



COIN Hodl Inc.

**Management's Discussion & Analysis -
Quarterly Highlights**

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

This Management's Discussion and Analysis ("MD&A") of COIN hold Inc ("COIN" or the "Company") for the three and nine months ended September 30, 2019 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2018. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended December 31, 2018 and 2017 and unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2019 ("Statements").

The Company's Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The Statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

All amounts included in this MD&A are in Canadian dollars, unless otherwise specified. This report is dated as of October 21, 2019. Readers are encouraged to read the Company's public filings, which can be viewed on the SEDAR website (www.sedar.com).

RECENT HIGHLIGHTS

- September 30, 2019: Working capital of \$2.98 million, including cash-on-hand of \$2.54 million, compared with working capital of \$3.12 million, including cash-on-hand of \$1.69 million, at December 31, 2018. The decrease in working capital was due to the on-going corporate expenses of the Company, expenses incurred related to the change of business.
- The Company continues to actively pursue new business investing opportunities outside the sectors of digital currency and block chain.

STRATEGIC OBJECTIVE

The Company is focused on identifying a new project or business.

OUTLOOK

The strategic objectives are currently under review as management searches for new opportunities. The Company's current balance sheet should enable the Company to identify, evaluate and advance opportunities and projects without the requirement for immediate access to the capital markets.

RESULTS OF OPERATIONS

Three and six months ended September 30, 2019 compared to three and six months ended September 30, 2018

The Company's net loss totaled \$47,847 and \$137,872 for the three and nine months ended September 30, 2019, with basic and diluted loss per share of \$0.00 and \$0.01. This compares with a net loss of \$628,942 and \$1,069,866, with basic and diluted loss per share of \$0.04 and \$0.07 for the three and nine months ended September 30, 2018. The decrease of \$581,095 in the three months ended September 30, 2019 in net loss was principally because in the prior year an unrealized loss on investments of \$752,589 was recorded compared to \$nil in the current period.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2019 the Company had working capital of \$2,980,281 (December 31, 2018 – \$3,118,153) and held cash of \$2,538,826 (December 31, 2018 - \$1,688,252). The decrease in working capital was due to the on-going corporate expenses of the Company, expenses incurred related to the change of business and an unrealized loss on investments. The increase in cash was a result of the sale of digital assets in the first quarter of 2019.

The Company's only sources of liquidity are its cash balances, its investments, the exercise of stock options and the equity markets. On an ongoing basis, the Company examines various financing alternatives to address future funding requirements. There is no guarantee of the sufficiency or success of these initiatives. See "Outlook" above.

The timing and ability to complete any future funding efforts will depend on the liquidity of the financial markets and the willingness of investors to finance the new business. At this time, the Company has no profit from operations; therefore, it will have to rely on its ability to obtain equity or debt financing for growth. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable to the Company.

COMMITMENTS

On May 29, 2018, the Company and Samara entered into the Management Services Agreement pursuant to which Samara will be appointed to manage the operations, business and affairs of the Company and to provide all necessary or advisable administrative services and facilities to carry out the merchant banking business of the Company for the Initial Term. The Management Services Agreement provides Samara with broad discretion, subject to certain limitations, to carry out the Investment Policy.

The Management Service Agreement will be in force for the Initial Term, expiring December 31, 2022, at which time (and from time to time thereafter) it will automatically renew for a period of one year. The Management Service Agreement can be terminated by: written agreement between the Company and Samara; by either party on notice before the end of the initial or a renewal term; by the Company in the event of a persistent or fundamental breach by Samara; by the Company after a change of control or sale of its business; by the Company should Ben Cubitt cease to be employed by Samara; by the Company upon an insolvency; or by Samara in the event of a change of control, material change in business, creation of a new class of shares, or a proposal to wind up the Company without Samara's prior consent.

Samara shall be entitled to Management Fee, which shall be, initially, an annual fee equal to 2% of the Company's Net Asset Value. The Management Fee will be calculated and accrue quarterly (i.e., 0.5% of net asset value per

quarter), payable within 30 days following the end of the quarter to which the payment is referable. At any time following the end of the Initial Term, the Board may elect to review and reset the Management Fee (the "Management Fee Review Election").

Either party hereto may terminate this Agreement effective at the end of the Initial Term or current successive term, as applicable, by giving the other of them at least 180 days' written notice prior to the expiry of such term, and, in the event of such termination by the Company, Samara shall be entitled to a cash payment upon termination of (i) all Management Fees payable to Samara up to and including the Termination Date, plus (ii) if the Termination Payout Condition has been satisfied, a lump sum equal to the Termination Payout.

The "Termination Payout" means two times (2x) the aggregate Management Fees accrued for the four most recently completed financial quarters of the Company preceding the Termination Date. "Termination Payout Condition" means the Company having raised a minimum of \$10 million of new equity capital between the Commencement Date and the earlier of (i) the Termination Date, and (ii) the end of the Initial Term.

Samara may terminate this Agreement within 180 days following the occurrence of a Triggering Event by giving at least 90 days' prior written notice to the Corporation of such termination, and, in the event of such a termination, Samara shall be entitled to a cash payment upon termination of (i) all Management Fees payable to Samara up to and including the Termination Date, plus (ii) a lump sum equal to that percentage of the Net Asset Value on the Termination Date that is equal to 0.1667% multiplied by the number of months remaining in the Initial Term or the current successive term, as applicable, as of the Termination Date, plus (iii) if the Termination Payout Condition has been satisfied, a lump sum equal to the Termination Payout;

"Triggering Event" means any of the following events that occurs without the prior written consent of Samara:

- i. a Change of Control of the Company;
- ii. during the Initial Term, a decision by the Board that results in a material change to the nature of the Business being carried out by the Company;
- iii. during the Initial Term, a decision by the Board which is inconsistent with the Cryptocurrency and Block-Chain Investment Business and the delegation of duties to Samara as set forth in this Agreement;
- iv. during the Initial Term, the issuance or creation of any new class of shares or securities convertible into a new class of shares of the Company that would not be subject to the terms of this Agreement; or
- v. during the Initial Term, a decision by the Board or a proposal by the Board to the shareholders of the Company to wind-up the Company.

Either party may terminate this Agreement if after 45 days following the occurrence of a Management Fee Review Election, the parties have not agreed on the Management Fee for the remainder of the Initial Term, by giving at least 60 days' prior written notice to the other party of such termination, and, in the event of such a termination, Samara shall be entitled to a cash payment upon termination of (i) all Management Fees payable to Samara up to and including the Termination Date, plus (ii) a lump sum equal to 150% of the Management Fee paid for last completed financial year.

RELATED PARTY AND OTHER TRANSACTIONS

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of key management personnel is determined by the Board of Directors having regard to the performance of individuals and market trends and was as follows:

	Three months ended September 30, 2019 (\$)	Three months ended September 30, 2018 (\$)	Nine months ended September 30, 2019 (\$)	Nine months ended September 30, 2018 (\$)
Management salaries	23,637	27,771	74,823	74,042
Director fees	-	-	-	30,907
Total	23,637	27,771	74,823	104,949

The Company received consulting services from Pickax International Corporation ("Pickax"), a company controlled by the former President and Chief Executive Officer ("CEO"). During the three and nine months ended September 30, 2019, the Company incurred \$nil and \$nil, respectively (three and nine months ended September 30, 2018 - \$nil and \$12,000, respectively) for CEO services.

The Chief Financial Officer ("CFO") is a senior employee of Marrelli Support Services Inc. ("MSSI"), a firm also providing accounting services. During the three and nine months ended September 30, 2019 the Company incurred \$10,942 and \$36,119, respectively (three and nine months ended September 30, 2018 - \$11,013 and \$35,262) for CFO and accounting services rendered by MSSI. As at September 30, 2019, MSSI was owed \$4,116 (December 31, 2018 - \$12,000) and this amount was included in accounts payable and accrued liabilities.

The Company received management services from Samara Capital Inc. ("Samara"), a company controlled by the CEO. During the three and nine months ended September 30, 2019, the Company incurred \$12,694 and \$38,704 (three and nine months ended September 30, 2018 - \$16,768 and \$26,780) for management services. As at September 30, 2019, Samara was owed \$78,438 (December 31, 2018 - \$39,734) and this amount was included in accounts payable and accrued liabilities.

DISCLOSURE OF INTERNAL CONTROLS

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the Statements; and (ii) the Statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

FORWARD-LOOKING STATEMENTS AND RISK FACTORS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities laws which is prospective in nature. Forward-looking information by its nature requires the Company to make assumptions and is subject to inherent risks and uncertainties. Forward-looking information includes, but is not limited to, statements about strategic plans, future operations, cost estimates, sustaining capital, anticipated financial results, budgets and targets, continuity of a favourable markets, contractual commitments, continuous availability of required manpower and continuous access to capital markets, and other statements that express management's expectations or estimates regarding the timing of completion of various aspects of business or of the Company's future performance. Forward-looking information is generally, but not always, identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative or other variations of these words or comparable terminology. The Company has made certain assumptions about the Company's business, the economy and cryptocurrency and blockchain sectors in general and has also assumed that there will be no significant events occurring outside of the Company's normal course of business.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets; changes in interest rates; disruption to the credit markets and delays in obtaining financing; inflationary pressures; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, or other countries in which the Company may carry on business; business opportunities that may be presented to, or pursued by the Company; operating or technical difficulties in connection with business activities; the possibility of unanticipated expenses; and the occurrence of natural disasters, hostilities, acts of war or terrorism; the Company may require additional funds in order to acquire carry out its Investment Policy, as well as for general working capital and will be reliant on the sale of equity for such funds; there can be no assurance the Company will be able to obtain such funds and as a result, the Company may not be able to advance its business plan to carry out the Investment Policy or make further acquisitions or continue operations; there is no assurance the Company will continue to be able to obtain insurance for its operations and investments; the Company's directors and officers serve on the boards and as officers of other companies whose interests may conflict with the Company; there may not be an active or liquid market for the Company shares; the Company may never pay any dividends. The factors identified above are not intended to represent a complete list of the factors that could affect the Company. Additional factors are noted under the heading "Risk Factors" in the Company's Filing Statements

dated May 28, 2018. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this MD&A. All subsequent forward-looking information attributable to the Company or the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this MD&A or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.