**Unaudited Pro Forma Consolidated Financial Statements**

**September 30, 2017**

**BIG BLOCKCHAIN INTELLIGENCE GROUP INC.**  
**(formerly Acana Capital Corp.)**  
**PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*(Unaudited - Expressed in Canadian dollars)*

	Historical		Pro Forma		BIG Blockchain Intelligence Group Inc.
	Blockchain Technology Group Inc. at June 30, 2017 (Unaudited)	BIG Blockchain Intelligence Group Inc. at September 30, 2017 (Audited)	Adjustments	Notes	
	\$	\$	\$		\$
<b>Assets</b>					
Current assets					
Cash	138,230	2,591,533	140,863 1,050,000 (200,000)	2 3 4	3,720,626
Investments	72,947	-			72,947
Accounts receivable	17,710	17,887	-		35,597
Investment tax credits receivable	175,325	-	-		175,325
Prepaid expenses	204	183,694	-		183,898
	404,416	2,793,114	990,863		4,188,393
Notes receivable	-	1,050,000	(1,050,000)	3	-
Property and equipment	53,181	-	-		53,181
<b>Total Assets</b>	<b>457,597</b>	<b>3,843,114</b>	<b>(59,137)</b>		<b>4,241,574</b>
<b>Liabilities</b>					
Current liabilities					
Accounts payable & accrued liabilities	47,650	110,318	-		157,968
Deferred revenue	20,549	-	-		20,549
<b>Total Liabilities</b>	<b>68,199</b>	<b>110,318</b>	<b>-</b>		<b>178,517</b>
<b>Shareholders' equity</b>					
Share capital	1,156,110	6,525,343	(6,525,343) 13,002,918 140,863 1,202,277	1 1 2 2	15,502,168
Equity reserves	1,662,472	-	(981,306)	2	681,166
Deficit	(2,429,184)	(2,792,547)	2,792,547 (9,270,122) (220,971) (200,000)	1 1 2 4	(12,120,277)
<b>Total shareholders' equity</b>	<b>389,398</b>	<b>3,732,796</b>	<b>(169,137)</b>		<b>4,063,057</b>
<b>Total liabilities and shareholders' equity</b>	<b>457,957</b>	<b>3,843,114</b>	<b>(169,137)</b>		<b>4,241,574</b>

The accompanying notes form an integral part of these pro forma consolidated financial statements.

# BIG BLOCKCHAIN INTELLIGENCE GROUP INC.

(formerly Acana Capital Corp.)

## PRO FORMA CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited – Expressed in Canadian dollars)

	Historical		Pro Forma	
	Blockchain Technology Group Inc. at June 30, 2017 (Unaudited)	BIG Blockchain Intelligence Group Inc. at September 30, 2017 (Audited)	Adjustments	Notes
	\$	\$	\$	\$
<b>Revenue</b>				
Consulting income	63,582	-	-	63,582
<b>Cost of sales</b>	54,573	-	-	54,573
Gross margin	9,009	-	-	9,009
<b>Operating expenses</b>				
Advertising and promotion	19,826	-	-	19,826
Amortization	9,385	-	-	9,385
Consulting	20,019	302,791	-	322,810
Investor relations	-	208,217	-	208,217
Office	63,564	24,123	-	87,687
Professional fees	15,162	36,483	-	51,645
Research and development	183,427	-	-	183,427
Stock based compensation	736,296	-	220,971	957,267
Travel	16,423	-	-	16,423
Trust and filing fees	-	47,433	-	47,433
Wages and benefits	31,977	-	-	31,977
<b>(Loss) income from operating activities</b>	<b>(1,087,070)</b>	<b>(619,047)</b>	<b>(220,971)</b>	<b>(1,927,088)</b>
<b>Other Income (Expenses)</b>				
Exchange (loss) gain	(18,301)	-	-	(18,301)
Gain on sale of investment	18,520	-	-	18,520
Unrealized (loss) gain on investment	33,864	-	-	33,864
Loss on settlement of debt	(18,102)	-	-	(18,102)
Change in fair value of marketable securities	-	(2,722,252)	-	(2,722,252)
Interest expense	-	(255,224)	-	(255,224)
Deferred tax recovery (expense)	-	11,855	-	11,855
Loss from discontinued operations	-	(720,075)	-	(720,075)
Listing expenses	-	-	(9,270,122)	(9,270,122)
	-	-	(200,000)	(200,000)
<b>Net loss and comprehensive loss</b>	<b>(1,071,089)</b>	<b>(4,304,743)</b>	<b>(9,691,093)</b>	<b>(15,066,925)</b>
<b>Basic and diluted loss per common share</b>				<b>(0.42)</b>
<b>Weighted average number of common shares outstanding</b>				<b>35,819,394</b>

The accompanying notes form an integral part of these pro forma consolidated financial statements.

**BIG BLOCKCHAIN INTELLIGENCE GROUP INC.**  
**(formerly Acana Capital Corp.)**  
**NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2017**  
*(Unaudited - Expressed in Canadian dollars unless otherwise stated)*

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**THE ARRANGEMENT**

Blockchain Technology Group Inc. (“Blockchain”) entered into a definitive share exchange agreement with BIG Blockchain Intelligence Group Inc. (formerly Acana Capital Corp.) (“BIG”) on September 14, 2017, whereby BIG, effective November 30, 2017, acquired from the shareholders of Blockchain all of the issued and outstanding shares of Blockchain on the basis of 1.3395 common shares of BIG per common share of Blockchain outstanding at closing (the “Exchange Ratio”), causing Blockchain to become a wholly-owned subsidiary of BIG (the “Acquisition”). Blockchain’s outstanding options and warrants at closing of the Acquisition became convertible into common shares of BIG, based on the Exchange Ratio. The shareholders of BIG hold approximately 49% of the outstanding shares and the shareholders of Blockchain hold approximately 51% of the outstanding shares of the BIG. The Acquisition was a reverse take over under the policies of the Canadian Securities Exchange (“CSE”). The business of Blockchain has become the business of BIG.

Although the Acquisition resulted in a legal combination of BIG and Blockchain, because BIG does not meet the criteria for a business under IFRS 3, from an accounting perspective, the Acquisition is considered to be a reverse takeover transaction. The Acquisition is not considered to be a business combination but a capital transaction whereby BIG is considered to have issued additional shares in return for the net assets of Blockchain. See “*Pro Forma Assumptions and Adjustments*” below.

For financial reporting purposes, BIG is considered a continuation of Blockchain, the legal subsidiary, except with regard to authorized and issued share capital, which is that of BIG, the legal parent.

**BASIS OF PRESENTATION**

The accompanying unaudited pro forma consolidated financial statements have been prepared by the management of Blockchain to give effect to the Acquisition. In the opinion of management, the unaudited pro forma consolidated statement of financial position includes all adjustments necessary for the fair presentation of the transaction in accordance with International Financial Reporting Standards.

The unaudited pro forma consolidated financial statements have been prepared for illustrative purposes only and may not be indicative of the financial position and results of operations that would have occurred if the transactions had taken place on the dates indicated or of the financial position or operating results which may be obtained in the future. The unaudited pro forma consolidated financial statements are not a forecast or projection of future results. The actual financial position and results of BIG for any period following September 30, 2017 will likely vary from the amounts set forth in the unaudited pro forma consolidated financial statements and such variation may be material.

The unaudited pro forma consolidated financial statements should be read in conjunction with the audited consolidated financial statements of BIG as at September 30, 2017, the unaudited interim financial statements of Blockchain as at June 30, 2017 and the audited financial statements of Blockchain as at December 31, 2016.

**PRO FORMA ASSUMPTIONS AND ADJUSTMENTS**

The unaudited pro forma consolidated financial statements incorporate the following pro forma assumptions and adjustments:

1. In accordance with reverse acquisition accounting and IFRS 2:
  - (i) the assets and liabilities of Blockchain are included in the unaudited pro forma consolidated statement of financial position at their historic value.
  - (ii) the net assets of BIG are included at fair value, assumed to be equal to their carrying value at September 30, 2017.
  - (iii) Share capital, reserve accounts and the deficit of BIG are eliminated.

**BIG BLOCKCHAIN INTELLIGENCE GROUP INC.**  
**(formerly Acana Capital Corp.)**  
**NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2017**

*(Unaudited - Expressed in Canadian dollars unless otherwise stated)*

**PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (cont'd...)**

1. In accordance with reverse acquisition accounting and IFRS 2: (cont'd...)

During September 2017, BIG completed a non-brokered private placement financing, issuing 10,000,000 common shares priced at \$0.35 for gross proceeds of \$3,500,000.

Fair value of BIG's transaction was based on the non-brokered private placement share value. The preliminary purchase price of \$13,002,918 has been allocated as follows:

Cash	\$	2,591,533
Notes receivable		1,050,000
Accounts receivable		17,887
Prepaid expenses		183,694
Accounts payable and accrued liabilities		(110,318)
Listing costs expensed		9,270,122
	\$	<u>13,002,918</u>

2. The unaudited pro forma consolidated statement of financial position as at June 30, 2017 includes aggregate proceeds of \$140,863 for the issuance of 5,616,813 Blockchain common shares related to the exercise of 50,000 stock options priced at \$0.15 per common share, 116,813 share purchase warrants priced at \$0.20 per common share and 5,500,000 performance-based share purchase warrants priced at \$0.02 per common share. Immediately prior to closing of the Acquisition, a total of 2,500,000 Blockchain performance-based share purchase warrants were converted into fully paid and non-assessable common shares. The fair value of the performance warrants exercised and converted of \$1,202,277 has been included in the pro-forma share capital.
3. During September 2017, BIG advanced an aggregate of \$1,050,000 to Blockchain as follows:
- \$50,000 under a non-interest bearing promissory note that is due and payable on December 31, 2017; and,
  - \$1,000,000 under loan agreement that is due and payable on March 29, 2018, or earlier in the event of the termination of the Acquisition. The loan agreement is non-interest bearing and secured by a general security agreement with Blockchain.
4. Costs associated with the Acquisition are estimated to be \$200,000 and have been expensed on completion of the transaction.

**PRO FORMA SHARE CAPITAL**

Authorized - Unlimited number of common shares and preferred shares without par value.

The pro forma number of shares outstanding subsequent to the Acquisition is:

	Number of Shares	Amount
BIG issued and outstanding shares as at September 30, 2017	35,819,394	\$ 6,525,343
Blockchain issued and outstanding shares as at June 30, 2017	20,156,814	1,156,110
Blockchain options and warrants converted prior to closing of the Acquisition	8,166,813	1,343,140
Elimination of Blockchain common shares for legal purposes and the value of BIG share capital for accounting purposes	(28,323,627)	(6,525,343)
Issuance of BIG shares to Blockchain shareholders	37,939,483	13,002,918
<b>Pro forma balance at September 30, 2017</b>	<b>73,758,877</b>	<b>\$ 15,502,168</b>

**BIG BLOCKCHAIN INTELLIGENCE GROUP INC.**  
**(formerly Acana Capital Corp.)**  
**NOTES TO THE PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2017**  
*(Unaudited - Expressed in Canadian dollars unless otherwise stated)*

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**PRO FORMA WARRANTS**

The pro forma warrants at September 30, 2017 are as follows:

<b>Type</b>	<b>Expiry Date</b>	<b>No. of Warrants</b>	<b>Exercise Price (\$)</b>
BIG warrants	March 11, 2020	3,327,619	\$0.21
Blockchain warrants	January 11, 2018	133,950	0.15
Blockchain warrants	January 11, 2018	9,377	0.11
Blockchain warrants	March 4, 2018	44,873	0.15
Blockchain warrants	June 13, 2018	3,976,306	0.15
Blockchain warrants	November 22, 2018	562,514	0.07
Blockchain performance warrants	December 31, 2022	6,697,500	0.05
<b>Total</b>		<b>14,752,139</b>	<b>\$0.12</b>

**PRO FORMA OPTIONS**

<b>Type</b>	<b>Expiry Date</b>	<b>No. of Warrants</b>	<b>Exercise Price (\$)</b>
Blockchain options	December 7, 2017	33,487	0.15
Blockchain options	January 12, 2018	16,743	0.15
Blockchain options	June 8, 2018	66,975	0.22
Blockchain options	August 29, 2018	40,185	0.26
Blockchain options	October 15, 2018	66,975	0.26
Blockchain options	August 2, 2019	133,950	0.15
Blockchain options	March 14, 2021	535,800	0.11
Blockchain options	February 1, 2022	803,700	0.15
Blockchain options	March 15, 2022	267,900	0.15
Blockchain options	August 7, 2022	267,900	0.19
Blockchain options	October 2, 2022	160,277	0.26
Blockchain options	October 5, 2022	352,958	0.26
Blockchain options	October 11, 2022	669,750	0.19
Blockchain options	October 19, 2022	2,028,095	0.26
<b>Total</b>		<b>5,444,695</b>	<b>\$0.21</b>