

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Squire Mining Ltd. (the "Issuer").

Trading Symbol: SQR

Number of Outstanding Listed Securities: 122,555,172 (as of October 31, 2018)

Date: October 2018

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**On October 3, 2018, the Issuer announced that with executives and board members from the Issuer, Future Farm Developments Ltd., CoinGeek, Gaonchips Co., Ltd. and Samsung Electronics in attendance, Peter Kim, President of the Issuer's subsidiary AraCore Technology Corp. ("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 Cash (BCH), Bitcoin Core (BTC) and other associated cryptocurrencies. The test results confirm Aracore's original design specifications indicating that the ASIC chip, once mass manufactured by Samsung Electronics, will be capable of delivering a projected hash rate of 18 to 22 terahash per second (TH/s) with an energy consumption of between 700 and 800 watts.

The Issuer estimates that the final ASIC chip and mining system has the potential to reduce operational costs by up to 40% for enterprise mining facilities, in comparison to other available crypto mining units. This cost reduction was estimated by one leading enterprise mining group to be worth up to \$60M per year in savings to their operations alone.

In addition, the final ASIC chip and mining system together are expected to provide up to a four times improvement in the performance of mining blockchain, a process that enables miners to be paid, thereby increasing the return on investment, and profit, for miners. Such calculations are based on comparisons with the majority of current generation mining machines operating inside enterprise facilities around the world.

On October 11, 2018, the Issuer further announced Ennoconn Corporation ("Ennoconn") as the Issuer's hardware manufacturer for next generation mining systems to mine Bitcoin Cash, Bitcoin Core and other associated 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 world's largest "Electronic Manufacturing Service" company, became the majority shareholder of Ennoconn, forming a strong strategic alliance in embedded system and electronic manufacturing.

The Issuer 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 Issuer's engineers are working with Ennoconn to design and develop AraSystem's mining system 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 system once all design, development and testing work has been completed.

A working model of the AraCore ASIC chip (FPGA) along with its specifications are expected to be presented at the CoinGeek Conference in London on November 28 – 30, 2018. Significant interest has already been expressed by several of the industry's largest enterprise mining companies, which currently host hundreds of thousands of mining machines in their facilities around the world.

See also Items 2, 4, 14, 16 and 17 below.

2. Provide a general overview and discussion of the activities of management.

**The Issuer is engaged in the business of developing 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 system to mine Bitcoin Cash, Bitcoin Core and other associated cryptocurrencies and anticipates completing the manufacture and assembly of a pilot production test run of such chip and system by second quarter of 2019.**

**The Issuer's corporate objectives for the balance of 2018 and 2019 are as follows:**

***Third Quarter of 2018:* Complete front-end design and development of initial next generation ASIC chip (completed – see Item 1).**

***Fourth Quarter of 2018:***

- 1. Complete back-end design and development of initial ASIC chip (see Item 1).**
- 2. Enter into formal development and assembly agreement with Ennoconn to develop and assemble the Company's initial mining system (see Item 1).**

***2019:***

- 1. Complete manufacture and assembly of a pilot production test run of initial ASIC chips and mining systems for Bitcoin Cash, Bitcoin Core and other associated cryptocurrencies by second quarter of 2019.**
- 2. Deliver pilot production test run of initial ASIC chips and mining systems to Coingeek.com and its associates by second quarter of 2019 for worldwide distribution and sale.**
- 3. Manufacture and sell sufficient quantities of initial ASIC chips and mining systems to achieve positive cash flow.**
- 4. Establish necessary infrastructure and support systems to facilitate the distribution of ASIC chips and mining systems to Coingeek.com and its associates under the Company's exclusive distributor agreement including a network of customer support centers in key markets.**
- 5. Create market presence and establish reputation as a new and innovative supplier of high quality, next generation ASIC chips and mining systems for Bitcoin Cash, Bitcoin Core and other associated cryptocurrencies.**
- 6. Research and develop one or more subsequent generations of improved ASIC chips and mining systems to mine Bitcoin Cash, Bitcoin Core and associated cryptocurrencies.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**See Items 1 and 2 above.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**Following the Issuer's recent change of business away from mineral exploration, the Issuer is currently in negotiations with an arm's length third party to take over its option agreement to acquire up to an 80% undivided interest in the Star Property, as well as the Issuer's other mineral tenures, located in central British Columbia.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**See Item 1 above.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**N/A**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None, however see Item 4 above.**

8. Describe the acquisition of new customers or loss of customers.

**See Items 1 and 2 above.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**See Items 1 and 2 above.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**See Item 16 below.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**N/A**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**N/A**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**None**

14. Provide details of any securities issued and options or warrants granted.

**During October 2018, the Issuer issued:**

- **241,935 common shares at a price of C\$0.31 per share for gross proceeds of C\$74,999.85 pursuant to the exercise of stock options.**
- **250,000 common shares at a price of C\$0.15 per share for gross proceeds of C\$37,500 pursuant to the exercise of stock options.**

**During October 2018, an incentive stock option to purchase 200,000 common shares was granted, which option is exercisable at an exercise price of \$0.425 per share, for a term of one year from the date of grant.**

15. Provide details of any loans to or by Related Persons.

**N/A**

16. Provide details of any changes in directors, officers or committee members.

**Following recent successful milestones achieved by the Issuer in the research and development of its next generation ASIC chip and mining system for Bitcoin Cash, Bitcoin Core and associated cryptocurrencies, the Issuer has undergone a restructuring of its board of directors and management to better transition the Issuer from research and development to manufacturing and sales including establishing a market leading executive team and international sales and marketing group focused on launching the Issuer's next generation ASIC chip and mining system to the Issuer's exclusive distribution partner, CoinGeek.com.**

To undertake this next phase in corporate growth, the following changes were made to the directors and officers of the Issuer, effective October 25, 2018:

- **Taras Kulyk was appointed as director and CEO.**

**Taras Kulyk has spent his career in venture capital, banking, and technology. Most recently, Mr. Kulyk led the CoinGeek Mining and Hardware team where he oversaw the development and growth of one of the largest crypto mining fleets globally. Before joining CoinGeek, Mr. Kulyk was part of Decentral's leadership team in Toronto, Canada. Prior to this, Mr. Kulyk spent three years in investment banking at CIBC World Markets and BMO Capital Markets in the resources sector, followed by two years with TD Securities with the Communications, Media and Technology team, where his coverage focus was on the Canadian tech and media sectors. He is a graduate of Osgoode Hall Law School at York University where he received a Juris Doctor with a focus in Banking, Corporate, Finance, and Securities Law, and earned his MBA, with distinction, with a specialization in Finance and Strategic Management from the Schulich School of Business.**

- **Marco Strub was appointed as a director.**

**Marco Strub has over 25 years of experience as an entrepreneur and executive in the financial services and consulting sectors. Since March 2003, Mr. Strub has been the Principal and Chief Executive Officer of Sircon AG, a portfolio management company based in Zurich, Switzerland. Prior to this, Mr. Strub served as a Partner of Exulta AG from 1997 to 2003. He has been an Independent Director of numerous private and publicly listed companies, including Triumph Gold Corp and ZincX Resources Corp, listed on the TSX Venture Exchange. Mr. Strub received a Master of Arts degree from the University of St. Gallen, Switzerland in 1982.**

- **Yevgeniy Meshcherekov was appointed as Chief Financial Officer.**

**Mr. Meshcherekov is a Chartered Professional Accountant with more than 15 years of management experience in industry and public practice. He has demonstrated financial and organizational leadership in the wealth management, blockchain technology and fintech sectors within operations spanning Canada, Europe and Asia. Prior to joining Squire, Mr. Meshcherekov was Director of Finance of the nChain Group, a global leading blockchain research and development company. Previous to that he was Director of Finance of nTrust Technology Solutions Corp., a regulated money transfer platform which evolved into a Bitcoin wallet and exchange. He started his career and gained extensive experience through a Canadian audit firm providing tax, reporting and accounting assurance services to private and publicly traded companies. Mr. Meshcherekov has board and committee level experience, having recently served a three year term on the board of a local non-for-profit organization.**

- **Angela Holowaychuk was appointed as Chief Operating Officer.**

**Over the last 15 years, Mrs. Holowaychuk has found herself at the forefront of emerging technologies, holding senior management positions leading day to day operations, technical development teams and global expansion projects within the fintech, regtech and most recently, blockchain and Bitcoin exchange sectors. Her expertise is building global operations and service channels from the ground up and working closely with legal and regulatory advisers, executives and technology specialists. Mrs. Holowaychuk attended the British Columbia Institute of Technology for Operations and Supply Chain Management.**

- **Simon Moore, Rich Wheless and Rick Underhill resigned as Chief Executive Officer, Chief Financial Officer and Executive Vice-President of the Issuer, respectively, and were paid certain transition payments in connection with the termination of their respective consulting agreements.**
- **Simon Moore, David Rokoss and Garry Stock resigned as directors of the Issuer.**
- **Certain consulting agreements with Justin Corinella and Marko Hytinkoski were also terminated.**

**As a result of the restructuring, the Issuer's executive officers and directors are now as follows:**

**Stefan Matthews – Chairman and Director  
Taras Kulyk - Chief Executive Officer and Director  
Yevgeniy Meshcherekov – Chief Financial Officer  
Angela Holowaychuk – Chief Operating Officer  
Peter Wielgosz – Director  
Marco Strub – Director.**

**In addition, the Issuer's Audit Committee and Compensation Committee are comprised of Stefan Matthews, Peter Wielgosz and Marco Strub,**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The use of Bitcoin Cash, Bitcoin Core or other 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 Cash, Bitcoin Core and other cryptocurrencies in particular, is subject to a high degree of uncertainty, and the slowing or stopping of the development or acceptance of developing protocols may adversely affect the demand for Bitcoin Cash, Bitcoin Core and other cryptocurrencies and consequently the demand for the ASIC chips and mining systems 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 Issuer and could materially adversely affect the market for ASIC chips and mining systems. See the Issuer's Form 2A Listing Statement dated July 31, 2018 (the "Listing Statement"), a copy of which is available for review under the Issuer's profile on SEDAR at [www.sedar.com](http://www.sedar.com) for a description of further trends, risks and uncertainties facing the Issuer.**

### **Forward Looking Statements**

Except for the statements of historical fact, the information presented in this Monthly Progress Report may constitute "forward-looking statements" and/or "forward-looking information" within the meaning of applicable securities and other laws including, but are not limited to, statements regarding the estimated timing for development, completion and mass production test run of the Issuer's initial ASIC chip and mining system for Bitcoin Cash, Bitcoin Core and other associated cryptocurrencies, and the potential operating performance, sales volume and revenue generating potential thereof. Often, but not always, forward-looking statements and information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "aims", "anticipates", "will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might" or "will" be taken, occur or be achieved. By their very nature, forward-looking statements and information are subject to numerous risks and uncertainties, some of which are beyond our control. Forward looking statements and information are based on the opinions and estimates of management at the date the statements are made, as well as a number of assumptions made by, and information currently available to, the Issuer concerning, among other things, anticipated market demand for ASIC chips and mining systems and the market for Bitcoin Cash, Bitcoin Core and other cryptocurrencies in general, proposed design, development, manufacturing and marketing plans and the costs and timing thereof, the availability of additional capital to finance growth and future research and development, anticipated revenue and cash flow from the sale of products, the Issuer's ability to obtain necessary governmental permits and approvals in a timely manner and on commercially reasonable terms, access to and availability of components (including personnel) to develop and manufacture the Issuer's chips and mining systems, all of which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of the Issuer to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and information. Factors that could cause actual results to vary materially from results anticipated by such forward looking statements and information include, among others, risks related to the Issuer's limited operating history, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, risks related to chip and mining system design, development and manufacturing (including design flaws,



software/programming errors, hardware/software integration issues, performance failures, manufacturing delays, inability to source components on a timely basis or at all, etc), technological change, obsolescence, lack of market acceptance or demand for the Issuer's products, the need for significant additional capital, changes in government legislation, changes in ownership interest in a project, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices and volatility of Bitcoin Cash, Bitcoin Core and other cryptocurrencies, environmental risks and hazards, infrastructure and/or operating costs, labor and employment matters, inability to secure necessary permits and approvals on a timely basis or at all, government regulation, uncertainties involved in interpreting marketing and sales data, defects in the Issuer's title to its intellectual property, third party infringement claims, cost increases, exchange rate fluctuations, the Issuer's dependence on key personnel, as well as those factors discussed in the sections "Forward-Looking Information", "Risk Factors" and elsewhere in the Listing Statement available for review on SEDAR.

The Issuer's ability to predict the results of its operations or the effects of various events on its operating results is inherently uncertain and although the Issuer has attempted to identify important factors that could cause actual results to differ materially from any anticipated future results, performance or achievements expressed or implied by forward-looking statements and information there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements and information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements and information. The Issuer expressly disclaims any intention or obligation to update or revise any forward-looking statements or information contained in this Monthly Progress Report, whether as a result of new information, future events or otherwise, other than as required by applicable law. Accordingly, readers should not place undue reliance on forward-looking statements and information and trading in securities of the Issuer should be considered highly speculative.

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## 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 Certificate of Compliance.
2. As of the date hereof there were 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 7 Monthly Progress Report is true.

Dated November 9, 2018.

**Taras Kulyk**  
*Name of Director or Senior Officer*

**“Taras Kulyk”**  
*Signature*

**CEO**  
*Official Capacity*

<b>Issuer Details</b> <i>Name of Issuer</i>	<i>For Month End</i>	<i>Date of Report</i> YY/MM/D
<b>Squire Mining Ltd.</b>	<b>October 2018</b>	<b>18/11/09</b>
<i>Issuer Address</i>		
<b>#202, 5626 Larch Street</b>		
<i>City/Province/Postal Code</i>	<i>Issuer Fax No.</i>	<i>Issuer Telephone No.</i>
<b>Vancouver, B.C., V6M 4E1</b>	<b>N/A</b>	<b>1-800-293-3851</b>
<i>Contact Name</i>	<i>Contact Position</i>	<i>Contact Telephone No.</i>
<b>Taras Kulyk</b>	<b>CEO</b>	<b>1-800-293-3851</b>
<i>Contact Email Address</i>	<i>Web Site Address</i>	
<a href="mailto:taras@squiremining.com">taras@squiremining.com</a>	<a href="http://www.squiremining.com">www.squiremining.com</a>	