

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: SQUIRE MINING LTD. (the "Issuer").

Trading Symbol: SQR

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

The unaudited interim financial statements for the twelve months ended October 31, 2018 are attached hereto.

SCHEDULE B: SUPPLEMENTARY INFORMATION

1. Related party transactions

Refer to Note 11 of the unaudited interim financial statements for the twelve months ended October 31, 2018, which are attached hereto as Schedule A.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
10 August 2018	Common shares	Private placement	63,750,000	\$0.40	\$25,500,000			
10 August 2018	Common shares	Finder's fee	956,250	\$0.40	\$382,500	Finder's fee – private placement		
17 August 2018	Common shares	Exercise of warrants	200,000	\$0.08	\$16,000	Cash		
20 August 2018	Common shares	Exercise of warrants	100,000	\$0.08	\$8,000	Cash		

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
22 August 2018	Common shares	Exercise of warrants	200,000	\$0.08	\$16,000	Cash		
30 August 2018	Common shares	Exercise of warrants	200,000	\$0.08	\$16,000	Cash		
25 Sept. 2018	Common shares	Exercise of warrants	185,000	\$0.08	\$14,800	Cash		
12 October 2018	Common shares	Exercise of stock option	250,000	\$0.15	\$37,500	Cash	RP – officer	

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
10 August 2018	3,000,000	RP – directors	Consultants	\$0.40	10 August 2020	N/A (halted)
7 September 2018	200,000	RP – director		\$0.77	7 September 2020	\$0.77
25 October 2018	200,000		Former Director	\$0.425	25 October 2018	\$0.425

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- number and recorded value for shares issued and outstanding,
- description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

See Note 9 of the unaudited interim financial statements for the twelve months ended October 31, 2018, which are attached hereto as Schedule A.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

<i>Stefan Matthews</i>	<i>Chairman and Director</i>
<i>Taras Kulyk</i>	<i>Chief Executive Officer and Director</i>
<i>Marco Strub</i>	<i>Director</i>
<i>Yevgeniy Meshcherekov</i>	<i>Chief Financial Officer</i>
<i>Angela Holowaychuk</i>	<i>Chief Operating Officer</i>
<i>Donna M. Moroney</i>	<i>Corporate Secretary</i>

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion & Analysis of the unaudited interim financial statements for the twelve months ended October 31, 2018 is attached hereto as Schedule B.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated **December 31, 2018** _____.

Yevgeniy Meshcherekov

Name of Director or Senior Officer
/s/ Yevgeniy Meshcherekov

Signature

Chief Financial Officer

Official Capacity

Issuer Details Name of Issuer	For Quarter Ended	Date of Report YY/MM/DD
Squire Mining Ltd.	Oct. 31, 2018	18/12/31
Issuer Address		
#202, 5626 Larch Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, B.C. V6Z 2E6	N/A	(604) 929-0900
Contact Name	Contact Position	Contact Telephone No.
Yevgeniy Mescherekov	CFO	(778) 239-2103
Contact Email Address	Web Site Address	
yevgeniy@squiremining.com	www.squiremining.com	

SCHEDULE "A"

SQUIRE MINING LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the twelve months ended October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE TO READER

The accompanying financial statements for the twelve months ended October 31, 2018 and 2017 and as at October 31, 2018 and October 31, 2017 have been prepared by management and have not been reviewed or audited by the Company's auditors.

SQUIRE MINING LTD.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

ASSETS

		As at	
	October 31,		October 31,
	<u>2018</u>		<u>2017</u>
Current			
Cash and cash equivalents	\$ 19,609,018	\$	533,056
Amounts receivable	48,475		7,003
Investment – Note 5	240,900		-
Prepaid expense	88,487		3,150
	<u>19,986,880</u>		<u>543,209</u>
Investment in joint operation – Note 6	2,372,954		-
License – Note 8	225,000		-
Exploration and evaluation assets – Note 7	133,388		78,653
	<u>\$ 22,718,222</u>	\$	<u>621,862</u>

LIABILITIES

Current			
Accounts payable – Note 11	\$ 52,602	\$	98,191
Accrued liabilities	-		9,447
	<u>\$ 52,602</u>	\$	<u>107,638</u>

SHAREHOLDERS' EQUITY

Share capital – Note 9	\$ 30,244,580	\$	903,738
Reserve	1,495,663		99,850
Accumulated deficit	(9,074,623)		(489,364)
	<u>22,665,620</u>		<u>514,224</u>
	<u>\$ 22,718,222</u>	\$	<u>621,862</u>

Nature of operations and going concern – Notes 1 and 2(b)

Subsequent events – Note 14

SEE ACCOMPANYING NOTES

SQUIRE MINING LTD.

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

For the three and twelve months ended October 31, 2018 and 2017

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

	Three months ended		Twelve months ended	
	October 31,		October 31,	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
General and administrative expenses				
Accounting and audit fees	\$ 16,000	\$ 6,400	\$ 16,300	\$ 12,900
Administration services – Note 11	17,194	-	53,660	-
Bank charges	2,702	181	7,563	1,161
Bonus to management	-	-	368,000	-
Consulting fees – Note 11	129,448	27,500	341,931	50,000
Insurance	-	-	10,000	-
Legal fees	112,362	9,466	294,561	25,357
Management fees – Note 11	784,902	22,500	905,202	45,000
Marketing and advertising	563,062	1,638	563,062	1,638
Office and miscellaneous	6,061	195	37,000	3,766
Regulatory filing fees	14,522	1,375	25,568	8,230
Rent	57,954	3,000	66,954	3,000
Salaries and wages	1,756	-	1,756	-
Share-based payments – Notes 9&11	672,000	10,000	1,321,632	10,000
Transfer agent fees	-	2,361	24,217	6,389
Travel	41,541	-	248,273	2,413
Loss before other item	\$ (2,419,504)	\$ (84,616)	\$ (4,285,679)	\$ (169,854)
Other item:				
Equity in loss of joint operation-Note 6	(3,210,065)	-	(4,154,737)	-
Gain (Loss) on foreign exchange	(5,231)	-	23,362	-
Interest income	4,356	-	4,356	-
Project investigation costs – Note 13	-	(2,000)	(157,962)	(49,045)
Unrealized gain on investments-Note 5	(115,400)	-	(14,599)	-
Net loss and comprehensive loss for the period	\$ (5,745,844)	\$ (86,616)	\$ (8,585,259)	\$ (218,899)
Basic and diluted loss per common share	\$ (0.05)	\$ (0.00)	\$ (0.14)	\$ (0.01)
Weighted average number of common shares outstanding	115,054,384	23,042,193	60,567,156	23,042,193

SEE ACCOMPANYING NOTES

SQUIRE MINING LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	Twelve months ended October 31,	
	<u>2018</u>	<u>2017</u>
Operating Activities		
Net loss for the period	\$ (8,585,259)	\$ (218,899)
Items not involving cash:		
Share-based payments	1,321,632	10,000
Changes in non-cash working capital items related to operations:		
Amounts receivable	(41,472)	6,733
Prepaid expenses	(85,337)	(3,150)
Accounts payable	(45,589)	75,056
Accrued liabilities	<u>(9,447)</u>	<u>(5,853)</u>
	<u>\$ (7,445,472)</u>	<u>\$ (136,113)</u>
Investing Activities		
License	\$ (225,000)	\$ -
Investment in joint operation	(2,372,954)	-
Investment mCloud	(240,900)	-
Exploration and evaluation costs	<u>(54,735)</u>	<u>(10,000)</u>
	<u>\$ (2,893,589)</u>	<u>\$ (10,000)</u>
Finance Activity		
Shares issued for cash, net of share issue costs	<u>\$ 29,415,023</u>	<u>\$ 382,000</u>
	<u>\$ 29,415,023</u>	<u>\$ 382,000</u>
Increase(decrease) in cash during the period	19,075,962	235,887
Cash and cash equivalents, beginning of the period	<u>533,056</u>	<u>297,169</u>
Cash and cash equivalents, end of the period	<u>\$ 19,609,018</u>	<u>\$ 533,056</u>

SEE ACCOMPANYING NOTES

SQUIRE MINING LTD.

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
for the twelve months ended October 31, 2018 and 2017
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	<u>Number of Common Shares</u>	<u>Amount</u>	<u>Reserve</u>	<u>Deficit</u>	<u>Total</u>
Balance, October 31, 2016	28,921,167	\$ 903,738	\$ 99,850	\$ (270,465)	\$ 733,123
Net loss for the period	-	-	-	(218,899)	(218,899)
Balance, October 31, 2017	<u>28,921,167</u>	<u>\$ 903,738</u>	<u>\$ 99,850</u>	<u>\$ (489,364)</u>	<u>\$ 514,224</u>
Share issuances:					
For cash:					
Private placements	87,057,833	28,816,950	-	-	28,816,950
Options exercised	2,877,441	432,740	-	-	432,740
Warrants exercised	2,066,666	165,333	-	-	165,333
Share issue cost					
Agent's units	1,632,065	-	-	-	-
Fair value of warrants attached to agent's	-	(337,217)	337,217	-	-
Fair value of stock options exercised	-	263,036	(263,036)	-	-
Share-based payments	-	-	1,321,632	-	1,321,632
Net loss for the period	-	-	-	(8,585,259)	(8,585,259)
Balance, October 31, 2018	<u>122,555,172</u>	<u>\$ 30,244,580</u>	<u>\$ 1,495,663</u>	<u>\$ (9,074,623)</u>	<u>\$ 22,665,620</u>

SEE ACCOMPANYING NOTES

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 1

Note 1 Nature of Operations

Squire Mining Ltd. (the “Company”) is a reporting issuer in the Canadian provinces of British Columbia, Alberta and Ontario whose common shares are listed for trading on the Canadian Securities Exchange (“CSE”) under the symbol “SQR”.

The Company was incorporated under the Business Corporations Act (British Columbia) on March 23, 2011. On January 13, 2015 the Company changed its name from 0906251 B.C. Ltd. to Squire Mining Ltd. The Company’s corporate office is located at Suite 202 – 5626 Larch Street, Vancouver, B.C. V6M 4E1. The records office of the Company is 1100-595 Howe Street, Vancouver V6C 2T5.

From its incorporation to 2018, the Company was engaged primarily in the exploration of mineral resource properties.

In August 2018, the Company completed a change of business and is now engaged, through its subsidiaries, in the development, operation and manufacture of data mining infrastructure and system technology to support global blockchain applications in the mining space including application specific integrated circuit (ASIC) chips and next generation mining rigs to mine Bitcoin SV, Bitcoin Core and other associated SHA-256 derived cryptocurrencies.

Note 2 Basis of Preparation

a) Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting and which were in effect as of October 31, 2018.

The condensed interim financial statements were authorized for issue by the Board of Directors on December 28, 2018.

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 2

Note 2 Basis of Preparation – (cont'd)

b) Going Concern

The Company has not generated revenue from operations and incurred a net loss of \$8,585,259 for the period ended October 31, 2018, has accumulated a deficit at October 31, 2018 of \$9,074,623 and expects to incur further losses in the development of its business. These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

c) Basis of Measurement

These financial statements have been prepared using the historical cost basis in Canadian dollars, which is the Company's functional currency.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Note 3 Significant Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at October 31, 2017. The accompanying unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended October 31, 2017. The following accounting policies are those materially relevant policies that have become effective for the Company subsequent to October 31, 2017.

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements
October 31, 2018
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management) – Page 3

Note 3 Significant Accounting Policies – (cont'd)

Intangible assets

Intangible assets consist of an interest in an exclusive eight-year license acquired externally and are recorded at cost less accumulated amortization and impairment losses. The intangible assets will be amortized on a straight-line basis over 8 years commencing February 1, 2018.

Research costs are expensed as incurred. Development costs are expensed as incurred unless they meet certain criteria for deferral and amortization. The Company assesses whether it has met the relevant criteria for deferral and amortization at each reporting date.

Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Note 4 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Estimates

Share-based payments

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 4

Note 4 Use of Estimates and Judgments – (cont'd)

Estimates – (cont'd)

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 7.

Judgments:

Exploration and evaluation expenditure

The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position, utilize the cost model and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. Management regularly tests for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Impairment of exploration and evaluation assets is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications in an area with development likely to proceed that the carrying amount is unlikely to be recovered in full by development or by sale.

Intangible assets

The recoverability of expenditures incurred on its intangible assets requires judgment and the Company evaluates these amounts at least annually for indicators of impairment.

Going concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future is a judgment. The factors considered by management are disclosed in Note 2.

Note 5 Investment

The investment is classified as a held-for-trading financial asset and accordingly changes in its fair value are reported in operations on a quarterly basis.

Investment is comprised of 730,000 shares of Universal mCloud Corp. (“mCloud”), a public company trading on the TSX Venture Exchange. The adjustment to fair market value at the end of the period resulted in an unrealized loss of \$14,599 for the period.

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 5

Note 6 Investment in joint operation

On June 6, 2018, the Company entered into a shareholders' agreement and formed an incorporated joint venture “(the JV)” undertaking the joint design, development and manufacture of ASIC (application specific integrated circuits) chips for mining bitcoin and other cryptocurrencies.

The company originally owned a 66.67% interest in the JV and, after spending US\$3,000,000 towards the business of the JV, the ownership percentage increased to 75%. During the period ending October 31, 2018, the company invested \$6,267,363, and this investment was decreased due to the proportionate share of the loss incurred by the joint venture of \$3,959,651.

On August 14, 2018, the Company entered into a shareholders' agreement and formed an incorporated joint venture, Arasystems Technology Corp. (“Arasystems”), to manage the development, manufacturing and assembly of the Company's mining systems. The Company owns 75% interest in Arasystems. During the period ended October 31, 2018, company invested \$260,328, and this investment was decreased due to the proportionate share of the loss incurred by the Arasystems of \$195,086.

Note 7 Exploration and Evaluation Assets

Star Property

	Balance October 31, <u>2016</u>	<u>Additions</u>	Balance October 31, <u>2017</u>	<u>Additions</u>	Balance, October 31, <u>2018</u>
Acquisition costs	\$ 18,000	\$ 10,000	\$ 28,000	\$ 10,000	\$ 38,000
Deferred exploration costs					
Assays	22,792	-	22,792	-	22,792
Equipment rental	7,322	-	7,322	-	7,322
Food and accommodations	5,531	-	5,531	-	5,531
Geological	40,470	-	40,470	44,735	85,205
Supplies	<u>2,021</u>	<u>-</u>	<u>2,021</u>	<u>-</u>	<u>2,021</u>
	<u>78,136</u>	<u>-</u>	<u>78,136</u>	<u>44,735</u>	<u>122,871</u>
Mineral Exploration Tax Credits	<u>(27,483)</u>	<u>-</u>	<u>(27,483)</u>	<u>-</u>	<u>(27,483)</u>
Balance, ending	<u>\$ 68,653</u>	<u>\$ 10,000</u>	<u>\$ 78,653</u>	<u>\$ 54,735</u>	<u>\$ 133,388</u>

By a mineral property option agreement dated October 5, 2013 and amended on December 5, 2014, the Company could acquire up to a 100% interest in the Star Property. This property consisted of six mineral tenures and is located approximately 80 kilometres west southwest of Quesnel, British Columbia.

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 6

Note 7 Exploration and Evaluation Assets – (cont'd)

In order to earn a 51% interest in the Star Property, the Company was to pay \$78,000 in cash and incur \$885,000 in exploration work over four years. As at October 31, 2017, the Company had paid \$28,000 and incurred in excess of \$35,000 in exploration, the minimum required amount.

The Company could earn an additional 10% interest in the Star Property by completing a pre-feasibility study and a further 9% interest upon successful completion of a senior financing required to put the Star Property into production.

As at October 31, 2017, the Company has forfeited two of the original six claims as the Company did not consider it to be part of the core claims.

Prior to October 5, 2013, the date of the option agreement, the Company incurred an aggregate total of \$26,948 in costs related to the evaluation of the Star Property, which have been previously expensed to the Statement of Loss and Comprehensive Loss.

At October 31, 2017, the Company had not paid the required property payment or incurred the required exploration costs due by twenty-four months after the listing date. By an agreement dated February 1, 2018 the Company replaced the prior agreements with a new option agreement effective February 15, 2018 such that in order to earn the 51% interest in the Star Property, the Company shall pay \$60,000 in cash and incur \$785,000 in exploration work as follows:

<u>Date</u>	<u>Payment</u>	<u>Exploration Work</u>
February 15, 2018 (Completed)	\$ 10,000	\$ 35,000
August 15, 2018	10,000	-
February 15, 2019	10,000	250,000
August 15, 2019	10,000	-
February 15, 2020	10,000	500,000
August 15, 2020	<u>10,000</u>	<u>-</u>
	<u>\$ 60,000</u>	<u>\$ 785,000</u>

The term of the option shall be until August 15, 2020. If the option is not exercised or the cash and exploration work has not been paid in full on or before August 15, 2020, the option shall terminate.

The Company may earn an additional 14% interest in the Star Property by completing a preliminary economic assessment and a further 15% interest upon successful completion of a financing sufficient to carry out a feasibility study on the property. When the Company earned 80% ownership, the project will continue as a joint venture with the exploration programs being funded proportionality to ownership. If either party is unable or unwilling to participate they will be diluted at a rate based on twice the amount spent on the property when this clause comes into effect. For every 1% of twice the

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 7

Note 7 Exploration and Evaluation Assets – (cont'd)

expenditures spent by one of the parties and not by the other, 1% ownership will be transferred to the party spending the money. If either party is diluted to 10% or less their interest will revert to a 2% Net Smelter Return (“NSR”) with the majority party having the right to buy 1% for \$1,000,000 and first right of refusal on the second 1%.

Note 8 License

By an agreement dated December 12, 2017, as amended January 29, 2018, the Company purchased an 18% interest in an exclusive eight-year license to commercially exploit a patented (“License”) communications technology designed to create autonomous communication networks without the need to connect to the internet, cellular or other communications infrastructure. This license relates solely to commercial applications for the mining resource industry worldwide. In consideration, the Company paid to the licensee \$225,000. This agreement is subject to the underlying owners’ consent to the assignment of the interest to the Company, a 15% royalty of net revenue received payable to the underlying owner, and the licensee incurring a minimum of \$50,000 on or before December 12, 2018 in qualified expenditures to develop mining-related uses for the technology, failing which the Company’s interest in the license will automatically increase to 25%.

The Company has the Right of First Refusal and option to acquire all or any portion of the Licensee’s remaining interest in the License, if the Licensee receives a bona fide offer from a third party.

Note 9 Share Capital

a) Authorized:

Unlimited common shares without par value.

b) Issued:

During the twelve months ended October 31, 2018:

On December 15, 2017 the Company closed a non-brokered private placement of 10,133,333 units at \$0.06 per unit for gross proceeds of \$608,000. Each unit consists of one common share and one transferable share purchase warrant to purchase one additional common share at \$0.08 per share exercisable until December 21, 2019, as to 7,633,333 warrants, and until December 27, 2019, as to 2,500,000 warrants. The Company also paid a finder’s fees in connection therewith of 560,000 units with the same terms as the private placement. (i.e. Exercisable until December 27, 2019). The Company determined the fair value of the shares in the units at \$0.06 per share totalling \$33,600 and recorded an additional fair value of \$67,200 on the warrants attached to the units utilizing the Black-Scholes option pricing model with the following assumptions – risk-free rate of 1.66%; Dividend yield of Nil, expected volatility of 142.38%; Expected life of 2 years and a forfeiture rate of 0%.

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

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Note 9 Share Capital – (cont'd)

b) Issued: - (cont'd)

On January 12, 2018 directors of the Company exercised 750,000 share purchase options, as to 500,000 at \$0.12 per share and as to 250,000 at \$0.10 per share.

May 9, 2018 – The Company closed the first tranche (“Tranche 1”) of its non-brokered private placement announced on March 14, 2018 and May 4, 2018. A total of 8,000,000 units (the “Units”) were issued at a price of C\$0.25 per Unit for gross proceeds of C\$2,000,000. Each Unit is comprised of one common share and one-half (1/2) of a share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of C\$0.50 for a period of two years.

On May 16, 2018, the Company has issued an additional 1,430,000 units, for a total of \$2,357,500 raised to date. The units were issued at a price of C\$0.25 per unit, with each unit comprised of one common share and one-half (1/2) of a share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of C\$0.50 for a period of two years. Finder’s fees in connection with the \$2,357,500 raised are being paid to arm’s length parties and consist of \$165,025 and 330,050 agent’s warrants, on the same terms as the private placement warrants.

On May 29, 2018, Company issued an additional 3,744,500 units (the “Units”) at a price of C\$0.25 per Unit for gross proceeds of \$936,125. Each Unit consisted of one common share and one-half (1/2) of a share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of C\$0.50 for a period of two years. The Company completed an initial tranche of 9,430,000 Units for gross proceeds of \$2,357,500 on May 16, 2018 for a total combined offering of 13,174,500 Units or \$3,293,625 (the “Offering”). The net proceeds of the Offering will be used for the purposes disclosed on March 14, 2018. Finder’s fees totalling \$180,600 cash, 115,815 Units and 838,215 finder’s warrants were paid to certain arm’s length finders in connection with the Offering. Each finder’s warrant entitles the holder to purchase one common share of the Company at C\$0.50 for a period of two years.

On August 10, 2018, the Company completed a private placement financing of \$25,500,000. The Company has issued a total of 63,750,000 units (the “Units”) at a price of \$0.40 per Unit for gross proceeds of \$25,500,000, each Unit consisting of one common share and one-half (1/2) of one transferable share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at a price of \$0.80 on or before August 10, 2020. The Company also paid finder’s fees in connection therewith of 956,250 units with the same terms as the private placement. (i.e. Exercisable until August 10, 2020). The Company determined the fair value of the shares in the units at \$0.40 per share totalling \$382,500 and recorded an additional fair value of \$95,625 on the warrants attached to the units utilizing the Black-Scholes option pricing model with the following assumptions – risk-free rate of 2.10%; Dividend yield of Nil, expected volatility of 144%; Expected life of 2 years and a forfeiture rate of 0%.

Squire Mining Ltd.

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Note 9 Share Capital – (cont'd)

b) Issued: - (cont'd)

During the twelve months ended October 31, 2018, the following options and warrants were exercised:

Options:

635,000	Options exercised at the price	\$0.10
600,000	Options exercised at the price	\$0.12
1,366,667	Options exercised at the price	\$0.15
275,774	Options exercised at the price	\$0.31

Warrants:

2,066,666	Warrants exercised at the price	\$0.08
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During the year ended October 31, 2017:

On September 13, 2017, the Company completed a private placement of 6,366,666 units at \$0.06 per unit for gross proceeds of \$382,000. Each unit consists of one common share and one transferable share purchase warrant to purchase an additional common share at \$0.08 per share until September 8, 2019. The Company also paid a finder's fees in connection therewith of 402,500 units with the same terms as the private placement. The Company determined the fair value of the shares in the unit at \$0.06 per share totalling \$24,150 and recorded an additional fair value of \$16,100 on the warrants attached to the units utilizing the Black Scholes option pricing model with the following assumptions – risk-free rate of 1.58%; Dividend yield of Nil; Expected volatility of 135%; Expected life of 2 years and a forfeiture rate of 0%.

c) Escrow:

Pursuant to an escrow agreement dated March 12, 2015, 16,500,001 common shares were placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date.

As at January 31, 2018, there were 2,475,001 (October 31, 2017: 4,950,001) common shares held in escrow. On December 12, 2017, 2,475,000 common shares were released from escrow and the remaining escrow shares were released on June 12, 2018.

d) Commitments:

Share-based Compensation:

The Company has a share-based compensation plan whereby share purchase options are granted in accordance with the policies of regulatory authorities at an exercise

Squire Mining Ltd.

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Note 9 Share Capital – (cont'd)

d) Commitments – (cont'd) Share-based Compensation: - (cont'd)

price equal to the market price of the Company's shares on the date of the grant and, unless otherwise stated, vest on the grant date and with a term not to exceed five years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the share purchase option grant.

On November 2, 2017, the Company granted a director of the Company share purchase options to acquire 500,000 common shares at \$0.10 per share. These options expire on November 2, 2022. The Company recorded a fair value of \$35,000 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 1.62%; Dividend yield of Nil; Expected volatility of 127%; Expected life of 5 years and a forfeiture rate of 0%. These share purchase options vest at the date of grant.

On January 12, 2018, the Company granted share purchase options to consultants to acquire 3,233,334 common shares at \$0.15 per share. These options expire on January 12, 2020. The Company recorded a fair value of \$323,333 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 1.84%; Dividend yield of Nil; Expected volatility of 142%; Expected life of 2 years and a forfeiture rate of 0%. These share purchase options vest at the date of grant.

On March 26, 2018, the Company granted incentive stock options to consultants to purchase up to 450,000 common shares at \$0.30 per share. These options expire on March 26, 2020. The Company recorded a fair value of \$90,000 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 1.80%; Dividend yield of Nil; Expected volatility of 146%; Expected life of 2 years and a forfeiture rate of 0%. These share purchase options vest at the date of grant.

May 16, 2018, the Company granted incentive stock options to directors and consultants to purchase up to an aggregate of 1,050,000 common shares at an exercise price of \$0.31 per share, exercisable for a term of two years from the date of grant. The Company recorded a fair value of \$201,299 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 1.80%; Dividend yield of Nil; Expected volatility of 146%; Expected life of 2 years and a forfeiture rate of 0%. These share purchase options vest at the date of grant.

Squire Mining Ltd.

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Note 9 Share Capital – (cont'd)

d) Commitments – (cont'd) Share-based Compensation: - (cont'd)

August 10, 2018, the Company granted incentive stock options to directors and consultants to purchase up to an aggregate of 3,000,000 common shares at an exercise price of \$0.40, exercisable for a term of two years from the date of grant. 2,000,000 of these share purchase options vest at the date of the grant. The Company recorded a fair value of \$423,000 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 2.04%; Dividend yield of Nil; Expected volatility of 158%; Expected life of 2 years and a forfeiture rate of 0%. The remaining 1,000,000 of these share purchase options were granted to a consultant performing Investor Relations Activities and, according to the Company's stock option plan, these options vest in stages over 12 months. The fair value of the options granted was \$240,000 and the share-based compensation expense recognized for the vesting of these options to October 31, 2018 was \$40,000.

September 7, 2018, the Company granted a director of the Company share purchase options to acquire 200,000 common shares at \$0.77 per share. These options expire on September 7, 2020. The Company recorded a fair value of \$112,000 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 2.04%; Dividend yield of Nil; Expected volatility of 155%; Expected life of 2 years and a forfeiture rate of 0%. These share purchase options vest at the date of grant.

October 25, 2018, the Company granted a former director of the Company share purchase options to acquire 200,000 common shares at \$0.425 per share. These options expire on October 25, 2019. The Company recorded a fair value of \$38,000 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 2.04%; Dividend yield of Nil; Expected volatility of 118%; Expected life of 1 year and a forfeiture rate of 0%. These share purchase options vest at the date of grant.

A summary of the Company's share purchase options outstanding at October 31, 2018 and October 31, 2017 and changes during the periods then ended are presented below:

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Note 9 Share Capital – (cont'd)

d) Commitments – (cont'd)
Share-based Compensation: - (cont'd)

	<u>Options</u>	<u>Weighted Average Exercise Price</u>
Outstanding and exercisable at October 31, 2016	1,125,000	\$0.12
Forfeited	(250,000)	\$0.12
Granted	<u>100,000</u>	<u>\$0.12</u>
Outstanding and exercisable at October 31, 2017	975,000	\$0.12
Forfeited	(1,375,000)	\$0.24
Granted	8,633,334	\$0.28
Exercised	<u>(2,877,441)</u>	<u>\$0.15</u>
Outstanding and exercisable at October 31, 2018	<u>5,355,893</u>	<u>\$0.33</u>

As at October 31, 2018, share purchase options outstanding have a weighted average remaining contractual life of 0.55 (October 31, 2017: 2.6) years.

Outstanding	Exercise Price	Expiry Date
200,000	\$0.31	November 6, 2018
950,000	\$0.15	January 25, 2019
450,000	\$0.30	January 25, 2019
474,226	\$0.31	January 25, 2019
750,000	\$0.40	January 25, 2019
1,000,000	\$0.40	February 15, 2019
200,000	\$0.40	September 7, 2019
31,667	\$0.15	October 25, 2019
200,000	\$0.40	October 25, 2019
200,000	\$0.425	October 25, 2019
300,000	\$0.15	January 12, 2020
100,000	\$0.31	May 16, 2020
300,000	\$0.40	August 10, 2020
200,000	\$0.77	September 7, 2020
<u>5,355,893</u>		

Subsequent to October 31, 2018, 400,000 options were granted to directors at \$0.28, with an expiry date of December 11, 2020.

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(Unaudited – Prepared by Management) – Page 13

Note 9 Share Capital – (cont'd)

d) Commitments – (cont'd)

Agent's Warrants:

A summary of agent's warrants outstanding at as at October 31, 2018 and October 31, 2017 and changes during the periods then ended are presented below:

	<u>Agent's Warrants</u>	<u>Weighted Average Exercise Price</u>
Outstanding, at October 31, 2016	300,000	\$0.10
Issued	402,500	\$0.08
Expired	<u>(300,000)</u>	<u>\$0.10</u>
Outstanding, at October 31, 2017	402,500	\$0.08
Issued	<u>1,934,247</u>	<u>\$0.45</u>
Outstanding, at October 31, 2018	<u>2,336,747</u>	<u>\$0.39</u>

As at October 31, 2018, agent's warrants outstanding have a weighted average remaining contractual life of 1.38 (October 31, 2017: 1.87) years:

<u>Outstanding</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
402,500	\$0.08	September 13, 2019
560,000	\$0.08	December 21, 2019
654,500	\$0.50	May 16, 2020
241,622	\$0.50	May 29, 2020
<u>478,125</u>	\$0.80	August 10, 2020
<u>2,336,747</u>		

Squire Mining Ltd.

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Note 9 Share Capital – (cont'd)

d) Commitments – (cont'd)

Share Purchase Warrants:

A summary of the status of share purchase warrants as of October 31, 2018 and October 31, 2017 and changes during the periods then ended are presented below:

	<u>Share Purchase Warrants</u>	<u>Weighted Average Exercise Price</u>
Balance, at October 31, 2016	-	
Issued	<u>6,366,666</u>	<u>\$0.08</u>
Balance, at October 31, 2017	6,366,666	\$0.08
Issued	48,595,583	\$0.61
Exercised	<u>(2,066,666)</u>	<u>\$0.08</u>
Balance, at October 31, 2018	<u>52,895,583</u>	<u>\$0.57</u>

As at October 31, 2018, share purchase warrants outstanding have a weighted average remaining contractual life of 1.55 (October 31, 2017: 1.85) years.

<u>Outstanding</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
6,000,000	\$0.08	September 13, 2019
5,933,333	\$0.08	December 21, 2019
2,500,000	\$0.08	December 27, 2019
4,715,000	\$0.50	May 16, 2020
1,872,250	\$0.50	May 29, 2020
<u>31,875,000</u>	<u>\$0.80</u>	<u>August 10, 2020</u>
<u>52,895,583</u>		

Squire Mining Ltd.

Notes to the Condensed Interim Financial Statements

October 31, 2018

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management) – Page 15

Note 10 Financial Instruments and Risk Management

The Company is exposed through its operations to the following financial risks:

Market Risk

Credit Risk

Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and process for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and are comprised of foreign currency risk and interest rate risk.

b) Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation.

c) Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash is limited because of the short-term nature of the investments.

d) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash. Cash are maintained with financial institutions of reputable credit and may be redeemed upon demand. The Company considers this risk to be minimal.

Squire Mining Ltd.

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Note 10 Financial Instruments and Risk Management – (cont'd)

e) Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating year.

As at October 31, 2018, the Company had working capital of \$19,930,278. The Company does not currently generate any revenues and as such, may be dependent upon issuance of new equity to advance its business activities. If equity financing is required, failure to obtain financing on a timely basis may cause the Company to postpone developing plans, reduce or terminate its operations.

Determination of Fair Value:

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The financial position carrying amounts for cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 – Applies to assets or liabilities for which there are unobservable market data.

Squire Mining Ltd.

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October 31, 2018

(Stated in Canadian Dollars)

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Note 11 Related Party Transactions

The Company incurred the following expenditures charged by a director, two companies each controlled by a director of the Company and one company controlled by an officer of the Company:

	October 31, <u>2018</u>	October 31, <u>2017</u>
Administrative expenses		
Administration services	\$ <u>47,263</u>	\$ <u>-</u>
Key management compensation		
Consulting fees	\$ 32,500	-
Management fees	694,416	45,000
Management bonus	190,000	-
Share-based payments	<u>637,667</u>	<u>-</u>
	<u>1,554,583</u>	<u>-</u>
	<u>\$ 1,601,846</u>	<u>\$ -</u>

These transactions are in the normal course of operations and were measured by amounts agreed upon by the transacting parties.

The Company considers its Chief Executive Officer, Chief Financial Officer and directors of the Company to be key management.

Note 12 Segment Information

As a result of the Change of Business, as at October 31, 2018, the Company has only one operating segment, design, operation and development of data mining infrastructure and system technology to support global blockchain applications in the crypto-asset mining space.

Note 13 Terminated Acquisition

On October 14, 2016, the Company entered into a binding letter of intent (“LOI”) with Strategic Aviation Holdings Ltd. (“SAH”), a privately owned company incorporated under the laws of Ontario, and each of the shareholders of SAH, which set out the terms and conditions pursuant to which the Company, SAH and the SAH shareholders agreed to complete a transaction that would result in the acquisition by the Company of all of the issued and outstanding common shares of SAH.

SAH is a national multi-functional aviation services provider, focusing on airline ground handling and catering logistics services in Canada.

Squire Mining Ltd.

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Note 13 Terminated Acquisition – (cont'd)

The completion of the proposed transaction was subject to a number of terms and conditions, including entering into a definitive agreement, the completion of the financing, the approval of the shareholders of the Company, the approval of the exchange and other relevant regulatory authorities. On January 6, 2017 the LOI was terminated after the parties were unable to meet certain conditions required to complete the transaction on mutually acceptable terms. Included in the Statements of Loss and Comprehensive Loss under project investigation cost, are cost incurred with respect to this terminated acquisition which mainly consisted of legal fees totaling \$49,208.

Note 14 Subsequent Events

On November 30, 2018, the Company entered into a non-binding letter of intent to purchase crypto mining assets owned by Bigfoot Holdings Group Ltd. and certain of its affiliates representing approximately 1 million terahash/s of computing power (or approximately 960 petahash/s) and other blockchain related asset, for total consideration of approximately \$60.3 million consisting of (i) 114,793,565 common shares of the Company, having a value of \$34.4 million based on the closing price of the Company's common shares on the Canadian Stock Exchange on November 29, 2018 of \$0.30 per share, and (ii) a vendor-take-bank note in the amount of \$25.8 million, subject to adjustment at closing. Canaccord Genuity is engaged as the exclusive financial advisor on this transaction.

Subsequent to October 31, 2018, 400,000 options were granted to directors at \$0.28, with an expiry date of December 11, 2020.

SQUIRE MINING LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS for the twelve months ended October 31, 2018

Date of Report: December 31, 2018

The following Management's Discussion & Analysis ("MD&A") for Squire Mining Ltd. ("Squire" or the "Company") should be read together with the interim unaudited financial statements and accompanying notes for the twelve months ended October 31, 2018 and related notes thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). Readers should also refer to the Company's audited financial statements and accompanying notes for the year ended October 31, 2017 and the Company's accompanying annual MD&A dated February 9, 2018. All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Change in Fiscal Year End

Following the Company's recently completed change of business (from mineral resource exploration to the development, operation and manufacture of data mining infrastructure and system technology to support global enterprise blockchain applications, including ASIC chips and next generation mining rigs to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies and in order to better align the Company's fiscal year end with industry norms in the blockchain and cryptocurrency industries, the Company has changed its fiscal year end from October 31 to December 31, commencing December 31, 2018. Accordingly, the financial statements for the twelve months ended October 31, 2018 are unaudited.

Nature of Business and Overall Performance

The Company was incorporated under the *Business Corporations Act* (British Columbia) on March 23, 2011 under the name "0906251 B.C. Ltd.". The Company changed its name to "Squire Mining Ltd." effective January 13, 2015. The Company is listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "SQR". Effective April 5, 2018, the Company's common shares commenced trading on the Frankfurt Stock Exchange in Germany under the symbol "9SQ". Effective September 19, 2018, the Company's common shares commenced trading on the OTCQB Venture Marketplace in the United States under the symbol "SQRMF".

The Issuer is engaged in the business of developing and operating data mining infrastructure and system technology to support global blockchain applications in the mining space. The Issuer is currently developing its initial next generation ASIC chip and mining rig to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies and anticipates completing the initial manufacture and assembly of a pilot production test run of such chip and rig by the second quarter of 2019.

Management would like to highlight that towards the end of 2018, there has been significant volatility in the global crypto-asset and blockchain technology sector and that differences in planned Capex and Operational forecasts are a direct result of ongoing business adjustments based on market conditions. These adjustments are most evident in potential reductions to the scale of the development and production of the initial ASIC chips and rigs. This is to ensure that the Company is able to release a competitive product that can be assessed by the market at a time where deployment can be scaled rapidly. This will likely occur when general market conditions improve in the crypto-asset and blockchain sector.

As part of the operational diversification strategy, the Company is allocating previously reserved funds to the establishment of low cost mining operations to build a sustainable operating business over the ensuing 12 months. This is currently dependent on the CoinGeek transaction (described in detail below) closing. Additionally, this change in use of funds is dependent on the formal approval of each of the purchasers in the C\$25,000,000 private placement financing. Management is actively reviewing other crypto mining opportunities that may be available for acquisition.

Change of Business

In March 2018, Squire began investigating opportunities in the blockchain and digital asset sectors in the belief that recent rapid growth in such sectors presented opportunities for new providers developing next generation data mining infrastructure and system technology including application specific integrated circuit (ASIC) chips and mining rigs for Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies; one of the central foundations underpinning the cryptocurrency industry. Such investigation resulted in the Company entering into an agreement with Peter Kim, a business executive with extensive experience in, among other things, chip design and system architecture, to undertake, on an exclusive basis, the joint development of ASIC chips to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies. Since that time, the Company has undergone a change of business from mineral exploration to developing and operating data mining infrastructure and system technology to support global enterprise blockchain applications in the mining space, including next generation ASIC chips and mining rigs to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies (the “**Change of Business**”) and successfully completed the milestones set forth below.

In March 2018, Squire formed Aracore Technology Corp. (“**Aracore**”) as a joint venture company with Peter Kim to develop ASIC chips to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies, pursuant to which the Company owns 75% with Peter Kim owning the remaining 25%.

In May 2018, Squire completed non-brokered private placement financing of 13,174,500 units (the “**First Units**”) at a price of \$0.25 per First Unit for gross proceeds of \$3,293,625 to fund the design and development of next generation ASIC chips. Each First Unit consisted of one common share and one-half (1/2) of a share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of \$0.50 for a period of two years. Finder's fees totaling \$180,600 cash, 115,815 First Units and 838,215 finder's warrants, on the same terms as the warrants forming part of the First Units, were paid to certain finders in connection with this private placement.

In August 2018, the Company:

- Entered into a design service agreement (the “**Design Service Agreement**”) with an arm’s length design fabrication company for back-end design, testing and mass production test run of initial next generation ASIC chip for mining Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies.
- Completed a \$25,500,000 financing of 63,750,000 units (the “**Second Units**”) at a price of \$0.40 per Second Unit to fund the Change of Business and development and manufacture of next generation ASIC chips and mining rigs (the “**Change of Business Financing**”). Each Second Unit consisted of one common share and one-half (1/2) of a share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at a price of \$0.80 on or before August 10, 2020. Each purchaser of Second Units was also granted the right to participate, on a pro rata basis, in any future private placement or public financing of equity or convertible debt securities of the Company or any material subsidiary or joint venture company of the Company until the later of (a) August 10, 2021, and (b) for so long as such purchaser owns 10% or more of the issued and outstanding shares of the Company from time to time. In addition, APMS Investment Fund Ltd. (“**APMS**”), as lead purchaser under the Change of Business Financing, has the right to appoint of one nominee to the board of directors of the Company (the “**Board**”) and each material subsidiary or joint venture company of the Company until the later of (a) August 10, 2021, and (b) for so long as APMS owns 10% or more of the issued and outstanding shares of the Company from time to time. The Company also issued 956,250 Second Units to an arm’s length third party as a finder’s fee in connection with the Change of Business Financing.
- Received CSE approval of the Change of Business and filed a Form 2A Listing Statement dated July 31, 2018 (the “**Listing Statement**”) with the CSE and on SEDAR. Refer to the Listing Statement for further details of the Change of Business and a description of certain material agreements entered into by the Company in connection therewith.
- On August 10 2018, Squire entered into an exclusive worldwide distributor agreement with an associate of CoinGeek.com (the “**Distributor**”), the world’s largest miner of Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies. Upon completion of the development and manufacture of the Company’s initial ASIC chip and mining rig, the Distributor will have the exclusive worldwide right to market, promote, solicit, sell and distribute the chip and mining rig to Bitcoin and other alt coin miners under the CoinGeek.com brand, subject to certain minimum purchase requirements.
- On August 14 2018, Squire formed a new joint venture company, Arasystems Technology Corp. (“**Arasystems**”), with Future Farm Developments Ltd. (“**Future Farm**”), a Hong Kong based technology company, to manage the development, manufacture and assembly of the Company’s next generation mining systems to be sold globally under the CoinGeek.com brand. The Company owns 75% of Arasystems with Future Farm owning the remaining 25%.

Pursuant to a Design Service Agreement, announced on September 27, 2018, Gaonchips is the Company’s design house and Samsung Electronics is the chosen foundry partner to manufacture the Company’s ASIC chips in Korea.

On October 3, 2018, the Company announced that with executives and board members from the Company, Future Farm, CoinGeek, Gaonchips and Samsung Electronics in attendance, Peter Kim, President of Aracore, and his team of front-end microchip engineers and programmers, unveiled and

tested a working prototype mining system comprised of a newly engineered FPGA (field programmable gate array) ASIC microchip that will be converted into Aracore's first ASIC chip utilizing 10 nanometer technology for mining Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies. The initial test results provided early experimental performance specifications indicating that the ASIC chip may potentially be capable of delivering a potential hash rates of 18terahash per second (TH/s) with potential energy consumption of between 700 and 800 watts. The performance has not yet been verified and will likely change in the ongoing design and commercialization process.

By News Release issued October 11, 2018, the Company announced Ennoconn Corporation (“**Ennoconn**”) as the Company's hardware manufacturer for next generation mining systems to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies. Ennoconn is a leading industrial motherboard designer and total hardware system solution provider headquartered in Taipei, Taiwan and listed on the Taiwan stock exchange (TPE:6414). In 2007, Foxconn Technology Group, the largest “Electronic Manufacturing Service” company in the world, became the majority shareholder of Ennoconn, forming a strong strategic alliance in embedded system and electronic manufacturing.

The Company signed a binding Memorandum of Understanding with Ennoconn and funded work to commence Phase 1 design and development of Arasystem's next generation mining system in collaboration with its partners in Taipei, Taiwan and in Seoul, South Korea. Definitive documentation will be entered into following delivery of final specifications and data sheets to Ennoconn.

The Company's engineers are working with Ennoconn to design and develop Arasystem's mining rig which will house the debut ASIC chip currently under development by Aracore, in conjunction with GaonChips and Samsung Electronics. In turn, Ennoconn will be responsible for mass assembly of the mining rig once all design, development and testing work has been completed.

On November 30, 2018 the Company announced a non-binding agreement to acquire specific assets from Bigfoot Holdings Group Ltd. (c.o.b. as CoinGeek Mining & Hardware) (together with its affiliates, “CoinGeek”). The transaction is described in detail below. This transaction is expected to be the first of many that the Squire management team is considering as part of an industry consolidation strategy.

The Company's corporate objectives for 2019 are as follows:

1. Enter into formal development and assembly agreement with global technology assembly-company to design and assemble the Company's initial mining rig.
2. Complete the necessary legal, tax and regulatory work required to complete the transaction in early 2019.
3. Integrate new staff and consultants that will join the Company as part of the transaction.
4. Complete manufacture and assembly of a pilot experimental production test run of initial ASIC chips and mining rigs for Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies by second quarter of 2019 with a view to mass production for worldwide distribution and sales in the third quarter of 2019.
5. Manufacture and sell sufficient quantities of initial ASIC chips and mining rigs to achieve neutral or positive cash flow by year end.

6. Establish necessary infrastructure and support systems to facilitate the distribution of ASIC chips and mining rigs including a network of customer support centers in key markets.
7. Create market presence and establish reputation as a new and innovative supplier of high quality, next generation ASIC chips and mining rigs for Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies .
8. Research and develop one or more subsequent generations of improved ASIC chips and mining rigs to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies .
9. Working with financial advisors to identify potential other favorable transactions either in the crypto mining sector or the ASIC hardware space.

Proposed Acquisition of CoinGeek.com and 1.0 Million TH/S of Mining Assets

By news release dated November 30, 2018, Squire announced that it had entered into a non-binding letter of intent (the "Agreement") and exclusivity with Bigfoot Holdings Group Ltd. (c.o.b. as CoinGeek Mining & Hardware) (together with its affiliates, "CoinGeek") to purchase crypto mining assets owned by CoinGeek and certain of its affiliates representing approximately 1 million terahash/s of computing power (or approximately 960 petahash/s) and other blockchain related assets (the "CoinGeek Assets"), for total consideration of approximately CAD\$60.3 million consisting of (i) 114,793,565 common shares of the Company, having a value of CAD\$34.4 million based on the closing price of the Company's common shares on CSE on November 29, 2018 of C\$0.30 per share, and (ii) a vendor-take-back note in the amount of C\$25.8 million, subject to adjustment at closing (the "CoinGeek Transaction").

The CoinGeek Assets consist of 62,440 ASIC mining rigs, representing approximately 960,000 terahash/s, or approximately 90.0 MW of power consumption, which, upon closing, would make Squire the largest publicly traded SHA-256 derived crypto-asset mining company globally, as measured by terahash/s. The CoinGeek Assets are all operated by leading hosting providers and allocated across the United States (35,940 rigs), Canada (6,000 rigs) and Kazakhstan (20,500 rigs). The all-in weighted average operational cost across the CoinGeek Assets to be acquired in the CoinGeek Transaction is US\$0.073 per kWh.

As part of the CoinGeek Transaction, the Company would be acquiring the marketing and advertising assets related to the CoinGeek name including the "CoinGeek.com" website and domain, existing prepayments made to and deposits with the respective hosting partners, as well as CoinGeek's outstanding global distribution agreement for the Company's ASIC chips and rigs.

Furthermore, as part of the Transaction, Squire would have a twelve-month right of first refusal to acquire CoinGeek's remaining crypto mining assets.

CoinGeek would receive 114,793,565 common shares of the Company as partial consideration for the Assets. CoinGeek has agreed to enter into a voluntary one-year lock up on the common shares received. In addition, CoinGeek will receive an unsecured vendor-take-back ("VTB") with a face value of C\$25.8 million, a one-year term and a coupon of 15.0%. The principal amount of the VTB will be adjusted at closing of the CoinGeek Transaction (the "Closing") to reflect any prepayments or prepaid deposits made in respect of the CoinGeek Assets between the signing of the Agreement and the Closing and by the amount (multiplied by C\$0.45 per common share) by which the common shares to be issued would have exceeded the common share issued pursuant to the CoinGeek Transaction. In connection with a change of control, CoinGeek would be able to convert the VTB into common shares of the Company, with the number of common shares being equal to the principal amount and any accrued interest payments of the

VTB divided by the then market price of the Company's common shares (based on a 30 day volume-weighted average), subject to a discount equal to the lesser of (i) 25%, and (ii) the maximum discount permitted under the policies of the CSE (or such other exchange as the Company's common shares may then be listed).

In addition to the negotiation and execution of definitive agreements between Squire and CoinGeek, the CoinGeek Transaction would be subject to a number of conditions, including, among others, (i) the Company being satisfied, in its sole and absolute discretion, with the results of its due diligence review in respect of the CoinGeek Assets, (ii) receipt of the conditional approval of the CSE, (iii) the CoinGeek Transaction not being subject to shareholder approval, (iv) receipt of required consents; and (v) execution of third party software licensing agreements in respect of the CoinGeek Assets. The Agreement is non-binding and there is no assurance that the CoinGeek Transaction contemplated by it will be completed as proposed or at all.

The parties will seek close the CoinGeek Transaction on or about January 31, 2019. In conjunction with the CoinGeek Transaction, Squire intends to change its name to CoinGeek Technologies Ltd. and its fiscal year end from October 31 to December 31. The parties have agreed to an exclusivity period in the letter of intent ending on December 31, 2018, or such other date as the parties may mutually agree.

Canaccord Genuity Corp. is acting as exclusive financial advisor to the Company in respect of the CoinGeek Transaction.

Investment Assets

In January 2018, the Company acquired, on an arm's length basis, an 18% minority interest in an exclusive 8 year license (the "**Dahrwin License**") to commercially exploit a patented communications technology designed to create fully autonomous wireless communication networks without the need to connect to the internet, cellular or other communications infrastructure solely for commercial applications within the mining resource industry worldwide. The purchase price for the 18% interest was \$225,000. Under the terms of the assignment, the vendor must incur, within one year, a minimum of \$50,000 in qualified expenditures to develop mining related uses for the technology, failing which the Company's interest in the license, as it relates solely to resource mining applications, will automatically increase to 25%. At such time as the vendor has incurred its minimum expenditure, the parties will reassess the technology and, if warranted, determine a mutually agreeable plan to further fund and advance its development.

In February 2018, the Company purchased 430,000 units of Universal mCloud Corp. ("**mCloud**") at \$0.35 per unit for a total subscription price of \$150,500. In May 2018, the Company purchased a further 300,000 units of mCloud at \$0.35 per unit for an additional subscription price of \$105,000. Each unit consisted of one common share and one-half (1/2) of one common share purchase warrant. Each whole warrant entitles the Company to purchase an additional common share at \$0.45 exercisable for 36 months, subject to early acceleration by mCloud if the 10 day weighted average trading price of mCloud's common shares is at any time greater than \$0.80 per share. mCloud is a technology company building the next generation IoT platform for asset and smart energy management listed on the TSX Venture Exchange (symbol – MCLD). The Company purchased the units of mCloud for investment purposes only and has no present intention to acquire further securities of mCloud, although the Company may in the future increase or decrease its investment in mCloud by acquiring or disposing of securities of mCloud through the market, privately or otherwise, depending on market conditions and any other relevant factors.

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	Oct. 31,	July 31,	April 30,	Jan. 31,	Oct. 31,	July 31,	April 30,	Jan 31,
	2018	2018	2018	2018	2017	2017	2017	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Total revenues	-	-	-	-	-	-	-	-
Loss before other items:								
Total	(2,419,504)	(835,064)	(422,887)	(766,504)	(84,616)	(75,054)	(4,905)	(54,987)
Net Loss and Comprehensive Loss:								
Total	(5,745,844)	(1,671,525)	(401,387)	(766,504)	(86,616)	(75,054)	(2,242)	(54,987)
Basic and diluted loss per share	(0.05)	(0.05)	(0.01)	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)

The Company's net loss and comprehensive loss from operations rose sharply in the three months ended October 31, 2018 compared to the three months ended October 31, 2017 as a result of the Change of Business that was completed during the twelve months ended October 31, 2018. As a result of increased activity related to the Change of Business, there was a significant increase in consulting fees to \$129,448 from \$27,500 in fiscal 2017, legal fees of \$112,362 from \$9,466 for fiscal 2017, \$563,062 for marketing and advertising from \$1,638 in fiscal 2017, rent of \$57,954, compared to \$3,000 for fiscal 2017, and travel of \$41,541 compared to \$Nil for fiscal 2017. In addition, during the three months ended October 31, 2018, the Company incurred share based payments of \$672,000, compared to \$10,000 for fiscal 2017 and paid management fees of \$784,902, compared to \$22,500 for fiscal 2017. The management fees paid during the three months ended October 31, 2018 relate to severance costs with respect to the recent change in management.

Results of Operations

The Company has yet to generate any revenue from its planned operations and has, to date, incurred net losses from operating and administrative expenses.

Three and twelve month periods ended October 31, 2018 (unaudited) compared to three and twelve month periods ended October 31, 2017 (audited).

The Company incurred significantly higher net losses and comprehensive losses of \$5,745,844 and \$8,585,259 respectively, for the three and twelve month periods ended October 31, 2018 ("Q4 2018") (unaudited) compared to net and comprehensive losses of only \$86,616 and \$218,899, respectively, for the corresponding three and twelve month periods ended October 31, 2017 ("Q4 2017") (audited).

The much higher losses in Q4 2018 resulted from the Company actively investigating and pursuing its Change of Business from mineral exploration to the development of data mining infrastructure and system technology to support global blockchain applications in the mining space including next generation ASIC chips and mining rigs to mine Bitcoin and other cryptocurrencies. The largest increases related to higher management fees/bonuses, consulting fees, project investigation costs, travel expenses and legal fees associated with the Change of Business. The Company also incurred significant share-based compensation expense in Q4 2018.

The following table detail changes in major expenditures between the three month periods ended October 31, 2018 (unaudited) and October 31, 2017 (audited):

Nature of Expenses	Three Months ended October 31, 2018	Increase from Three Months Ended October 31, 2017 (audited)	Explanation for Change
Consulting fees	\$129,448	\$101,948	Increase due to hiring of additional executive officers and increased fees paid in connection with Change of Business and significantly more corporate activities associated therewith.
Equity in loss of joint operation	\$3,210,065	\$3,210,065	Costs incurred in connection with the investigation and preliminary design of the Company's initial next generation ASIC chip to mine Bitcoin Cash, Bitcoin and other cryptocurrencies. 75% interest in Aracore and Arasystems losses accounted in Squire books and booked as equity loss of joint venture in the income statement and same amount decreased the investment in Aracore and Arasystems account in the balance sheet for the period ended October 31, 2018.
Travel	\$41,541	\$41,541	Increase due to numerous trips by management to Asia, Europe and other destinations for chip and rig development and capital raising activities in connection with Change of Business.
Marketing and advertising	\$563,062	\$561,424	Increase in connection activities related to Change of Business and Change of Business Financing as well as investor relations activities that were undertaken in Q3 of 2018.
Legal fees	\$112,362	\$102,896	Increase due to higher legal fees associated with drafting material agreements in connection with Change of Business, Change of Business Financing, and Listing Statement for CSE and regulatory approvals.
Administrative, rent, office and miscellaneous	\$81,209	\$78,014	Increase due to higher office expenses and administration services as part of Change of Business
Share-based compensation	\$672,000	\$662,000	Increase due to stock options granted to newly appointed executive officers, directors and consultants during the current quarter.
Management fees	\$784,902	\$762,402	As a result of the change of management in October, severance payments were made to certain outgoing management personnel.

The following table detail changes in major expenditures between the twelve months period ended October 31, 2018 (unaudited) and October 31, 2017 (audited):

Nature of Expenses	Twelve Months ended October 31, 2018 (unaudited)	Increase from Twelve Months ended October 31, 2017 (audited)	Explanation for Change
Management bonuses	\$368,000	\$368,000	Increase due to increased corporate activities during fiscal 2018 associated with investigation of new business opportunities and hiring of additional executive officers and increased fees paid thereto in connection with Change of Business and significantly increased activities associated therewith. Such increase also included management bonuses (including signing bonuses) paid to certain executive officers.
Consulting fees	\$341,931	\$291,931	Increase due to hiring of additional consultants to assist in the investigation of new business opportunities and due diligence and implementation of Change of Business.
Equity loss of joint venture operation	\$4,154,737	\$4,154,737	Costs incurred in connection with the investigation and preliminary design of the Company's initial next generation ASIC chip to mine Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies. 75% interest in Aracore and Arasystems losses accounted in Squire books and booked as equity loss of joint venture in the income statement and same amount decreased the investment in Aracore and Arasystems account in the balance sheet for the period ended October 31, 2018
Travel	\$248,273	\$245,860	Increase due to investigation of potential new business opportunities including numerous trips by management to Asia, Europe and other destinations for chip and rig development and capital raising activities in connection with Change of Business.
Legal fees	\$294,561	\$269,204	Increase due to legal fees associated with and drafting material agreements in connection with Change of Business, Change of Business Financing, Listing Statement for CSE and regulatory approvals
Administrative, rent, office and miscellaneous	\$157,614	\$150,848	Increase due to higher office expenses and administration services associated with increased corporate activities and Change of Business
Share-based compensation	\$1,321,632	\$1,311,632	Increase due to stock options granted to newly appointed executive officers, directors and consultants during the period.

Nature of Expenses	Twelve Months ended October 31, 2018 (unaudited)	Increase from Twelve Months ended October 31, 2017 (audited)	Explanation for Change
Management fees	\$905,202	\$860,202	As a result of the change of management in October, severance payments were made to certain outgoing management personnel.

As a result of the foregoing, the Company incurred a basic and diluted loss per share of \$0.05 and \$0.14, respectively, for the three and twelve months periods ended October 31, 2018, compared to a loss of \$0.00 and \$0.01 per share for the corresponding three and twelve month periods ended October 31, 2017.

The Company's cash outflow from operating activities during the twelve months period ended October 31, 2018 (\$7,445,472) was much higher than the corresponding twelve month period ended October 31, 2017 (\$136,113) due primarily to the Company's increased activities as discussed above, in particular, the Change of Business. Also, the Company's cash flow used in investing activities during the twelve months period ended October 31, 2018 increased to \$2,893,590 compared to \$10,000 for the corresponding period ended October 31, 2017, primarily as a result of the Company's 75% investment in Aracore. Finally, as a result of three financings carried out during the period, the Company's cash flow from financing activities for the twelve month period ended October 31, 2018 was \$29,415,023, compared to \$382,000 for the corresponding twelve month period ended October 31, 2017.

Trends

The use of Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies to, among other things, buy and sell goods and services and complete other transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. The growth of this industry in general, and the use of Bitcoin SV (BSV), Bitcoin Core (BTC) and other associated SHA-256 derived cryptocurrencies in particular, is subject to a high degree of volatility and uncertainty, and the slowing or stopping of the development or acceptance of developing protocols may adversely affect the demand for Bitcoin Cash, Bitcoin and other cryptocurrencies and consequently the demand for the ASIC chips incorporated into the "mining rigs" used to mine such currencies. Factors affecting further development of the industry include, but are not limited to, continued worldwide growth in the adoption and use of cryptocurrencies, governmental and quasi-governmental regulation of cryptocurrencies and their use, or restrictions on or regulation of access to and operation of the network or similar cryptocurrency systems, changes in consumer demographics and public tastes and preferences, the availability and popularity of other forms or methods of buying and selling goods and services and general economic conditions and the regulatory environment relating to digital assets, each of which is beyond the reasonable control of the Company and could materially adversely affect the market for the ASIC chips and mining rigs that the Company is currently developing.

The crypto-asset mining industry is also highly competitive and the Company will be competing with many other companies and entities in the development, manufacture and sale of ASIC chips and mining rigs for Bitcoin SV, Bitcoin Core and other crypto-assets, many of which have vastly greater resources, capital and personnel. The ability of the Company to develop and manufacture ASIC chips and mining rigs in the future will depend not only on its ability to develop, manufacture and sell its initial next generation chip and mining rig, but also on its ability to design, develop, market and sell subsequent generation chips and rigs for Bitcoin SV, Bitcoin Core and other crypto-assets. The trends and risks which are likely to impact the Company are detailed in Item 20 *Risk Factors* of the Company's Form 2A -

Listing Statement dated July 31, 2018 filed with the CSE and on SEDAR.

Liquidity and Capital Resources

As a result of the Change of Business, the Company's operations now consist primarily of designing, operating and developing data mining infrastructure and system technology (including ASIC chips and mining rigs) to support global blockchain applications in the crypto-asset mining space. The Company's financial success and continuation as a going concern will be dependent on, among other things, the extent to which it can develop and successfully market, distribute and sell its products in sufficient quantities to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations.

As at October 31, 2018, the Company had current assets of \$19,986,880 consisting primarily of cash and cash equivalents of \$19,609,018, short term investments of \$240,900, and amounts receivable of \$48,475 and prepaid expenses of \$88,487. The Company's working capital as at October 31, 2018 was \$19,930,278 (unaudited).

Financings

In May 2018, Squire completed non-brokered private placement financing of 13,174,500 units (the "First Units") at a price of \$0.25 per First Unit for gross proceeds of \$3,293,625 to fund the design and development of next generation ASIC chips. Each First Unit consisted of one common share and one-half (1/2) of a share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at a price of \$0.50 for a period of two years. Finder's fees totaling \$180,600 cash, 115,815 First Units and 838,215 finder's warrants, on the same terms as the warrants forming part of the First Units, were paid to certain finders in connection with this private placement.

In August 2018, Squire completed the Change of Business Financing comprised of 63,750,000 Second Units at a price of \$0.40 per Second Unit for gross proceeds of \$25,500,000 to fund the Change of Business and ongoing development of the Company's next generation ASIC chips and mining rigs. Each Second Unit consisted of one common share and one-half (1/2) of a share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at a price of \$0.80 on or before August 10, 2020. The Company also issued 956,250 Second Units to an arm's length third party as a finder's fee in connection with the Change of Business Financing.

Squire intends to use a portion of its working capital as at October 31, 2018 to fund the design, development and manufacture of the Company's initial ASIC chip and mining rig, operation and maintenance of crypto-asset mining machines, ongoing research and development and related general and administrative expenses and working capital expenditures, as set out below:

Description	Allocated C\$
Fund balance of design, development and manufacture of the Company's initial ASIC chip including initial mass production run (US\$3,620,000) ⁽¹⁾	\$4,757,404
Fund design, development and testing of the Company's initial mining rig including manufacture and assembly of pilot production test run (US\$1,475,000) ⁽¹⁾	\$1,938,445
Reserve for 12 months of manufacturing, marketing, promotion and product support (i.e. warranty) for ASIC chips and mining Rigs (US\$2,600,000) ⁽¹⁾	\$3,416,920

Description	Allocated C\$
Operation and maintenance of crypto-asset mining machines for ensuing 12 months (US\$5,390,000) ⁽¹⁾	\$7,083,538
General and Administrative expenses for ensuing 12 months (US\$1,590,000) ⁽¹⁾	\$2,089,578
Unallocated working capital	\$644,393
TOTAL	\$19,930,278

- (1) Where applicable, amounts payable in US dollars have been converted to Canadian dollars using the indicative US/Canada dollar exchange rate of US\$1.00 = C\$1.3142 as reported by the Bank of Canada on October 31, 2018.

The Company intends to spend the available funds as set out above. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. Pending such use, the Company intends to invest the available funds in short-term, investment grade, interest-bearing securities and other marketable securities.

As part of the Change of Business as well as the proposed CoinGeek transaction, the Company anticipates that it will be generating significant crypto-asset related revenue in 2019. The Company anticipates that in its crypto-asset mining activities it will mine the most profitable SHA-256 asset at the time of mining activity. This may change over time and management will affect the appropriate operational decisions to ensure that mining adapts based on current market conditions. As a general policy, revenues generated over and above the cash operating expenses to maintain the crypto-asset mining operations may be invested in other SHA-256 derived crypto-assets at the discretion of the management and/or Board of Directors.

Thereafter, if the Company has not yet attained positive cash flow, the Company will require additional capital to maintain operations including, but not limited, researching and developing next generation ASIC chips and mining rigs and other new products and technologies. The Company's ability to arrange financing in the future will depend, in part, upon the prevailing capital market conditions, the market and demand for Bitcoin SV, Bitcoin Core and other cryptocurrencies as well as its business performance. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to it or at all. If the Company raises additional financing through the issuance of common shares from its treasury, control of the Company may change and existing shareholders will suffer additional dilution.

Off Balance Sheet Arrangements

There are no off balance sheet arrangements to which the Company is committed.

Key Management

The Company considers its executive officers and directors to be key management. During the twelve month period ended October 31, 2018, the Company incurred management fee, administrative fees, bonuses and share-based payments totaling \$1,601,846 in respect of services provided to the Company by the following executive officers and directors or private companies controlled by same:

Name of Officer/Director	Position	Nature of Fees	Fees Charged
Simon Moore	Former President and CEO	Management fees	\$96,613
		Bonus	\$75,000
		Severance pay	\$280,000
		Share-based payment	\$196,667
Rich Wheelless	Former CFO	Financial management fees	\$72,803
		Bonus	\$75,000
		Severance pay	\$180,000
		Share-based payment	\$95,000
Donna Moroney	Corporate Secretary	Administrative fees	\$47,263
		Share-based payment	\$25,000
Owen King	Former Director	Management fee	\$25,000
Tibor Gajdics	Former interim President and CEO	Share-bases payment	\$83,000
		Management fees	\$40,000
		Bonus	\$40,000
Kevin Hanson	Former CFO	Share-based payment	\$38,000
		Financial management fees	\$32,500
David Rokoss	Former Director	Share-based payment	\$48,000
Garry Stock	Former Director	Share-based payment	\$46,000
Stefan Matthews	Director	Share-based payment	\$106,000
TOTAL			\$1,601,846

Transactions with Related Parties

During the twelve months ended October 31, 2018:

- The management fees of \$433,569 moved from Squire to Aracore; due to the fact that 80% of management fee was related to chip development.
- APMS, a related party of the Company by virtue of owning more than 10% of the issued and outstanding shares of the Company, acquired a total of 7,750,000 Second Units at a price of \$0.40 per Second Unit for an aggregate subscription price of \$3,100,000 pursuant to the Change of Business Financing. As of the date of this MD&A, to management's knowledge, APMS owns a total of 15,750,000 common shares or approximately 12.78% of the issued and outstanding shares of the Company.

Proposed Transactions

Save for the Change of Business, as of the date of this MD&A, there are no proposed asset or business acquisitions or dispositions which are expected to have a material effect on the financial condition, financial performance or cash flows of the Company.

Critical Accounting Policies and Estimates

The Company has prepared the financial statements in accordance with IFRS. Significant accounting policies are described in Note 3 of the Company's financial statements as at and for the year ended October 31, 2017.

The preparation of financial statements in conformity with IFRS requires to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of expenses during the reporting

period. Actual outcomes could differ from these estimates.

The Company's significant judgements are detailed in Note 4 to the unaudited condensed interim financial statements for the period ended October 31, 2018 and include: exploration and evaluation expenditures, intangible assets, and going concern.

The Company's significant estimates are detailed in Note 4 to the unaudited condensed interim financial statements for the period ended October 31, 2018 and include: share-based compensation.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities.

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

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and are comprised of foreign currency risk and interest rate risk.

Foreign Currency Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash is limited because of the short-term nature of the investments.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash. Cash are maintained with financial institutions of reputable credit and may be redeemed upon demand. The Company considers this risk to be minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The Company manages liquidity risk through the management of its capital structure.

Disclosure of Outstanding Share Data

Common Shares

The Company's authorized share structure consists of an unlimited number of common shares without par value. As of December 31, 2018, there were a total of 123,455,172 common shares of the Company issued and outstanding. There are no obligations on any security holder to contribute additional capital to the Company.

Share Purchase Warrants

As of December 31, 2018, there were a total of 54,732,330 share purchase warrants outstanding entitling the holders thereof to purchase up to an aggregate of 54,732,330 common shares of the Company as follows:

Number of Warrant Shares	Exercise Price Per Share	Expiry Date
5,902,500	\$0.08	September 13, 2019
5,933,333	\$0.08	December 21, 2019
3,060,000	\$0.08	December 21, 2019
5,369,500	\$0.50	May 16, 2020
2,113,872	\$0.50	May 29, 2020
32,353,125	\$0.80	August 10, 2020
54,732,330		

Stock Options

As of December 31, 2018, there were a total of 4,605,893 stock options outstanding to directors, officers and consultants under the Company's existing stock option plan to purchase up to an aggregate of 4,805,893 common shares of the Company as follows:

Number of Option Shares	Exercise Price Per Share	Expiry Date
750,000	\$0.15	January 25, 2019
450,000	\$0.30	January 25, 2019
474,226	\$0.31	January 25, 2019
750,000	\$0.40	January 25, 2019
250,000	\$0.40	February 15, 2019
200,000	\$0.40	September 7, 2019
31,667	\$0.15	October 25, 2019
200,000	\$0.40	October 25, 2019
200,000	\$0.425	October 25, 2019
300,000	\$0.15	January 12, 2020
100,000	\$0.31	May 16, 2020
300,000	\$0.40	August 10, 2020
200,000	\$0.77	September 7, 2020
400,000	\$0.28	December 11, 2020
4,605,893		

Risks and Uncertainties

An investment in securities of the Company involves a high degree of risk, should be considered highly speculative due to the nature of the Company's business and should only be made by persons who can afford the risk of loss of their entire investment. The trends and risks which are likely to impact the

Company are detailed in Item 20 *Risk Factors* of the Company's Form 2A - Listing Statement dated July 31, 2018 filed with the CSE and on SEDAR.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.