BRISIO INNOVATIONS INC.

ACQUISITION OF NAMESILO, LLC

FORM 2A

<u>LISTING STATEMENT</u>

AUGUST 1, 2018

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FORWARD LOOKING-STATEMENTS

Statements included in this Listing Statement that do not relate to present or historical conditions are "forward-looking statements". Forward-looking statements are projections in respect of future events or the Company's future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "intend", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", or "continue", or the negative of these terms or other comparable terminology. Forward-looking statements in this Listing Statement include statements with respect to:

- NameSilo's ability to continue to add new customers and increase sale to its existing customers;
- NameSilo's ability to develop new solutions and bring them to market in a timely manner;
- NameSilo's dependence on establishing and maintaining a strong brand;
- NameSilo's ability to timely and effectively scale and adapt our existing solutions;
- beliefs and objectives for future operations;
- the occurrence of service interruptions and security or privacy breaches;
- system failures or capacity constraints;
- failure to perform by third parties;
- NameSilo's ability to anticipate evolving technologies and resulting changes in customer behaviour
- NameSilo's ability to continue to efficiently acquire customers, maintain its high customer retention rates and maintain the level of its customers' lifetime spend;
- the effects of increased competition in NameSilo's markets and its ability to compete effectively;
- NameSilo's future financial performance, including NameSilo's expectations regarding its revenue, cost of revenue, operating expenses, including changes in technology and development, marketing and advertising, general and administrative expenses, and its ability to achieve and maintain, future profitability;
- NameSilo's ability to maintain or improve its market share;
- NameSilo's ability to grow internationally;
- the effects of increased use of mobile devices to access the Internet
- NameSilo's ability to effectively manage its growth;
- NameSilo's ability to integrate successfully its business and operations with the Company;
- the impact of future acquisitions of business or talent by NameSilo;
- economic and industry trends or trend analysis;
- the rate of growth of, and anticipated trends and challenges in, NameSilo's business and in the market for its products;

- the impact of search engines changing their search algorithms or policies;
- NameSilo's ability to maintain its relationships with its partners;
- sufficiency of cash and cash equivalents to meet NameSilo's needs for at least the next 12 months;
- the restrictions on operations or dilution to its stockholders due to future financing;
- the risk of loss or negative publicity by NameSilo's failure to properly register or maintain its customers' domain names;
- reliance on a limited number of data centers;
- the impact of undetected or unknown defects in products;
- NameSilo's ability to maintain, protect and enhance its intellectual property;
- the potential risk to NameSilo's reputation and brand due to customers activities and website content;
- limitations on the commercialization of products due to open source technology;
- the risks associated with credit card and online payment fraud;
- NameSilo's ability to attract and retain qualified employees and key personnel;
- NameSilo's ability to stay in compliance with laws and regulations currently applicable to, or which may become applicable to, its business both in the United States (U.S.) and internationally;
- US and international economies may impact NameSilo's business;
- the future trending prices of NameSilo's common shares;

as well as other statements regarding the Company's future operations, financial condition, growth prospects and business strategies.

These statements are only predictions and involve known and unknown risks and uncertainties, including the risks in the section entitled "Risk Factors", and other factors which may cause the Company's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements.

Forward-looking statements are based on a number of material factors and assumptions, including the determination of mineral reserves or resources, if any, the retention of customers, the addition of new customers, the pricing does not fluctuate beyond industry norms, the continued use of the internet and the internet does not incur unforeseen break downs, that no labour shortages or delays are incurred. While the Company considers these assumptions may be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this prospectus. See "Risk Factors".

These forward-looking statements are made as of the date of this listing statement and are based upon management's beliefs, estimates and opinions. The Company intends to discuss in its quarterly and annual reports referred to as the Company's Management's Discussion and Analysis documents any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. Other than as required by law and as otherwise stated in this listing statement the Company does not intend and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

Investors are cautioned against placing undue reliance on forward-looking statements.

MARKET AND INDUSTRY DATA

This Listing Statement includes market and industry data that has been obtained from third party sources, including industry publications. We believe that this industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, we have not independently verified any of the data from third party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Listing Statement. Terms and abbreviations used in this Listing Statement and also appearing in the documents attached as schedules to the Listing Statement (including the financial statements) are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"**1161217**" means 1161217 B.C. Ltd., a company duly formed under the laws of the Province of British Columbia;

"**1161217 Shareholders**" means the shareholders of 1161217;

"**Acquisition**" means the acquisition of NameSilo by the Company pursuant to the NameSilo Purchase Agreement;

"**Affiliate**" means a company that is affiliated with another company as described below. A company is an "Affiliate" of another company if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same Person. A company is "controlled" by a Person if (a) voting securities of a company are held, other than by way of security only, by or for the benefit of that Person, and (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of a company. A Person beneficially owns securities that are beneficially owned by (a) a company controlled by that Person, or (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person;

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

"**Auditors**" means Crowe McKay LLP;

"**Autumn Spirit**" means Autumn Spirit OU;

"**Autumn Spirit Loan Agreement**" means the loan agreement dated June 21, 2018 whereby Autumn Spirit loaned the Company the principal amount of USD $2,385,000;

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

"**Board**" means the board of directors of the Issuer;

"**Business Day**" means any day other than a Saturday, Sunday, or a statutory or civic holiday in the City of Vancouver, British Columbia;

"**CEO**" means an individual who acted as our chief executive officer, or acted in a similar capacity, for any part of the most recently completed financial year.

"**CFO**" means an individual who acted as our chief financial officer, or acted in a similar capacity, for any part of the most recently completed financial year.

"**Closing**" means the closing of the Acquisition;

"**Closing Date**" means the date of closing of the Acquisition;

"**Common Shares**" means the Common Shares without par value of the Issuer;

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

"**Company**" means Brisio Innovations Inc., a company duly formed under the laws of the Province of British Columbia;

"**CSE**" means the Canadian Securities Exchange;

"**Digital Service Business**" means the offering of email services, search engine optimization, hosting and website solutions and cloud based products;

"**DDOS**" means distributed denial of service;

"**Digital Service Business Purchase Agreement**" means the share purchase agreement dated August 1, 2018, among the Company, 1161217, Kristaps Ronka, Adel Kanso, Endrit Muca, Romy Kalathiparambil;

"**Escrow Agreement**" means the escrow agreement dated March 14, 2018 among the Company, NameSilo, and BOKF, NA, as escrow agent;

"**Fundamental Change**" means the acquisition of NameSilo by the Company;

"**GPDR**" means the General Data Protection Regulation;

"**ICANN**" means the Internet Corporation for Assigned Names and Numbers;

"IFRS" means the International Financial Reporting Standards, as adopted by the Canadian Accounting Standards Board, effective January 1, 2011;

"**Investing Business**" means the business of the Company prior to the Fundamental Change, namely the investment in technology and industrial start-ups by the Company;

"**Kokkuhoideur**" means Kokkuhoideur OU;

"**Kokkuhoideur Loan Agreement**" means the amended and restated loan agreement dated June 21, 2018 whereby Kokkuhoideur loaned the Company the principal amount of CAD $5,000,000;

"**Listing Date**" means the date on which the Company's Common Shares are listed for trading on the CSE;

"**Listing Statement**" means this CSE Form 2A Listing Statement of the Issuer;

"MD&A" means management's discussion and analysis;

"**NameSilo**" means NameSilo, LLC, a limited liability company formed under the laws of the State of Arizona;

"**NameSilo Acquisition Corp.**" means 1155064 B.C. Ltd., a company duly formed under the laws of the Province of British Columbia;

"**NameSilo Business**" means the procurement, registration and selling of domain names;

"NameSilo Interest" means the interest of a NameSilo Member in NameSilo;

"**NameSilo Members**" means the members of NameSilo;

"**NameSilo Purchase Agreement**" means the share exchange agreement dated March 7, 2018 among the Company, NameSilo and the NameSilo Members;

"**NP 46-201**" means National Policy 46-201 - *Escrow for Initial Public Offerings*;

"Person" means a Company or individual;

"**Related Person**" means an "Insider", which has the meaning set forth in the *Securities Act* (British Columbia) being:

(a) a director or senior officer of the company that is an insider or subsidiary of the issuer;
(b) a director or senior officer of the issuer;
(c) a person that beneficially owns or controls, directly or indirectly, voting share carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
(d) the issuer itself if it holds any of its own securities.

"**TLD**" means Top Level Domains;

"**Topanga**" means Topanga OU;

"**Topanga Loan Agreement**" means the loan agreement dated June 21, 2018 whereby Topanga loaned the Company the principal amount of USD $2,385,000;

"**Transaction**" means the completion of the Acquisition;

"**Transfer Agent**" means Computershare Investor Services Inc.

2. CORPORATE STRUCTURE

2.1 This Form 2A is filed with respect to Brisio Innovations Inc. (the “Company”) in connection with the Company’s Fundamental Acquisition of and requalification of its listing on the CSE.

The Company’s head office is located at Suite 1052, 409 Granville Street, Vancouver, British Columbia, Canada V6C 1T2. The Company’s registered office is located at Suite 800 – 885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1. All dollar amounts referenced herein are shown in Canadian dollars, unless otherwise indicated.

2.2 The Company was incorporated on May 21, 1993 as “567905 Alberta Ltd.” pursuant to the *Business Corporations Act (Alberta)*. On September 8, 1993, the Company changed its name to “Hilstar Capital Corporation”. Pursuant to Articles of Amendment filed on October 5, 1995, the Company changed its name to “KINeSYS Pharmaceuticals Inc.” and its then issued and outstanding common shares were consolidated on a three-for-one basis (one new common share for every three common shares then outstanding). On August 20, 1997, the Company changed its name to “Green River Petroleum Inc.” On July 6, 1999, the Company changed its name to “Green River Holdings Inc.” and its then issued and outstanding common shares were consolidated on a five-for-one basis (one new common share for every five common shares outstanding). On July 28, 2000, the Company changed its name to “Netco Energy Inc.”, and its then issued and outstanding common shares were consolidated on a two-for-one basis (one new common share for every two common shares then outstanding).

On July 14, 2011, the Company changed its name to “Netco Silver Inc.” On August 26, 2013, the Company’s then issued and outstanding common shares were consolidated on a five-for-one basis (one new common share for every five common shares outstanding). On February 11, 2014, the Company changed its name to its current name of “Brisio Innovations Inc.” and changed the jurisdiction of the Company from the Province of Alberta to the Province of British Columbia.

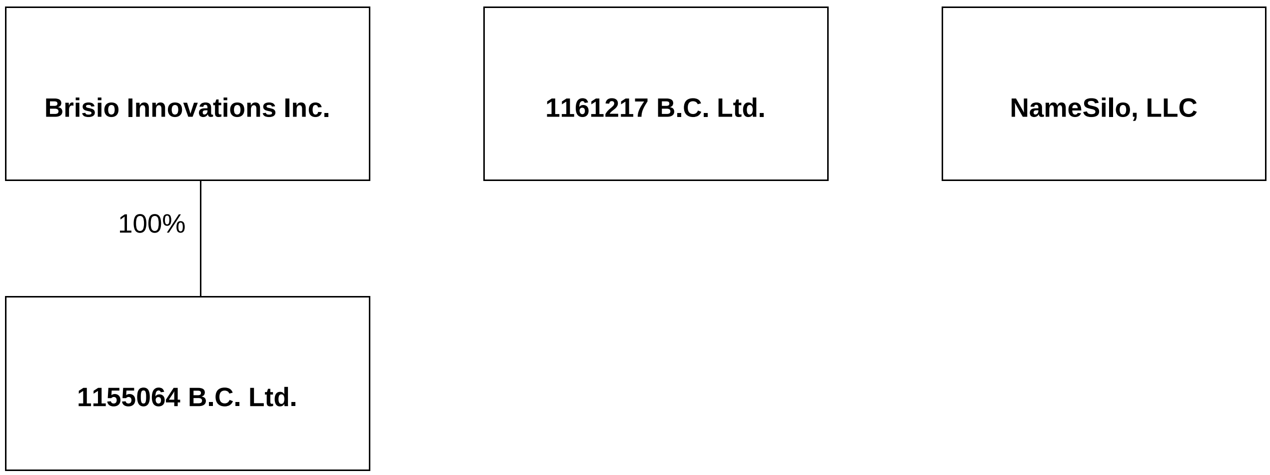
2.3 The Company has one wholly-owned subsidiary, 1155064 B.C. Ltd. (“NameSilo Acquisition Corp.”), which is a company incorporated under the BCBCA.

2.4 The Company is requalifying following the Fundamental Change.

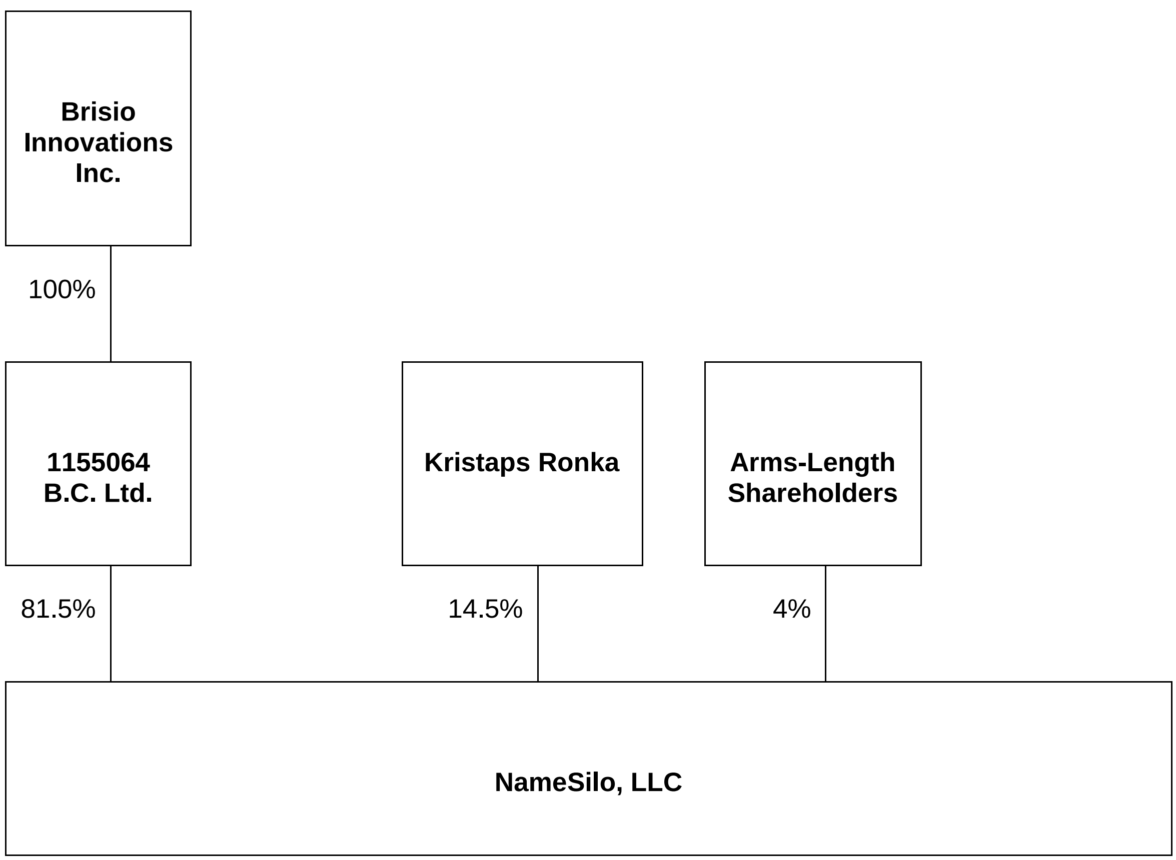
On March 7, 2018, the Company entered into the NameSilo Purchase Agreement with NameSilo whereby the Company agreed to purchase all of the issued and outstanding securities of NameSilo for a sum of USD $9,511,500. The NameSilo Members will also be entitled to certain earnout payments provided that the business achieves a specified EBITDA.

Further, the Company entered into the Digital Service Business Purchase Agreement with 1161217 whereby the Company’s subsidiary, NameSilo Acquisition Corp. agreed to purchase all of the issued and outstanding shares of 1161217, and in consideration of which, the 1161217 Shareholders of will receive a 18.5% interest in NameSilo.

PRE-CLOSING



POST-CLOSING



2.5 Not applicable.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 THREE YEAR HISTORY

Over the last three years, the Company's business has focused on investing its capital in assets, companies and projects which management believes are undervalued (the "Investment Business").

Acquisition of NameSilo and 1161217

On March 7, 2018, the Company entered into the NameSilo Purchase Agreement with NameSilo, whereby the Company agreed to acquire all of the NameSilo Interest for USD $9,511,500 (the "Purchase Price"). NameSilo is a low-cost provider of domain name registration, and is an ICANN-accredited registrar.

Under the terms of the NameSilo Purchase Agreement, the Purchaser Price must be paid to an escrow agent as follows: (i) USD $100,000 within three (3) days of the entry into the Escrow Agreement (paid), (ii) USD $4,900,000 within 60 days of the NameSilo Purchase Agreement (paid), (iii) USD $4,000,000 by July 1, 2018 (paid), and (iv) USD $511,500 on closing.

Further, the NameSilo Purchase Agreement also provides that the NameSilo Members are entitled to the following earn-out payments: (i) USD $1,750,000 if NameSilo's EBITDA exceeds USD $611,511 (the "Base EBITDA") for the period from January 1, 2018 to June 30, 2018 (the "Earn-Out Period"); and (ii) an additional USD $2 for every USD $1 above the Base EBITDA during the Earn-Out Period. As of the date of this Listing Statement, NameSilo's EBITDA has exceeded the Base EBITDA by USD $398,033 during the Earn-Out Period. As a result, the Company will be required to pay additional earn-out payment of USD $796,066.

On August 1, 2018, NameSilo Acquisition Corp. entered into the Digital Service Business Purchase Agreement with 1161217 whereby NameSilo Acquisition Corp. will acquire all of the issued and outstanding shares of 1161217 and, subject to closing of the NameSilo Purchase Agreement, NameSilo Acquisition Corp. will transfer a 18.5% of the NameSilo Interest to the shareholders of 1161217. 1161217 is a digital service company that will build a new backbone platform for the NameSilo Business, namely the offering of email services, search engine optimization, hosting and website solutions and cloud based products (the "Digital Service Business"). The transaction with 1161217 is a non-arm's length transaction with the Company. Kristaps Ronka, a director of Brisio, is the CEO and director of 1161217 and owns approximately 78% of 1161217.

As the above noted transactions constitute a Fundamental Change, the Company has set forth the three year history of NameSilo Business as well as the Company's Investment Business.

NameSilo Three Year History

NameSilo is a low-cost provider of domain name registration and management services, and is an ICANN-accredited registrar. NameSilo is a high growth registrar with over 1.7 million domains under management as of the date of this Listing Statement, and over 85,000 customers from approximately 160 countries. According to RegistrarOwl.com, which provides domain registrar statistics from ICANN, NameSilo is the 5th fastest growing registrar in the world based on percentage growth of new registrations, and 6th fastest growing registrar in the world when based on net new registrations, behind household names such as Google, GoDaddy and Alibaba.

Over the last three years, NameSilo has continued its domain name registration business and have organically grown their business during this same period. NameSilo recorded approximately USD$11.1 million in annual billings in 2017 up from USD$6.9 million in 2016. It has grown its domain names under management from approximately 745,000 domains at the beginning of 2017 to 1,764,321 as of the date of this Listing Statement. Additionally, NameSilo maintains a customer retention rate of approximately 87%.

Company Three Year History

Investment Business

In January 2015, the Company invested in Lite Access Technologies Inc. (“Lite Access”). Lite Access’ proprietary microduct technology extends a Network Provider’s ability to deliver true broadband connectivity directly to end users, such as homes, government and educational institutions and emergency response facilities. Lite Access has successfully deployed thousands of kilometers of microduct networks throughout North and South America, the UK, the Caribbean and Asia. Brisio’s strategy is to build a portfolio of high-value investments, with Lite Access being the first investment in a company unrelated to the mobile app space. In June 2015, Lite Access went public on the Canadian Securities Exchange. On March 31, 2018 the Company owned 319,099 shares of Lite Access.

In February 2015, the Company invested in Intema Solutions Inc. (“Intema”). Intema provides a wide range of products and services, including predictive marketing, search engine marketing, and programming and integration services. Intema has been simplifying and optimizing the online marketing activities of medium and large companies through innovating technologies and cutting edge expertise for more than 15 years. The investment in Intema is consistent with Brisio’s goal of building a portfolio of high-value investments. On March 31, 2018 the Company owned no shares of Intema.

In December 2015, the Company purchased 20,000 shares of Hamilton Thorne Ltd. (“Hamilton”) on the open market at a price of $0.20 per share, for a total price of $4,000. On March 31, 2018, the Company owned no shares of Hamilton.

On March 17, 2016, the Company purchased 18,000 shares of International Barrier Technology Inc. (“International Barrier”) on the open market at a price of $0.31 for a total of $5,580. On March 31, 2018, the Company owned no shares of International Barrier.

On March 30, 2016, the Company completed an investment in Pioneering Technology Corp. (“Pioneering”). The Company subscribed for 1,200,000 units of Pioneering at a price of $0.125 per unit for a total price of $150,000. Each unit was comprised of one common share of Pioneering (each, a “Pioneering Share”) and one-half of one share purchase warrant, with each warrant entitling the Company to acquire one additional Pioneering Share at a price of $0.25 per share until the date that is 18 months after the close of the offering. On March 31, 2018, the Company owned 1,021,300 shares of Pioneering.

On April 13, 2016, the Company purchased 100,000 shares of Renoworks Software Inc. (“Renoworks”) on the open market at a price of $0.31 for a total of $31,000. On March 31, 2018, the Company owned 137,000 shares of Renoworks.

On April 29, 2016, the Company purchased 100,000 shares of Cencotech Inc. (“Cencotech”) on the open market at a price of $0.34 for a total of $34,000. On March 31, 2018, the Company owned no shares of Cencotech.

On May 30, 2016, the Company purchased 75,000 shares of Distinct Infrastructure (“Distinct”) on the open market at a price of $0.125 for a total of $9,375. On March 31, 2018, the Company owned no shares of Distinct.

On September 15, 2016, the Company purchased 523,332 shares of Allur Group Inc. (“Allur”) on the open market at a price of $0.15 for a total of $78,500. On March 31, 2018, the Company owned 523,332 shares of Allur.

In September 2016 and December 2016, the Company invested in ImmunoPrecise Antibodies Ltd. (“IPA”). IPA is a premier supplier of custom monoclonal and polyclonal antibodies for a variety of species including rabbit, mice and rat for monoclonal hybridomas and for rabbit, rat, goat and sheep for polyclonal antibodies, custom peptide production services and cryopreservation services. In

December 2016, IPA went public on the TSX Venture Exchange. In 2018, the Company exercised 650,000 warrants at a price of $0.30 for a total of $196,229. On March 31, 2018, the Company owned 2,300,000 shares of IPA.

In 2017, the Company purchased 287,000 shares of Innovtech Inc. ("Innovtech") on the open market at a price of $0.145 for a total of $41,615. In 2018 the Company sold 175,000 common shares on the open market at a price of $0.15 for a total of $26,375. On March 31, 2018, the Company owned 112,000 shares of Innovtech.

In 2017, the Company purchased 120,000 shares of NAMSYS Inc. ("NAMSYS") on the open market at a price of $0.64 for a total of $76,800. On March 31, 2018, the Company owned 120,000 shares of NAMSYS.

In 2017, the Company subscribed for 750,000 units of Gate Keeper Systems Inc. ("Gate Keeper") at a price of $0.13 per unit for a total price of $97,500. Each unit was comprised of one common share of Gate Keeper (each, a "Gate Keeper Share") and one-half of one share purchase warrant, with each warrant entitling the Company to acquire one additional Gate Keeper Share at a price of $0.30 per share until April 28, 2019. As of March 31, 2018, the Company owned 750,000 shares and 375,000 warrants of Gate Keeper.

In 2017, the Company purchased 750,000 shares of Vigil Health Solutions Inc. ("Vigil Health") on the open market at a price of $0.70 for a total of $525,000. On March 31, 2018, the Company owned 750,000 shares of Vigil Health.

In 2017, the Company purchased 340,000 shares of Total Telecom Inc. ("Total Telecom") on the open market at a price of $0.31 for a total of $105,400. On March 31, 2018, the Company owned 340,000 shares of Total Telecom.

In 2017, the Company purchased 500,000 shares of Atlas ("Atlas") on the open market as a price of $0.67 for a total of $335,000. On March 31, 2018, the Company owned 500,000 shares of Atlas.

In January 2018, the Company purchased 200,000 shares of Ironwood Capital Corp. ("Ironwood") at a price of $0.20 for a total of $40,000. On March 31, 2018, the Company owned 200,000 shares of Ironwood.

<u>Equity and Debt Financing</u>

Private Placement

On May 15, 2018, the Company completed a non-brokered private placement financing for 6,216,277 shares at a price of $0.35 per share for gross proceeds of $2,166,754.45. The Company paid finders a fee of $101,237 and issued a total of 20,300 Common Shares.

Subsequently, on July 9, 2018, the Company closed a second tranche of its non-brokered private placement financing by issuing a total of 5,408,315 shares at a price of $0.35 per share for gross proceeds of $1,892,910. The Company issued finders a total of 215,075 Common Shares.

The proceeds of the financing were used to satisfy the Purchase Price under the NameSilo Purchase Agreement.

Loan Agreements

In order to satisfy the Purchase Price under the NameSilo Purchase Agreements, the Company entered into the following loan agreements:

(a) The Autumn Spirit Loan Agreement with Autumn Spirit whereby Autumn Spirit loaned the Company the principal sum of USD$2,385,000 at an interest rate of 8% per annum until June 21, 2019. In consideration of loan and as a bonus to Autumn Spirit, the Company agreed to issue a total of 1,000,000 Common Shares to Autumn Spirit by August 15, 2018.

(b) The Topanga Spirit Loan Agreement with Topanga whereby Topanga loaned the Company the principal sum of USD$2,385,000 at an interest rate of 8% per annum until June 21, 2019. In consideration of loan and as a bonus to Topanga, the Company agreed to issue a total of 1,000,000 Common Shares to Topanga Spirit by August 15, 2018.

(c) The Kokkuhoideur Spirit Loan Agreement with Kokkuhoideur whereby Kokkuhoideur loaned the Company the principal sum of CAD$5,000,000 at an interest rate of 8% per annum until June 21, 2019. In consideration of loan and as a bonus to Kokkuhoideur, the Company agreed to issue a total of 1,750,000 Common Shares to Kokkuhoideur by August 15, 2018.

3.2 SIGNIFICANT ACQUISITIONS OR DISPOSITIONS

The Company entered into the NameSilo Purchase Agreement and the Digital Service Business Purchase Agreement to acquire all of the issued and outstanding shares of NameSilo and 1161217, respectively. See "*Item 3. General Development of Business – Acquisition of NameSilo and 1161217".*

3.3 TRENDS, COMMITMENTS, EVENTS OR UNCERTAINTY

There are no trends, commitments, events or uncertainties known to management which could reasonably be expected to have a material effect on the Issuer's business, the Issuer's financial condition or results of operations. However, there are significant risks associated with the Issuer's business as described in "*Item 17. Risk Factors*".

4 NARRATIVE DESCRIPTION OF THE BUSINESS

As the acquisition of NameSilo constitutes a Fundamental Change, the Company has set forth the NameSilo Business and the Digital Service Business.

4.1 DESCRIPTION OF BUSINESS

Overview

NameSilo is a low-cost provider of domain name registration and management services, and is an ICANN-accredited registrar. NameSilo's easy to use website has allowed it to achieve [1,680,187] domains registered as of the date of this Listing Statement.

Products

Upon closing the acquisition of NameSilo and 1161217, the Company will be able to offer an extensive set of and easy-to-use cloud-based technology products that will enable the NameSilo customers to establish a digital presence and connect with their customers.

The NameSilo Business, being the domain name registration business, will enable the Company to engage customers at an initial stage of establishing a digital identity and will serve as a ramp-up of the products offered under the Digital Service Business. The Company believes that the Digital Service Business, which will offer hosting, presence and business applications products, will increase the core revenue of NameSilo and margin growth opportunities, improve customer retention and significantly improve the Company's value proposition to its customers.

Domain Name Registration

As a global domain registrar, NameSilo enable small businesses to establish an online presence by buying a domain name at a discounted price.

Primary Registrations. Using its website, NameSilo offers customers the ability to search for and register available domain names with the relevant registry. NameSilo's inventory for primary registrations is defined by the number of top-level domains (TLDs) it offers. As of the date of this

Listing Statement, 355 different gTLDs (e.g. .com, .net and .org) and 15 different ccTLDs (e.g. .de, .ca, .in and .jp.) were available for purchase through NameSilo. Since 2013, hundreds of new gTLDs have been launched, making it easier for companies and individuals to find and register new, easy-to-remember domain names tailored to their ventures, industry or interests. ccTLDs are important to our international expansion efforts as NameSilo has found international customers may select the ccTLD for the country or geographic market in which they operate. As of December 31, 2017, primary registrations represented approximately 86% of NameSilo's revenue.

Aftermarket. NameSilo also operates a domain aftermarket, which processes aftermarket, or secondary, domain name sales. The aftermarket platform is designed to enable the seamless purchase and sale of an already registered domain name through an online auction, an offer and counter-offer transaction or a "buy now" transaction. As of December 31, 2017, domain aftermarket services represented approximately 14% of NameSilo's revenue.

<u>Digital Services</u>

Upon closing of the acquisition of 1161217, the Company plans to develop and offer the following digital service products:

Shared Website Hosting. The term "shared hosting" refers to the housing of multiple websites on the same server. NameSilo plans to operate, maintain and support shared website hosting in owned and operated data centers and leased data centers using either Linux or Windows operating systems. NameSilo also plans to bundle its hosting plans with a variety of applications and products such as web analytics, secure sockets layer (SSL) certificates, WordPress and Google Apps. WordPress and Google Apps will be the most used content management application on the shared hosting platform

Website Hosting on Virtual Private Servers and Virtual Dedicated Servers. NameSilo plans to implement a broad range of virtual private server (VPS) and virtual dedicated server offerings that allows customers to select the server configuration best suited for their applications, requirements and growth. The virtual private servers provide customers with a single virtual machine running on a single bare metal server that is running multiple other virtual machines for other customers. The planned VPS product is designed to meet the requirements of customers with a need for greater control, more advanced technical capabilities and higher performance than that offered by the shared hosting plans. NameSilo's customers will have the ability to tailor their virtual dedicated server plan based on a range of performance, storage, bandwidth and operating system needs.

Managed Hosting. With the managed hosting products, NameSilo will be able to set up, monitor, maintain, secure and patch software and servers for its customers. NameSilo plans to offer a variety of managed hosting plans to support its customers' needs including multiple tiers of Managed WordPress hosting on a platform optimized for WordPress. In addition to managed hosting plans tailored to NameSilo's customers' needs, NameSilo will also offer expert services, which provide additional support services.

Marketing Tools. NameSilo plans to offer a range of marketing tools designed to help businesses acquire and engage customers. These capabilities will be available in an integrated offering with its website and commerce tools, or as a stand-alone for customers using other website tools. The tools are designed for busy customers who may lack experience with online marketing, focusing on ease of use, mobile experience, and delivering business results. Search Engine Optimization will help customers get their websites found on major search sites through search engine optimization using a simple step-by-step wizard with targeted recommendations on which search phrases are most likely to drive traffic to a customer's site. Business listings capabilities bring business information to where customers are looking, including Google My Business. Email marketing lets people build targeted campaigns, either from scratch or using website or commerce content.

Email Accounts. NameSilo plans to offer a range of email service plans with a multi-feature web interface that connects to its customers' domains. The pricing of these plans will depend on the customer's desired amount of storage and number of email addresses. All of the email accounts will be advertising-free and include security functionality designed to provide protection from spam, viruses and other forms of online fraud, such as phishing.

Secure Socket Layer ("SSL"). In order to ensure customers have a secure website, NameSilo plans to also offer SSL certificates to ensure that customers establish a secure connection. NameSilo anticipates that small businesses would be ideal for this service as it will ensure an encrypted connection with their visitors.

Search Engine Optimization. NameSilo plans to offer search engine optimization tools for its customers, which will allow them to increase the number of website visitors and potential online leads for their business.

The Company anticipates that these product offerings will be offered within six months of closing the acquisition of 1161217. Notwithstanding the foregoing, the Company may elect to add or substract from these product offerings depending on customer demand.

Growth of the NameSilo

NameSilo is one of the largest domain name registrars in the world and offer .com and .net domains as well as the latest top-level domains. The growth of the NameSilo Business has been fueled by:

- *Excellent Customer Service.*
- *An Array of Domain Related Services.*
- *Affordable and Consistent Pricing.*

As of February 2018, NameSilo is the fifth fastest growing domain name registration company:

Rank	Name	Country	Total	Gain/Loss	% Gain/Loss
1	NameCheap		7,817,935	5,602,163	252.83%
2	Epik		410,798	195,441	90.75%
3	Reg.ru		393,811	165,447	72.45%
4	Google		1,948,783	818,162	72.36%
5	**NameSilo**		**1,341,205**	**557,166**	**71.06%**
6	EIMS		406,545	159,608	64.64%
7	NameBright		459,041	122,966	36.59%
8	Alibaba		5,563,301	1,409,289	33.93%
9	XinNet		2,136,580	537,991	33.65%
10	Openprovider		384,275	93,640	32.22%

* Information provided by www.registrarowl.com

Business Objectives

Upon closing of the acquisition of NameSilo and 1161217, the Company anticipates that the cash flow generated from the NameSilo and Digital Service Business will be sufficient to pay its current operating costs on a go forward basis.

The Company's major objective for the next twelve months is to complete the development of the products offered under the Digital Service Business. The Company anticipates that it will be offering of these products will within six months of closing the acquisition of 1161217.

The following table sets out the Company's proposed use of funds for the next twelve months:

Salaries or consulting fees	60,000
Office expenses	24,000
Professional fees	80,000
Miscellaneous general and administrative	20,000

The Company anticipates that the cash flow generated from the NameSilo Business will satisfy the operating expenses of the NameSilo Business and the expenses associated with being a public company.

Specialized Skill and Knowledge

NameSilo has retained employees and consultants with specialized skill and knowledge in the development and operation of domain name registration business. The acquisition of 1161217 will provide NameSilo with personnel that have specialized skill and knowledge for developing the products to be offered under the Digital Service Business.

Seasonality

The business of NameSilo is not subject to seasonality fluctuations.

Employees

As at the date of this Listing Statement, NameSilo has three employees.

Foreign Operations

NameSilo operates in the United States and registers domain names on a worldwide basis.

Significant Contracts

NameSilo is not substantially dependent on a contract to sell a major part of its products or to purchase a major part of its goods, services or raw materials.

Changes to Contracts

NameSilo does not anticipate that its business will be affected by renegotiation or termination of contracts or sub-contracts during the current financial year.

NameSilo's Market

NameSilo's customers represent a large and diverse market which it believes is largely underserved. According to the U.S. Small Business Administration, there were approximately 29.7 million small businesses in 2014. Based on data from the 2014 U.S. Census Bureau and the U.S. Small Business Administration, over 90% of small businesses have fewer than five employees and approximately 24 million, or over 80% of, small businesses were non-employer firms. Furthermore, the Kauffman Index of Entrepreneurial Activity Report estimated that in 2015 there were approximately 530,000 new business owners created each month in the U.S. Moreover, according to a study performed by the International Finance Corporation and McKinsey Company, there are more than 420 million micro, small and medium enterprises (defined as one to 250 employees) worldwide. The Company believes its addressable market extends beyond small businesses and includes individuals and organizations, such as universities, community organizations, charities and hobbyists.

Despite the ubiquity and importance of the Internet to individual consumers, many small businesses and organizations have remained offline given their limited resources and inadequate tools. However, as proliferation of mobile devices blurs the online/offline distinction into an "always online" world, having an impactful online presence is becoming a "must have" for small businesses worldwide.

What it means for small businesses and ventures to be online continues to evolve. Today, having an effective online presence often means having a combination of: (i) a secure and content rich website viewable from any device; (ii) presence on social media sites, (iii) search engines and an increasing number of horizontal and vertical marketplaces (e.g. Yelp and OpenTable); (iv) branded email communication; (v) online marketing; and (vi) Internet-enabled commerce ability with reservation and scheduling capabilities for service-based businesses and a product catalog and sales capabilities for product-based businesses. In addition, other needs such as telephony, payment processing, and accounting and tax preparation, which had traditionally been separate point solutions, can now be part of an integrated solution.

The shift toward dynamic online presence for small business has been fueled by the emergence of simple, yet powerful, cloud-based technologies that can easily be utilized by individuals with limited technical skills. Cloud technologies have helped enable the integration of front and back-end activities. Cloud-based products, which can be "rented" on a monthly or yearly basis, allow a business to more easily scale from a nascent idea to a thriving venture.

Marketing

As the fifth fastest growing domain name registrar, the Company believes NameSilo is a recognizable brand. NameSilo has established this brand awareness primarily quality service and low cost product offerings. Upon closing of NameSilo Purchase Agreement, the Company plans to increase brand awareness through online marketing of NameSilo.

Competition

Upon closing of the Fundamental Change, the Company will provide cloud-based solutions enabling individuals, businesses and organizations to establish an online presence, connect with customers and manage their ventures. The market for providing these solutions is highly fragmented and competitive. These solutions are also rapidly evolving, creating opportunity for new competitors to enter the market with point-solution products or address specific segments of the market. Given their broad product portfolio, the Company compete with niche point-solution products and broader solution providers. The Company’s competitors include providers of:

- domain registration services and web-hosting solutions such as Endurance, Donuts, United Internet and Web.com;
- website creation and management solutions such as Automattic, Shopify, Squarespace, and Wix;
- cloud-infrastructure services and online security providers such as Comodo, Symantec, Let's Encrypt and WP Engine;
- alternative web presence and marketing solutions such as Constant Contact, Etsy, OpenTable, Yelp and Zillow; and
- productivity tools such as business-class email, calendaring and file-sharing such as Dropbox, Microsoft and Google

The Company believes the principal competitive factors in the small business segment of the web services, online marketing and lead generation industry include:

- Value, breadth and flexibility of service offerings;
- Proprietary workflow processes and customer relationship management software;
- Brand name and reputation;
- Price;
- Quality of customer support;
- Speed of customer service;
- Ease of implementation, use and maintenance;
- Industry expertise and focus; and
- Trade shows.

For additional information, see "Risk Factors."

Regulation

NameSilo’s business is subject to regulation by ICANN, federal and state laws in the U.S. and the laws of other jurisdictions in which they do business.

ICANN. The registration of domain names is governed by ICANN. ICANN is a multi-stakeholder private sector, not-for-profit corporation formed in 1998 for the express purposes of overseeing a number of Internet related tasks, including management of the DNS, allocation of IP addresses, accreditation of domain name registrars and registries and the definition and coordination of policy development for all of these functions. NameSilo is accredited by ICANN as a domain name registrar and thus its ability to offer domain name registration products is subject to their ongoing relationship with and accreditation by ICANN. The regulation of Internet domain names in the U.S. and in foreign countries is subject to change. For example, in 2016, the National Telecommunications and Information Administration, or the NTIA, an agency of the U.S. Department of Commerce, transitioned oversight of key Internet domain name functions to the global multi-stakeholder community.

ccTLD Authorities. The regulation of ccTLDs is governed by national regulatory agencies of the country underlying the specific ccTLDs, such as China (.cn), Canada (.ca) and the United Kingdom (.uk). NameSilo’s ability to sell ccTLDs is dependent on their and their partners' ability to maintain accreditation in good standing with these various international authorities.

Advertising and promotional information presented on NameSilo’s websites and in their products, and their other marketing and promotional activities, are subject to federal and state consumer protection laws regulating unfair and deceptive practices. U.S. federal, state, and foreign legislatures have also adopted laws and regulations regulating numerous other aspects of NameSilo’s business. Regulations relating to the Internet, including laws governing online content, user privacy, taxation, liability for third-party activities and jurisdiction, are particularly relevant to NameSilo’s business. Such laws and regulations are discussed below.

Communications Decency Act. The CDA regulates content of material on the Internet, and provides immunity to Internet service providers and providers of interactive computer services for certain claims based on content posted by third parties. The CDA and the case law interpreting it generally provide that domain name registrars and website hosting providers cannot be liable for defamatory or obscene content posted by customers on their servers unless they participate in creating or developing the content.

Digital Millennium Copyright Act. The DMCA provides domain name registrars and website hosting providers a safe harbor from liability for third-party copyright infringement. To qualify for the safe harbor, however, registrars and website hosting providers must satisfy numerous requirements, including adoption of a user policy providing for termination of service access of users who are repeat infringers, informing users of this policy, and implementing the policy in a reasonable manner. In addition, registrars and website hosting providers must expeditiously remove or disable access to content upon receiving a proper notice from a copyright owner alleging infringement of its protected works. A registrar or website hosting provider failing to comply with these safe harbor requirements may be found liable for copyright infringement.

*Anti-Cybersquatting Consumer Pr*otection Act. The ACPA was enacted to address piracy on the Internet by curtailing a practice known as "cybersquatting," or the bad-faith registration of a domain name identical or similar to another party's trademark, or to the name of another living person, in order to profit from that name or mark. The ACPA provides that registrars may not be held liable for damages for registration or maintenance of a domain name for another person absent a showing of the registrar's bad faith intent to profit. Registrars may, however, be held liable if their activities are deemed outside the scope of basic registrar functions.

Lanham Act. The Lanham Act governs trademarks and false advertising. Case law interpreting the Lanham Act has limited liability for many online service providers such as search engines and domain name registrars. Nevertheless, there is no statutory safe harbor for trademark violations comparable to the provisions of the DMCA and we may be subject to a variety of trademark claims in the future.

Privacy and Data Protection. In the areas of personal privacy and data protection, the U.S. federal and various state and foreign governments have adopted or proposed limitations on, and requirements associated with, the collection, distribution, use, storage, and security of personal information of individuals. If our practices with respect to the collection, distribution, storage, or security of personal information are challenged, we may not be able to demonstrate adequate compliance with existing or future laws or regulations. In addition, in the European Union member states and certain other countries outside the U.S., data protection is more highly regulated and rigidly enforced. General Data Protection Regulation ("GDPR"), a regulation that took full effect on May 25, 2018, includes stringent operational requirements for processors and controllers of personal data, for companies established in the EU and those outside of the EU if they collect and use personal data, including payment card information, imposes significant penalties for non-compliance and has broader extra-territorial effect.

Laws and regulations relating to our activities are unsettled in many jurisdictions, or may prove difficult or impossible to comply with in some jurisdictions. Additionally, federal, state, local and foreign governments are also considering legislative and regulatory proposals that would regulate the Internet and our activities in more and different ways than exist today. It also is impossible to predict whether new taxes will be imposed on our services, and depending upon the type of such taxes, whether and how we would be affected. Laws and regulations in the U.S. or in foreign jurisdictions may be applied in new or different manners in pending or future litigation. Further, other existing bodies of law, including the criminal laws of various jurisdictions, may be deemed to apply to our activities, or new statutes or regulations may be adopted in the future.

Intellectual Property and Proprietary Rights

NameSilo's intellectual property and proprietary rights are important to its business. NameSilo relies on a combination of trademark, copyright and trade secret laws, confidentiality and access-related procedures and safeguards and contractual provisions to protect its proprietary technologies, confidential information, brands and other intellectual property.

NameSilo has non-disclosure, confidentiality and license agreements with employees, contractors, customers and other third parties, which limit access to and use of its proprietary information. Though they rely in part upon these legal and contractual protections, as well as various procedural safeguards, NameSilo believe the skill and ingenuity of its employees, the functionality and frequent enhancements to its solutions and its ability to introduce new products and features meeting the needs of its customers are more important to maintaining its competitive position in the marketplace.

NameSilo have an ongoing trademark and service mark registration program pursuant to which it registers its brand names and product names, taglines and logos in the U.S. and other countries to the extent it determines appropriate and cost-effective. It also has common law rights in some unregistered trademarks that were established over years of use. In addition, NameSilo has a trademark and service mark enforcement program pursuant to which it monitors applications filed by third parties to register trademarks and service marks that may be confusingly similar to NameSilo's, as well as the use of its major brand names in social media, domain names and other Internet sites.

Despite NameSilo's efforts to preserve and protect its intellectual property, unauthorized third parties may attempt to copy, reverse engineer or otherwise obtain access to its proprietary rights, and competitors may attempt to develop solutions that could compete with it in the markets it serves. Unauthorized disclosure of its confidential information or proprietary technologies by its employees or third parties could also occur. The risk of unauthorized use of its proprietary and intellectual property rights may increase as it continues to expand internationally.

Third-party infringement claims are also possible in NameSilo's industry, especially as functionality and features expand, evolve and overlap across industries. Third parties, including non-practicing patent holders, have from time to time claimed, and could claim in the future, that NameSilos processes, technologies or websites infringe patents they now hold or might obtain or be issued in the future.

Bankruptcy and Receivership

The Company does not have any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings within the three most recently completed financial years or completed during or proposed for the current financial year.

4.2 Not applicable.

4.3 Not applicable.

4.4 Not applicable.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 ANNUAL INFORMATION

Brisio Innovations Inc.

The following table summarizes selected annual financial data for the Company prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (the "**IASB**") for the three fiscal years ended December 31, 2017, 2016 and 2015 and for the three months ended March 31, 2018. The information presented below is derived from the Company's financial statements which were examined by its independent auditor (excluding the three months ended March 31, 2018). The information set forth below should be read in conjunction with the Company's audited annual financial statements and related notes thereto, which are available on SEDAR at www.sedar.com.

	Year ended 12/31/2015 (audited)	**Year ended 12/31/2016 (audited)**	**Year ended 12/31/2017 (audited)**	**three months ended 03/31/2018 (unaudited)**
Gross revenues (loss)	$ (66,722)	$ 3,215	$ (517)	$ (873,444)
Total expenses	(257,769)	(285,135)	(472,654)	(58,701)
Other Items	(257,805)	1,895,930	688,222	946
Deferred income tax recovery	46,873	292,300	(43,022)	-
Net loss	(535,423)	1,906,310	172,029	(931,199)

	Year ended 12/31/2015 (audited)	Year ended 12/31/2016 (audited)	Year ended 12/31/2017 (audited)	three months ended 03/31/2018 (unaudited)
Basic and diluted loss, per share	(0.02)	0.07	0.00	0.01
Total assets	522,948	4,769,487	4,480,599	4,485,019
Long-term debt	-	-	-	-
Dividends declared	-	-	-	-

NameSilo, LLC

The following table summarizes selected annual financial data for NameSilo prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (the "**IASB**") for the two fiscal years ended December 31, 2017 and 2016 and for the three months ended March 31, 2018. The information presented below is derived from NameSilo's financial statements which were examined by its independent auditor (excluding the three months ended March 31, 2018).

	Year ended 12/31/2016 (audited)	Year ended 12/31/2017 (audited)	three months ended 03/31/2018 (unaudited)
Gross revenues (loss)	$ 5,371,391	$ 8,071,840	$ 2,257,944
Cost of Sales	4,820,818	7,208,398	1,953,896
Expenses	301,456	428,203	113,384
Net income	249,117	435,239	190,664
Basic and diluted loss, per share	-	-	-
Total assets	5,021,336	11,630,567	9,920,130
Long-term debt	-	-	-
Dividends declared	-	-	-

5.2 **Quarterly Information**

Brisio Innovations Inc.

The following table summarizes selected quarterly financial data for the Company prepared in accordance with IFRS as issued by the IASB for each of the eight most recently completed quarters.

	Mar 31, 2018	Dec 31, 2017	Sept 30, 2017	June 30, 2017	Mar. 31, 2017	Dec 31, 2016	Sept 30, 2016	June 30, 2016
Total gross revenues (profit)	$(873,444)-	$694,834	$15	$31	$-	$423	$2,146	$1,825
Net loss - total	(931,199)	621,717	10,603	(47,717)	44,161	1,973,715	(13,180)	(51,181)
Basic and diluted income (loss) per share	(0.01)	0.03	(0.00)	(0.00)	(0.01)	0.07	(0.00)	(0.00)

NameSilo, LLC

As NameSilo is not a reporting issuer, NameSilo has not prepared financial information for the last eight fiscal quarters.

5.3 The Company does not have a dividend policy. There are no restrictions that could prevent the Company from paying dividends.

5.4 Not applicable.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Annual MD&A for the Company for the fiscal year ended December 31, 2017 and interim period ended March 31, 2018 attached as Appendix C.

Annual MD&A for NameSilo for the fiscal years ended December 31, 2017 and 2016, and interim period ended March 31, 2018 attached as Appendix D.

7. MARKET FOR SECURITIES

The Company's common shares are currently listed for trading on the Canadian Securities Exchange (the "**CSE**") under the symbol "BZI".

8. CONSOLIDATED CAPITALIZATION

The following is a summary of significant changes in the Company's capitalization since December 31, 2017:

Designation of Security	Amount Outstanding as of December 31, 2017 (undiluted)	Amount Outstanding as of December 31, 2017 (fully diluted)	Amount Outstanding as of the date of this Listing Statement (undiluted)	Amount Outstanding on Closing of the Transaction (undiluted)
Common shares	36,507,993	37,841,201	53,357,036	53,357,036
Preferred shares	-	-	-	-
Preferred shares	-	-	-	-
Long term liabilities	-	-	USD$9,770,000	USD$9,770,000

9. OPTIONS TO PURCHASE SECURITIES

The following table sets forth the amount and terms of currently outstanding options to acquire common shares the Company has granted to all directors, past directors, executive officers, past executive officers, all other employees and past employees, and consultants. The Company has not granted options to any person who is not, or was not previously, a director, officer, employee or consultant. Exercise prices shown reflect consolidations of the Company's common share capital.

Category	Aggregate Number of Individuals	Aggregate Number of Options	Date of Grant	Exercise Price	Expiry Date
Directors and Past Directors	2	300,000	September 27, 2013	$0.15	September 27, 2018
	2	140,000	February 28, 2014	$0.30	February 28, 2019
	2	325,000	August 4, 2016	$0.10	August 4, 2021
	2	750,000	December 22, 2017	$0.23	December 22, 2022
Executive Officers and Past Executive Officers	1	240,000	September 27, 2013	$0.15	September 27, 2018
	1	140,000	February 28, 2014	$0.30	February 28, 2019
	1	150,000	December 12, 2014	$0.10	December 12, 2019
	2	325,000	August 4, 2016	$0.10	August 4, 2021
	1	250,000	December 22, 2017	$0.23	December 22, 2022
	1	75,000	December 29, 2017	$0.23	December 29, 2022
Employees and Past Employees	N/A	N/A	N/A	N/A	N/A
Consultants	3	200,000	September 27, 2013	$0.15	September 27, 2018
	1	20,000	February 28, 2014	$0.30	February 28, 2019

10. DESCRIPTION OF THE SECURITIES

10.1 The Company's authorized capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. Preferred shares may be issued in one or more series and the Company's directors may fix the number of shares which is to comprise each series and designate the rights, privileges, restrictions and conditions attaching to each series. As of the date of this Listing Statement, there are no preferred shares issued and outstanding.

Holders of common shares are entitled to vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote, receive any dividend declared by the Company and, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares, receive the remaining property of the Company upon dissolution.

10.2 Not applicable.

10.3 Not applicable.

10.4 Not applicable.

10.5 The provisions in the Company's Articles attaching to the common shares and the preferred shares may be altered, amended, repealed, suspended or changed by the affirmative vote of the holders of not less than two-thirds of the common shares and two-thirds of the preferred shares, respectively, present in person or by proxy at any such meeting of holders.

10.6 Not applicable.

10.7 Prior Sales

During the 12 months preceding the date of this Listing Statement, the Company issued the following common shares and securities convertible into common shares:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
January 15, 2018	Units(1)	5,000,000	$0.20	$1,000,000
May 15, 2018	Shares	6,216,277	$0.35	$2,166,754
July 9, 2018	Shares	5,408,315	$0.35	$1,892,910

Note:

(1) Each unit consists of one common share and one-half of one warrant, each whole warrant entitles the holder to purchase one additional common share at a price of $0.30 per common share until January 15, 2020.

10.8 Stock Exchange Price

The high and low market prices, and volume traded of the Company's common shares on the CSE for each month of the current quarter and the immediately preceding quarter were as follows:

Monthly Highs, Lows and Volumes	High ($)	Low ($)	Volume
June 2018	-	-	-
May 2018	-	-	-
April 2018	-	-	-
March 2018	0.38	0.30	82,420
February 2018	0.41	0.31	118,993
January 2018	0.40	0.28	207,750

The high and low market prices, and volume traded of the Company's common shares on the CSE for each full fiscal quarter for the seven quarters preceding the quarter ended March 31, 2018 were as follows:

Quarterly Highs, Lows and Volumes	High ($)	Low ($)	Volume
Quarter ended March 31, 2018	0.41	0.28	157,466
Quarter ended December 31, 2017	0.30	0.155	73,015
Quarter ended September 30, 2017	0.30	0.20	80,668
Quarter ended June 30, 2017	0.305	0.20	43,906
Quarter ended March 31, 2017	0.26	0.20	45,871
Quarter ended December 31, 2016	0.35	0.13	601,400
Quarter ended September 30, 2016	0.25	0.065	352,000
Quarter ended June 30, 2016	0.145	0.07	505,961
Quarter ended March 31, 2016	0.10	0.035	370,000

The trading price and volume of the Company's common shares has been and may continue to be subject to wide fluctuations. The stock market has generally experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies with little or no current business operations. Because the Company's common shares are expected to be only sporadically traded on the CSE, shareholders may find it difficult to liquidate their common shares, or purchase new common shares at certain times.

11. ESCROWED SECURITIES

As of the date of this Listing Statement, the Company does not have any escrowed securities.

12. PRINCIPAL SHAREHOLDERS

12. The following table lists those persons that beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to the outstanding common shares of the Company:

Name & Municipality of Residence	Type of Ownership	Number of Shares Held	Percentage of Shares Held\
Gabrielle Miss	Direct and Indirect	5,881,500[(1)] Direct and Director	11.1%

Note:

(1) Consists of 522,000 shares held directly by Mr. Miss, 2,658,500 shares held by Bisectra S.A., a company controlled by Mr. Miss, and 2,700,000 shares held by Topanga OU, a company controlled by Mr. Miss.

13. DIRECTORS AND OFFICERS

13.1 The following table sets out information concerning directors and executive officers of the Company:

Name Municipality/Province of Residence and Position(s) with the Company[(1)]	Principal Occupation Business or Employment for Last Five Years	Date of Appointment as Director or Officer	Number of Common Shares Owned
Paul Andreola[(1)] Vancouver, BC President, CEO and Director	Mr. Andreola has been a Director of the Company since April 28, 2011 and President and CEO of the Company since February 2013. Mr. Andreola currently serves as CEO of Ironwood Capital Corp., a capital pool company listed on the TSX Venture Exchange. He has been self-employed since October 2008.	April 28, 2011	4,511,466[(2)]
Natasha Tsai Vancouver, BC CFO and Secretary	Ms. Tsai has been CFO and Secretary since May 31, 2018. Ms. Tsai currently serves as CFO on a number of junior public companies listed on the CSE and TSX Venture Exchange.	May 31, 2018	-
Colin Bowkett[(1)] West Vancouver, BC Director	Mr. Bowkett has been a Director of the Company since November 17, 2010. Mr. Bowkett currently serves as a director of Ironwood Capital Corp., a capital pool company listed on the TSX Venture Exchange.	November 17, 2010	1,089,500
Kristaps Ronka[(1)] Toronto, ON Director	Mr. Ronka has been a Director of the Company since December 1, 2017. Mr. Ronka is an entrepreneur, investor and advisor. Mr. Ronka co-founded AdParlor in 2007, a Toronto-based bootstrapped company that in 4 years became the leader in handling large Facebook Ad campaigns reaching a $100 million run rate.	December 1, 2017	1,194,775

Notes:

(1) Member of audit committee.

(2) Includes 2,827,100 common shares held directly and 1,684,366 common shares held indirectly by Patricia Finlayson, spouse of Paul Andreola..

13.2 The table above sets forth the period during which each director has served as a director. All directors hold office until the next annual meeting of shareholders or until their earlier death, removal or resignation.

13.3 As a group, the directors and executive officers of the Company beneficially own, and exercise control and direction over, an aggregate of 6,795,741 common shares of the Company, representing 12.7% of the issued and outstanding common shares, on an undiluted basis, as at July 16, 2018.

13.4 The Company has an Audit Committee, comprised of Paul Andreola, Colin Bowkett and Kristaps Ronka. All members of the Audit Committee are "financially literate" as defined in NI 52-110 as all have industry experience necessary to understand and analyse financial statements of the Company and NameSilo.

13.5 Details of the principal occupations of any director or executive officer of the Company are set forth in the table above.

13.6 No director or officer of the Company, or shareholder holding a sufficient number of securities to affect materially control of the Company is, or within 10 years before the date of this Listing Statement, has been, a director or officer of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied such other issuer access to any exemptions under Ontario securities law for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in such other issuer being the subject of a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 No director or officer of the Company, or a shareholder holding sufficient securities of the Company to affect materially the control of the Company, has:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.8 Not applicable.

13.9 No director or officer of the Company, or shareholder holding a sufficient number of securities to affect materially control of the Company, or a personal holding company of any such persons, has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

13.10 There are no existing or potential material conflicts of interest between the Company or a subsidiary of the Company and a director or officer of the Company or a subsidiary of the Company.

13.11 The Company's management team is comprised of Paul Andreola and Natasha Tsai. The following table provides information about each member of management that is in addition to the information included in the table in Section 13.1 above:

Name and Position with the Company	Age	Responsibilities with the Company	Employee or Independent Contractor?	Particular Industry Experience	Non-Competition or Non-Disclosure Agreement? (Yes / No)
Paul Andreola President and CEO	54	President and CEO	Independent Contractor	Mr. Andreola has over 20 years of business development and financial markets experience. He is the cofounder of both MDU Communications Inc. (OTCBB: MDTV), a provider of premium telecommunications services, and Destiny Media Technologies Inc. (TSXV: DSY), a leader in digital media distribution.	No
Natasha Tsai CFO and Secretary	39	CFO and Secretary	Independent Contractor	Ms. Tsai is a Chartered Accountant. She is an employee of Malaspina Consultants Inc., which provides accounting services to the Company..	No

14. CAPITALIZATION

14.1 The following table sets out information regarding the Company's common shares.

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	%of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	53,357,036	60,130,244	100%	100%
Held by Related Persons or employees of the Company or Related Person of the Company, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held) (B)	12,677,241	16,887,241	23.76%	28.08%
Total Public Float (A-B)	40,679,795	43,243,003	76.24%	71.92%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	11,624,592	12,714,592	21.79%	21.15%
Total Tradeable Float (A-C)	29,055,203	30,528,411	54,45%	50.77%

Public Securityholders (Registered)

The following table sets forth information regarding the number of registered "public securityholders" of the Company, being persons other than persons enumerated in section (B) of the previous chart:

Class of Security: Common Shares

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	11	387
100 – 499 securities	1	212
500 – 999 securities	0	0
1,000 – 1,999 securities	2	2,678
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	1	3,685
4,000 – 4,999 securities	0	0
5,000 or more securities	30	12,502,781
Unable to confirm	0	0

Public Securityholders (Beneficial)

The following table sets forth information regarding the number of beneficial "public securityholders" of the Company, being persons other than persons enumerated in section (B) of the issued capital chart who either: (i) hold securities in their own name as registered shareholders; or (ii) hold securities through an intermediary where the Company has been given written confirmation of shareholdings:

Class of Security: Common Shares

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	30	951
100 – 499 securities	34	8,491
500 – 999 securities	23	15,500
1,000 – 1,999 securities	44	51,212
2,000 – 2,999 securities	27	56,880
3,000 – 3,999 securities	21	67,100
4,000 – 4,999 securities	13	53,740
5,000 or more securities	210	39,850,000
Unable to confirm	0	0

Non-Public Securityholders (Registered)

The following table sets forth information regarding the number of registered "non-public securityholders" of the Company, being persons enumerated in section (B) of the issued capital chart:

Class of Security: Common Shares

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	2	1,240,000

14.2 The following table sets out information regarding any securities convertible or exchangeable into any class of listed securities:

Description of Security	**Number of convertible / exchangeable securities outstanding**	**Number of listed securities issuable upon conversion / exercise**(1)
Stock Options	2,640,000(1)	2,640,000
Warrants	4,133,208(2)	4,133,208

Notes:

(1) Consists of: (i) 540,000 stock options, each of which is exercisable into one common share at a price of $0.15 per share until September 27, 2018; (ii) 300,000 stock options, each of which is exercisable into one common share at a price of $0.30 per share until February 28, 2019; (iii) 150,000 stock options, each of which is exercisable into one common share at a price of $0.10 per share until December 12, 2019; (iv) 575,000 stock options, each of which is exercisable into one common share at a price of $0.10 per share until August 4, 2021; (v) 1,000,000 stock options, each of which is exercisable into one common share at a price of $0.23 per share until December 20, 2022; (vi) 75,000 stock options, each of which is exercisable at $0.23 per share until December 29, 2022.

(2) Consists of; (i) 1,333,208 warrants, each exercisable into one common share at a price of $0.25 per share exercisable until January 17, 2019; (ii) 2,500,000 warrants, each exercisable into one common share at a price of $0.30 per share exercisable until January 15, 2020; and (iii) 300,000 warrants, each exercisable into one common share at a price of $0.65 per share for a period of eighteen months from the date of issue.

14.3 Not applicable.

15. EXECUTIVE COMPENSATION

15.1 The following information has been derived from the Company's Statement of Executive Compensation on Form 51-102F6 for the fiscal year ended December 31, 2017, which was included in the Company's Annual Financial Statements dated April 30, 2018.

General

For the purpose of this Listing Statement:

"**CEO**" means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**CFO**" means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the Company's three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000 for that financial year, as determined in accordance with subsection 1.3(6) of Form 51-102F6 *Statement of Executive Compensation*, for that financial year; or

(d) any individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Compensation Discussion and Analysis

Goals and Objectives

Given the Company's present size and stage of development, the Board does not currently have an active compensation committee in place and, accordingly, the Board as a whole is responsible for determining the compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting with respect to their own compensation.

The Board reviews, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance, shareholder returns and the awards given to executive officers in past years.

The Board's compensation philosophy is aimed at attracting and retaining qualified and experienced people, which is critical to the success of the Company, and may include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for its shareholders.

Executive Compensation Program

Executive compensation is comprised of two main elements: base fee or salary and long-term incentive compensation (option-based awards). The Board reviews both components in assessing the compensation of individual executive officers.

Base fees or salaries are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers.

Stock options are an important part of the Company's long-term incentive strategy for its executive officers, permitting them to participate in an appreciation of the market value of the Company's shares over a stated period of time. Stock options are intended to reinforce commitment to long-term growth of the Company and shareholder value. They reward overall corporate performance, as measured through the price of the Common Shares, and enable executives to acquire and maintain a significant ownership position in the Company. See "Share Based Awards and Option Based Awards" below.

The Company has not retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Company's directors or officers. Given the Company's current stage of development, the Company has not considered the implications of the risks associated with the Company's compensation practices. Although the Company has not adopted a formal policy forbidding a NEO or director from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director, the Company is not aware of any NEO or director having entered into this type of transaction.

Share-Based and Option-Based Awards

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's Stock Option Plan (the "**Stock Option Plan**") to receive grants of stock options. The Company regards the strategic use of incentive stock options as a cornerstone of the Company's compensation plan. It applies to employees at all levels and continues to be one of the Company's primary tools for attracting, motivating and retaining qualified employees, which is critical to the Company's success. The Company is committed to long-term incentive programs that promote the continuity of an excellent management team and, therefore, the long-term success of the Company. The Company established the Stock Option Plan as an incentive to serve the Company in attaining its goal of improving shareholder value.

The Board is responsible for administering the Stock Option Plan and determining the type and amount of compensation to be paid to directors, officers, employees and consultants of the Company. Stock options are typically part of the overall compensation package for executive officers and employees. In evaluating option grants to a NEO, the Board evaluates a number of factors including, but not limited to: (i) the number of options already held by such NEO; (ii) a fair balance between the number of options held by the NEO concerned and the other executives of the Company, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component in the NEO's overall compensation package. For more details of the Stock Option Plan, see "Stock Option Plan".

Compensation Governance

The Board has not adopted any specific policies or practices to determine the compensation for the Company's directors and officers, other than disclosed above. Given the Company's current stage of development, the Company does not currently have an active compensation committee in place.

Named Executive Officers

Summary Compensation Table

Particulars of compensation paid to each NEO in the financial years ended December 31, 2017, 2016 and 2015 is set out in the summary compensation table below:

Name and principal position	Year Ending	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compen-sation ($)	Total compen-sation ($)
					Annual incentive plans	Long-term incentive plans			
Paul Andreola[(1)] President, CEO and Director	12/31/17	30,000	Nil	54,416	Nil	Nil	Nil	Nil	84,416
	12/31/16	34,000	Nil	16,736	Nil	Nil	Nil	Nil	50,736
	12/31/15	54,000	Nil	Nil	Nil	Nil	Nil	Nil	54,000

Name and principal position	Year Ending	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compen-sation ($)	Total compen-sation ($)
					Annual incentive plans	Long-term incentive plans			
Scott MacEachern Former CFO and Secretary	12/31/17	12,000	Nil	21,126	Nil	Nil	Nil	Nil	33,126
	12/31/16	18,021	Nil	5,021[9]	Nil	Nil	Nil	Nil	18,021
	12/31/15	18,000	Nil	Nil	Nil	Nil	Nil	Nil	18,000

Notes:

(1) The fair value of stock options was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: dividend yield 0%; expected annual volatility 129%; risk-free interest rate 0.75%; market share price of $0.10; forfeiture rate of 0% and expected life of 5 years. The weighted average fair value of options granted was $0.07per option. The Black Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

Other than as set forth above, no NEO received, during the most recently completed financial year:

(a) any standard arrangement for the compensation of NEOs for their services in their capacity as NEOs, including any additional amounts payable for committee participation or special assignments;

(b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of NEOs in their capacity as NEOs; or

(c) any arrangement for the compensation of NEOs for services as consultants or expert.

Incentive Plan Awards

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all option-based grants to NEOs that were outstanding as of December 31, 2017, including awards granted before the year ended December 31, 2017:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Exercise price ($)	Expiration date	Value of unexercised in-the-money options ($)
Paul Andreola President and CEO	240,000	$0.15	September 27, 2018	33,600
	140,000	$0.30	February 28, 2019	N/A
	250,000	$0.10	August 4, 2021	47,500
	250,000	$0.23	December 20, 2022	15,000
Scott MacEachern Former CFO and Secretary	150,000	$0.10	December 12, 2019	28,500
	75,000	$0.10	August 4, 2021	14,250
	75,000	$0.23	December 29, 2022	4,500

Note:

(1) The closing price of the common shares on December 29, 2017 was $0.29.

(2) Scott MacEachern resigned as the Chief Financial Officer of the Company on May 31, 2018.

Pension Plan Benefits

The Company does not have any pension plans that provide for payments or benefits at, following, or in connection with retirement. The Company has no deferred compensation plans.

Termination and Change of Control Benefits

The Company does not have any contracts, agreements, plans or arrangements that provide for payments to any NEO or director at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a NEO's or director's responsibility.

Director Compensation

Director Compensation Table

The following table sets forth the details of all compensation provided to the directors of the Company, other than directors who were also NEOs, during the year ended December 31, 2017:

Name	Fees Earned ($)	Share-based Awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Colin Bowkett[(1)]	30,000	Nil	54,416	Nil	Nil	Nil	84,416
Kristaps Ronka	Nil	Nil	108,831	Nil	Nil	Nil	108,831

Note:

(1) The fair value of stock options was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: dividend yield 0%; expected annual volatility 189.9%; risk-free interest rate 1.82%; market share price of $0.23; forfeiture rate of 0% and expected life of 5 years. The outstanding warrants have a weighted average remaining life of 1.05 years. The Black Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

During the fiscal year ended December 31, 2017, Colin Bowkett was paid management fees for services provided to the Company and he did not receive any directors' fees. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may receive cash bonuses from time to time which the Company awards to directors for serving in their capacity as a member of the Board. Executive officers who also act as directors of the Company do not receive any additional compensation for services rendered in their capacity as directors

Directors are also entitled to participate in the Stock Option Plan, which is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of each individual director's current and expected future performance, level of responsibilities and the importance of his position and contribution to the Company.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all option-based awards granted to directors that were outstanding as of December 31, 2017:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)
Colin Bowkett	100,000	0.15	September 27, 2018	14,000
	70,000	0.30	February 28, 2019	N/A
	250,000	0.10	August 4, 2021	48,000
	250,000	0.23	December 20, 2022	15,000
Kristaps Ronka	500,000	0.23	December 20, 2022	30,000

Note:

(1) The closing price of the Common Shares on December 29, 2017 was $0.29

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

16.1 Not applicable.

16.2 Not applicable.

17. RISK FACTORS

17.1 There are numerous and varied risks, known and unknown, that may prevent the Company and NameSilo from achieving its goals. If any of these risks actually occur, the Company's and NameSilo's business, financial condition or results of operation may be materially adversely affected. In such case, the trading price of the Company's common shares could decline and investors could lose all or part of their investment. The following is a summary of certain risks that may be applicable to the business of the Company and NameSilo:

Risks Related to the NameSilo Business

If NameSilo unable to attract and retain customers and increase sales to new and existing customers, the NameSilo Business and operating results would be harmed.

NameSilo's success depends on its ability to attract and retain customers and increase sales to new and existing customers. NameSilo derives its revenue from domain registration. The rate at which new and existing customers purchase its products depends on a number of factors, including those outside of its control. Although its total customers and revenue have grown rapidly in the past, NameSilo cannot be assured that it will achieve similar growth rates in future periods as its total customers and revenue could decline or grow more slowly than it expects. NameSilo's sales could fluctuate or decline as a result of lower demand for domain names and website and related products, declines in its customers' level of satisfaction with its products, the timeliness and success of product enhancements and introductions by NameSilo and those of its competitors, the pricing offered by NameSilo and its competitors, the frequency and severity of any system outages and technological change. NameSilo's revenue has grown historically due in large part to sustained customer growth rates and strong sales of subscriptions of its domain name registration products. NameSilo's future success depends in part on maintaining strong renewal sales. NameSilo's costs associated with renewal sales are substantially lower than costs associated with generating revenue from new customers and costs associated with generating sales of additional products to existing customers. Therefore, a reduction in renewals, even if offset by an increase in other revenue, would reduce NameSilo's operating margins in the near term. Any failure by NameSilo to continue to attract new customers or maintain strong renewal sales could have a material adverse effect on its business, growth prospects and operating results. If we are unable to increase sales of these additional products to new and existing customers, NameSilo's growth prospects may be harmed.

If NameSilo do not successfully develop and market products that anticipate or respond promptly to the needs of our customers, our business and operating results may suffer.

The markets in which NameSilo competes are characterized by constant change and innovation, and NameSilo expects them to continue to evolve rapidly. NameSilo's historical success has been based on its ability to sell domain names at competitive prices. If NameSilo is not able to continue to provide products that respond in a timely and effective manner to their evolving needs to its customers, its business, operating results and financial condition will be adversely affected.

The process of developing new technology is complex and uncertain. If NameSilo fails to accurately predict customers' changing needs or emerging technological trends, or if it fails to achieve the benefits expected from its investments in technology its business could be harmed. The products will include those offered under the NameSilo Business and those to be offered under the Digital Service Business. NameSilo must continue to commit significant resources to develop its technology in order to maintain its competitive position, and these commitments will be made without knowing whether such investments will result in products the market will accept. NameSilo's new products or product enhancements could fail to attain meaningful market acceptance for many reasons, including:

- delays in releasing new products or product enhancements, or those of companies we may acquire, to the market;
- our failure to accurately predict market demand or customer preferences;
- defects, errors or failures in product design or performance;
- negative publicity about product performance or effectiveness;
- introduction of competing products (or the anticipation thereof) by other market participants;
- poor business conditions for NameSilo's customers or poor general macroeconomic conditions;
- the perceived value of NameSilo's products or product enhancements relative to their cost; and
- changing regulatory requirements affecting the products we offer.

There is no assurance NameSilo will successfully identify new opportunities, develop and bring new products to market on a timely basis, or that products and technologies developed by others will not render its products or technologies obsolete or noncompetitive, any of which could adversely affect its business and operating results. If NameSilo's new products or enhancements do not achieve adequate acceptance by its customers, or if its new products do not result in increased sales or subscriptions, its competitive position will be impaired, its anticipated revenue growth may not be achieved and the negative impact on its operating results may be particularly acute because of the upfront technology and development, marketing and advertising and other expenses it may incur in connection with new products or enhancements.

NameSilo's brand is integral to its success. If NameSilo fails to protect or promote its brand, its business and competitive position may be harmed.

Protecting and maintaining awareness of NameSilo's brand is important to its success, particularly as it seeks to attract new customers globally. NameSilo expects to invest, significant resources to increase its brand awareness, both generally and in specific geographies. There can be no assurance that NameSilo's brand development strategies will enhance the recognition of its brand or lead to increased sales. Furthermore, its international branding efforts may prove unsuccessful due to language barriers and cultural differences. If its efforts to protect and promote its brand are not successful, its operating results may be adversely affected. In addition, even if its brand recognition and loyalty increases, its revenue may not increase at a level commensurate with its marketing spend.

A network attack, a security breach or other data security incident could delay or interrupt service to NameSilo's customers, harm its reputation or subject it to significant liability.

NameSilo’s operations depend on its ability to protect its network and systems against interruption or damage from unauthorized entry, computer viruses, denial of service attacks and other security threats beyond its control. NameSilo regularly experiences DDOS attacks by hackers aimed at disrupting service to its customers and attempts to place illegal or abusive content on NameSilo or its customers' websites, and it may be subject to DDOS attacks or content abuse in the future. NameSilo’s response to such DDOS attacks may be insufficient to protect its network and systems, especially as attacks increase in size. In addition, there has been an increase in the number of malicious software attacks in the technology industry, including malware and ransomware, such as WannaCry. In addition, from time to time, activities of its customers or other parties may cause it to suspend or terminate customer accounts. NameSilo have suspended and terminated, and will in the future suspend or terminate, a customer's use of its products when the activities on their site breach its terms of service (for example, phishing or resource misuse), interfere with or harm other customers' websites sharing the same resources or otherwise violate applicable law. NameSilo may also suspend or terminate a customer's website if it is repeatedly targeted by DDOS or other attacks disrupting other customers' websites or servers or otherwise impacts its infrastructure.

NameSilo cannot guarantee its backup systems, regular data backups, security protocols, network protection mechanisms and other procedures currently in place, or that may be in place in the future, will be adequate to prevent or remedy network and service interruption, system failure, damage to one or more of its systems, data loss, security breaches or other data security incidents. Also, its products are cloud-based, and the amount of data it stores for its customers on its servers has been increasing as its business has grown. Despite the implementation of security measures, NameSilo’s infrastructure may be vulnerable to computer viruses, worms, other malicious software programs, illegal or abusive content or similar disruptive problems caused by its customers, employees, consultants or other Internet users who attempt to invade or disrupt public and private data networks or to improperly access, use or obtain data. Any actual or perceived breach of its security, or any other data security incident, could damage its reputation and brand, expose it to a risk of loss or litigation and possible liability, subject it to regulatory or other government inquiries or investigations, require it to expend significant capital and other resources to alleviate problems caused by the breach, and deter customers from using its products, any of which would harm its business, financial condition and operating results.

If the security of the confidential information or personally identifiable information NameSilo maintains, including that of its customers and the visitors to its customers' websites stored in its systems, is breached or otherwise subjected to unauthorized access, its reputation may be harmed and we may be exposed to liability.

NameSilo’s business involves the storage and transmission of confidential information, including personally identifiable information. In addition, as nearly all of its products are cloud-based, the amount of data it stores for its customers on its servers (including personally identifiable information and other potentially sensitive information) has been increasing. NameSilo takes measures intended to protect the security, integrity and confidentiality of the personal information and other sensitive information, including payment card information, it collects, stores or transmits, but cannot guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties or its employees will not gain unauthorized access to this information despite its efforts. If third parties succeed in penetrating its security measures or those of its vendors and partners, or in otherwise accessing or obtaining without authorization the payment card information or other sensitive or confidential information NameSilo or its vendors and partners maintain, NameSilo could be subject to liability, loss of business, litigation, government investigations or other losses. Hackers or individuals who attempt to breach its security measures or those of its vendors and partners could, if successful, cause the unauthorized disclosure, misuse, or loss of personally identifiable information or other confidential information, including payment card information, suspend its web-hosting operations or cause malfunctions or interruptions in its networks.

If NameSilo or its partners experience any breaches of its security measures or sabotage, or otherwise suffer unauthorized use or disclosure of, or access to, personally identifiable information or other confidential information, including payment card information, NameSilo might be required to expend significant capital and resources to protect against or address these problems. NameSilo may not be able to remedy any problems caused by hackers or other similar actors in a timely manner, or at all. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until after they are launched against a target, NameSilo and its vendors and partners may be unable to anticipate these techniques or to implement adequate preventative measures on a timely basis. Advances in computer capabilities, discoveries of new weaknesses and other developments with software generally used by the Internet community, such as the Meltdown and Spectre vulnerabilities, which exploit security flaws in chips manufactured in the last 20 years, the Shellshock vulnerability in the Linux Bash shell, or WannaCry or Petya ransomware attacks, also increase the risk that NameSilo, or its customers using its servers, will suffer a security breach. NameSilo's partners and it may also suffer security breaches or unauthorized access to personally identifiable information and other confidential information, including payment card information, due to employee error, rogue employee activity, unauthorized access by third parties acting with malicious intent or who commit an inadvertent mistake or social engineering. If a breach of its security or other data security incident occurs or is perceived to have occurred, the perception of the effectiveness of its security measures and NameSilo's reputation could be harmed and it could lose current and potential customers.

Security breaches or other unauthorized access to personally identifiable information and other confidential information, including payment card information, could result in claims against NameSilo for unauthorized purchases with payment card information, identity theft or other similar fraud claims as well as for other misuses of personally identifiable information, including for unauthorized marketing purposes, which could result in a material adverse effect on its business or financial condition. Moreover, these claims could cause NameSIlo to incur penalties from payment card associations (including those resulting from its failure to adhere to industry data security standards), termination by payment card associations of its ability to accept credit or debit card payments, litigation and adverse publicity, and regulatory or other government inquiries or investigations, any of which could have a material adverse effect on its business and financial condition. NameSilo expects to continue to expend significant resources to protect against security breaches and other data security incidents. The risk that these types of events could seriously harm its business is likely to increase as it expands the number of cloud-based products it offers and operates in more countries.

NameSilo is exposed to the risk of system failures and capacity constraints.

NameSilo's revenue depends in large part on the volume of traffic to its websites, and the number of customers whose websites it hosts on its servers. Accordingly, the performance, reliability and availability of its websites and servers for its corporate operations and infrastructure, as well as in the delivery of products to customers, are critical to its reputation and its ability to attract and retain customers.

NameSilo is continually working to expand and enhance its website features, technology and network infrastructure and other technologies to accommodate substantial increases in the volume of traffic on its namesilo.com and affiliated websites, the number of customer websites it hosts and its overall total customers. NameSilo may be unsuccessful in these efforts, or it may be unable to project accurately the rate or timing of these increases. In the future, NameSilo may be required to allocate resources, including spending substantial amounts, to build, purchase or lease data centers and equipment and upgrade its technology and network infrastructure in order to handle increased customer traffic, as well as increased traffic to customer websites it hosts. NameSilo cannot predict whether it will be able to add network capacity from third-party suppliers or otherwise as it requires. In addition, NameSilo's network or its suppliers' networks might be unable to achieve or maintain data transmission capacity high enough to process orders or download data effectively in a timely manner. NameSilo's failure, or its suppliers' failure, to achieve or maintain high data transmission capacity could significantly reduce consumer demand for its products. Such reduced demand and resulting loss of traffic, cost increases, or failure to accommodate new technologies could harm its business, revenue and financial condition. NameSilo's systems, are also vulnerable to damage from fire, power loss, telecommunications failures, computer viruses, physical and electronic break-ins and similar events. The property and business interruption insurance coverage NameSilo carries may not be adequate to compensate it fully for losses that may occur.

NameSilo relies on third parties to perform certain key functions, and their failure to perform those functions could result in the interruption of its operations and systems and could result in significant costs and reputational damage to NameSilo.

NameSilo relies on third parties to perform certain technology, processing, servicing and support functions on its behalf. NameSilo may never realize any of the anticipated benefits of relying on third parties, including acquisition of new customers, improved product features, and positive financial results. In addition, these third parties are vulnerable to operational and technological disruptions, which may negatively impact its ability to provide services to its customers, operate its business and fulfill its financial reporting obligations. NameSilo may have limited remedies against these third parties in the event of service disruptions. If third parties are unable to perform these functions on its behalf because of service interruptions or extended outages, or because those services are no longer available on commercially reasonable terms, NameSilo’s expenses could increase and its customers' use of its products could be impaired until equivalent services, if available, are identified, obtained and implemented, all of which could adversely affect NameSilo’s business.

Evolving technologies and resulting changes in customer behavior or customer practices may impact the value of and demand for domain names.

Historically, Internet users navigated to a website by directly typing its domain name into a web browser or navigation bar. The domain name serves as a branded, unique identifier not unlike a phone number or email address. However, people now use multiple methods to access websites. For example, people increasingly use search engines to find and access websites as an alternative to typing a website address directly into a web browser navigation bar. People increasingly use social networking and microblogging sites to find and access websites. Further, as people continue to access the Internet more frequently through applications on mobile devices, domain names may become less prominent and their value may decline. These evolving technologies and changes in customer behavior may have an adverse effect on NameSilo’s business and growth prospects.

In order to further promote its brand and significantly increase new customer growth, NameSilo will need to rely on marketing efforts. These efforts may require significant expense and may not be successful or cost-effective.

In order to further promote its brand and significantly increase new customer growth, NameSilo will need to use a variety of marketing channels to promote its brand, including online keyword search, sponsorships and celebrity endorsements, television, radio and print advertising, email and social media marketing. If it is unable to access to one or more of these channels, such as online keyword search, because the costs of advertising become prohibitively expensive or for other reasons, it may become unable to promote its brand effectively, which could limit its ability to grow its business. Further, if its marketing activities fail to generate traffic to its website, attract customers and lead to new and renewal sales of its subscriptions at the levels NameSilo anticipates, its business and operating results would be adversely affected. There can be no assurance its marketing efforts will succeed or be cost-efficient, and if its customer acquisition costs increase, its business, operating results and financial performance could be adversely affected.

NameSilo face significant competition for its products in the domain name registration and web-hosting markets and other markets in which it competes, which it expects will continue to intensify, and it may not be able to maintain or improve our competitive position or market share.

The market for cloud-based solutions enabling individuals, businesses and organizations to establish an online presence to connect with customers is highly fragmented and competitive. These solutions are also rapidly evolving, creating opportunity for new competitors to enter the market with point-solution products or address specific segments of the market. NameSilo’s competitors include providers of domain registration services, web-hosting solutions, website creation and management solutions, e-commerce enablement providers, cloud computing service and online security providers, alternative web presence and marketing solutions providers and providers of productivity tools such as business-class email.

NameSilo expects competition to increase in the future from competitors in the domain and hosting and presence markets, such as GoDaddy, Endurance, United Internet, Web.com and Donuts, as well as competition from companies such as Google, Amazon and Microsoft, which provide web-hosting, other cloud-based services and domain name registration, and eBay and Facebook, which offer Internet marketing platforms. In addition, it faces competition in the website and e-commerce site building market from competitors such as Wix, Squarespace and Shopify, and from providers of social media networks and applications including Facebook and Tencent. Some of its current and potential competitors have greater resources, more brand recognition and consumer awareness, more diversified product offerings, greater international scope and larger customer bases than NameSilo does, and it may therefore not be able to effectively compete with them. If these competitors and potential competitors decide to devote greater resources to the development, promotion and sale of products in the markets in which NameSilo competes, or if the products offered by these companies are more attractive to or better meet the evolving needs of its customers, nameSilo's market share, growth prospects and operating results may be adversely affected.

In addition, in an attempt to gain market share, competitors may offer aggressive price discounts or alternative pricing models on the products they offer, such as so-called freemium pricing in which a basic offering is provided for free with advanced features provided for a fee, or increase commissions paid to their referral sources. As a result, increased competition could result in lower sales, price reductions, reduced margins and the loss of market share. Moreover, competitors and other third-parties may aggressively bid on Google AdWords, which could result in increased marketing expenses making it difficult for NameSilo to compete.

Furthermore, conditions in NameSilo's market could change rapidly and significantly as a result of technological advancements, partnering by its competitors or continuing market consolidation. Innovative new start-up companies and large competitors making significant investments in technology and development may invent similar or superior products and technologies competing with NameSilo's products and technology. NameSilo's current and potential competitors may also establish cooperative relationships among themselves or with third parties that may further enhance their ability to compete. The continued entry of competitors into the domain name registration and web-hosting markets, and the rapid growth of some competitors that have already entered each market, may make it difficult for NameSilo to maintain its market position. NameSilo's ability to compete will depend upon its ability to provide a better product than its competitors at a competitive price. To remain competitive, NameSilo may be required to make substantial additional investments in research, development, marketing and sales in order to respond to competition, and there can be no assurance that these investments will achieve any returns for it or that it will be able to compete successfully in the future.

If the rate of growth of small businesses and ventures is significantly lower than NameSilo estimates or if demand for its products does not meet expectations, its ability to generate revenue and meet its financial targets could be adversely affected.

Although NameSilo expects continued demand from small businesses and ventures for its products, it is possible the rate of growth may not meet its expectations, or the market may not grow, either of which would adversely affect its business. NameSilo's expectations for future revenue growth are based in part on assumptions reflecting its industry knowledge and experience serving small businesses and ventures, as well as its assumptions regarding demographic shifts, growth in the availability and capacity of Internet infrastructure internationally and the general economic climate. If any of these assumptions proves to be inaccurate, NameSilo's revenue growth could be significantly lower than expected.

NameSilo's ability to compete successfully depends on its ability to offer an integrated and comprehensive suite of products enabling its diverse base of customers to get their ideas online and start, grow and run their businesses and ventures. The success of its domains and future hosting and presence and business applications offerings is predicated on the assumption that an online presence is, and will continue to be, an important factor in its customers' abilities to establish, expand and manage their businesses quickly, easily and affordably. If NameSilo is incorrect in this assumption, for example due to the introduction of a new technology or industry standard superseding the importance of an online presence or renders its existing or future products obsolete, then its ability to retain existing customers and attract new customers could be adversely affected, which could harm its ability to generate revenue and meet its financial targets.

NameSilo's quarterly and annual operating results may be adversely affected due to a variety of factors, which could make its future results difficult to predict and could cause its operating results to fall below investor or analyst expectations.

NameSilo's quarterly and annual operating results and key metrics have varied from period to period in the past, and may fluctuate in the future as a result of a number of factors, many of which are outside of its control, including:

- its ability to attract new customers and retain existing customers;
- the timing and success of introductions of new products;
- changes in the growth rate of small businesses and ventures;
- changes in renewal rates for its subscriptions and its ability to sell additional products to existing customers;
- refunds to its customers could be higher than expected;
- the timing of revenue recognition relative to the recording of the related expense;
- any negative publicity or other actions which harm its brand;
- the timing of its marketing expenditures;
- the mix of products sold;
- its ability to maintain a high level of customer satisfaction;
- competition in the market for its products;
- its ability to expand internationally;
- changes in foreign currency exchange rates;
- rapid technological change, frequent new product introductions and evolving industry standards;
- its ability to implement new financial and other administrative systems, including the Digital Services Business;
- systems, data center and Internet failures, breaches and service interruptions;
- actions by foreign governments that reduce access to the Internet for their citizens;
- changes in U.S. or foreign regulations, such as the General Data Protection Regulation (GDPR), that could impact one or more of its product offerings or changes to regulatory bodies, such as ICANN, as well as increased regulation by governments or multi-governmental organizations, such as the International Telecommunications Union, a specialized agency of the United Nations or the European Union, that could affect its business and its industry;
- a delay in the authorization of new TLDs by ICANN or its ability to successfully on-board new TLDs which would impact the breadth of its customer offerings;
- shortcomings in, or misinterpretations of, its metrics and data which cause it to fail to anticipate or identify market trends;
- terminations of, disputes with, or material changes to its relationships with third-party partners, including referral sources, product partners and payment processors;
- reductions in the selling prices for its products;
- costs and integration issues associated with any acquisitions it may make;
- changes in legislation affecting its collection of indirect taxes both in the U.S. and in foreign jurisdictions;
- increases in rates of failed sales on its aftermarket platform for transactions in which it acts as the primary obligor, resulting in higher than expected domain portfolio assets;
- timing of expenses and tax distributions;
- threatened or actual litigation; and

- loss of key employees.

Any one of the factors above, or the cumulative effect of some of the factors referred to above, may result in significant fluctuations in NameSilo's quarterly or annual operating results, including fluctuations in its key financial and operating metrics, its ability to forecast those results and its ability to achieve those forecasts. This variability and unpredictability could result in it failing to meet its revenue, bookings or operating results expectations or those of securities analysts or investors for any period. In addition, a significant percentage of its operating expenses are fixed in nature and based on forecasted revenue and bookings trends. Accordingly, in the event of revenue or bookings shortfalls, NameSilo is generally unable to mitigate the negative impact on operating results in the short term.

NameSilo may not be able to maintain profitability in the future.

While NameSilo has experienced revenue growth and profitability over the last two fiscal years, NameSilo may not be able to sustain or increase its growth or maintain profitability in the future or on a consistent basis. NameSilo also expects to continue to invest for future growth. In addition, it expects to continue to incur significant accounting, legal and other expenses as a public company.

As a result of its increased expenditures, it will have to generate and sustain increased revenue to maintain future profitability. Maintaining profitability will require it to ensure revenues continue to increase while managing its cost structure and avoiding significant liabilities. Revenue growth may slow or decline, or it may incur significant losses in the future for a number of possible reasons, including general macroeconomic conditions, increased competition, a decrease in the growth of the markets in which it operates, or if it fails for any reason to continue to capitalize on growth opportunities. Additionally, it may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods. If these losses exceed its expectations or its revenue growth expectations are not met in future periods, its financial performance will be harmed, and its stock price could be volatile or decline.

NameSilo's failure to properly register or maintain its customers' domain names could subject it to additional expenses, claims of loss or negative publicity that could have a material adverse effect on its business.

System and process failures related to its domain name registration service may result in inaccurate and incomplete information in its domain name database. Despite testing, system and process failures may remain undetected or unknown, which could result in compromised customer data, loss of or delay in revenues, failure to achieve market acceptance, injury to its reputation or increased product costs, any of which could harm its business. Furthermore, the requirements for securing and renewing domain names vary from registry to registry and are subject to change. NameSilo cannot guarantee it will be able to readily adopt and comply with the various registry requirements. Its failure or inability to properly register or maintain its customers' domain names, even if it is not at fault, might result in significant expenses and subject it to claims of loss or to negative publicity, which could harm its business, brand and operating results.

NameSilo relies heavily on the reliability, security and performance of its internally developed systems and operations. Any difficulties in maintaining these systems may result in damage to its brand, service interruptions, decreased customer service or increased expenditures.

The reliability and continuous availability of the software, hardware and workflow processes underlying its internal systems, networks and infrastructure and the ability to deliver its products are critical to NameSilo's business. Any interruptions resulting in its inability to timely deliver its products, or materially impacting the efficiency or cost with which it provides its products, would harm its brand, profitability and ability to conduct business. In addition, many of the software and other systems it currently uses will need to be enhanced over time or replaced with equivalent commercial products or services, which may not be available on commercially reasonable terms or at all. Enhancing or replacing its systems, networks or infrastructure could entail considerable effort and expense. If NameSilo fails to develop and execute reliable policies, procedures and tools to operate its systems, networks or infrastructure, it could face a substantial decrease in workflow efficiency and increased costs, as well as a decline in its revenue.

Privacy concerns relating to NameSilo's technology could damage its reputation and deter existing and new customers from using its products.

From time to time, concerns have been expressed about whether NameSilo's products or processes compromise the privacy of customers and others. Concerns about its practices with regard to the collection, use, disclosure or security of personally identifiable information, including payment card information, or other privacy related matters, even if unfounded, could damage its reputation and adversely affect its operating results. As NameSilo continues to grow its business organically and through acquisitions, the amount of data it stores for its customers and related to its employees on its servers (including personally identifiable information) has been increasing. Any systems failure or compromise of its security resulting in the release of its users' or customers' data could seriously limit the adoption of its product offerings, as well as harm its reputation and brand and, therefore, its business. NameSilo expects to continue to expend significant resources to protect against security breaches. The risk that these types of events could seriously harm its business is likely to increase as it expands the number of cloud-based products it offers and operates in more countries.

NameSilo is subject to privacy and data protection laws and regulations as well as contractual privacy and data protection obligations. Its failure to comply with these or any future laws, regulations or obligations could subject it to sanctions and damages and could harm its reputation and business.

NameSilo is subject to a variety of laws and regulations, including regulation by various federal government agencies, including the Federal Trade Commission ("FTC"), Federal Communications Commission, and state and local agencies. NameSilo collects personally identifiable information, including payment card information, and other data from its current and prospective customers, website users and employees. The U.S. federal and various state and foreign governments have adopted or proposed limitations on, or requirements regarding, the collection, distribution, use, security and storage of personally identifiable information of individuals, including payment card information, and the FTC and many state attorney generals are applying federal and state consumer protection laws to impose standards on the online collection, use and dissemination of data. Self-regulatory obligations, other industry standards, policies, and other legal obligations may apply to NameSilo's collection, distribution, use, security or storage of personally identifiable information or other data relating to individuals, including payment card information. These obligations may be interpreted and applied inconsistently from one jurisdiction to another and may conflict with one another, other regulatory requirements or its internal practices. Any failure or perceived failure by NameSilo to comply with U.S., E.U. or other foreign privacy or security laws, policies, industry standards or legal obligations or any security incident resulting in the unauthorized access to, or acquisition, release or transfer of, personally identifiable information or other data relating to its customers, employees and others, including payment card information, may result in governmental enforcement actions, litigation, fines and penalties or adverse publicity and could cause NameSilo's customers to lose trust in it, which could have an adverse effect on its reputation and business.

NameSilo expects there will continue to be newly enacted and proposed laws, regulations and industry standards concerning privacy, data protection and information security in the U.S., the European Union and other jurisdictions, and it cannot yet determine the impact such future laws, regulations and standards may have on its business. Such laws, regulations, standards and other obligations could impair its ability to, or the manner in which it, collects or uses information it utilizes to target advertising to its customers, thereby having a negative impact on its ability to maintain and grow its total customers and increase revenue. Future restrictions on the collection, use, sharing or disclosure of NameSilo's users' data or additional requirements for express or implied consent of users for the use and disclosure of such information could require it to modify its products, possibly in a material manner, and could limit its ability to develop and implement new product features.

In addition, several foreign countries and governmental bodies, including the European Union and Canada, have laws and regulations concerning the collection and use of personally identifiable information obtained from their residents, including payment card information, which are often more restrictive than those in the U.S. Laws and regulations in these jurisdictions apply broadly to the collection, use, storage, disclosure and security of personally identifiable information, including payment card information identifying, or which may be used to identify, an individual, such as names, email addresses and, in some jurisdictions, Internet Protocol (IP) addresses. Although NameSilo is working to comply with those laws and regulations applicable to it, these and other obligations may be modified and interpreted in different ways by courts, and new laws and regulations may be enacted in the future. Within the EEA, the GDPR took full effect on May 25, 2018 and, at that time, superseded the 1995 European Union Data Protection Directive and will be directly applicable across EU member states. The GDPR includes more stringent operational requirements for processors and controllers of personal data, for companies established in the EEA and those outside the EEA that collect and use personal data, including payment card information, imposes significant penalties for non-compliance and has broader extra-territorial effect. As the GDPR is a regulation rather than a directive, it applies throughout EEA, but permits member states to enact supplemental requirements if they so choose. Noncompliance with the GDPR can trigger fines of up to the greater of €20 million or 4% of global annual revenues. Further, following a referendum in June 2016 in which voters in the United Kingdom approved an exit from the EU, the United Kingdom has initiated a process to leave the EU. This has created uncertainty with regard to the future regulation of data protection in the United Kingdom.

Any new laws, regulations, other legal obligations or industry standards, or any changed interpretation of existing laws, regulations or other standards may require NameSilo to incur additional costs and restrict its business operations. For example, many jurisdictions have enacted laws requiring companies to notify individuals of data security breaches involving certain types of personal data. These mandatory disclosures regarding a security breach could result in negative publicity to NameSilo, which may cause its customers to lose confidence in the effectiveness of its data security measures which could impact its operating results.

If our privacy or data security measures fail to comply with current or future laws, regulations, policies, legal obligations or industry standards, NameSilo may be subject to litigation, regulatory investigations, fines or other liabilities, as well as negative publicity and a potential loss of business. Moreover, if future laws, regulations, other legal obligations or industry standards, or any changed interpretations of the foregoing, limit NameSilo's customers' ability to use and share personally identifiable information, including payment card information, or NameSilo's ability to store, process and share such personally identifiable information or other data, demand for its products could decrease, its costs could increase and its business, operating results and financial condition could be harmed.

Failure to adequately protect and enforce its intellectual property rights could substantially harm its business and operating results.

NameSilo relies on its unpatented proprietary technology and confidential proprietary information, including trade secrets and know-how. Despite its efforts to protect the proprietary and confidential nature of such technology and information, unauthorized parties may attempt to misappropriate, reverse engineer or otherwise obtain and use them. The contractual provisions in confidentiality agreements and other agreements we generally enter into with employees, consultants, partners, vendors and customers may not prevent unauthorized use or disclosure of NameSilo's proprietary technology or intellectual property rights and may not provide an adequate remedy in the event of unauthorized use or disclosure of its proprietary technology or intellectual property rights. Moreover, policing unauthorized use of its technologies, products and intellectual property is difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the U.S. and where mechanisms for enforcement of intellectual property rights may be weak. To the extent NameSilo expands its international activities, its exposure to unauthorized copying and use of its products and proprietary information may increase. It may be unable to determine the extent of any unauthorized use or infringement of its products, technologies or intellectual property rights.

From time to time, legal action by NameSilo may be necessary to enforce its patents, trademarks and other intellectual property rights, to protect its trade secrets, to determine the validity and scope of the intellectual property rights of others or to defend against claims of infringement or invalidity.

Such litigation could result in substantial costs and diversion of resources, distract management and technical personnel and negatively affect its business, operating results and financial condition. If it is unable to protect its intellectual property rights, NameSilo may find itself at a competitive disadvantage. Any inability on its part to protect adequately its intellectual property may have a material adverse effect on its business, operating results and financial condition.

NameSilo may be a party to intellectual property claims and litigation asserted by third parties, and may be subject to additional claims and litigation in the future, which could result in significant costs and substantially harm its business and results of operations.

Companies providing web-based and cloud-based products are increasingly bringing, and becoming subject to, suits alleging infringement of proprietary rights, particularly patent rights. The possibility of intellectual property infringement claims also may increase to the extent NameSilo faces increasing competition and become increasingly visible. Any claims it asserts against perceived infringers could provoke these parties to assert counterclaims against NameSilo alleging that it infringed their intellectual property rights. In addition, NameSilo’s exposure to risks associated with the use of intellectual property may increase as a result of acquisitions it makes or its use of software licensed from or hosted by third parties, as it has less visibility into the development process with respect to such technology or the care taken to safeguard against infringement risks. Third parties may make infringement and similar or related claims after NameSilo has acquired or licensed technology that had not been asserted prior to its acquisition or license. NameSilo’s business, financial condition and results of operations could be adversely affected by intellectual property claims or litigation.

Activities of customers or the content of their websites could damage NameSilo’s reputation and brand or harm its business and financial results.

As a provider of domain name registration and hosting and presence products, NameSilo may be subject to potential liability for the activities of our customers on or in connection with their domain names or websites or for the data they store on our servers. Although our terms of service prohibit illegal use of our products by our customers and permit us to take down or suspend websites or take other appropriate actions for illegal use, customers may nonetheless engage in prohibited activities or upload or store content with us in violation of applicable law or the customer's own policies, which could subject us to liability.

Furthermore, NameSilo’s reputation and brand may be negatively impacted by the actions of customers that are deemed to be hostile, offensive or inappropriate. NameSilo does not proactively monitor or review the appropriateness of the domain names its customers register or the content of their websites, and NameSilo does not have control over customer activities. The safeguards it has in place may not be sufficient to avoid harm to its reputation and brand, especially if such hostile, offensive or inappropriate use is high profile.

Several U.S. federal statutes may apply to NameSilo with respect to various activities of its customers, including: the Digital Millennium Copyright Act of 1998 (“DMCA”), which provides recourse for owners of copyrighted material who believe their rights under U.S. copyright law have been infringed on the Internet; the Communications Decency Act of 1996 (“CDA”), which regulates content on the Internet unrelated to intellectual property; and the Anticybersquatting Consumer Protection Act (“ACPA”), which provides recourse for trademark owners against cybersquatters. The DMCA and the CDA generally protect online service providers like NameSilo that do not own or control website content posted by customers from liability for certain activities of customers, such as the posting of defamatory or obscene content, unless the online service provider is participating in the unlawful conduct. For example, the safe harbor provisions of the DMCA shield Internet service providers and other intermediaries from direct or indirect liability for copyright infringement. However, under the DMCA, NameSilo must follow the procedures for handling copyright infringement claims set forth in the DMCA including expeditiously removing or disabling access to the allegedly infringing material upon the receipt of a proper notice from, or on behalf of, a copyright owner alleging infringement of copyrighted material located on websites NameSilo hosts. Under the CDA, NameSilo is generally not responsible for the customer-created content hosted on its servers and thus are generally immunized from liability for torts committed by others. Consequently, NameSilo does not monitor hosted websites or prescreen the content placed by its customers. Under the safe harbor provisions of the ACPA, domain name registrars are shielded from liability in many circumstances, including cybersquatting, although the safe harbor provisions may not apply if NameSilo's activities are deemed outside the scope of registrar functions.

Although these statutes and case law in the U.S. have generally shielded NameSilo from liability for customer activities to date, court rulings in pending or future litigation or future regulatory or legislative amendments may narrow the scope of protection afforded it under these laws. For example, there are currently efforts underway in Congress to amend the CDA in ways that could expose NameSilo to an increased risk of litigation, which could have a material adverse effect on its business. Neither the DMCA nor the CDA generally apply to claims of trademark violations, and thus they may be inapplicable to many of the claims asserted against NameSilo. Furthermore, notwithstanding the exculpatory language of these bodies of law, the activities of NameSilo's customers have resulted in, and may in the future, result in threatened or actual litigation against it. If such claims are successful, NameSilo's business and operating results could be adversely affected, and even if the claims do not result in litigation or are resolved in its favor, these claims, and the time and resources necessary to resolve them, could divert the resources of its management and adversely affect its business and operating results.

In addition, laws governing these activities are unsettled in many international jurisdictions and it may be difficult or impossible for it to comply with such laws. Also, other existing bodies of law, including the criminal laws of various states, may be deemed to apply or new statutes or regulations may be adopted in the future, any of which could expose it to further liability and increase its costs of doing business.

NameSilo may face liability or become involved in disputes over registration and transfer of domain names and control over websites.

As a a registrar of domain names and related products, NameSilo may become aware of disputes over ownership or control of customer accounts, websites or domain names. NameSilo could face potential liability for its failure to renew a customer's domain. It could also face potential liability for its role in the wrongful transfer of control or ownership of accounts, websites or domain names. The safeguards and procedures NameSilo has adopted may not be successful in insulating it against liability from such claims in the future. In addition, it may face potential liability for other forms of account, website or domain name hijacking, including misappropriation by third parties of its customer accounts, websites or domain names and attempts by third parties to operate accounts, websites or domain names or to extort the customer whose accounts, websites or domain names were misappropriated. Furthermore, NameSilo is exposed to potential liability as a result of its domain privacy product, wherein the identity and contact details for the domain name registrant are masked. Although its terms of service reserve its right to take certain steps when domain name disputes arise related to its privacy product, including the removal of its privacy service, the safeguards NameSilo has in place may not be sufficient to avoid liability, which could increase its costs of doing business.

Occasionally one of NameSilo's customers may register a domain name identical, or similar, to a third party's trademark or the name of a living person. These occurrences have in the past and may in the future lead to NameSilo's involvement in disputes over such domain names. Disputes involving registration or control of domain names are often resolved through the Uniform Domain Name Dispute Resolution Policy ("UDRP"), ICANN's administrative process for domain name dispute resolution, or less frequently through litigation under the ACPA, or under general theories of trademark infringement or dilution. The UDRP generally does not impose liability on registrars, and the ACPA provides that registrars may not be held liable for registration or maintenance of a domain name absent a showing of the registrar's bad faith intent to profit from the trademark at issue. However, NameSilo may face liability if it acts in bad faith or fails to comply in a timely manner with procedural requirements under these rules, including forfeiture of domain names in connection with UDRP actions. In addition, domain name registration disputes and compliance with the procedures under the ACPA and UDRP typically require at least limited involvement by NameSilo and, therefore, increase its cost of doing business. The volume of domain name registration disputes may increase in the future as the overall number of registered domain names increases. Moreover, as the owner or acquiror of domain name portfolios containing domains NameSilo provides for resale, it may face liability if one or more domain names in its portfolios are alleged to violate another party's trademark. While NameSilo screens the domains it acquires to mitigate the risk of third-party infringement claims, it may inadvertently register or acquire domains that infringe or allegedly infringe third-party rights. Moreover, advertisements displayed on websites associated with domains registered by it may contain allegedly infringing content placed by third parties. NameSilo may face liability and increased costs as a result of such third-party infringement claims.

NameSilo's business is exposed to risks associated with credit card and other online payment chargebacks, fraud and new payment methods.

A majority of NameSilo's revenue is processed through credit cards and other online payments. If its refunds or chargebacks increase, its processors could require it to create reserves, increase fees or terminate their contracts with NameSilo, which would have an adverse effect on NameSilo's financial condition.

NameSilo's failure to limit fraudulent transactions conducted on its websites, such as through the use of stolen credit card numbers, could also subject it to liability and adversely impact its reputation. Under credit card association rules, penalties may be imposed at the discretion of the association for inadequate fraud protection. Any such potential penalties would be imposed on NameSilo's credit card processor by the association. Under NameSilo's contracts with its payment processors, it is required to reimburse them for such penalties. However, NameSilo faces the risk that it may fail to maintain an adequate level of fraud protection and that one or more credit card associations or other processors may, at any time, assess penalties against it or terminate its ability to accept credit card payments or other form of online payments from customers, which would have a material adverse effect on its business, financial condition and operating results.

NameSilo could also incur significant fines or lose its ability to give customers the option of using credit cards to pay for its products if it fails to follow payment card industry data security standards, even if there is no compromise of customer information. Although NameSilo believes it is in compliance with payment card industry data security standards and does not believe there has been a compromise of customer information, it is possible that at times either it or any of its acquired companies may not have been in full compliance with these standards. Accordingly, NameSilo could be fined, which could impact its financial condition, or certain of its products could be suspended, which would cause it to be unable to process payments using credit cards. If it is unable to accept credit card payments, its business, financial condition and operating results may be adversely affected.

In addition, NameSilo could be liable if there is a breach of the payment information it stores. Online commerce and communications depend on the secure transmission of confidential information over public networks. NameSilo relies on encryption and authentication technology to authenticate and secure the transmission of confidential information, including customer credit card numbers. However, NameSilo cannot ensure this technology will prevent breaches of the systems it uses to protect customer payment data. Although it maintains network security insurance, it cannot be certain its coverage will be adequate for liabilities actually incurred or insurance will continue to be available to it on reasonable terms, or at all. In addition, some of its partners also collect or possess information about its customers, and NameSilo may be subject to litigation or its reputation may be harmed if its partners fail to protect NameSilo's customers' information or if they use it in a manner inconsistent with NameSilo's policies and practices. Data breaches can also occur as a result of non-technical issues. Under NameSilo's contracts with its processors, if there is unauthorized access to, or disclosure of, credit card information it stores, it could be liable to the credit card issuing banks for their cost of issuing new cards and related expenses.

Moreover, in the future NameSilo may explore accepting various forms of payment that may have higher fees and costs than its current payment methods. If its customers utilize alternative payment methods, its payment costs could increase and its operating results could be adversely impacted.

NameSilo is dependent on the continued services and performance of its senior management and other key employees, the loss of any of whom could adversely affect its business, operating results and financial condition.

NameSilo's future performance depends on the continued services and contributions of its senior management and other key employees to execute on its business plan and to identify and pursue new opportunities and product innovations. The loss of services of senior management or other key employees could significantly delay or prevent the achievement of its development and strategic objectives. The loss of the services of its senior management or other key employees for any reason could adversely affect its business, financial condition and operating results.

If NameSilo is unable to hire, retain and motivate qualified personnel, its business would suffer.

NameSilo's future success and ability to innovate depends, in part, on its ability to continue to attract and retain highly skilled personnel. The loss of the services of any of NameSilo's key personnel, the inability to attract or retain qualified personnel or delays in hiring required personnel, may seriously harm its business, financial condition and operating results. Its ability to continue to attract and retain highly skilled personnel, specifically employees with technical and engineering skills and employees with language skills and cultural knowledge of the geographic markets NameSilo has recently expanded to or that it intends to expand to in the near future, will be critical to its future success. Competition for highly skilled personnel is frequently intense, particularly in U.S. tech hubs such as the San Francisco Bay area, Seattle and the Boston area. To the extent NameSilo hires personnel from competitors, it may be subject to allegations that they have been improperly solicited or divulged proprietary or other confidential information.

Risks Related to the Industry

Governmental and regulatory policies or claims concerning the domain name registration system and the Internet in general, and industry reactions to those policies or claims, may cause instability in the industry and disrupt NameSilo's business.

ICANN is a multi-stakeholder, private sector, not-for-profit corporation formed in 1998 for the express purposes of overseeing a number of Internet related tasks, including managing the DNS allocation of IP addresses, accreditation of domain name registrars and registries and the definition and coordination of policy development for all of these functions. NameSilo is accredited by ICANN as a domain name registrar and thus its ability to offer domain name registration products is subject to its ongoing relationship with, and accreditation by, ICANN.

ICANN has been subject to strict scrutiny by the public and governments around the world, as well as multi-governmental organizations such as the United Nations, with many of those bodies becoming increasingly interested in Internet governance.

Additionally, NameSilo continues to face the possibility that:

- the new structure and accountability mechanisms contained in ICANN's new bylaws are not fully tested, which may result in ICANN not being accountable to its stakeholders and unable to make, implement or enforce its policies;
- the U.S. or another government or intergovernmental organization may reassess ICANN's role in overseeing the domain name registration market;
- the Internet community, the U.S. government or other governments may (i) refuse to recognize ICANN's authority or support its policies, (ii) attempt to exert pressure on ICANN, or (iii) enact laws in conflict with ICANN's policies, each of which could create instability in the domain name registration system;
- governments, via ICANN's Governmental Advisory Committee (GAC), may seek greater influence over ICANN policies and contracts with registrars and may advocate changes that may adversely affect NameSilo's business;
- some of ICANN's policies and practices, such as ICANN's position on privacy and proxy domain name registrations, and the policies and practices adopted by registries and

registrars, could be found to conflict with the laws of one or more jurisdictions, or could be materially changed in a way that negatively impacts the sale of NameSilo's products;

- the terms of the Registrar Accreditation Agreement (the RAA) under which NameSilo is accredited as a registrar, could change in ways that are disadvantageous to it or under certain circumstances could be terminated by ICANN, thereby preventing NameSilo from operating its registrar service, or ICANN could adopt unilateral changes to the RAA that are unfavorable to NameSilo, that are inconsistent with its current or future plans, or that affect its competitive position;
- International regulatory or governing bodies, such as the International Telecommunications Union, a specialized agency of the United Nations, or the European Union, may gain increased influence over the management and regulation of the domain name registration system, leading to increased regulation in areas such as taxation, privacy and the monitoring of NameSilo's customers' hosted content;
- ICANN or any third-party registries may implement policy changes impacting NameSilo's ability to run its current business practices throughout the various stages of the lifecycle of a domain name;
- the U.S. Congress or other legislative bodies in the U.S. could take action unfavorable to NameSilo or influencing customers to move their business from NameSilo products to those located outside the U.S.;
- ICANN could fail to maintain its role, potentially resulting in instability in DNS services administration;
- some governments and governmental authorities outside the U.S. have in the past disagreed, and may in the future disagree, with the actions, policies or programs of ICANN and registries relating to the DNS, which could fragment the single, unitary Internet into a loosely-connected group of one or more networks, each with different rules, policies and operating protocols; and
- multi-party review panels established by ICANN's new bylaws may take positions unfavorable to NameSilo's business.

If any of these events occur, they could create instability in the domain name registration system and may make it difficult for NameSilo to continue to offer existing products and introduce new products, or serve customers in certain international markets. These events could also disrupt or suspend portions of NameSilo's domain name registration product and subject NameSilo to additional restrictions on how the registrar and registry products businesses are conducted, which would result in reduced revenue.

In addition, the requirements of the GDPR are known to be in conflict with ICANN's policies and contracts related to how registrars collect, transmit and publish the personal information of domain name registrants in publicly accessible WHOIS directories. NameSilo is working with ICANN and NameSilo's industry counterparts to reconcile these differences. If ICANN is unable or unwilling to harmonize these policies and contracts with the GDPR, NameSilo's efforts to comply with the GDPR may cause it to violate its existing ICANN contractual obligations. The result is it could experience difficulties in selling domain names and keeping its existing customer domain names under management if it is unable to reach an amicable contractual solution with ICANN, which could have a material adverse effect on its operations and revenue.

ICANN periodically authorizes the introduction of new TLDs, and we may not have the right to register new domain names to NameSilo's customers based on such TLDs, which could adversely impact its business and results of operations.

ICANN has periodically authorized the introduction of new TLDs and made domain names related to them available for registration. NameSilo's competitive position depends in part on its ability to secure access to these new TLDs. A significant portion of NameSilo's business relies on its ability to sell domain name registrations to its customers, and any limitations on NameSilo's access to newly-created TLDs could adversely impact its ability to sell domain name registrations to customers, and thus adversely impact its business.

In 2013, ICANN significantly expanded the number of gTLDs, which resulted in the delegation of new gTLDs commencing in 2014, which NameSilo refer to as the Expansion Program. NameSilo and certain of its competitors have expended resources filing gTLD applications under the Expansion Program to pursue the acquisition of gTLD operator rights. For example, NameSilo secured the rights to become the registry for NameSilo, a gTLD. The Expansion Program could substantially change the domain name industry in unexpected ways and is expected to result in an increase in the number of domains registered by NameSilo's competitors. If NameSilo does not properly manage its response to the change in business environment, and accurately predict the market's preference for specific gTLDs, it could adversely impact its competitive position or market share.

The relevant domain name registry and ICANN impose a charge upon each registrar for the administration of each domain name registration. If these fees increase, it would have a significant impact upon NameSilo's operating results.

Each registry typically imposes a fee in association with the registration of each domain name. For example, VeriSign, Inc. (VeriSign), the registry for .com and .net, has a current list price of $7.85 annually for each .com registration, and ICANN currently charges $0.18 annually for most domain names registered in the gTLDs falling within its purview. The fee charged by VeriSign for each .com registration increased from $6.86 per year to $7.34 per year in July 2010 and increased again to $7.85 per year in January 2012. In 2016, VeriSign and ICANN agreed VeriSign will continue to be the exclusive registry for the .com gTLD through November 2024. As part of this agreement, the current list price of $7.85 annually for each .com registration will remain in place, unless VeriSign can demonstrate to the U.S. Department of Commerce that technology changes or market conditions no longer warrant pricing restrictions. If efforts to remove these pricing restrictions were successful, costs to NameSilo's customers could be higher, which may have an adverse impact on NameSilo's results of operations.

NameSilo has no control over ICANN, VeriSign or any other domain name registries and cannot predict its future fee structures. While NameSilo does not currently do so, it has the discretion to impose service fees on its customers in the future. In addition, pricing of new gTLDs is generally not set or controlled by ICANN, which in certain instances has resulted in aggressive price increases on certain particularly successful new gTLDs. The increase in these fees with respect to any new gTLD either must be included in the prices NameSilo charges to its customers, imposed as a surcharge or absorbed by us. If we absorb such cost increases or if surcharges result in decreases in domain registrations, its business, operating results and financial performance may be adversely affected.

Risks Related to the Common Shares

The Company may need additional equity, debt or other financing in the future, which it may not be able to obtain on acceptable terms, or at all, and any additional financing may result in restrictions on its operations or substantial dilution to its stockholders.

The Company may need to raise funds in the future, for example, to develop new technologies, expand its business, respond to competitive pressures and make acquisitions. The Company may try to raise additional funds through public or private financings, strategic relationships or other arrangements. Although its credit agreements limit its ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and may be amended with the consent of its lenders. Accordingly, under certain circumstances, the Company may incur substantial additional debt.

The Company's ability to obtain debt or equity funding will depend on a number of factors, including market conditions, interest rates, its operating performance, its credit rating and investor interest. Additional funding may not be available to us on acceptable terms or at all. If adequate funds are not available, the Company may be required to reduce expenditures, including curtailing its growth strategies, foregoing acquisitions or reducing its product development efforts. If we succeed in raising additional funds through the issuance of equity or equity-linked securities, then existing stockholders could experience substantial dilution. If the Company raises additional funds through the issuance of debt securities or preferred stock, these new securities would have rights, preferences and privileges senior to those of the holders of its common stock. In addition, any such issuance could subject it to restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. Further, to the extent it incurs additional indebtedness or such other obligations, the risks associated with its substantial leverage described elsewhere in this Listing Statement, including its possible inability to service its debt, would increase.

The Company's share price may be volatile, and you may be unable to sell your shares.

The share price of junior companies listed on the CSE have historically experienced high levels of volatility. The trading price of the Company's common shares is likely to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond its control and may not be related to its operating performance. These fluctuations could cause you to lose all or part of your investment in the Company's common shares. Factors that may cause the market price of Common Shares to fluctuate include:

- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market price and trading volume of technology companies in general, and of companies in the Company's industry;
- actual or anticipated changes in the Company's results of operations or fluctuations in its operating results;
- whether the Company's operating results meet the expectations of securities analysts or investors;
- changes in the expectations of investors or securities analysts;
- actual or anticipated developments in the Company's competitors' businesses or the competitive landscape generally;
- litigation involving the Company and NameSilo, our industry or both;
- regulatory developments in the U.S., foreign countries or both;
- general economic conditions and trends;
- major catastrophic events;
- sales of large blocks of the Common Shares; or
- departures of key personnel.

The Company does not intend to pay dividends on its Common Shares.

The Company does not expect to pay dividends to the holders of its common shares for the foreseeable future. The Company's ability to pay dividends on its common shares is limited by its existing indebtedness and current earnings. Payments of future dividends, if any, will be at the discretion of the Company's board of directors after taking into account various factors, including its business, operating results and financial condition, current and anticipated cash needs, plans for expansion and any legal or contractual limitations on its ability to pay dividends. As a result, any capital appreciation in the price of its common shares may be your only source of gain on your investment in its common shares.

18. PROMOTERS

18.1 Other than directors and officers of the Company, management is not aware of any person or company who could be characterized as a promoter of the Company within two years immediately preceding the date of this Listing Statement.

18.2 Not applicable.

19. LEGAL PROCEEDINGS

19.1 Not applicable.

19.2 Not applicable.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

20.1 No director, officer, proposed management nominee for director or person who, to the knowledge of the directors or officers of the Company, beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the votes attached to all outstanding Shares of the Company, informed person or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 The auditor of the Company is Crowe MacKay LLP, having an address at Suite 1100 – 1177 West Hastings Street, Vancouver, BC V6E 4T5.

21.2 Computershare Trust Company of Canada, of 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, is the transfer agent who maintains the securities register and the register of transfers for the Company's common shares.

22. MATERIAL CONTRACTS

22.1 The Company and NameSilo have each entered into the following material contracts, other than contracts in the ordinary course of business that was entered into within two years before the date of the Listing Statement:

1. The NameSilo Purchase Agreement dated March 7, 2018. See "General Development of Business – Three Year History – Acquisition of NameSilo and 1161217."

2. The Digital Service Business Purchase Agreement dated August 1, 2018. See "General Development of Business – Three Year History – Acquisition of NameSilo and 1161217."

22.2 Not applicable.

23 INTEREST OF EXPERTS

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Issuer or of an Associate or Affiliate of the Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Issuer or of an Associate or Affiliate of the Issuer and no such person is a promoter of the Issuer or an Associate or Affiliate of the Issuer. The Auditor is independent of the Issuer in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

24. OTHER MATERIAL FACTS

24.1 Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Issuer and its securities which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

25. FINANCIAL STATEMENTS

25.1 Annual Financial Statements of the Company for the year ended December 31, 2017 (audited), and interim financial statements for the period ended March 31, 2018 attached as Appendix A

Annual Financial Statements of NameSilo for the years ended December 31, 2017 and 2016 (audited), and interim financial statements for the period ended March 31, 2018 attached as Appendix B

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, BRISIO INNOVATIONS INC., listed on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to BRISIO INNOVATIONS INC. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, this 1st day of August, 2018.

"Paul Andreola"
Paul Andreola
President, CEO and Director

"Natasha Tsai"
Natasha Tsai
Chief Financial Officer and Secretary

"Colin Bowkett"
Colin Bowkett
Director

"Kristaps Ronka"
Kristaps Ronka
Director

Appendix A

Financial Statements of the Company

BRISIO INNOVATIONS INC.

Consolidated Financial Statements
(Expressed in Canadian dollars)

December 31, 2017 and 2016

Index

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Independent Auditor's Report

To the Shareholders of
Brisio Innovations Inc.

We have audited the accompanying consolidated financial statements of Brisio Innovations Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2017 and December 31, 2016, and the consolidated statements of comprehensive income (loss), changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Brisio Innovations Inc. and its subsidiaries as at December 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter
Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt about the ability of Brisio Innovations Inc. to continue as a going concern.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, British Columbia
April 30, 2018

Brisio Innovations Inc.

Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	Notes		December 31, 2017		December 31, 2016
ASSETS					
Current assets					
Cash and cash equivalents		**$**	**49,145**	$	21,554
Accounts receivable			**26,141**		29,084
GST recoverable			**5,381**		1,935
Prepaid expenses			**8,117**		7,467
			88,784		60,040
Non-current assets					
Convertible note	7		**581,235**		1,495,112
Investments	8		**3,810,580**		3,214,335
			4,391,815		4,709,447
		$	**4,480,599**	$	4,769,487
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	11	**$**	**245,383**	$	229,709
			245,383		229,709
SHAREHOLDERS' EQUITY					
Share capital	9		**21,539,936**		20,393,294
Contributed surplus			**1,251,950**		1,046,628
Accumulated other comprehensive income			**441,300**		2,269,855
Deficit			**(18,997,970)**		(19,169,999)
			4,235,216		4,539,778
		$	**4,480,599**	$	4,769,487

Nature and continuance of operations (note 1)

Approved on behalf of the Board:

"Paul Andreola" **Director**

"Kristaps Ronka" **Director**

The notes are an integral part of these consolidated financial statements

Brisio Innovations Inc.

Consolidated Statements of Comprehensive Income (Loss)

(Expressed in Canadian dollars)

Year Ended December 31,	Notes	2017	2016
Revenue		**$ 46**	$ 6,384
Cost of sales		**(563)**	(3,169)
Gross profit (loss)		**(517)**	3,215
GENERAL AND ADMINISTRATION EXPENSES			
Management fees	11	**72,000**	75,000
Office and general		**105,224**	107,630
Professional fees		**36,667**	37,304
Share-based payment	9, 11	**238,789**	43,515
Transfer agent and filing		**19,974**	21,686
		472,654	285,135
Loss before other items		**(473,171)**	(281,920)
OTHER ITEMS			
Foreign exchange gain		**8,510**	6,660
Change in fair value of convertible note	7	**440,558**	1,397,612
Realized gain on sale of investments	8	**239,154**	491,658
		688,222	1,895,930
Income before income tax		**215,051**	1,614,010
Deferred income tax recovery (expense)	10	**(43,022)**	292,300
Net income		**172,029**	1,906,310
OTHER COMPREHENSIVE INCOME (LOSS)			
Unrealized gain on available-for-sale investments, net of tax	8	**(1,620,491)**	2,383,833
Reallocation of gain on available-for-sale investments realized in net income, net of tax		**(208,064)**	(427,742)
		(1,828,555)	1,956,091
Total and comprehensive income (loss) for the year		**$ (1,656,526)**	$ 3,862,401
Basic and diluted loss per share		**$ 0.00**	$ 0.07
Weighted average number of shares outstanding - basic		**35,701,889**	28,155,627
Weighted average number of shares outstanding - diluted		**36,313,308**	28,191,323

The notes are an integral part of these consolidated financial statements

Brisio Innovations Inc.

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance as at January 1, 2017	29,061,828	$ 20,393,294	$ 1,046,628	$ 2,269,855	$ (19,169,999)	$ 4,539,778
Issue of share capital, net	7,446,165	1,146,642	(33,467)	-	-	1,113,175
Share based payment	-	-	238,789	-	-	238,789
Unrealized gain (loss) on AFS investments, net of	-	-	-	(1,828,555)	-	(1,828,555)
Net income for the year	-	-	-	-	172,029	172,029
Balance as at December 31, 2017	36,507,993	**$ 21,539,936**	**$ 1,251,950**	**$ 441,300**	**$ (18,997,970)**	**$ 4,235,216**

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance as at January 1, 2016	25,235,162	$ 20,102,544	$ 1,003,113	$ 313,764	$ (21,076,309)	$ 343,112
Share-based payment	-	-	43,515	-	-	43,515
Issue of share capital, net	3,826,666	290,750	-	-	-	290,750
Unrealized gain on AFS investments, net of tax	-	-	-	1,956,091	-	1,956,091
Net income for the year	-	-	-	-	1,906,310	1,906,310
Balance as at December 31, 2016	29,061,828	**$ 20,393,294**	**$ 1,046,628**	**$ 2,269,855**	**$ (19,169,999)**	**$ 4,539,778**

The notes are an integral part of these consolidated financial statements

Brisio Innovations Inc.

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

Year Ended December 31,		2017		2016
CASH FLOWS PROVIDED BY (USED IN):				
Operating activities				
Net income for the year	**$**	**172,029**	$	1,906,310
Adjustment for items not involving cash:				
Foreign exchange gain		**(8,510)**		(6,660)
Share-based payment		**238,789**		43,515
Realized gain on sale of investments		**(239,154)**		(491,658)
Deferred income tax (recovery)		**43,022**		(292,300)
Change in fair value of convertible note		**(440,558)**		(1,397,612)
		(234,382)		(238,405)
Changes in non-cash working capital:				
Decrease (increase) in accounts receivable		**680**		(25,399)
Decrease (increase) in GST recoverable		**(3,446)**		3,990
Decrease (increase) in prepaid expenses		**(650)**		2,036
Increase (decrease) in accounts payable and accrued liabilities		**15,674**		49,873
		(222,124)		(207,905)
Investing activities				
Purchase of convertible note		**(197,500)**		(97,500)
Sale of investments		**325,705**		637,966
Purchase of investments		**(1,000,175)**		(629,385)
		(871,970)		(88,919)
Financing activities				
Issuance of common shares		**799,925**		283,250
Exercise of options		**37,500**		-
Exercise of warrants		**275,750**		7,500
		1,113,175		290,750
Foreign exchange on cash and cash equivalents		**8,510**		6,590
Increase in cash and cash equivalents		**27,591**		516
Cash and cash equivalents, beginning of year		**21,554**		21,038
Cash and cash equivalents, end of year	**$**	**49,145**	$	21,554
Cash and cash equivalents consists of:				
Cash	**$**	**37,645**	$	10,054
Guaranteed investment certificate		**11,500**		11,500
	$	**49,145**	$	21,554

The notes are an integral part of these consolidated financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Brisio Innovations Inc. (the "Company") is a publicly listed company incorporated in Canada with limited liability under the legislation of the Province of British Columbia. The Company's shares are listed on the Canadian Securities Exchange ("CSE"). The head office and principal address is 409 Granville Street, Suite 1052, Vancouver, British Columbia, Canada, V6C 1T2.

The consolidated financial statements of the Company as at and for the years ended December 31, 2017 and 2016 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group primarily invests its capital in companies and opportunities which management believes are undervalued in order to build a portfolio of investments.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Group will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

For the year ended December 31, 2017, the Group had a net income of $172,029 (2016 - $1,906,310), has a working capital deficit of $156,599 (2016 – $169,669) and an accumulated deficit of $18,997,970 (2016 - $19,169,999). These material uncertainties lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Group's ability to continue as a going concern is dependent upon earning sufficient returns on its investments and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. BASIS OF PREPARATION

(a) Statement of compliance:

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These consolidated financial statements were approved by the Board of Directors on April 30, 2018.

2. BASIS OF PREPARATION (continued)

(b) Functional and presentation currency:

These consolidated financial statements are presented in Canadian dollars, which is the Group's functional currency.

(c) Basis of measurement:

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at their fair value.

In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(d) Use of estimates and judgments:

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant accounting estimates:

a. The judgment of indications of impairment of each asset and related determination of the net realizable value and write-down of these assets where applicable;

b. The tax basis of assets and liabilities and related deferred income tax assets and liabilities;

c. The inputs used in determining the valuation of share purchase warrants owned by Brisio; and

d. The fair value of the convertible note.

2. BASIS OF PREPARATION (continued)

(d) Use of estimates and judgments (continued):

Significant accounting judgments:

a. The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management;

b. The analysis of the functional currency for each entity of the Group. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant, management also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

c. The going concern risk assessment (see note 1); and

d. The determination of whether there is objective evidence that an available for sale investment is impaired thereby requiring the reclassification of the cumulative loss from equity to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements, and have been applied consistently by the Group.

(a) Basis of consolidation

(i) Subsidiaries:

The consolidated financial statements of the Company include its wholly-owned subsidiaries, Green River Petroleum (USA) Inc., incorporated in the State of Washington, USA and Netco Argentina S.A., incorporated in Argentina. Both subsidiaries were inactive at December 31, 2017 and 2016.

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation:

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Foreign currency

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Any foreign currency gains or losses are recognized in net income (loss) for the period.

(c) Financial instruments

Financial Assets

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

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss. Regular way purchases and sales of FVTPL financial assets are accounted for at trade date, as opposed to settlement date. The Group has classified its cash and cash equivalents and the convertible note as FVTPL.

Financial assets classified as loans-and-receivables and held-to-maturity are measured at amortized cost. The Group's accounts receivable are classified as loans-and-receivables.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. Investments in equity instruments that do not have a quoted price in an active market and whose fair value cannot be reliably measured are measured at cost. The Group's investments are classified as available-for-sale.

Transactions costs associated with FVTPL and available-for-sale financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial instruments (continued)

Financial Liabilities

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

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Group's accounts payable and accrued liabilities are classified as other-financial-liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through profit and loss. The Group has not classified any financial liabilities as FVTPL.

The Group is not engaged in any financial derivative contracts.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and cash equivalents that are readily convertible into cash and which are subject to insignificant risk of changes in value.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Investments in associates

An associate is an entity over which the Company has significant influence. If the Company holds, directly or indirectly (i.e. through subsidiaries), 20% or more of the voting power of the investee, it is presumed the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

If the Company has significant influence over an investee, it accounts for its investment in an associate using the equity method. Under the equity method, on initial recognition, the investment in an associate is recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the investee after the date of acquisition. The Company's share of the investee's profit or loss is recognized in the Company's profit or loss.

Distributions received from an investee reduce the carrying amount of the investment. It may also be necessary to adjust the carrying amount for changes in the Company's proportionate interest in the investee arising from changes in the investee's other comprehensive income. The Company's share of those changes is recognized in other comprehensive income.

(f) Impairment

(i) Financial assets:

A financial asset, other than those designated as FVTPL is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Impairment (continued)

(ii) Non-financial assets:

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the CGU). The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell.

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. Value in use is generally computed by reference to the present value of the future cash flows expected to be derived from production of proven and probable reserves. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGU's are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation or amortization, if no impairment loss had been recognized.

(g) Revenue recognition

The Group derives revenues from the sale of software and mobile applications through various platforms. The Group recognizes revenue when all of the following conditions are satisfied: (i) significant risks and rewards have transferred to the buyer; (ii) the Company no longer retains managerial involvement or effective control over the goods sold; (iii) the fee amount of revenue can be measured reliably; (iv) it is probable the economic benefits associated with the transaction will flow to the Company; and (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

For revenue earned through certain mobile platforms, revenue is recognized based on the gross amount because the Group is acting as the principal and has the contractual right to determine the price to be paid. The related platform and payment processing fees are recorded as cost of sales in the period incurred.

Advertising revenue for advertisements within the applications are recorded net of amounts retained by advertising networks.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Revenue recognition (continued)

For every contract signed, the Group examines its characteristics in order to determine whether it is appropriate to recognize the net or gross revenue from services rendered by agents.

(h) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that if the income tax expense related to items recognized directly in equity, the income tax expense would also be recognized in equity. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(i) Share capital

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

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Share capital (continued)

allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded in contributed surplus.

(j) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid. The amount remains in contributed surplus if the options expire unexercised.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the

3. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

(j) Share-based payments (continued)

vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

(k) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

(l) Changes in accounting policies

The Company adopted the following new standards and interpretations issued by the IASB effective January 1, 2017. The adoption of these standards had no impact on the Group's consolidated financial statements.

IAS 7 (Amendment)	*Statement of Cash Flows*
IAS 12 (Amendment)	*Income Taxes*
IFRS 12 (Amendment)	*Disclosure of Interests in Other Entities*

The following standards and interpretations have been issued but are not yet effective. The Group is currently assessing the impact that these standards will have on the consolidated financial statements. The Group plans to adopt these standards as soon as they become effective for the Group's reporting period.

Effective annual periods beginning on or after January 1, 2018:	
IFRS 9	*Financial Instruments: Classification and Measurement*
IFRS 15	*Revenue from Contracts with Customers*
IFRS 2 (Amendment)	*Clarification of Classification & Measurement of Share-Based Payment Transactions*
Effective annual periods beginning on or after January 1, 2019:	
IFRS 16	*Leases*

(Expressed in Canadian Dollars)

4. DETERMINATION OF FAIR VALUES

Estimates of the fair value of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. At December 31, 2017, the Group's financial instruments include cash and cash equivalents, accounts receivable, convertible note, investments, and accounts payable and accrued liabilities. Accounts receivable, and accounts payable and accrued liabilities are recognized on the consolidated statement of financial position at their carrying value which approximated their fair value due to their short-term nature.

All financial instruments measured at fair value are categorized into a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are described below:

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

The following table sets forth the Group's financial assets measured at fair value by level within the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 49,145	$ -	$ -	$ 49,145
Investment - shares	$ 3,532,252	$ -	$ -	$ 3,532,252
Investment - warrants	$ -	$ -	$ 199,828	$ 199,828
Convertible note	$ -	$ -	$ 481,235	$ 481,235

December 31, 2016	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 21,554	$ -	$ -	$ 21,554
Investment - shares	$ 2,688,488	$ -	$ -	$ 2,688,488
Investment - warrants	$ -	$ -	$ 447,347	$ 447,347
Convertible note	$ -	$ -	$ 1,495,112	$ 1,495,112

5. FINANCIAL RISK MANAGEMENT

(a) Overview

The Group's activities expose it to a variety of financial risks that arise as a result of its activities such as:

- market risk
- credit risk
- liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

The Board of Directors oversees management's establishment and execution of the Group's risk management framework. Management has implemented and monitors compliance with risk management policies. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Group's activities.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Group's cash is held in bank accounts and due to the short-term nature of these financial instruments fluctuations in market interest rates do not have significant impact on the fair value as at December 31, 2017.

The Group's sensitivity to interest rates is currently immaterial due to the short term maturity of its monetary assets and liabilities.

(ii) Foreign currency risk

Currency risk is the risk to the Group's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Group does not use derivative instruments to reduce its exposure to foreign currency risk.

(Expressed in Canadian Dollars)

5. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(ii) Foreign currency risk (continued)

At December 31, 2017, the Group had the following financial assets and liabilities in foreign currencies:

	US Dollars	Argentine Pesos
Cash	$ -	(550)
Accounts receivable	$ -	24,827
Accounts payable	$ 19,725	455,323

At December 31, 2017 US dollar amounts were converted at a rate of $1.00 US dollars to $1.2545 Canadian dollars and Argentine pesos amounts were converted at a rate of 1.00 Argentine pesos to $0.0673 Canadian dollars.

(iii) Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk. The Group is exposed to significant other price risk. A 5% increase or decrease in the value of its investments will impact other comprehensive income (loss) by approximately $190,000.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Group's cash and cash equivalents and accounts receivable are exposed to credit risk. The credit risk on cash and cash equivalents is considered small because the majority of funds have been placed with major Canadian and Argentinean financial institutions. Management believes that the credit risk related to its accounts receivable is remote.

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet liabilities when due.

At December 31, 2017, the Group had a cash balance of $49,145, accounts receivable of $26,141 and GST recoverable of $5,381. The Group has accounts payable and accrued liabilities of $245,383. The Group intends to raise adequate funds to meet its liquidity needs for the next twelve months via private placement or the sale of over-performing investments.

6. CAPITAL MANAGEMENT

The Group considers its capital structure to include working capital deficiency and shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Group is reasonable.

The Group is not subject to any external capital restrictions and the Group did not change its approach to capital management during the period.

7. CONVERTIBLE NOTE

On September 12, 2016, the Company completed an investment in ImmunoPrecise Antibodies. Ltd. ("**IPA**"). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note**"). The Convertible Note earns interest at a rate of 5% per annum, calculating and accruing daily from the date of issue, payable in arrears on an annual basis commencing on September 12, 2016, and matures on September 12, 2017. Such interest shall be paid in Canadian currency or common shares in accordance with the terms.

In the event that IPA completes a reverse takeover to list on stock exchange ("**Pubco**"), the principal amount of the Convertible Note will be convertible into 650,000 units of Pubco issued at a price of $0.15 per unit. Each Unit will consist of one common share of Pubco (a "**Pubco Share**") and one share purchase warrant ("**Pubco Warrant**"). Each Pubco Warrant will entitle the Company to acquire one additional Pubco Share at a price of $0.30 per share for a period of twelve (12) months from the date of issue of the Pubco Warrants.

At December 31, 2016, the Convertible Note was revalued to fair value due to the conversion feature embedded in the Convertible Note. As a result, the change in fair value of the Convertible Note is $1,397,612. The estimated fair value of the Convertible Note comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model with the following assumptions: Dividend yield 0%; expected annual volatility 100%; risk-free interest rate 0.75%; market share price of $1.29; and expected life of 1 year. Expected volatility was based on the volatility of similar companies.

On March 16, 2017, the Convertible Note was converted into 650,000 units of IPA at a price of $0.15 per unit. The fair value of the Convertible Note on conversion date comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model with the following assumptions: Dividend yield 0%; expected annual volatility 282%; risk-free interest rate 0.64%; market share price of $1.24; and expected life of 1 year. Expected volatility was based on the volatility of similar companies. As a result, the change in fair value of the Convertible Note is $56,823. The Company was issued 650,000 common shares of IPA and 650,000 warrants which entitle the Company to acquire one additional share of IPA at a price of $0.30 per share for a period of twelve (12) months from the date of issue. Subsequent to December 31, 2017, the Company exercised 650,000 warrants of IPA at a price of $0.30 per share for a total of $195,000.

7. CONVERTIBLE NOTE (continued)

On August 9, 2017, the Company completed an investment in Atlas Engineered Products Ltd. (**"Atlas**"). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note2**"). The Convertible Note2 earns interest at a rate of 5% per annum, calculating and accruing daily from the date of issue, payable in arrears on an annual basis commencing on August 9, 2017, and matures on August 9, 2018. Such interest shall be paid in Canadian currency or common shares in accordance with the terms.

In the event that Atlas completes a reverse takeover to list on stock exchange ("**Pubco2**"), the principal amount of the Convertible Note2 will be convertible into 487,500 units of Pubco2 issued at a price of $0.20 per unit. Each Unit will consist of one common share of Pubco2 (a "**Pubco2 Share**") and one share purchase warrant ("**Pubco2 Warrant**"). Each Pubco2 Warrant will entitle the Company to acquire one additional Pubco2 Share at a price of $0.40 per share for a period of twelve (12) months from the date of issue of the Pubco2 Warrants.

At December 31, 2017, the Convertible Note2 was revalued to fair value due to the conversion feature embedded in the Convertible Note2. As a result, the change in fair value of the Convertible Note2 is $383,735. The estimated fair value of the Convertible Note2 comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model with the following assumptions: Dividend yield 0%; expected annual volatility 100%; risk-free interest rate 1.52%; market share price of $0.65; and expected life of 1 year. Expected volatility was based on the volatility of similar companies.

On December 12, 2017, the Company received a promissory note from Nanalysis Corp. (**"Nanalysis**") for advancing a principal amount of $100,000 (the "**Convertible Note3**"). The purpose of the Convertible Note3 is to assist Nanalysis with a proposed business combination (the "**Transaction**"), with the combined entity after giving effect to the Transaction being the resulting issuer (the "**Resulting Issuer**"). The Convertible Note3 earns simple, non-compounding interest at a rate of 11% per annum. If the Transaction closes, the principal amount plus accrued interest shall be exchangeable into Resulting Issuer shares at a price of $0.75 per unit, with each unit consisting of one common share of the Resulting Issuer and one share purchase warrant of the Resulting Issuer. Each warrant will entitle the Company to purchase one additional common share of the Resulting Issuer at $1.00 per share for a period of twelve months from the date of issue. If the Transaction does not close, the principal amount plus accrued interest shall be due and payable in full on July 1, 2021.

Nanalysis will make equal monthly payments on the principal amount outstanding plus accrued interest on the first day of every month of each year, commencing on July 1, 2018. Nanalysis may at any time prepay the principal amount plus accrued interest thereon, in whole or in part without notice of penalty. Until the principal amount plus accrued interest is paid back, the Company, may, at its option from time to time, elect to have the unpaid principal amount plus accrued interest, or a portion thereof, repaid by Nanalysis by issuing class A common shares at a price of $0.25 per share.

(Expressed in Canadian Dollars)

8. INVESTMENTS

December 31, 2017

	Lite Access Technologies Inc.		Intema Solutions Inc. – warrants		Renoworks Software Inc.		Allur Group		International Barrier Tech		Innovotech Inc.	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, Jan. 1, 2017	331,499	$ 623,218	2,000,000	$ -	100,000	$ 46,000	523,332	$ 78,500	17,500	$ 5,425	-	$ -
Purchased	-	-	-	-	37,000	15,850	-	-	100,000	35,000	291,000	22,410
Converted	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale	(12,400)	(20,526)	-	-	-	-	-	-	(117,500)	(58,163)	(4,000)	(540)
Warrants expired	-	-	(2,000,000)	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	-	-	-	-	-	-	-	-	-	-
Realized gain (loss)	-	17,962	-	-	-	-	-	-	-	17,423	-	231
Unrealized gain (loss)	-	(157,961)	-	-	-	(31,710)	-	-	-	315	-	19,513
Balance, Dec.31, 2017	319,099	$ 462,693	-	$ -	137,000	$ 30,140	523,332	$ 78,500	-	$ -	287,000	$ 41,614

	NAMSYS Inc		ImmunoPrecise Antibodies		ImmunoPrecise Antibodies – Warrants		Gatekeeper Systems Inc.		Gatekeeper Systems Inc. – Warrants		Vigil Heath Solutions	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, Jan. 1, 2017	100,000	$ 65,000	1,000,000	$ 1,290,000	-	$ -	-	$ -	-	$ -	-	$ -
Purchased	20,000	12,000	-	-	-	-	750,000	150,000	375,000	-	750,000	340,905
Converted	-	-	650,000	806,000	650,000	748,198	-	-	-	-	-	-
Proceeds from sale	-	-	-	-	-	-	-	-	-	-	-	-
Warrants expired	-	-	-	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	-	-	-	-	-	-	-	-	-	-
Realized gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain (loss)	-	(200)	-	(1,106,000)	-	(551,967)	-	(52,500)	-	3,597	-	184,095
Balance, Dec. 31, 2017	120,000	$ 76,800	1,650,000	$ 990,000	650,000	$ 196,231	750,000	$ 97,500	375,000	$ 3,597	750,000	$ 525,000

	Total Telcom Inc		Atlas Engineer Products Ltd.		Pioneering Tech – shares		Pioneering Tech – warrants		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Total
Balance, Jan. 1, 2017	-	$ -	-	$ -	665,500	$ 658,845	600,000	$ 447,347	$ 3,214,335
Purchased	340,000	74,010	500,000	200,000	-	-	-	-	850,175
Converted	-	-	-	-	-	-	-	-	1,554,198
Proceeds from sale	-	-	-	-	(244,200)	(246,476)	-	-	(325,705)
Warrants expired	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	-	-	600,000	150,000	(600,000)	-	150,000
Realized gain (loss)	-	-	-	-	-	203,538	-	-	239,154
Unrealized gain (loss)	-	31,390	-	135,000	-	102,198	-	(447,347)	(1,871,577)
Balance, Dec. 31, 2017	340,000	$ 105,400	500,000	$ 335,000	1,021,300	$ 868,105	-	$ -	$ 3,810,580

(Expressed in Canadian Dollars)

8. Investments (continued)

December 31, 2016

	Lite Access Technologies Inc.		Intema Solutions Inc. – shares		Intema Solutions Inc. – warrants		Hamilton Thorne Ltd.		International Barrier Tech		Pioneering Technologies- shares		Pioneering Tech - warrants	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, January 1, 2016	440,199	$449,002	1,800,000	$ 27,000	2,000,000	$ 2,795	20,000	$ 4,000	-	$ -	-	$ -	-	$ -
Purchased	-	-	-	-	-	-	-	-	30,000	9,840	1,267,000	166,670	600,000	-
Proceeds from sale	(108,700)	(170,136)	(1,800,000)	(69,280)	-	-	(20,000)	(3,600)	(12.500)	(4,125)	(601,500)	(381,825)	-	-
Realized gain (loss)	-	147,658	-	42,280	-	-	-	(600)	-	25	-	302,670	-	-
Unrealized gain (loss)	-	196,694	-	-	-	(2,795)	-	200	-	(315)	-	571,330	-	447,347
Balance, Dec. 31, 2016	331,499	$623,218	-	$ -	2,000,000	$ -	-	$ -	17,500	$ 5,425	665,500	$658,845	600,000	$447,347

	Renoworks Software Inc.		NAMSYS Inc		Distinct Infrastructure		Allur Group		ImmunoPrecise Antibodies		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Total
Balance, January 1, 2016	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	$482,797
Purchased	100,000	31,000	100,000	34,000	75,000	9,375	523,332	78,500	1,000,000	300,000	629,385
Proceeds from sale	-	-	-	-	(75,000)	(9,000)	-	-	-	-	(637,966)
Realized gain (loss)	-	-	-	-	-	(375)	-	-	-	-	491,658
Unrealized gain (loss)	-	15,000	-	31,000	-	-	-	-	-	990,000	2,248,461
Balance, Dec. 31, 2016	100,000	$46,000	100,000	$ 65,000	-	$ -	523,332	$78,500	1,000,000	$1,290,000	$3,214,335

(Expressed in Canadian Dollars)

9. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.
Unlimited number of preferred shares without par value.

(b) Issued

	December 31, 2017		December 31, 2016	
	Number of Shares	Amount	Number of Shares	Amount
Common shares:				
Balance, beginning of year	29,061,828	$20,393,294	25,235,162	$20,102,544
Transactions during the year:				
Private placement	5,332,834	799,925	3,776,666	283,250
Warrants exercised	1,838,331	275,750	50,000	7,500
Options exercised	275,000	70,967	-	-
Balance, end of year	**36,507,993**	**$21,539,936**	**29,061,828**	**$20,393,294**

In March 2016, the Company closed a non-brokered private placement pursuant to which it sold an aggregate of 3,776,666 Units at a price of $0.075 per Unit, for gross proceeds of $283,250. Each Unit consists of one common share of the Company (each, a “Share”) and one-half of one share purchase warrant (each, a “Warrant”). Each whole Warrant entitles the holder thereof to purchase one additional Share at a price of $0.15 per Share for a period of one year from closing of the Financing, subject to an acceleration provision whereby, in the event that the average closing price is equal to or greater than $0.20 per Share for a period of fifteen consecutive trading days, the Company may accelerate the expiry date of the Warrants, to a date that is thirty days after the notice of completion of such period.

On December 12, 2016, 50,000 outstanding warrants were exercised at a price of $0.15 per share.

On January 17, 2017, the Company closed a non-brokered private placement of 5,332,834 units at a price of $0.15 per unit for gross proceeds of $799,925. Each unit consists of one common share of the Company and one-quarter of one share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one addition share at a price of $0.25 per share for a period of two years from the closing of the financing, subject to an acceleration provision whereby, in the event that the average closing price is equal to or greater than $0.40 per share for a period of ten consecutive trading days, the Company may accelerate the expiry date of the warrants to a date that is thirty days after the notice of completion of such period.

During the first quarter of 2017, 1,838,331 warrants were exercised at $0.15 per share for gross proceeds of $275,750.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

(b) Issued (continued)

On September 6, 2017, the aggregate of 275,000 options were exercised for gross proceeds of $37,500. The weighted average share price on the date of exercise is $0.25 per share.

(c) Stock options

The Company has a stock option plan in accordance with the policies on the Canadian Securities Exchange whereby, from time to time at the discretion of the Board of Directors, stock options are granted to directors, officers and certain consultants.

Under the plan up to 10% of the total number of issued common shares of the Company, calculated on a non-diluted basis, at the time an option is granted are available for the issuance of stock options. The exercise price of each option is based on the market price of the Company's common stock at the date of the grant less an applicable discount. The options can be granted for a maximum term of 10 years. The maximum number of options that may be granted to any one person must not exceed 5% of the common shares issued and outstanding at the time of grant unless disinterested shareholder approval is obtained. Any options granted to consultants or persons performing Investor Relations under the Amended Stock Option Plan shall vest to the optionee as follows: 25% at date of grant, 25% six months from date of grant, 25% nine months from date of grant and the remaining 25% twelve months from the date of grant. All other options granted under the Amended Stock Option Plan shall have vesting terms set at the discretion of the Board of Directors.

A summary of the stock option activity is as follows:

	December 31, 2017		December 31, 2016	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Balance, beginning of year	1,840,000	$0.15	1,325,000	$0.24
Granted	1,075,000	0.23	650,000	0.10
Expired/Cancelled	-	-	(135,000)	(0.72)
Exercised	(275,000)	(0.14)	-	-
Balance, end of year	2,640,000	$0.19	1,840,000	$0.15

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

(c) Stock options (continued)

As at December 31, 2017, the Company has outstanding directors' and employees' incentive stock options enabling the holders to acquire additional common shares as follows:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
540,000	540,000	$0.15	September 27, 2018
300,000	300,000	$0.30	February 28, 2019
150,000	150,000	$0.10	December 12, 2019
575,000	575,000	$0.10	August 4, 2021
1,000,000	1,000,000	$0.23	December 20, 2022
75,000	75,000	$0.23	December 29, 2022
2,640,000	2,640,000		3.20 years remaining

On March 4, 2016, 35,000 options with an exercise price of $0.60 expired unexercised.

On April 28, 2016, 20,000 options with an exercise price of $0.825 expired unexercised.

On August 4, 2016, the Company granted 650,000 stock options to officers and directors of the Company. The stock options were granted for a period of 5 years, expiring on August 4, 2021, and each stock option will allow the holder to purchase a common share of the Company at an exercise price of $0.10.

On October 18, 2016, 80,000 stock options at a price of $0.75 expired unexercised.

On September 6, 2017, the aggregate of 275,000 options were exercised for gross proceeds of $37,500

On December 20, 2017, the Company granted 1,000,000 stock options to officers and directors of the Company. The stock options were granted for a period of 5 years, expiring on December 20, 2022, and each stock option will allow the holder to purchase a common share of the Company at an exercise price of $0.23. On December 29, 2017, the Company granted an additional 75,000 stock options with the same terms to an officer of the Company.

For the year ended December 31, 2017, $238,789 (2016 - $43,515) has been recorded as share-based payment relating to options granted and vested during the year. The fair value of stock options was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: Dividend yield 0% (2016 – 0%) expected annual volatility 189.9% (2016 - 129%); risk-free interest rate 1.82% (2016 - 0.75%); market share price of $0.23 (2016 - $0.10); forfeiture rate of 0% and expected life of 5 years (2016 – 5 years). Expected volatility was based on the historical share price volatility over the past 5 years. The expected life of the option was calculated based on the history of option exercises.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

(d) Warrants

	December 31, 2017		December 31, 2016	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Balance, beginning of year	1,838,331	$0.15	2,211,927	$0.18
Issued	1,333,208	0.25	1,888,331	0.15
Exercised	(1,838,331)	(0.15)	(50,000)	(0.15)
Expired/Cancelled	-	-	(2,211,927)	(0.18)
Balance, end of year	1,333,208	$0.25	1,838,331	$0.15

The outstanding warrants have a weighted average remaining life of 1.05 years.

On January 7, 2016, 1,036,927 warrants expired unexercised.

On January 27, 2016, 1,175,000 warrants expired unexercised.

On December 12, 2016, 50,000 warrants were exercised at $0.15 per share.

During the first quarter of 2017, 1,838,331 warrants were exercised at $0.15 per share for gross proceeds of $275,750.

10. INCOME TAXES

Income tax expense varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before taxes as follows:

	2017	2016
Income (loss) for the year before income tax	$ 215,051	$ 1,614,010
Statutory Canadian corporate tax rate	26.00%	26.00%
Anticipated tax expense (recovery)	55,913	419,643
Change in tax rates resulting from:		
Effect of jurisdictional tax rate difference	233	(170)
Effect of tax rate change	(51,012)	-
Non capital loss expired	251,175	16,716
Unrecognized items for tax	(25,630)	(219,435)
Tax benefits not realized (realized)	(187,657)	(509,054)
Income tax expense (recovery)	$ 43,022	$ (292,300)

(Expressed in Canadian Dollars)

10. INCOME TAXES (continued)

The significant components of the Company's deferred tax assets (liabilities) are as follows:

		2017		2016
Exploration and evaluation assets	$	3,366,947	$	3,531,690
Convertible note		(51,804)		(181,690)
Non-capital loss carry forwards		2,083,179		2,390,669
Capital loss carry forwards		69,905		98,406
Investments		(296,206)		(339,174)
Software applications		63,592		61,237
Other		1,770		2,209
		5,237,383		5,563,347
Unrecognized deferred tax assets		(5,237,383)		(5,563,347)
Deferred income taxes	$	-	$	-

At December 31, 2017, the Company has available non-capital tax losses for Canadian income tax purposes of approximately $2,810,000, expiring as follows:

		Canada
2026	$	1,000
2027		327,000
2028		164,000
2029		260,000
2030		166,000
2031		325,000
2032		365,000
2033		270,000
2034		306,000
2035		268,000
2036		129,000
2037		229,000
	$	2,810,000

The Company also has non-capital losses for US income tax purposes of $3,726,987 (US$2,970,894) available for carry-forward to reduce future year's taxable income and if not utilized, expires between 2018 and 2037.

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS

The aggregate amount of expenditures made to parties not at arm's length to the Group for the years ending December 31, 2017 and 2016 are:

December 31,	2017	2016
Compensation of key management:		
Management fees	$72,000	$ 75,000
Share-based payment	238,789	43,515
Total	$310,789	$118,515

Paul Andreola, President and Director was paid or accrued management fees of $30,000 (2016 - $34,000) Colin Bowkett, Director was paid or accrued management fees of $30,000 (2016 - $28,000) and Scott MacEachern, Chief Financial Officer was paid or accrued management fees of $12,000 (2016 - $13,000).

Included in accounts payable and accrued liabilities at December 31, 2017 is $100,000 (2016 - $67,375) due to directors for unpaid management fees and other reimbursable expenditures.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the years ended December 31, 2017 and 2016.

12. SUBSEQUENT EVENTS

(a) In January 2018, the Company closed a non-brokered private placement (the "Financing") of 5,000,000 units (each, a "Unit") at a price of $0.20 per Unit for gross proceeds of $1,000,000.

Each Unit consists of one common share of the Company (each, a "Share") and one-half of one share purchase warrant (each, a "Warrant"). Each whole Warrant will entitle the holder to purchase one additional Share at a price of $0.30 per Share for a period of two years from closing of the Financing. In the event the average closing price is equal to or greater than $0.45 per Share for a period of twenty consecutive trading days, the Company may accelerate the expiry date of the Warrants to a date that is thirty days after the notice of completion of such period.

On March 7, 2018, the Company signed a definitive share purchase agreement (the "Definitive Ageement") with NameSilo, LLC ("NameSilo") whereby the Company has agreed to acquire all of the issued and outstanding securities of NameSilo (the "Transaction").

Under the terms of the Definitive Agreement, the Company will acquire all of the securities of NameSilo and, in consideration of which, the Company will pay a total of US$9,511,500 to the members of NameSilo ("NameSilo Members"). The closing of the Transaction is anticipated to be July 2, 2018.

12. SUBSEQUENT EVENTS (continued)

Further, NameSilo Members will be entitled to certain earnout payments provided that the business achieves a specified EBITDA. All earnout payments will be made no later than August 15, 2018 and will be payable in cash and shares.

After completion of the Transaction, the Company intends to spin-out NameSilo as a separately listed entity on a Canadian stock exchange.

The Transaction is subject to customary conditions contained in the Definitive Agreement as well as approval of the stock exchange, and the Company completing sufficient financing to satisfy the purchase price. If the Company is unable to close the Transaction, the Company will be required to pay a break fee to NameSilo.

(b) In January 2018, 9,375 warrants were exercised at $0.25 per share for gross proceeds of $2,344.

BRISIO INNOVATIONS INC.

Unaudited Condensed Interim Consolidated Financial Statements
(Expressed in Canadian dollars)

For the Three Months Ended March 31, 2018 and 2017

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3) released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2018 and 2017.

Brisio Innovations Inc.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

	Notes		As at March 31, 2018	As at December 31, 2017
ASSETS				
Current assets				
Cash and cash equivalents		$	**469,786**	$ 49,145
Accounts receivable			**9,964**	26,141
GST recoverable			**7,597**	5,381
Prepaid expenses			**13,566**	8,117
			500,913	88,784
Non-current assets				
Convertible note	7		**581,235**	581,235
Investments	8		**3,145,761**	3,810,580
Long-term deposit for investment	8		**257,110**	-
			3,984,106	4,391,815
		$	**4,485,019**	$ 4,480,599
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities		$	**142,658**	$ 245,383
Subscription advances	10		**36,000**	-
			178,658	245,383
SHAREHOLDERS' EQUITY				
Share capital	10		**22,542,280**	21,539,936
Contributed surplus			**1,251,950**	1,251,950
Deficit	9		**(19,487,869)**	(18,556,670)
			4,306,361	4,235,216
		$	**4,485,019**	$ 4,480,599

Nature and continuance of operations (note 1)

Approved on behalf of the Board:

"Paul Andreola" **Director**

"Colin Bowkett" **Director**

The notes are an integral part of these condensed interim consolidated financial statements

Brisio Innovations Inc.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)
For the period ended March 31, 2018 with comparative figures for 2017

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

	Notes	**For the three months ended March 31, 2018**	For the three months ended March 31, 2017
INCOME			
Unrealized gain (loss) on investments	8, 9	**$ (1,074,983)**	$ 663,857
Realized gain on sale of investments	8	**201,540**	30,977
Gross profit (loss)		**(873,444)**	694,834
GENERAL AND ADMINISTRATION EXPENSES			
Management fees	11	**18,000**	18,000
Office and general		**16,766**	16,938
Professional fees		**20,036**	14,088
Transfer agent and filing		**3,899**	23,824
		58,701	72,850
Income (loss) before other items		**(932,145)**	621,984
OTHER ITEMS			
Foreign exchange gain		**946**	(267)
		946	(267)
Net income (loss)		**(931,199)**	621,717
Basic and diluted earnings (loss) per share		**$ (0.01)**	$ 0.03
Weighted average number of shares outstanding - basic		**37,537,137**	30,182,335
Weighted average number of shares outstanding - diluted		**40,048,686**	28,342,335

The notes are an integral part of these condensed interim consolidated financial statements

Brisio Innovations Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
For the periods ended March 31, 2018 and 2017
(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance as at January 1, 2018	36,507,993	$ 21,539,936	$ 1,251,950	$ (18,556,670)	$ 4,235,216
Issue of share capital, net	5,009,375	1,002,344	-	-	1,002,344
Net income for the period	-	-	-	(931,199)	(931,199)
Balance as at March 31, 2018	41,517,368	**$ 22,542,280**	**$ 1,251,950**	**$ (19,487,869)**	**$ 4,306,361**

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance as at January 1, 2017	29,061,828	$ 20,393,294	$ 1,046,628	$ (16,900,144)	$ 4,539,778
Issue of share capital, net	7,171,165	1,075,674	-	-	1,075,674
Net income for the period	-	-	-	621,717	621,717
Balance as at March 31, 2017	36,232,993	**$ 21,468,968**	**$ 1,046,628**	**$ (16,278,427)**	**$ 6,237,169**

The notes are an integral part of these condensed interim consolidated financial statements

Brisio Innovations Inc.

Condensed Interim Consolidated Statements of Cash Flows
For the period ended March 31, 2018, with comparative figures for 2017
(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

Year Ended December 31,	For the three months ended March 31, 2018	For the three months ended March 31, 2017
CASH FLOWS PROVIDED BY (USED IN):		
Operating activities		
Net income for the period	**$ (931,199)**	$ 621,717
Adjustment for items not involving cash:		
Foreign exchange gain	**(946)**	267
Unrealized (gain) / loss on investments	**1,074,983**	(663,857)
Realized gain on sale of investment	**(201,540)**	(30,977)
	(58,701)	(72,850)
Changes in non-cash working capital:		
Decrease (increase) in accounts receivable	**16,177**	24,409
Decrease (increase) in GST recoverable	**(2,216)**	(110)
Decrease (increase) in prepaid expenses	**(5,449)**	(3,793)
Increase (decrease) in accounts payable and accrued liabilities	**(102,725)**	(76,212)
	(152,914)	(128,556)
Investing activities		
Long-term deposit on investment	**(257,110)**	-
Sale of investments	**26,375**	33,902
Purchase of investments	**(235,000)**	(80,810)
	(465,735)	(46,908)
Financing activities		
Issuance of common shares	**1,036,000**	1,024,925
Exercise of warrants	**2,344**	50,750
	1,038,344	1,075,675
Foreign exchange on cash and cash equivalents	**946**	(267)
Increase (decrease) in cash and cash equivalents	**420,641**	899,944
Cash and cash equivalents, beginning of period	**49,145**	21,554
Cash and cash equivalents, end of period	**$ 469,786**	$ 921,498

The notes are an integral part of these condensed interim consolidated financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Brisio Innovations Inc. (the "Company") is a publicly listed company incorporated in Canada with limited liability under the legislation of the Province of British Columbia. The Company's shares are listed on the Canadian Securities Exchange ("CSE"). The head office and principal address is 409 Granville Street, Suite 1052, Vancouver, British Columbia, Canada, V6C 1T2.

The unaudited condensed interim consolidated financial statements of the Company as at and for the three months ended March 31, 2018 and 2017 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group primarily invests its capital in companies and opportunities which management believes are undervalued in order to build a portfolio of investments.

These unaudited condensed interim consolidated financial statements ("interim financial statements") have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Group will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

For the three months ended March 31, 2018, the Group had a net loss of $931,199 (2017 – net income $621,717), has a working capital of $322,255 (December 31, 2017 – deficit of $156,599) and an accumulated deficit of $19,487,869 (December 31, 2017 - $18,556,670). These material uncertainties lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Group's ability to continue as a going concern is dependent upon earning sufficient returns on its investments and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time. These interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. BASIS OF PREPARATION

(a) Statement of compliance:

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These interim financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. They do not include all the information required for full annual financial statements.

These interim financial statements were approved by the Board of Directors on May 30, 2018.

2. BASIS OF PREPARATION (continued)

(b) Functional and presentation currency:

These interim financial statements are presented in Canadian dollars, which is the Group's functional currency.

(c) Basis of measurement:

The interim financial statements have been prepared on the historical cost basis except for financial instruments that are measured at their fair value.

In addition, these interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(d) Use of estimates and judgments:

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant accounting estimates:

a. The judgment of indications of impairment of each asset and related determination of the net realizable value and write-down of these assets where applicable;
b. The tax basis of assets and liabilities and related deferred income tax assets and liabilities;
c. The inputs used in determining the valuation of share purchase warrants owned by Brisio; and
d. The fair value of the convertible note.

2. BASIS OF PREPARATION (continued)

(d) Use of estimates and judgments (continued):

Significant accounting judgments:

a. The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management;

b. The analysis of the functional currency for each entity of the Group. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant, management also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained; and

c. The going concern risk assessment (see note 1).

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2017, except for the following:

The Company adopted IFRS 9 – Financial Instruments on January 1, 2018. The adoption of the standard was applied retrospectively and the opening balance sheet as of January 1, 2017 was adjusted.

On transition to IFRS 9, the Company's financial assets were classified into the following categories:

- FVTPL – Cash and cash equivalents, convertible notes and investments
- FVOCI – None
- Amortized Cost – Accounts receivable

The only change in classification was to the Company's investments which were previously classified as Available for Sale. Since the AFS classification already required the investments to be recorded on the balance sheet at fair value there was no adjustment to the carrying value of the investments. The change in classification will result in past and future unrealized gains and losses on the Company's investments being recorded in profit and loss before tax instead of in other comprehensive invoice and loss net of tax. The accumulated unrealized gains and losses on the Company's investments will be included in retained earnings/deficit instead of accumulated other comprehensive income/loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Refer to Note 9 for quantitative details pertaining to the adoption of this standard.

Summary of changes in accounting policies

The Company adopted the following new standards and interpretations issued by the IASB effective January 1, 2017. The adoption of these standards had no impact on the Group's consolidated financial statements.

IAS 7 (Amendment)	*Statement of Cash Flows*
IAS 12 (Amendment)	*Income Taxes*
IFRS 12 (Amendment)	*Disclosure of Interests in Other Entities*

The Company adopted the following new standards and interpretations issued by the IASB effective January 1, 2018. The adoption of these standards had no impact on the Group's consolidated financial statements with the exception of IFRS 9 (note 9).

IFRS 9	*Financial Instruments:Classification and Measurement* (note 9)
IFRS 15	*Revenue from Contracts with Customers*
IFRS 2 (Amendment)	*Clarification of Classification & Measurement of Share-Based Payment Transactions*

The following standards and interpretations have been issued but are not yet effective. The Group is currently assessing the impact that these standards will have on the interim financial statements. The Group plans to adopt these standards as soon as they become effective for the Group's reporting period.

Effective annual periods beginning on or after January 1, 2019:	
IFRS 16	*Leases*

4. DETERMINATION OF FAIR VALUES

Estimates of the fair value of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. At March 31, 2018, the Group's financial instruments include cash and cash equivalents, accounts receivable, convertible note, investments, and accounts payable and accrued liabilities. Accounts receivable, and accounts payable and accrued liabilities are recognized on the consolidated statement of financial position at their carrying value which approximated their fair value due to their short-term nature.

(Expressed in Canadian Dollars)

4. DETERMINATION OF FAIR VALUES (continued)

All financial instruments measured at fair value are categorized into a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are described below:

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

The following table sets forth the Group's financial assets measured at fair value by level within the fair value hierarchy.

March 31, 2018	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 469,786	$	$ -	$ 469,786
Investment - shares	$ 3,269,581	$	$ -	$ 3,269,581
Investment - warrants	$ -	$	$ 1,180	$ 1,180
Convertible note	$ -	$	$ 581,235	$ 581,235

December 31, 2017	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 49,145	$ -	$ -	$ 49,145
Investment - shares	$ 3,532,252	$ -	$ -	$ 3,532,252
Investment - warrants	$ -	$ -	$ 199,828	$ 199,828
Convertible note	$ -	$ -	$ 581,235	$ 581,235

5. FINANCIAL RISK MANAGEMENT

(a) Overview

The Group’s activities expose it to a variety of financial risks that arise as a result of its activities such as:

- market risk
- credit risk
- liquidity risk

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk.

The Board of Directors oversees management’s establishment and execution of the Group’s risk management framework. Management has implemented and monitors compliance with risk management policies. The Group’s risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Group’s activities.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Group’s cash is held in bank accounts and due to the short-term nature of these financial instruments fluctuations in market interest rates do not have significant impact on the fair value as at March 31, 2018.

The Group’s sensitivity to interest rates is currently immaterial due to the short term maturity of its monetary assets and liabilities.

(ii) Foreign currency risk

Currency risk is the risk to the Group's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Group does not use derivative instruments to reduce its exposure to foreign currency risk.

(Expressed in Canadian Dollars)

5. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(ii) Foreign currency risk (continued)

At March 31, 2018, the Group had the following financial assets and liabilities in foreign currencies:

	US Dollars	Argentine Pesos
Cash	$ -	(550)
Accounts receivable	$ -	24,827
Accounts payable	$ 19,725	445,323

At March 31, 2018, US dollar amounts were converted at a rate of $1.00 US dollars to $1.2894 Canadian dollars and Argentine pesos amounts were converted at a rate of 1.00 Argentine pesos to $0.06387 Canadian dollars.

(iii) Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk. The Group is exposed to significant other price risk. A 5% increase or decrease in the value of its investments will impact other comprehensive income (loss) by approximately $160,000.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Group’s cash and cash equivalents and accounts receivable are exposed to credit risk. The credit risk on cash and cash equivalents is considered small because the majority of funds have been placed with major Canadian and Argentinean financial institutions. Management believes that the credit risk related to its accounts receivable is remote.

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group’s approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet liabilities when due.

At March 31, 2018, the Group had a cash balance of $469,786, accounts receivable of $9,964 and GST recoverable of $7,597. The Group has accounts payable and accrued liabilities of $142,658. The Group intends to raise adequate funds to meet its liquidity needs for the next twelve months via private placement or the sale of over-performing investments.

6. CAPITAL MANAGEMENT

The Group considers its capital structure to include working capital deficiency and shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Group is reasonable.

The Group is not subject to any external capital restrictions and the Group did not change its approach to capital management during the period.

7. CONVERTIBLE NOTE

On September 12, 2016, the Company completed an investment in ImmunoPrecise Antibodies. Ltd. ("**IPA**"). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note**"). The Convertible Note earns interest at a rate of 5% per annum, calculating and accruing daily from the date of issue, payable in arrears on an annual basis commencing on September 12, 2016, and matured on September 12, 2017. Such interest shall be paid in Canadian currency or common shares in accordance with the terms.

In the event that IPA completes a reverse takeover to list on stock exchange ("**Pubco**"), the principal amount of the Convertible Note will be convertible into 650,000 units of Pubco issued at a price of $0.15 per unit. Each Unit will consist of one common share of Pubco (a "**Pubco Share**") and one share purchase warrant ("**Pubco Warrant**"). Each Pubco Warrant will entitle the Company to acquire one additional Pubco Share at a price of $0.30 per share for a period of twelve (12) months from the date of issue of the Pubco Warrants.

At December 31, 2016, the Convertible Note was revalued to fair value due to the conversion feature embedded in the Convertible Note. As a result, the change in fair value of the Convertible Note was $1,397,612. The estimated fair value of the Convertible Note comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model with the following assumptions: Dividend yield 0%; expected annual volatility 100%; risk-free interest rate 0.75%; market share price of $1.29; and expected life of 1 year. Expected volatility was based on the volatility of similar companies.

On March 16, 2017, the Convertible Note was converted into 650,000 units of IPA at a price of $0.15 per unit. The fair value of the Convertible Note on conversion date comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model with the following assumptions: Dividend yield 0%; expected annual volatility 282%; risk-free interest rate 0.64%; market share price of $1.24; and expected life of 1 year. Expected volatility was based on the volatility of similar companies. As a result, the change in fair value of the Convertible Note was $56,823. The Company was issued 650,000 common shares of IPA and 650,000 warrants which entitle the Company to acquire one additional share of IPA at a price of $0.30 per share for a period of twelve (12) months from the date of issue. In February 2018, the Company exercised 650,000 warrants of IPA at a price of $0.30 per share for a total of $195,000.

7. CONVERTIBLE NOTE (continued)

On August 9, 2017, the Company completed an investment in Atlas Engineered Products Ltd. (**"Atlas"**). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note2**"). The Convertible Note2 earns interest at a rate of 5% per annum, calculating and accruing daily from the date of issue, payable in arrears on an annual basis commencing on August 9, 2017, and matures on August 9, 2018. Such interest shall be paid in Canadian currency or common shares in accordance with the terms.

In the event that Atlas completes a reverse takeover to list on stock exchange ("**Pubco2**"), the principal amount of the Convertible Note2 will be convertible into 487,500 units of Pubco2 issued at a price of $0.20 per unit. Each Unit will consist of one common share of Pubco2 (a "**Pubco2 Share**") and one share purchase warrant ("**Pubco2 Warrant**"). Each Pubco2 Warrant will entitle the Company to acquire one additional Pubco2 Share at a price of $0.40 per share for a period of twelve (12) months from the date of issue of the Pubco2 Warrants.

At December 31, 2017, the Convertible Note2 was revalued to fair value due to the conversion feature embedded in the Convertible Note2. As a result, the change in fair value of the Convertible Note2 is $383,735. The estimated fair value of the Convertible Note2 comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model with the following assumptions: Dividend yield 0%; expected annual volatility 100%; risk-free interest rate 1.52%; market share price of $0.65; and expected life of 1 year. Expected volatility was based on the volatility of similar companies.

On December 12, 2017, the Company received a promissory note from Nanalysis Corp. (**"Nanalysis"**) for advancing a principal amount of $100,000 (the "**Convertible Note3**"). The purpose of the Convertible Note3 is to assist Nanalysis with a proposed business combination (the "**Transaction**"), with the combined entity after giving effect to the Transaction being the resulting issuer (the "**Resulting Issuer**"). The Convertible Note3 earns simple, non-compounding interest at a rate of 11% per annum. If the Transaction closes, the principal amount plus accrued interest shall be exchangeable into Resulting Issuer shares at a price of $0.75 per unit, with each unit consisting of one common share of the Resulting Issuer and one share purchase warrant of the Resulting Issuer. Each warrant will entitle the Company to purchase one additional common share of the Resulting Issuer at $1.00 per share for a period of twelve months from the date of issue. If the Transaction does not close, the principal amount plus accrued interest shall be due and payable in full on July 1, 2021.

Nanalysis will make equal monthly payments on the principal amount outstanding plus accrued interest on the first day of every month of each year, commencing on July 1, 2018. Nanalysis may at any time prepay the principal amount plus accrued interest thereon, in whole or in part without notice of penalty. Until the principal amount plus accrued interest is paid back, the Company, may, at its option from time to time, elect to have the unpaid principal amount plus accrued interest, or a portion thereof, repaid by Nanalysis by issuing class A common shares at a price of $0.25 per share.

(Expressed in Canadian Dollars)

8. INVESTMENTS

March 31, 2018

	Lite Access Technologies Inc.		Pioneering Technologies		Renoworks Software Inc.		NAMSYS Inc.		Allur Group		Total Telcom Inc.	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, Jan. 1, 2018	319,099	$ 462,694	1,021,300	$ 868,105	137,000	$ 30,140	120,000	$ 76,800	523,332	$ 78,500	340,000	$ 105,400
Purchased	-	-	-	-	-	-	-	-	-	-	-	-
Converted	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale	-	-	-	-	-	-	-	-	-	-	-	-
Warrants expired	-	-	-	-	-	-	-	-	-	-	.	-
Warrants exercised	-	-	-	-	-	-	-	-	-	-	-	-
Realized gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain (loss)	-	(73,393)	-	(459,585)	-	(4,110)	-	(16,800)	-	-	-	(34,000)
Balance, Mar 31, 2018	319,099	$ 389,301	1,021,300	$ 408,520	137,000	$ 26,030	120,000	$ 60,000	523,332	$ 78,500	340,000	$ 71,400

	Vigil Health Solutions		ImmunoPrecise Antibodies		ImmunoPrecise Antibodies – Warrants		Gatekeeper Systems Inc.		Gatekeeper Systems Inc. – Warrants		Innovotech Inc	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, Jan. 1, 2018	750,000	$ 525,000	1,650,000	$ 990,000	650,000	$ 196,229	750,000	$ 97,500	375,000	$ 3,597	287,000	$ 41,615
Purchased	-	-	-	-	-	-	-	-	-	-	-	-
Converted	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale	-	-	-	-	-	-	-	-	-	-	(175,000)	(26,375)
Warrants expired	-	-	-	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	650,000	195,000	(650,000)	-	-	-	-	-	-	-
Realized gain (loss)	-	-	-	188,500	-	-	-	-	-	-	-	13,040
Unrealized gain (loss)	-	(97,500)	-	(16,500)	-	(196,229)	-	(26,250)	-	(2,417)	-	(18,200)
Balance, Mar 31, 2018	750,000	$ 427,500	2,300,000	$ 1,357,000	-	$ -	750,000	$ 71,250	375,000	$ 1,180	112,000	$ 10,080

	Atlas Engineer Products Ltd.		Irronwood Capital		
	Number	Amount	Number	Amount	Total
Balance, Jan. 1, 2018	500,000	$ 335,000	-	$ -	$ 3,810,580
Purchased	-	-	200,000	40,000	40,000
Converted	-	-	-	-	-
Proceeds from sale	-	-	-	-	(26,375)
Warrants expired	-	-	-	-	-
Warrants exercised	-	-	-	-	195,000
Realized gain (loss)	-	-	-	-	201,540
Unrealized gain (loss)	-	(130,000)	-	-	(1,074,984)
Balance, Mar 31, 2018	500,000	$ 205,000	200,000	$ 40,000	$ 3,145,761

(Expressed in Canadian Dollars)

8. INVESTMENTS (continued)

December 31, 2017

	Lite Access Technologies Inc.		Interna Solutions Inc. – warrants		Renoworks Software Inc.		Allur Group		International Barrier Tech		Innovotech Inc.	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, Jan. 1, 2017	331,499	$ 623,218	2,000,000	$ -	100,000	$ 46,000	523,332	$ 78,500	17,500	$ 5,425	-	$ -
Purchased	-	-	-	-	37,000	15,850	-	-	100,000	35,000	291,000	22,410
Converted	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale	(12,400)	(20,526)	-	-	-	-	-	-	(117,500)	(58,163)	(4,000)	(540)
Warrants expired	-	-	(2,000,000)	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	-	-	-	-	-	-	-	-	-	-
Realized gain (loss)	-	17,962	-	-	-	-	-	-	-	17,423	-	231
Unrealized gain (loss)	-	(157,961)	-	-	-	(31,710)	-	-	-	315	-	19,513
Balance, Dec.31, 2017	319,099	$ 462,693	-	$ -	137,000	$ 30,140	523,332	$ 78,500	-	$ -	287,000	$ 41,614

	NAMSYS Inc		ImmunoPrecise Antibodies		ImmunoPrecise Antibodies – Warrants		Gatekeeper Systems Inc.		Gatekeeper Systems Inc. – Warrants		Vigil Heath Solutions	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Balance, Jan. 1, 2017	100,000	$ 65,000	1,000,000	$ 1,290,000	-	$ -	-	$ -	-	$ -	-	$ -
Purchased	20,000	12,000	-	-	-	-	750,000	150,000	375,000	-	750,000	340,905
Converted	-	-	650,000	806,000	650,000	748,198	-	-	-	-	-	-
Proceeds from sale	-	-	-	-	-	-	-	-	-	-	-	-
Warrants expired	-	-	-	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	-	-	-	-	-	-	-	-	-	-
Realized gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain (loss)	-	(200)	-	(1,106,000)	-	(551,967)	-	(52,500)	-	3,597	-	184,095
Balance, Dec. 31, 2017	120,000	$ 76,800	1,650,000	$ 990,000	650,000	$ 196,231	750,000	$ 97,500	375,000	$ 3,597	750,000	$ 525,000

	Total Telcom Inc		Atlas Engineer Products Ltd.		Pioneering Tech – shares		Pioneering Tech – warrants		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Total
Balance, Jan. 1, 2017	-	$ -	-	$ -	665,500	$ 658,845	600,000	$ 447,347	$ 3,214,335
Purchased	340,000	74,010	500,000	200,000	-	-	-	-	850,175
Converted	-	-	-	-	-	-	-	-	1,554,198
Proceeds from sale	-	-	-	-	(244,200)	(246,476)	-	-	(325,705)
Warrants expired	-	-	-	-	-	-	-	-	-
Warrants exercised	-	-	-	-	600,000	150,000	(600,000)	-	150,000
Realized gain (loss)	-	-	-	-	-	203,538	-	-	239,154
Unrealized gain (loss)	-	31,390	-	135,000	-	102,198	-	(447,347)	(1,871,577)
Balance, Dec. 31, 2017	340,000	$ 105,400	500,000	$ 335,000	1,021,300	$ 868,105	-	$ -	$ 3,810,580

8. INVESTMENTS (continued)

On March 7, 2018, the Company signed a definitive share purchase agreement (the “Definitive Ageement”) with NameSilo, LLC (“NameSilo”) whereby the Company has agreed to acquire all of the issued and outstanding securities of NameSilo (the “Transaction”).

Under the terms of the Definitive Agreement, the Company will acquire all of the securities of NameSilo and, in consideration of which, the Company will pay a total of US$9,511,500 to the members of NameSilo (“NameSilo Members”). The closing of the Transaction is anticipated to be July 2, 2018.

Further, NameSilo Members will be entitled to certain earnout payments provided that the business achieves a specified EBITDA. All earnout payments will be made no later than August 15, 2018 and will be payable in cash and shares.

After completion of the Transaction, the Company intends to spin-out NameSilo as a separately listed entity on a Canadian stock exchange.

The Transaction is subject to customary conditions contained in the Definitive Agreement as well as approval of the stock exchange, and the Company completing sufficient financing to satisfy the purchase price. If the Company is unable to close the Transaction, the Company will be required to pay a break fee to NameSilo.

As of March 31, 2018, the Company has paid $132,110 (US$100,000) into the escrow account.

During the first quarter of 2018, the Company paid $125,000 towards a future investment in Silo Technologies.

9. TRANSITION TO IFRS 9 – FINANCIAL INSTRUMENTS

The Company adopted IFRS 9 – Financial Instruments on January 1, 2018. The adoption of the standard was applied retrospectively and the opening balance sheet as of January 1, 2017 was adjusted.

On transition to IFRS 9, the Company’s financial assets were classified into the following categories:

- FVTPL – Cash and cash equivalents, convertible notes and investments
- FVOCI – None
- Amortized Cost – Accounts receivable

The only change in classification was to the Company’s investments which were previously classified as Available for Sale. Since the AFS classification already required the investments to be recorded on the balance sheet at fair value there was no adjustment to the carrying value of the investments. The change in classification will result in past and future unrealized gains and losses on the Company’s investments being recorded in profit and loss before tax instead of in other comprehensive invoice and loss net of tax. The accumulated unrealized gains and losses on the Company’s investments will be included in retained earnings/deficit instead of accumulated other comprehensive income/loss.

(Expressed in Canadian Dollars)

9. TRANSITION TO IFRS 9 – FINANCIAL INSTRUMENTS (continued)

The only impact of the adoption to the transition balance sheet at January 1, 2017 was to transfer the balance of AOCI of $2,269,855 to deficit resulting in a change to the deficit from $19,169,999 to $16,900,144.

The impact of the retrospective application of IFRS 9 resulted in the following adjustments to net income previously reported for the quarter ended March 31, 2017:

Net income previously reported	$44,161
Change to DIT recovery	(86,301)
Unrealized gain on FVTPL	663,857
	621,717

The retrospective application also resulted in an increase to basic and diluted earnings per share of $0.02 per share.

10. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.
Unlimited number of preferred shares without par value.

(b) Issued

	March 31, 2018		December 31, 2017	
	Number of Shares	Amount	Number of Shares	Amount
Common shares:				
Balance, beginning of period	36,507,993	$21,539,936	29,061,828	$20,393,294
Transactions during the year:				
Private placement	5,000,000	1,000,000	5,332,834	799,925
Warrants exercised	9,375	2,344	1,838,331	275,750
Options exercised	-	-	275,000	70,967
Balance, end of period	**41,517,368**	**$22,542,280**	**36,507,993**	**$21,539,936**

On January 17, 2017, the Company closed a non-brokered private placement of 5,332,834 units at a price of $0.15 per unit for gross proceeds of $799,925. Each unit consists of one common share of the Company and one-quarter of one share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one addition share at a price of $0.25 per share for a period of two years from the closing of the financing, subject to an acceleration provision whereby, in the event that the average closing price is equal to or greater than $0.40 per share for a period of ten consecutive trading days, the Company may accelerate the expiry date of the warrants to a date that is thirty days after the notice of completion of such period.

10. SHARE CAPITAL (continued)

(b) Issued (continued)

During the first quarter of 2017, 1,838,331 warrants were exercised at $0.15 per share for gross proceeds of $275,750.

On September 6, 2017, the aggregate of 275,000 options were exercised for gross proceeds of $37,500. The weighted average share price on the date of exercise is $0.25 per share.

In January 2018, the Company closed a non-brokered private placement of 5,000,000 units at a price of $0.20 per unit for gross proceeds of $1,000,000. Each unit consists of one common share of the Company and one-half of one share purchase warrant. Each whole warrant will entitle the holder to purchase one additional share at a price of $0.30 per share for a period of two years from closing of the financing. In the event the average closing price is equal to or greater than $0.45 per share for a period of twenty consecutive trading days, the Company may accelerate the expiry date of the warrants to a date that is thirty days after the notice of completion of such period.

In January 2018, 9,375 warrants were exercised at a price of $0.25 for gross proceeds of $2,344.

In the first quarter, the Company received $36,000 for a private placement that has not closed yet.

(c) Stock options

The Company has a stock option plan in accordance with the policies on the Canadian Securities Exchange whereby, from time to time at the discretion of the Board of Directors, stock options are granted to directors, officers and certain consultants.

Under the plan up to 10% of the total number of issued common shares of the Company, calculated on a non-diluted basis, at the time an option is granted are available for the issuance of stock options. The exercise price of each option is based on the market price of the Company's common stock at the date of the grant less an applicable discount. The options can be granted for a maximum term of 10 years. The maximum number of options that may be granted to any one person must not exceed 5% of the common shares issued and outstanding at the time of grant unless disinterested shareholder approval is obtained. Any options granted to consultants or persons performing Investor Relations under the Amended Stock Option Plan shall vest to the optionee as follows: 25% at date of grant, 25% six months from date of grant, 25% nine months from date of grant and the remaining 25% twelve months from the date of grant. All other options granted under the Amended Stock Option Plan shall have vesting terms set at the discretion of the Board of Directors.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

(c) Stock options (continued)

A summary of the stock option activity is as follows:

	March 31, 2018		December 31, 2017	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Balance, beginning of period	2,640,000	$0.19	1,840,000	$0.15
Granted	-	-	1,075,000	0.23
Expired/Cancelled	-	-	-	-
Exercised	-	-	(275,000)	(0.14)
Balance, end of period	2,640,000	$0.19	2,640,000	$0.19

As at March 31, 2018 and December 31, 2017, the Company has outstanding directors' and employees' incentive stock options enabling the holders to acquire additional common shares as follows:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
540,000	540,000	$0.15	September 27, 2018
300,000	300,000	$0.30	February 28, 2019
150,000	150,000	$0.10	December 12, 2019
575,000	575,000	$0.10	August 4, 2021
1,000,000	1,000,000	$0.23	December 20, 2022
75,000	75,000	$0.23	December 29, 2022
2,640,000	2,640,000		3.20 years remaining

On September 6, 2017, the aggregate of 275,000 options were exercised for gross proceeds of $37,500

On December 20, 2017, the Company granted 1,000,000 stock options to officers and directors of the Company. The stock options were granted for a period of 5 years, expiring on December 20, 2022, and each stock option will allow the holder to purchase a common share of the Company at an exercise price of $0.23. On December 29, 2017, the Company granted an additional 75,000 stock options with the same terms to an officer of the Company.

For the year ended December 31, 2017, $238,789 (2016 - $43,515) has been recorded as share-based payment relating to options granted and vested during the year. The fair value of stock options was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions: Dividend yield 0% (2016 – 0%) expected annual volatility 189.9% (2016 - 129%); risk-free interest rate 1.82% (2016 - 0.75%);

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

(c) Stock options (continued)

market share price of $0.23 (2016 - $0.10); forfeiture rate of 0% and expected life of 5 years (2016 – 5 years). Expected volatility was based on the historical share price volatility over the past 5 years. The expected life of the option was calculated based on the history of option exercises.

(d) Warrants

	March 31, 2018		December 31, 2017	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Balance, beginning of year	1,333,208	$0.25	1,838,331	$0.15
Issued	2,500,000	0.30	1,333,208	0.25
Exercised	(9,375)	(0.25)	(1,838,331)	(0.15)
Expired/Cancelled	-	-	-	-
Balance, end of year	3,823,833	$0.25	1,333,208	$0.25

The outstanding warrants have a weighted average remaining life of 1.05 years.

During the first quarter of 2017, 1,838,331 warrants were exercised at $0.15 per share for gross proceeds of $275,750.

In January 2018, 9,375 warrants were exercised at $0.25 per share for gross proceeds of $2,344.

11. RELATED PARTY TRANSACTIONS

The aggregate amount of expenditures made to parties not at arm’s length to the Group for the three months ending March 31, 2018 and 2017 are:

March 31,	2018	2017
Compensation of key management:		
Management fees	$18,000	$ 18,000
Total	$18,000	$18,000

Paul Andreola, President and Director was paid or accrued management fees of $7,500 (2017 - $7,500) Colin Bowkett, Director was paid or accrued management fees of $7,500 (2017 - $7,500) and Scott MacEachern, Chief Financial Officer was paid or accrued management fees of $3,000 (2017 - $3,000).

11. RELATED PARTY TRANSACTIONS (continued)

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the three months ended March 31, 2018 and 2017.

12. SUBSEQUENT EVENTS

On May 18, 2018, the Company announced that it has closed the initial tranche of its previously announced non-brokered private placement financing (the "Financing") (see news release dated March 27, 2018) by issuing a total of 5,940,727 shares (each, a "Share") at a price of $0.35 per Share for gross proceeds of $2,083,466.

The securities issued under the initial tranche of the Financing will be subject to restrictions on resale until September 16, 2018. The Company paid finders a fee of $101,237 and issued a total of 20,300 shares of the Company.

The proceeds of the initial tranche of the Financing are being used for the Company's acquisition of NameSilo LLC and working capital purposes.

NameSilo Acquisition Update

The Company is also pleased to announce that it has paid a total of US$4.9 million to an escrow agent pursuant to the terms of the share purchase agreement with NameSilo LLC. The funds used for this escrow payment were through bridge loan financings of C$5.25 million and utilizing the Company's cash on hand.

Closing of the acquisition remains subject to Canadian Securities Exchange approval. The Company plans to close the acquisition of NameSilo LLC in summer 2018.

Convertible Debenture

The Company also announces that it issued a convertible debenture in the principal amount of $300,000. The debentures are secured on the assets of the Company, bear interest at a rate of 10% per annum, payable semi-annually and due eighteen months after closing. The debenture is convertible into common shares of the Company at a price of $0.50 per share. Further, the holder received a total of 300,000 detachable share purchase warrants. The warrants are exercisable at a price of $0.65 per share for a period of eighteen months from the date of issue. The proceeds of the convertible debenture were used to satisfy the payment for the NameSilo LLC acquisition as set forth above.

Appendix B

Financial Statements of NameSilo

NAMESILO, LLC
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(Expressed in United States Dollars)

Crowe MacKay LLP
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Independent Auditors' Report

To the Members of
NameSilo LLC

We have audited the accompanying consolidated financial statements of NameSilo LLC and its subsidiary, which comprise the consolidated statements of financial position as at December 31, 2017 and December 31, 2016, and the consolidated statements of comprehensive income, changes in members' capital and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of NameSilo LLC and its subsidiary as at December 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

"Crowe MacKay LLP"

Chartered Accountants
Vancouver, British Columbia
June 27, 2018

NAMESILO, LLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in United States Dollars)

	Note	December 31, 2017 $	December 31, 2016 $	December 31, 2015 $
Assets				
Current assets				
Cash and cash equivalents		386,533	306,033	262,247
Registry deposits		1,711,827	797,836	434,437
Prepaid domain name registry fees, current portion		4,769,600	3,172,504	2,087,315
Digital currency – held for distribution to members	5	4,168,613	-	-
		11,036,573	4,276,373	2,783,999
Prepaid domain name registry fees, long-term portion		593,994	425,232	297,910
Digital currency	5	-	319,731	73,108
Total assets		11,630,567	5,021,336	3,155,017
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		159,755	72,480	40,229
Customer deposits		345,083	207,322	126,925
Deferred revenue, current portion		5,541,166	3,644,518	2,441,955
Distribution payable	9	1,079,443	-	-
		7,125,447	3,924,320	2,609,109
Deferred revenue, long-term portion		660,147	469,324	325,275
		7,785,594	4,393,644	2,934,384
Members' capital				
Members' capital		403,700	403,700	403,700
Accumulated other comprehensive income		3,876,493	175,930	17,988
Retained earnings (Accumulated deficit)		(435,220)	48,062	(201,055)
		3,844,973	627,692	220,633
Total liabilities and member's capital		11,630,567	5,021,336	3,155,017

Approved and authorized on behalf of the Members on June 27, 2018:

"Michael McCallister" Member "Chris McMurry" Member

"Michael Goldfarb" Member "David Hurowitz" Member

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

NAMESILO, LLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2017 and 2016
(Expressed in United States Dollars)

	Note	2017 $	2016 $
Revenue		8,071,840	5,371,391
Cost of sales		7,208,398	4,820,818
Gross profit		863,442	550,573
Expenses			
Consulting fees	**10**	321,301	224,750
Dues and subscriptions		5,932	5,946
Hosting fees	**10**	35,884	22,242
Office and general		27,418	37,613
Professional fees		37,668	10,905
		428,203	301,456
Net income for the year		435,239	249,117
Other comprehensive income			
Digital currency revaluation	**5**	5,070,300	157,942
Comprehensive income for the year		5,505,539	407,059

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

NAMESILO, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' CAPITAL
(Expressed in United States Dollars)

	Members' Capital $	Accumulated Other Comprehensive Income (Note 5) $	Retained Earnings (Accumulated Deficit) $	Total $
Balance, December 31, 2015	**403,700**	**17,988**	(201,055)	220,633
Net income for the year	-	-	249,117	249,117
Digital currency revaluation	-	157,942	-	157,942
Balance, December 31, 2016	**403,700**	**175,930**	**48,062**	**627,692**
Net income for the year	-	-	435,239	435,239
Digital currency revaluation	-	5,070,300	-	5,070,300
Realized gain on digital currency		(1,369,737)	1,369,737	-
Distribution provided for or paid	-	-	(2,288,258)	(2,288,258)
Balance, December 31, 2017	**403,700**	**3,876,493**	**(435,220)**	**3,844,973**

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

NAMESILO, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2017 and 2016
(Expressed in United States Dollars)

	2017 $	2016 $
Operating activities:		
Net income for the year	435,239	249,117
Changes in non-cash working capital related to operations:		
Registry deposits	(913,991)	(363,399)
Digital currency	12,603	(88,681)
Prepaid domain name registry fees	(1,765,858)	(1,212,511)
Accounts payable and accrued liabilities	87,275	32,251
Customer deposits	137,761	80,397
Deferred revenue	2,087,471	1,346,612
Net cash provided by operating activities	80,500	43,786
Change in cash and cash equivalents during the year	80,500	43,786
Cash and cash equivalents – beginning of the year	306,033	262,247
Cash and cash equivalents – end of the year	386,533	306,033
Non-cash transactions:		
Digital currency distributed to members	1,208,815	-

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

1. NATURE OF OPERATIONS

NameSilo LLC (the "Company") is a limited liability company incorporated in the United State of America with limited liability under the legislation of the State of Arizona. The head office and principal address is Suite A-110 1300 E Missouri Avenue, Phoenix, Arizona 85014.

The Company is a provider of domain name registration services and marketplace services for the buying and selling of domain names.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These consolidated financial statements were approved by the Members on June 27, 2018.

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are carried at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Namesilo Canada Inc., incorporated in the Province of Ontario on February 9, 2017. All significant intercompany balances and transactions have been eliminated upon consolidation.

(d) Functional and presentation currency

These consolidated financial statements are presented in United States dollars, which is the functional currency of the Company and its subsidiary.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant estimates and judgements made in the preparation of these consolidated financial statements include, but are not limited to, the following areas, with further information contained in the applicable accounting policy or note:

Functional currency

The Company has used judgment in determining the currency of the primary economic environment in which the entity operates.

Digital currency

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for digital currencies and management has exercised significant judgement in determining appropriate accounting treatment. In making this determination on the accounting for the digital currencies the Company has reviewed the sources and uses of the digital currencies in the operations of its business. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements, and have been applied consistently by the Company.

(a) Foreign currency

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Any foreign currency gains or losses are recognized in net income (loss) for the period.

(b) Financial instruments

i. Financial assets

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

Financial assets designated at FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss. Regular way purchases and sales of financial assets designated at FVTPL are accounted for at trade date, as opposed to settlement date. The Company has designated its cash and cash equivalents as FVTPL.

Financial assets designated as loans and receivables or held-to-maturity are measured at amortized cost. The Company does not have any loans and receivable assets.

Financial assets designated as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. The Company does not have available-for-sale financial assets.

Transactions costs associated with FVTPL and available-for-sale financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

ii. Financial liabilities

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

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

Financial liabilities designated at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition at FVTPL. Derivatives, including separated embedded derivatives are also designated at FVTPL unless they are designated as effective hedging instruments. Fair value changes on financial liabilities designated at FVTPL are recognized through profit and loss. The Company has not designated any financial liabilities as FVTPL.

The Company is not engaged in any financial derivative contracts.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and cash equivalents that are readily convertible into cash and which are subject to insignificant risk of changes in value.

(d) Digital currency

The Company accepts digital currencies as a form of payment as consideration for their services. Revenue is measured based on the fair value of the digital currencies received. The fair value is determined using the spot price of the digital currency on the date of receipt, based on Blockchain.info.

The Company has classified its digital currencies as indefinite life intangible assets. The Company is using the re-valuation model to account for the digital currencies if there is an active market for their digital currencies and a significant value of daily transactions and a determinable market price for the digital currencies.

The digital currencies are recorded on the consolidated statement of financial position at their fair value and re-measured at each reporting date. Revaluation gains or losses are recognized in other comprehensive income. Realized gains and losses are transferred from accumulated other comprehensive income to retained earnings.

(e) Impairment

i. Financial assets

A financial asset, other than those designated at FVTPL is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

ii. Non-financial assets

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (“CGU”). The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell.

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. Value in use is generally computed by reference to the present value of the future cash flows expected to be derived from production of proven and probable reserves. An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of a CGU allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation or amortization, if no impairment loss had been recognized.

(f) Revenue recognition

Revenue is recorded when persuasive evidence of an arrangement exists, delivery of the product or service has occurred, the selling price is fixed or determinable and collectability is reasonably assured.

The Company’s revenues are derived from domain name registration fees and the sale of domain names. Amounts received in advance of meeting the revenue recognition criteria described below are recorded as deferred revenue.

i. Domain services

The Company earns registration fees in connection with each new, renewed and transferred-in registration. Service has been provided in connection with registration fees once the Company has confirmed that the requested domain name has been appropriately recorded in the registry under contractual performance standards.

Domain names are generally purchased for terms of one to ten years. Registration fees charged for domain name registration and provisioning services are recognized on a straight-line basis over the life of the contracted term.

For arrangements with multiple deliverables, the Company allocates revenue to each deliverable if the delivered item(s) has value to the customer on a standalone basis and, if the arrangement includes a general right of return relative to the delivered item, delivery or performance of the undelivered item(s) is considered probable and substantially in the control of the Company. The fair value of the selling price for a deliverable is determined using a hierarchy of (1) Company specific objective and reliable evidence, then (2) third-party evidence, then (3) best estimate of selling price. The Company allocates any arrangement fee to each of the elements based on their relative selling prices.

ii. Commissions

If the Company acts in the capacity of an agent rather than as the principal in a transaction, then the revenue recognized is the net amount of commission made by the Company.

(g) Deferred revenue

Deferred revenue primarily relates to the unearned portion of revenues received in advance related to the unexpired term of registration fees from domain name registrations.

(h) Registry deposits

Registry deposits represent amounts on deposit with, or receivable from, various domain name registries to be used by the Company to make payments for future domain registrations or renewals.

(i) Prepaid domain name registry fees

Prepaid domain name registry services fees represent amounts paid to registries, and country code domain name operators for updating and maintaining the registries. Domain name registry fees are recognized on a straight-line basis over the life of the contracted registration term.

(j) Customer deposits

Customer deposits are collections and credits from customer that can be redeemed for services offered by the Company.

(k) Income tax

The Company is an LLC for U.S. income tax purposes and is treated as a flow through entity. The Company is not subject to U.S. income taxes as all earnings flow through to the owners to report on their tax returns. Therefore, there is no income taxes recorded in these consolidated financial statements. The change of the status of the Company for U.S. income tax purposes in the future would result in a change in the accounting for income taxes.

(Expressed in United States Dollars)

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following revised standards are effective for the annual periods noted with earlier application permitted. The Company also has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

Financial instruments
In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39") and all previous versions of IFRS 9. The new standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Company intends to adopt IFRS 9 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The extent of the impact of adoption has not yet been determined.

Revenue recognition
In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company intends to adopt IFRS 15 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The extent of the impact of adoption has not yet been determined.

Leases
In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. The Company intends to adopt IFRS 16 in its consolidated financial statements for the annual period beginning January 1, 2019. The extent of the impact of adoption has not yet been determined.

5. DIGITAL CURRENCIES

The Company has the following digital currencies:

	2017		2016		2015	
	#	Fair Value	#	Fair Value	#	Fair Value
Bitcoin	247	$ 3,419,742	332	$ 319,731	170	$ 73,108
Bitcoin Gold	319	-	-	-	-	-
Bitcoin Cash	316	748,871	-	-	-	-
		$ 4,168,613		$ 319,731		$ 73,108

The Company has recorded re-valuation gains in other comprehensive income of:

2017	$ 157,942
2016	$ 5,070,300

The Company also recorded a realized gain on disposition and transferred from accumulated other comprehensive income to retained earnings $1,369,737 during 2017.

(Expressed in United States Dollars)

The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices or lack of an active market for the digital currencies would have a significant impact on the Company's other comprehensive income and financial position.

The Company uses Blockchain.info as the exchange to transact in bitcoin and bitcoin cash.

The Company intends to transfer all the digital currencies held at December 31, 2017 to the members as a distribution within six months of the year-end. The digital currencies have been recorded as an asset held for distribution to the members and classified as a current asset in the current year.

6. FAIR VALUE MEASUREMENT

Estimates of the fair value of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. At December 31, 2017, the Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. Cash and cash equivalents and accounts payable are recognized on the statement of financial position at their carrying value which approximated their fair value due to their short-term nature.

All financial instruments measured at fair value are categorized into a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are described below:

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

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
December 31, 2017	**$**	**$**	**$**	**$**
Cash and cash equivalents	386,533	-	-	386,533
	386,533	-	-	386,533

	Level 1	Level 2	Level 3	Total
December 31, 2016	**$**	**$**	**$**	**$**
Cash and cash equivalents	306,033	-	-	306,033
	306,033	-	-	306,033

	Level 1	Level 2	Level 3	Total
December 31, 2015	**$**	**$**	**$**	**$**
Cash and cash equivalents	262,247	-	-	262,247
	262,247	-	-	262,247

7. FINANCIAL RISK MANAGEMENT

(a) Overview

The Company's activities expose it to a variety of financial risks that arise as a result of its activities such as market risk, credit risk, and liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Management establishes and executes the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a. Interest rate risk
The Company's cash and cash equivalents is held in bank accounts and due to the short-term nature of these financial instruments, fluctuations in market interest rates do not have significant impact on the fair value as at December 31, 2017.

The Company's sensitivity to interest rates is currently immaterial due to the short-term maturity of its monetary assets and liabilities.
.

b. Foreign currency risk
Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

As at December 31, 2017, the Company did not hold any financial assets or liabilities in foreign currencies.

c. Other price risk
Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents are exposed to credit risk. The credit risk on cash and cash equivalents is considered small because the majority of funds have been placed with accredited US financial institutions.

(Expressed in United States Dollars)

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet liabilities when due.

8. CAPITAL MANAGEMENT

The Company considers its capital structure to include working capital and members' capital. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Company is reasonable.

The Company is not subject to any external capital restrictions and the Company did not change its approach to capital management during the period.

9. MEMBERS' CAPITAL

In December 2017, the Company's members agreed to distribute digital currency to its members as a non-cash distribution. The distribution was measured at the fair value of the digital currency agreed to be distributed ($2,417,631). A distribution of $1,208,815 was made in December 2017 and a further $1,208,816 distribution payable was recorded. Due to a decline in value at December 31, 2017 of the digital currency to be distributed the distribution payable and the distribution provided for or paid recorded in the statements of changes in members' capital were reduced by $129,373.

10. RELATED PARTY TRANSACTIONS

The aggregate amount of expenditures made to parties not at arm's length to the Company for the years ending December 31, 2017 and 2016 are:

	Year ended December 31,	
	2017	**2016**
	$	**$**
Consulting fees to a related company	321,301	224,750
Hosting fees to a related company	19,900	17,400
	341,201	242,150

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the years ended December 31, 2017 and 2016.

11. SEGMENTED REPORTING

The Company operates in a single reporting segment, domain services.

During the years ended December 31, 2017 and 2016, no customer accounted for more than 10% of total revenue.

The Company operates in a single geographic region, the United States of America, because it is impracticable to determine the country of the customer.

12. SUBSEQUENT EVENTS

Subsequent to the year-end the Company distributed digital currency to the members:

- 75 bitcoin to settle the distribution payable at December 31, 2017 valued at $846,000 on the date of distribution.
- 300 bitcoin cash as a distribution in 2018 valued at $525,000 on the date of distribution.
- 120 bitcoin as a distribution in 2018 valued at $1,035,000 on the date of distribution.

On the distribution of the 75 bitcoin to settle the distribution payable at December 31, 2017 the distribution originally recorded for 2017 will be reduced by $233,443 resulting in an increase in retained earnings of the same amount.

A distribution of $1,560,000 will be recorded in 2018 to reflect the value of the 300 bitcoin cash and 120 bitcoin distributed to the members. This will reduce retained earnings by $1,560,000.

The value of bitcoin and bitcoin cash has declined since December 31, 2017. The decline in value between the year-end date and the date of distribution of the above digital currency was approximately $1,005,000. This reduction in value will be recorded as a digital currency revaluation in other comprehensive income and reduce accumulated other comprehensive income.

The realized gain occurring on the distribution of the digital currency will be transferred from accumulated other comprehensive income to retained earnings. The estimated amount of the realized gain is $2,175,000.

NAMESILO, LLC
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017

(Unaudited – Expressed in United States Dollars)

NAMESILO, LLC
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Expressed in United States Dollars)

	Note	March 31, 2018 $	December 31, 2017 $
Assets			
Current assets			
Cash and cash equivalents		1,601,256	386,533
Registry deposits		897,075	1,711,827
Prepaid domain name registry fees, current portion		6,347,114	4,769,600
Digital currency – held for distribution to members	**5**	379,752	4,168,613
		9,225,197	11,036,573
Prepaid domain name registry fees, long-term portion		631,933	593,994
Total assets		9,857,130	11,630,567
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		189,898	159,755
Customer deposits		476,075	345,083
Deferred revenue, current portion		7,301,956	5,541,166
Distribution payable	**6**	-	1,079,443
		7,967,929	7,125,447
Deferred revenue, long-term portion		688,258	660,147
		8,656,187	7,785,594
Members' capital			
Members' capital		403,700	403,700
Accumulated other comprehensive income		256,061	3,876,493
Retained earnings (accumulated deficit)		541,182	(435,220)
		1,200,943	3,844,973
Total liabilities and member's capital		9,857,130	11,630,567

Approved and authorized on behalf of the Members on July 26, 2018:

______________________________Member ______________________________Member

______________________________Member ______________________________Member

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

NAMESILO, LLC
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
For the three months ended March 31, 2018 and 2017
(Unaudited – Expressed in United States Dollars)

	Note	2018 $	2017 $
Revenue		1,975,334	1,787,171
Cost of sales		1,734,286	1,591,715
Gross profit		241,048	195,456
Expenses			
Consulting fees	**7**	86,692	100,000
Dues and subscriptions		2,525	1,556
Hosting fees	**7**	6,191	6,257
Office and general		9,721	1,234
Professional fees		8,255	2,668
		113,384	111,715
Net income for the period		127,664	83,741
Other comprehensive (loss) income			
Digital currency revaluation	**5**	(1,440,038)	73,112
Comprehensive (loss) income for the period		(1,312,374)	156,853

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

NAMESILO, LLC
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' CAPITAL
(Unaudited – Expressed in United States Dollars)

	Members' Capital $	Accumulated Other Comprehensive Income (Note 5) $	Retained Earnings (Accumulated Deficit) $	Total $
Balance, December 31, 2016	**403,700**	**175,930**	**48,062**	**627,692**
Net income for the period	-	-	83,741	83,741
Digital currency revaluation	-	73,112	-	73,112
Balance, March 31, 2017	**403,700**	**249,042**	**131,803**	**784,545**
Net income for the period	-	-	351,498	351,498
Digital currency revaluation	-	4,997,188	-	4,997,188
Realized gain on digital currency	-	(1,369,737)	1,369,737	-
Distribution provided for or paid	-	-	(2,288,258)	(2,288,258)
Balance, December 31, 2017	**403,700**	**3,876,493**	**(435,220)**	**3,844,973**
Net income for the period	-	-	127,664	127,664
Digital currency revaluation	-	(1,440,038)	-	(1,440,038)
Realized gain on digital currency	-	(2,180,394)	2,180,394	-
Distribution paid	-	-	(1,331,656)	(1,331,656)
Balance, March 31, 2018	**403,700**	**256,061**	**541,182**	**1,200,943**

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

NAMESILO, LLC
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended March 31, 2018 and 2017
(Unaudited – Expressed in United States Dollars)

	2018 **$**	**2017** **$**
Operating activities:		
Net income for the period	127,664	83,741
Changes in non-cash working capital related to operations:		
Registry deposits	814,752	424,905
Digital currency	(62,276)	37,102
Prepaid domain name registry fees	(1,615,453)	(29,586)
Accounts payable and accrued liabilities	30,143	(72,480)
Customer deposits	130,992	(61,450)
Deferred revenue	1,788,901	148,200
Net cash provided by operating activities	1,214,723	530,432
Change in cash and cash equivalents during the period	1,214,723	530,432
Cash and cash equivalents – beginning of the period	386,533	306,033
Cash and cash equivalents – end of the period	1,601,256	836,465

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

1. NATURE OF OPERATIONS

NameSilo LLC (the "Company") is a limited liability company incorporated in the United State of America with limited liability under the legislation of the State of Arizona. The head office and principal address is Suite A-110 1300 E Missouri Avenue, Phoenix, Arizona 85014.

The Company is a provider of domain name registration services and marketplace services for the buying and selling of domain names.

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, using the same accounting policies as detailed in the Company's audited consolidated financial statements for the year ended December 31, 2017. They do not include all the information required for complete annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and therefore should be read together with the audited consolidated financial statements for the year ended December 31, 2017.

These condensed interim consolidated financial statements were approved by the Members on July 26, 2018.

(b) Basis of measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are carried at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of consolidation

These condensed interim consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Namesilo Canada Inc., incorporated in the Province of Ontario on February 9, 2017. All significant intercompany balances and transactions have been eliminated upon consolidation.

(d) Functional and presentation currency

These condensed interim consolidated financial statements are presented in United States dollars, which is the functional currency of the Company and its subsidiary.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant estimates and judgements made in the preparation of these consolidated financial statements include, but are not limited to, the following areas:

Functional currency
The Company has used judgment in determining the currency of the primary economic environment in which the entity operates.

Digital currency

There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for digital currencies and management has exercised significant judgement in determining appropriate accounting treatment. In making this determination on the accounting for the digital currencies the Company has reviewed the sources and uses of the digital currencies in the operations of its business. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following revised standards are effective for the annual periods noted with earlier application permitted. The Company also has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

Financial instruments
In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39") and all previous versions of IFRS 9. The new standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Company intends to adopt IFRS 9 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The adaption of this standard is not expected to have material impact on the Company's financial statements.

Revenue recognition
In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company intends to adopt IFRS 15 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The adaption of this standard is not expected to have material impact on the Company's financial statements.

Leases
In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. The Company intends to adopt IFRS 16 in its consolidated financial statements for the annual period beginning January 1, 2019. The extent of the impact of adoption has not yet been determined.

(Unaudited – Expressed in United States Dollars)

5. DIGITAL CURRENCIES

The Company has the following digital currencies:

	March 31, 2018		December 31, 2017	
	#	Fair Value	#	Fair Value
Bitcoin	53	$ 368,964	247	$ 3,419,742
Bitcoin Cash	16	10,788	316	748,871
		$ 379,752		$4,168,613

The Company has recorded re-valuation losses in other comprehensive loss of $1,440,038 for the three months ended March 31, 2018 (2017 – gains of $73,112).

The Company also recorded a realized gain on disposition and transferred from accumulated other comprehensive income to retained earnings $2,180,394 during the period ended March 31, 2018 ($1,369,737 during the year ended December 31, 2017).

The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices or lack of an active market for the digital currencies would have a significant impact on the Company's other comprehensive income and financial position.

The Company uses Blockchain.info as the exchange to transact in bitcoin and bitcoin cash.

The Company intends to transfer all the digital currencies held at March 31, 2018 to the members as a distribution within three months of the period-end. The digital currencies have been recorded as an asset held for distribution to the members and classified as a current asset in the current period.

6. MEMBERS' CAPITAL

In December 2017, the Company's members agreed to distribute digital currency to its members as a non-cash distribution. The distribution was measured at the fair value of the digital currency agreed to be distributed ($2,417,631). A distribution of $1,208,815 was made in December 2017 and a further $1,208,816 distribution payable was recorded. Due to a decline in value at December 31, 2017 of the digital currency to be distributed the distribution payable and the distribution provided for or paid recorded in the statements of changes in members' capital were reduced by $129,373. During the period ended March 31, 2018, the Company distributed 75 bitcoin to the members in satisfaction of the distribution payable. Due to a decline in value of bitcoin at the date of distribution, distributions paid was reduced by a further $233,254 to reflect this decline in value.

During the period ended March 31, 2018, the Company also distributed 120 bitcoin valued at $1,040,270 and 300 bitcoin cash valued at $524,640 to the members.

(Unaudited – Expressed in United States Dollars)

7. RELATED PARTY TRANSACTIONS

The aggregate amount of expenditures made to parties not at arm's length to the Company for the three months ending March 31, 2018 and 2017 are:

	Three months ended March 31,	
	2018	**2017**
	$	**$**
Consulting fees to a related company	86,692	100,000
Hosting fees to a related company	4,950	4,950
	91,642	104,950

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the three months ended March 31, 2018 and 2017.

8. SEGMENTED REPORTING

The Company operates in a single reporting segment, domain services.

During the three months ended March 31, 2018 and 2017, no customer accounted for more than 10% of total revenue.

The Company operates in a single geographic region, the United States of America, because it is impracticable to determine the country of the customer.

Appendix C

Management Discussion and Analysis of the Company

This following management's discussion and analysis ("**MD&A**") for Brisio Innovations Inc. was prepared by management based on information available as at April 30, 2018. It should be reviewed together with the audited annual consolidated financial statements for the year ended December 31, 2017 (the "**Annual Financial Statements**"), and the MD&A and audited annual consolidated financial statements for the year ended December 31, 2016. The Company's quarterly unaudited condensed interim consolidated financial statements and the year-end audited annual consolidated financial statements are filed on SEDAR and are available for review at www.sedar.com.

As used in this MD&A, the terms "we", "us", "our", "Brisio", "the Group" and "our Company" mean Brisio Innovations Inc. and our subsidiaries, Green River Petroleum (USA) Inc., a Washington corporation, and Netco Argentina S.A., an Argentinean corporation unless the context clearly requires otherwise.

Unless otherwise noted, all dollar amounts are expressed in Canadian dollars ("**C$**" or "**$**") and any references to common shares are to common shares in the capital of Brisio Innovations Inc., unless the context clearly requires otherwise.

Forward-Looking Statements

Certain information in this MD&A and the documents incorporated by reference contain forward-looking statements, which includes forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements are statements which relate to future events or our future performance, including our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", or "potential" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks described in the section titled "Risk Factors" commencing on page 11 of this MD&A, that may cause the Company's or the industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking information and statements will occur or, if they do occur, what benefits we will obtain from them. This MD&A contains forward-looking information and statements, which may include but are not limited to: statements with respect to the financial and operating performance of the Company and its subsidiaries; investment objectives and strategies; the business goals and strategies; forecast operating and financial results; planned capital expenditures; potential future market for our products; our plans for, and results of, exploration and development activities; our treatment under governmental regulatory and tax laws; competitive advantages; business prospects and opportunities; costs and timing of developmental new projects; our management's assessment of future plans and operations; our anticipated liquidity and various matters that may impact such liquidity; and requirements for additional capital.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested in this MD&A. These assumptions, which include: management's current expectations; estimates and assumptions about certain projects and the markets we operate in; the global economic environment; interest rates; the successful and timely implementation of capital projects; our ability to generate sufficient cash flow from operations to meet our current and future obligations and other risks and uncertainties described from time to time in the filings we make with securities regulatory authorities; the impact of increasing competition; our ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects in which we have an interest to operate the field in a safe, efficient and effective manner; future commodity prices; currency, exchange and interest rates; taxes and environmental matters in the jurisdictions in which we operate may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking information and statements, including, but not limited to: the failure of the Company to execute our business plans; general economic conditions as they affect us; risks arising from our operations generally; competition; accuracy of cost estimates; fluctuations in product supply and demand; risks associated with technology and its application to our business; changes in the applicable regulatory framework, including changes in regulatory approval process and land–use designations, tax, environmental, and other laws or regulations, or changes associated with compliance; the loss of key management employees; our ability to control our operating costs, general administrative and other expenses; other factors beyond our control; insufficient investor interest in our securities which may impact on our ability to raise additional financing as required; and those factors described in the section titled "Risk Factors" in this MD&A.

The forward-looking information is based on the estimates and opinions of our management at the time they are made. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Readers of this MD&A are cautioned not to rely on these forward-looking information and statements. The forward-looking information in this MD&A is made as of April 30, 2018 and the Company assumes no obligation to update or revise them to reflect new events or circumstance, except as required by law.

Description of Business

Brisio is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Company's common shares are listed on the Canadian Securities Exchange (the "**CSE**") under the symbol "BZI".

Our management's primary objective is to identify and secure innovative investment opportunities.

Overall Performance

For the year ended December 31, 2017, the Company had a net income of $172,029 (2016 – $1,906,310), had working capital deficit of $156,599 (2016 – $169,669) and an accumulated deficit at December 31, 2017 of $18,997,970 (2016 – $19,169,999). These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company's ability to continue as a going concern is dependent upon earning sufficient returns on its investments and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time.

Brisio invests its capital in companies and opportunities which management believes are undervalued in order to build a portfolio of investments.

In 2007, the Company acquired and continues to retain a 7.5% working interest in undeveloped leases in the Columbia River Basin of south central Washington. As of December 31, 2017, the Company has an interest in approximately 4 undeveloped gross mineral acres. As a consequence of negative results from two unsuccessful exploratory gas wells, the Company has written off the value of the Columbia River Basin properties.

Annual Financial Information

The following table contains a summary of our financial results for the years ended December 31, 2017, 2016 and 2015:

	Years Ended December 31		
(C$)	**2017**	**2016**	**2015**
Gross Revenues	46	6,384	16,829
Net Income (Loss) for the Year	172,029	1,906,310	(535,423)
Basic and Diluted Net Income (Loss) per Share	0.02	0.07	(0.02)
Total Assets	4,480,599	4,769,487	522,948
Total Long-Term Financial Liabilities	0	0	0

The discussion and analysis of our financial condition and results of operations is based on our Annual Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Application of IFRS requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the revenues and expenses reported during the period. Changes in these estimates, judgments and assumptions will occur as a result of future events, and accordingly, actual results could differ from amounts estimated. Our reporting currency is Canadian dollars.

Discussion of Operations

Year ended December 31, 2017 compared to the year ended December 31, 2016:

Brisio had a net income during the year ended December 31, 2017 of $172,029 compared to a net income of $1,906,310 for the same period in 2016. The decreased income is primarily due to the change in fair value of convertible note of $440,558 compared to $1,397,612 in 2016 and the realized gain on the sale of investments of $239,154 compared to $491,658 in the year ended December 31, 2017.

General and administrative expenses increased to $472,654 for the year ended December 31, 2017 compared to $285,135 for the same period in 2016. The increased general and administrative expense is partially due to share based payment $238,789 in the year ended December 31, 2017 compared to $43,515 in 2016. Professional fees decreased to $36,667 compared to $37,304 in the same period in 2016. The Company had a foreign exchange gain of $8,510 in the year ended December 31, 2017 compared to a gain of $6,660 for the same period in 2016.

The unrealized loss on investments net of tax was $1,828,555 for the year ended December 31, 2017 compared to an unrealized gain of $1,956,091 for the same period in 2016.

Share capital increased to $21,539,936 as of December 31, 2017 from $20,393,294 at December 31, 2016, primarily as a result of closing a financing on January 17, 2017 of 5,332,834 units (each, a "**Unit**") at a price of $0.15 per Unit for gross proceeds of $799,295,1,838,331 warrants being exercised at $0.15 per share for gross proceeds of $275,750 and 275,000 options exercised for gross proceeds of $37,500.

As of December 31, 2017, the Company has the following investments:

Name	# of Shares	# of Warrants	Value
Lite Access Technologies Inc.	319,099	-	$462,693
Pioneering Technologies	1,021,300	-	$868,105
Renoworks Software Inc.	137,000	-	$30,140
NAMSYS Inc.	120,000	-	$76,800
Allur Group	523,332	-	$78,500
ImmunoPrecise Antibodies	1,650,000	650,000(1)	$1,186,231
Total Telcom Inc.	340,000	-	$105,400
Gatekeeper Systems Inc	750,000	375,000(2)	$101,097
Vigil Health Solutions	750,000	-	$525,000
Innovotech Inc.	287,000	-	$41,614
Atlas Engineered Products	500,000	-	$335,000
Total Investments			**$3,810,580**

(1) each warrant entitles the Company to acquire one additional ImmunoPrecise share at a price of $0.30 per share until March 16, 2018. Subsequent to the year end, these warrants were exercised.

(2) each warrant entitles the Company to acquire one additional Gatekeeper Systems Inc share at a price of $0.30 per share until April 28, 2019.

On August 4, 2016, the Company granted 650,000 stock options to officers and directors of the Company. The stock options were granted for a period of 5 years, expiring on August 4, 2021, and each stock option will allow the holder to purchase a common share of the Company at an exercise price of $0.10.

On September 12, 2016, the Company completed an investment in ImmunoPrecise Antibodies Ltd. ("**IPA**"). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note**"). In the event that IPA completes a reverse takeover to list on stock exchange ("**Pubco**"), the principal amount of the Convertible Note will be convertible into 650,000 units of Pubco issued at a price of $0.15 per unit. Each Unit will consist of one common share of Pubco (a "**Pubco Share**") and one share purchase warrant ("**Pubco Warrant**"). Each Pubco Warrant will entitle the Company to acquire one additional Pubco Share at a price of $0.30 per share for a period of twelve (12) months from the date of issue of the Pubco Warrants. At December 31, 2016, the Convertible Note was revalued to fair value due to the conversion feature embedded in the Convertible Note. As a result, the change in fair value of the Convertible Note was $1,397,612.

On March 16, 2017, the Convertible Note was converted into 650,000 units of IPA at a price of $0.15 per unit. The Company was issued 650,000 common shares of IPA and 650,000 warrants which entitles the Company to acquire one additional share of IPA at a price of $0.30 per share for a period of twelve (12) months from the date of issue.

IPA was a privately owned Canadian company located in Victoria, British Columbia, Canada. Their dedication to advancing antibody development has resulted in cutting-edge immunological innovations. With over 25 years of experience in the custom antibody business, IPA prides itself in providing high customer satisfaction through a customized professional approach. IPA is comprised of experienced research and development scientists and encompasses a wide range of distinctive competencies, including innovative technologies required in the production of monoclonal and polyclonal antibodies. IPA customizes its client's projects to generate antibodies that meet their specific needs. Their clients include leading companies and scientists in the biotech and pharmaceutical sector, as well as government and academic researchers.

On January 17, 2017, the Company closed a non-brokered private placement financing (the "**Financing**") of 5,332,834 units (each, a "**Unit**") at a price of $0.15 per Unit for gross proceeds of up to $799,925. Each Unit consists of one common share of the Company (each, a "**Share**") and one-quarter of one share purchase warrant (each, a "**Warrant**"). Each whole Warrant will entitle the holder thereof to purchase one additional Share at a price of $0.25 per Share for a period of two yearsfrom warrant issue date, subject to an acceleration provision whereby, in the event that the average closing price is equal to or greater than $0.40 per Share for a period of ten consecutive trading days, the Company may accelerate the expiry date of the Warrants, to a date that is thirty days after the notice of completion of such period. The securities issued under the private placement will be subject to restrictions on resale expiring on May 18, 2017. The proceeds of the Financing will be used for general working capital.

On May 19, 2017, the Company purchased 750,000 common shares of Vigil Health Solutions Inc. (VGL.V) at a price of $0.45 per share for a total purchase price of $337,500. This represents approximately 4.4% of the issued and outstanding shares of Vigil.

Victoria, BC, based Vigil Health Solutions, is a leader in innovative call systems and resident monitoring solutions for senior living. The Vigil Integrated Care Management System™ is the one platform that addresses resident needs throughout the full continuum of care including independent living, assisted living, memory care and skilled nursing.

The Company held its Annual General Meeting of shareholder on Friday, July 7, 2017 at 2:00 pm in Vancouver, BC and all resolutions placed before the shareholders were voted in favour.

On August 9, 2017, the Company completed an investment in Atlas Engineered Products Ltd. (**"Atlas**"). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note2**"). The Convertible Note2 earned interest at a rate of 5% per annum, calculating and accruing daily from the date of issue, payable in arrears on an annual basis commencing on August 9, 2017. Such interest shall be paid in Canadian currency or common shares in accordance with the terms.

In the event that Atlas completes a reverse takeover to list on stock exchange ("**Pubco2**"), the principal amount of the Convertible Note2 will be convertible into 487,500 units of Pubco2 issued at a price of $0.20 per unit. Each Unit will consist of one common share of Pubco2 (a "**Pubco2 Share**") and one share purchase warrant ("**Pubco2 Warrant**"). Each Pubco2 Warrant will entitle the Company to acquire one additional Pubco2 Share at a price of $0.40 per share for a period of twelve (12) months from the date of issue of the Pubco2 Warrants.

On December 12, 2017, the Company received a promissory note from Nanalysis Corp. (**"Nanalysis**") for advancing a principal amount of $100,000 (the "**Convertible Note3**"). The purpose of the Convertible Note3 is to assist Nanalysis with a proposed business combination (the "**Transaction**"), with the combined entity after giving effect to the Transaction being the resulting issuer (the "**Resulting Issuer**"). The Convertible Note3 earns simple, non-compounding interest at a rate of 11% per annum. If the Transaction closes, the principal amount plus accrued interest shall be exchangeable into Resulting Issuer shares at a price of $0.75 per unit, with each unit consisting of one common share of the Resulting Issuer and one share purchase warrant of the Resulting Issuer. Each warrant will entitle the Company to purchase one additional common share of the Resulting Issuer at $1.00 per share for a period of twelve months from the date of issue. If the Transaction does not close, the principal amount plus accrued interest shall be due and payable in full on July 1, 2021.

Nanalysis will make equal monthly payments on the principal amount outstanding plus accrued interest on the first day of every month of each year, commencing on July 1, 2018. Nanalysis may at any time prepay the principal amount plus accrued interest thereon, in whole or in part without notice of penalty. Until the principal amount plus accrued interest is paid back, the Company, may, at its option from time to time, elect to have the unpaid principal amount plus accrued interest, or a portion thereof, repaid by Nanalysis by issuing class A common shares at a price of $0.25 per share.

Fourth Quarter

Three-month period ended December 31, 2017 compared to the three-month period ended December 31, 2016:

Brisio had a net income for the three-month period ended December 31, 2017 of $164,982 compared to a net income of $1,973,715 for the same period in 2016.

General and administrative expenses increased to $302,131 for the three-month period ended December 31, 2017 compared to $79,695 for the same period in 2016. The increase is primarily due to share based payment of $238,789 in the three months ended December 31, 2017 compared to $nil in the same period in 2016. Professional fees decreased to $16,036 compared to $26,225 in the same period in 2016.

The unrealized loss on sale of investments net of tax was $1,193,241 for the three-month period ended December 31, 2017 compared to a gain of $1,477,804 for the same period in 2016.

On December 1, 2017, Mr. Steve Vestergaard resigned from the Board of Directors.

Also on December 1, 2017, Mr. Kristaps Ronka was appointed to the Board of Directors. Mr. Ronka is an entrepreneur, investor and advisor. He co-founded AdParlor in 2007, a Toronto-based bootstrapped company that in 4 years became the leader in handling large Facebook Ad campaigns reaching a $100 million run rate. In 2011, Mr. Ronka was named in Inc.'s "Top 30 under 30" most promising young entrepreneurs for disrupting the industry with a visionary approach. AdParlor was acquired in 2011. Mr. Ronka has since focused on advising and backing start-up companies that are solving important problems and building disruptive technologies from transportation to medicine. His extensive knowledge of business management, new technologies and his network of established contacts will be a valued contribution to the Brisio management team.

On December 20, 2017, the Company granted 1,000,000 stock options to officers and directors of the Company. The options were granted for a period of 5 years, expiring on December 20, 2022, and each stock option will allow the holder to purchase a common share of the Company at an exercise price of $0.23. Certain stock options will be subject to vesting restrictions.

On December 29, 2017, the Company granted 75,000 stock options to an officer of the Company. The options will be exercisable at $0.23 per share and expire on December 29, 2022.

Summary of Quarterly Results

The following table presents selected unaudited consolidated financial information for the last eight quarters:

	2017				2016			
(C$)	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Gross Revenues	-	15	31	-	423	2,146	1,825	1,990
Net Income (Loss) for the Period	177,029	10,603	(47,717)	44,161	1,906,310	(13,180)	(51,181)	(3,044)
Basic & Diluted Income (Loss) per Share	0.01	0.00	0.00	0.01	0.07	0.00	0.00	0.00

Liquidity and Capital Resources

Cash and cash equivalents at December 31, 2017 totaled $49,145 compared to $21,554 as at December 31, 2016.

As of December 31, 2017, the Company had a working capital deficit of 156,599 compared to $169,669 as at December 31, 2016.

At December 31, 2017, the Company had a cash and cash equivalents balance of $49,145, accounts receivable of $26,141 and goods and services tax recoverable of $5,381 to settle current liabilities of $245,383.

The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time. These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In March 2016, the Company closed a non-brokered private placement pursuant to which it sold an aggregate of 3,776,666 Units at a price of $0.075 per Unit, for gross proceeds of $283,250.

On January 17, 2017, the Company closed a non-brokered private placement financing of 5,332,834 Units at a price of $0.15 per Unit, for gross proceeds of up to $799,925.

In the first quarter of 2017, the aggregate of 1,818,331 warrants were exercised at a price of $0.15 per share for gross proceeds of $272,750.

In the second quarter of 2017, the aggregate of 20,000 warrants were exercised at a price of $0.15 per share for gross proceeds of $3,000.

On September 6, 2017, the aggregate of 275,000 options were exercised for gross proceeds of $37,500.

Off-Balance Sheet and Other Financial Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

We do not have any commitments under contracts or other types of hedging arrangements which might expose us to commodity price or production volume risks.

We do not have in place any off-balance sheet financing type arrangements.

Transactions between Related Parties

During the year ended December 31, 2017, directors of the Company billed management and director fees totaling $72,000 (2016 - $75,000). Paul Andreola, President and Director was paid or accrued a total of $30,000 (2016 - $34,000), Colin Bowkett, Director was paid or accrued a total of $30,000 (2016 - $28,000) and Scott MacEachern, Chief Financial Officer was paid or accrued a total of $12,000 (2016 - $13,000).

Proposed Transactions and Subsequent Events

On January 15, 2018, the Company closed a non-brokered private placement financing of 5,000,000 units (each, a "**Unit**") at a price of $0.20 per Unit for gross proceeds of $1,000,000. Each Unit consists of one common share of the Company (each, a "**Share**") and one-half of one share purchase warrant (each, a "**Warrant**"). Each whole Warrant entitles the holder thereof to purchase one additional Share at a price of $0.30 per Share for a period of two years. In the event that the average closing price is equal to or greater than $0.45 per Share for a period of twenty consecutive trading days, the Company may accelerate the expiry date of the Warrants to a date that is thirty days after the notice of completion of such period.

On January 22, 2018, 9,375 warrants were exercised at price of $0.25 per share for total proceeds of $2,344.

In March 2018, the Company signed a definitive share purchase agreement (the "**Definitive Agreement**") with NameSilo, LLC ("**NameSilo**") whereby the Company has agreed to acquire all of the issued and outstanding securities of NameSilo (the "**Transaction**"). With a priority of no interruption to existing customers or NameSilo's growth trajectory, the Transaction will not impact the existing operations of NameSilo and the founders, who are also the owner/operators of NameSilo and who will continue in their current roles and continue operating the business. Further, there are no planned changes to the system infrastructure or operational policies of the business.

NameSilo is a low-cost provider of domain name registration and management services, and is an ICANN-accredited registrar. NameSilo is a high growth registrar with nearly 1.5 million domains under management, and over 85,000 customers from approximately 160 countries. According to RegistrarOwl.com, which provides domain registrar industry statistics from ICANN, NameSilo is the 6th-fastest growing registrar in the world based on percentage growth of new registrations, and 6th-fastest growing registrar in the world when based on net new registrations, behind household names such as Google, GoDaddy and Alibaba. NameSilo recorded approximately US$11.1 million in annual recurring billings in 2017 up from US$6.9 million in 2016. It has grown its domain names under management from approximately 745,000 domains at the beginning of 2017 to over 1.35 million today, a growth rate of over 65% versus industry averages of approximately 7%. Additionally, NameSilo maintains a customer retention rate of approximately 87%.

Under the terms of the Definitive Agreement, the Company will acquire all of the securities of NameSilo and, in consideration of which, the Company will pay a total of US$9,511,500 (the "**Purchase Price**") to the members of NameSilo (the "**NameSilo Members**"). The closing of the Transaction is anticipated to be July 2, 2018. Further, NameSilo Members will be entitled to certain earnout payments provided that the business achieves a specified EBITDA. All earnout payments will be made no later than August 15, 2018 and will be payable in cash and shares. After completion of the Transaction, the Company intends to spin-out NameSilo as a separately listed entity on a Canadian stock exchange. The board of directors of the Company will provide further details on the proposed spin-out on closing of the Transaction.

The Transaction is subject to customary conditions contained in the Definitive Agreement as well as approval of the stock exchange, and the Company completing sufficient financing to satisfy the Purchase Price. If the Company is unable to close the transaction, the Company will be required to pay a break fee to NameSilo.

Critical Accounting Estimates

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods.

Our management routinely makes judgments and estimates about the effects of matters that are inherently uncertain. As the number of variables and assumptions affecting the probable future resolution of the uncertainties increase, these judgments become even more subjective and complex. We have identified certain accounting policies that are the most important to the portrayal of our current financial condition and results of operations.

The key elements and assumptions that we have made under these principles and their impact on the amounts reported in the December 31, 2017 Annual Financial Statements remain substantially unchanged from those described in our December 31, 2016 annual audited financial statements.

Please refer to Note 3 of our Annual Financial Statements for our Significant Accounting Policies.

The significant accounting policies that we use are disclosed in the notes to our Annual Financial Statements for the year ended December 31, 2017. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The following discussion outlines such accounting policies and is included in the MD&A to aid the reader in assessing our significant accounting policies and practices of our Company and the likelihood of materially different results being reported. Our management reviews its estimates regularly.

The following significant accounting policies outline the major policies involving critical estimates:

Impairment

Financial assets:

A financial asset, other than those designated as FVTPL is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Income Tax Accounting

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that if the income tax expense related to items recognized directly in equity, the income tax expense would also be recognized in equity. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share-Based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid. The amount remains in contributed surplus if the options expire unexercised.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Share Purchase Warrants of Other Companies Owned by Brisio

Where Brisio acquires share purchase warrants when making an investment in another company by way of private placement, the fair value of the warrants is included as an investment asset and charged to other comprehensive income. The value of the share purchase warrants is estimated by application of the Black Scholes pricing model. The inputs used in determining the valuation of share purchase warrants owned by Brisio are based on estimates, and result in an estimate valuation of the share purchase warrants. The warrants are revalued on a quarterly basis.

Convertible Note Valuation

The Company entered into a convertible note which was revalued to fair value due to the conversion feature embedded in the convertible note. The estimated fair value of the convertible note comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model. The inputs used in determining the valuation of convertible notes is based on estimates, and result in an estimate valuation of the convertible note.

Legal, Environmental Remediation and Other Contingent Matters

We are required to both determine whether a loss is probable based on judgment and interpretation of laws and regulations and determine that the loss can reasonably be estimated. When the loss is determined, it is charged to earnings. Our management must continually monitor known and potential contingent matters and make appropriate provisions by charges to earnings when warranted by circumstance.

New Accounting Standards and Interpretations

The Company adopted the following standards amendments effective on January 1, 2017. The adoption of these standards did not have an impact on the Annual Financial Statements.

Effective annual periods beginning on or after January 1, 2017:	
IAS 7 (Amendment)	*Statement of Cash Flows*
IAS 12 (Amendment)	*Income Taxes*
IFRS 12 (Amendment)	*Disclosure of Interests in Other Entities*

IFRS Standards not yet effective:	
Effective annual periods beginning on or after January 1, 2018:	
IFRS 9	*Financial Instruments: Classification and Measurement*
IFRS 15	*Revenue from Contracts with Customers*
IFRS 2 (Amendment)	*Clarification of Classification & Measurement of Share Based Payment Transactions*
Effective annual periods beginning on or after January 1, 2019:	
IFRS 16	*Leases*

The Company is currently assessing the impact that these standards will have on the Annual Financial Statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

Financial Instruments and Other Instruments

Our Company is exposed in varying degrees to a number of risks arising from financial instruments. The Board of Directors has overall responsibility for the establishment and oversight of our Company's risk management framework. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Board approves and monitors the risk management process. Please refer to Note 4 and 5 of our Annual Financial Statements for additional details on our Financial Instruments and Other Instruments.

Risk Factors

Ongoing global economic instability has had a significant negative impact on many segments of the world economy due to many factors including, without limitation: the effects of the subprime lending and general credit market crises, slower economic activity, decreased consumer confidence, reduced corporate profits and capital spending, adverse business conditions, increased unemployment and liquidity concerns, high level of investment risk due to possibility of security prices rising and falling significantly in a short period of time. We cannot predict the timing or duration of economic slowdowns or the timing or strength of subsequent economic recoveries, worldwide or in our industry, and we cannot predict the extent to which economic slowdowns will impact our business. However, the uncertainty regarding the financial markets and worldwide political and economic climates are expected to likely have a negative impact on our business, financial condition and results of operations.

Risks Related to the Departure of Key Employees and Contractors: The Company's success is closely linked to its ability to maintain a relationship with its key employees and contractors. If, for whatever reason, they leave or become unavailable for an extended period, this could have an impact on the Company.

The Company's future success will also depend on its ability to attract, train, retain and motivate very technically skilled employees and contractors. Losing one or more key employees, managers, or contractors, or failing to attract new highly skilled staff could have a significant negative impact on the Company's revenue, earnings and financial position. The Company is organised today in such a way as to minimise risk related to the departure or extended unavailability of key employees or managers. One measure aimed at reducing this risk is stock options.

Risks Related to Dependence on Suppliers and Subcontractors: The Company works with several suppliers around the world and has not identified any major risks related to dependence on any supplier in particular.

The Company has no significant financial dependence on its subcontractors or suppliers that is likely to affect its development plan.

Litigation – Legal Proceedings and Arbitration: There are no government, court or arbitration proceedings, including any proceedings of which the Company is aware, which are pending or with which it is threatened, that could have or have had a significant impact on the financial position or profitability of the Company over the past 12 months, although there is always the possibility that such proceedings could arise.

Currency Fluctuations: We maintain our deposit accounts in U.S., Argentinean and Canadian currencies and we are therefore subject to currency fluctuations. These currency fluctuations could materially affect our financial position and results. We do not engage in currency hedging activities.

Inflation Risk in Argentina: Argentina has a history that includes high rates of inflation. This can affect the Company by increasing the cost of doing business in Argentina as well as decreasing the real value of the Argentine pesos kept in the Company's bank account in Argentina. The Company limits the risk of inflation by limiting the amount of funds kept in its Argentinean bank account. The Company only transfers to the Argentinean subsidiary the funds necessary to pay current liabilities and does not maintain any large bank account balances in Argentina.

***Need to Manage Growth*:** We could experience rapid growth in profits, personnel, complexity of administration and in other areas. There can be no assurance that we will be able to manage the impact that future growth could place on our administrative infrastructure, systems, and controls. If we are unable to manage future growth effectively, our business, operating results and financial condition may be materially and adversely affected.

Reliance on Key Personnel/Employees: The Company's success is largely dependent upon the performance of its directors and officers. As of February 2018, the Company has a C$500,000 Directors' and Officers' liability insurance policy. The loss of service of any director or officer could have a materially adverse effect on the Company.

Financial Risks: Financial risks include changing interest rates, which are beyond the Company's control. Additional financial risks are the Company's ability to raise capital to continue funding its operations.

Price of Investments Risks: Investors in equity securities may be exposed to a high level of risk because the prices of equity securities can rise and fall significantly in a short period of time. This could arise due to the ups and downs in the economic cycle and the fortunes of the issuing firm.

***Conflicts of Interest*:** Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors or officers will be in direct competition with our Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act.* Some of our directors and officers are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to our Company and their duties to the other companies on whose boards they serve, the directors and officers of our Company have agreed to the following:

1. participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial ability and needs of the companies to participate;

2. no commissions or other extraordinary consideration will be paid to such directors and officers; and

3. business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to our Company except on the same or better terms than the basis on which they are offered to third party participants.

Outstanding Share Data

Our common shares are listed for trading on the CSE under the symbol "BZI".

As of December 31, 2017, we had the following securities outstanding:

Class of Shares	Par Value	Number Authorized	Number Issued
Common	Nil	Unlimited	36,507,993
Preferred	Nil	Unlimited	Nil

Security Type	Number Outstanding	Exercise / Convert Price	Conversion / Expiry Date
Options	540,000	$0.15	September 27, 2018
Options	300,000	$0.30	February 28, 2019
Options	150,000	$0.10	December 12, 2019
Options	575,000	$0.10	August 4, 2021
Options	1,000,000	$0.23	December 20, 2022
Options	75,000	$0.23	December 29, 2022
Warrants	1,333,208	$0.25	January 17, 2019

As of the date of this MD&A, we had the following securities outstanding:

Class of Shares	Par Value	Number Authorized	Number Issued
Common	Nil	Unlimited	41,517,368
Preferred	Nil	Unlimited	Nil

Security Type	Number Outstanding	Exercise / Convert Price	Conversion / Expiry Date
Options	540,000	$0.15	September 27, 2018
Options	300,000	$0.30	February 28, 2019
Options	150,000	$0.10	December 12, 2019
Options	575,000	$0.10	August 4, 2021
Options	1,000,000	$0.23	December 20, 2022
Options	75,000	$0.23	December 29, 2022
Warrants	1,333,208	$0.25	January 17, 2019
Warrants	2,500,000	$0.30	January 15, 2020

There are no common shares held in escrow or subject to pooling.

Additional Information

Additional information relating to our Company is available on SEDAR at www.sedar.com. We also maintain a web site at www.brisio.com and an email address support@brisio.com for shareholder communication. Our phone number is (604) 644-0072.

This following management's discussion and analysis ("**MD&A**") for Brisio Innovations Inc. was prepared by management based on information available as at May 30, 2018. It should be reviewed together with the unaudited condensed interim consolidated financial statements for the quarter ended March 31, 2018 (the "**Interim Financial Statements**"), and the MD&A and audited annual consolidated financial statements for the year ended December 31, 2017. The Company's quarterly unaudited condensed interim consolidated financial statements and the year-end audited annual consolidated financial statements are filed on SEDAR and are available for review at www.sedar.com.

As used in this MD&A, the terms "we", "us", "our", "Brisio", "the Group" and "our Company" mean Brisio Innovations Inc. and our subsidiaries, Green River Petroleum (USA) Inc., a Washington corporation, and Netco Argentina S.A., an Argentinean corporation unless the context clearly requires otherwise.

Unless otherwise noted, all dollar amounts are expressed in Canadian dollars ("**C$**" or "**$**") and any references to common shares are to common shares in the capital of Brisio Innovations Inc., unless the context clearly requires otherwise.

Forward-Looking Statements

Certain information in this MD&A and the documents incorporated by reference contain forward-looking statements, which includes forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements are statements which relate to future events or our future performance, including our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", or "potential" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks described in the section titled "Risk Factors" commencing on page 11 of this MD&A, that may cause the Company's or the industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking information and statements will occur or, if they do occur, what benefits we will obtain from them. This MD&A contains forward-looking information and statements, which may include but are not limited to: statements with respect to the financial and operating performance of the Company and its subsidiaries; investment objectives and strategies; the business goals and strategies; forecast operating and financial results; planned capital expenditures; potential future market for our products; our plans for, and results of, exploration and development activities; our treatment under governmental regulatory and tax laws; competitive advantages; business prospects and opportunities; costs and timing of developmental new projects; our management's assessment of future plans and operations; our anticipated liquidity and various matters that may impact such liquidity; and requirements for additional capital.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested in this MD&A. These assumptions, which include: management's current expectations; estimates and assumptions about certain projects and the markets we operate in; the global economic environment; interest rates; the successful and timely implementation of capital projects; our ability to generate sufficient cash flow from operations to meet our current and future obligations and other risks and uncertainties described from time to time in the filings we make with securities regulatory authorities; the impact of increasing competition; our ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects in which we have an interest to operate the field in a safe, efficient and effective manner; future commodity prices; currency, exchange and interest rates; taxes and environmental matters in the jurisdictions in which we operate may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking information and statements, including, but not limited to: the failure of the Company to execute our business plans; general economic conditions as they affect us; risks arising from our operations generally; competition; accuracy of cost estimates; fluctuations in product supply and demand; risks associated with technology and its application to our business; changes in the applicable regulatory framework, including changes in regulatory approval process and land–use designations, tax, environmental, and other laws or regulations, or changes associated with compliance; the loss of key management employees; our ability to control our operating costs, general administrative and other expenses; other factors beyond our control; insufficient investor interest in our securities which may impact on our ability to raise additional financing as required; and those factors described in the section titled "Risk Factors" in this MD&A.

The forward-looking information is based on the estimates and opinions of our management at the time they are made. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Readers of this MD&A are cautioned not to rely on these forward-looking information and statements. The forward-looking information in this MD&A is made as of May 30, 2018 and the Company assumes no obligation to update or revise them to reflect new events or circumstance, except as required by law.

Description of Business

Brisio is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Company's common shares are listed on the Canadian Securities Exchange (the "**CSE**") under the symbol "BZI".

Our management's primary objective is to identify and secure innovative investment opportunities.

Overall Performance

For the three-month period ended March 31, 2018, the Company had a net loss of $931,199 (2017 – net income $621,717), had working capital $322,256 (December 31, 2017 – deficit of $156,599) and an accumulated deficit at March 31, 2018 of $19,487,869 (December 31, 2017 – deficit of $18,556,670). These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company's ability to continue as a going concern is dependent upon earning sufficient returns on its investments and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time.

Brisio invests its capital in companies and opportunities which management believes are undervalued in order to build a portfolio of investments.

In 2007, the Company acquired and continues to retain a 7.5% working interest in undeveloped leases in the Columbia River Basin of south central Washington. As of March 31, 2018, the Company has an interest in approximately 4 undeveloped gross mineral acres. As a consequence of negative results from two unsuccessful exploratory gas wells, the Company has written off the value of the Columbia River Basin properties.

Quarterly Financial Information

The following table contains a summary of our financial results for the three-month period ended March 31, 2018 and 2017:

	Three-month Ended March 31	
(C$)	**2018**	**2017**
Gross Revenues	0	0
Net Income (Loss) for the quarter	(931,199)	621,747
Basic and Diluted Net Income (Loss) per Share	(0.01)	0.03
Total Assets	4,485,019	6,390,666
Total Long-Term Financial Liabilities	0	0

The discussion and analysis of our financial condition and results of operations is based on our Interim Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Application of IFRS requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the revenues and expenses reported during the period. Changes in these estimates, judgments and assumptions will occur as a result of future events, and accordingly, actual results could differ from amounts estimated. Our reporting currency is Canadian dollars.

Discussion of Operations and First Quarter

Three-month period ended March 31, 2018 compared to the three-month period ended March 31, 2017:

Brisio had a net loss during the three-month period ended March 31, 2018 of $931,199 compared to a net income of $621,717 for the same period in 2017. The decreased income is primarily due to the unrealized loss on investments of $1,074,983 compared to an unrealized gain on investments of $663,857 in 2017.

General and administrative expenses decreased to $58,701 for the three-month period ended March 31, 2018 compared to $72,850 for the same period in 2017. The decreased general and administrative expense is partially due to decreased transfer agent and filing fees of $3,899 compared to $23,824 in 2017. In 2017, the Company accrued $20,500 (US$15,000) for US Securites filing fees. Professional fees increased to $20,036 compared to $14,088 in the same period in 2017. The Company had a foreign exchange gain of $946 in the three-month period ended March 31, 2018 compared to a loss of $267 for the same period in 2017.

The unrealized loss on investments was $1,074,983 for the three-month period ended March 31, 2018 compared to an unrealized gain of $663,857 for the same period in 2017.

Share capital increased to $22,542,280 as of March 31, 2018 from $21,539,936 at December 31, 2017, primarily as a result of closing a financing on January 15, 2018 of 5,000,000 units (each, a "**Unit**") at a price of $0.20 per Unit for gross proceeds of $1,000,000 and 9,375 warrants being exercised at $0.25 per share for gross proceeds of $2,344.

The Company adopted IFRS 9 – Financial Instruments on January 1, 2018. The adoption of the standard was applied retrospectively and the opening balance sheet as of January 1, 2017 was adjusted.

On transition to IFRS 9, the Company's financial assets were classified into the following categories:

- FVTPL – Cash and cash equivalents, convertible notes and investments

- FVOCI – None
- Amortized Cost – Accounts receivable

The only change in classification was to the Company's investments which were previously classified as Available for Sale. Since the AFS classification already required the investments to be recorded on the balance sheet at fair value there was no adjustment to the carrying value of the investments. The change in classification will result in past and future unrealized gains and losses on the Company's investments being recorded in profit and loss before tax instead of in other comprehensive invoice and loss net of tax. The accumulated unrealized gains and losses on the Company's investments will be included in retained earnings/deficit instead of accumulated other comprehensive income/loss.

The only impact of the adoption to the transition balance sheet at January 1, 2017 was to transfer the balance of AOCI of $2,269,855 to deficit resulting in a change to the deficit from $19,169,999 to $16,900,144.

The impact of the retrospective application of IFRS 9 resulted in the following adjustments to net income previously reported for the quarter ended March 31, 2017:

Net income previously reported	$44,161
Change to DIT recovery	(86,301)
Unrealized gain on FVTPL	663,857
	621,717

The retrospective application also resulted in an increase to basic and diluted earnings per share of $0.02 per share.

As of March 31, 2018, the Company has the following investments:

Name	# of Shares	# of Warrants	Value
Lite Access Technologies Inc.	319,099	-	$389,301
Pioneering Technologies	1,021,300	-	$408,520
Renoworks Software Inc.	137,000	-	$26,030
NAMSYS Inc.	120,000	-	$60,000
Allur Group	523,332	-	$78,500
ImmunoPrecise Antibodies	2,300,000(1)	-	$1,357,000
Total Telcom Inc.	340,000	-	$71,400
Gatekeeper Systems Inc.	750,000	375,000(2)	$72,430
Vigil Health Solutions	750,000	-	$427,500
Innovotech Inc.	112,000	-	$10,080
Atlas Engineered Products	500,000	-	$205,000
Ironwood Capital	200,000		$40,000
Total Investments			**$3,145,761**

(1) The Company had 650,000 warrants of ImmunoPrecise Antibodies. Each warrant entitled the Company to acquire one additional ImmunoPrecise share at a price of $0.30 per share until March 16, 2018. In the first quarter of 2018, these warrants were exercised.

(2) each warrant entitles the Company to acquire one additional Gatekeeper Systems Inc. share at a price of $0.30 per share until April 28, 2019.

On August 9, 2017, the Company completed an investment in Atlas Engineered Products Ltd. (**"Atlas"**). The Company subscribed for a convertible note in the principal amount of $97,500 (the "**Convertible Note1**"). The Convertible Note1 earned interest at a rate of 5% per annum, calculating and accruing daily from the date of issue, payable in arrears on an annual basis commencing on August 9, 2017. Such interest shall be paid in Canadian currency or common shares in accordance with the terms.

In the event that Atlas completes a reverse takeover to list on stock exchange ("**Pubco2**"), the principal amount of the Convertible Note1 will be convertible into 487,500 units of Pubco2 issued at a price of $0.20 per unit. Each Unit will consist of one common share of Pubco2 (a "**Pubco2 Share**") and one share purchase warrant ("**Pubco2 Warrant**"). Each Pubco2 Warrant will entitle the Company to acquire one additional Pubco2 Share at a price of $0.40 per share for a period of twelve (12) months from the date of issue of the Pubco2 Warrants.

On December 12, 2017, the Company received a promissory note from Nanalysis Corp. (**"Nanalysis**") for advancing a principal amount of $100,000 (the "**Convertible Note2**"). The purpose of the Convertible Note2 is to assist Nanalysis with a proposed business combination (the "**Transaction**"), with the combined entity after giving effect to the Transaction being the resulting issuer (the "**Resulting Issuer**"). The Convertible Note2 earns simple, non-compounding interest at a rate of 11% per annum. If the Transaction closes, the principal amount plus accrued interest shall be exchangeable into Resulting Issuer shares at a price of $0.75 per unit, with each unit consisting of one common share of the Resulting Issuer and one share purchase warrant of the Resulting Issuer. Each warrant will entitle the Company to purchase one additional common share of the Resulting Issuer at $1.00 per share for a period of twelve months from the date of issue. If the Transaction does not close, the principal amount plus accrued interest shall be due and payable in full on July 1, 2021.

Nanalysis will make equal monthly payments on the principal amount outstanding plus accrued interest on the first day of every month of each year, commencing on July 1, 2018. Nanalysis may at any time prepay the principal amount plus accrued interest thereon, in whole or in part without notice of penalty. Until the principal amount plus accrued interest is paid back, the Company, may, at its option from time to time, elect to have the unpaid principal amount plus accrued interest, or a portion thereof, repaid by Nanalysis by issuing class A common shares at a price of $0.25 per share.
On January 15, 2018, the Company closed a non-brokered private placement financing of 5,000,000 units (each, a "**Unit**") at a price of $0.20 per Unit for gross proceeds of $1,000,000. Each Unit consists of one common share of the Company (each, a "**Share**") and one-half of one share purchase warrant (each, a "**Warrant**"). Each whole Warrant entitles the holder thereof to purchase one additional Share at a price of $0.30 per Share for a period of two years. In the event that the average closing price is equal to or greater than $0.45 per Share for a period of twenty consecutive trading days, the Company may accelerate the expiry date of the Warrants to a date that is thirty days after the notice of completion of such period.

On January 22, 2018, 9,375 warrants were exercised at price of $0.25 per share for total proceeds of $2,344.

In March 2018, the Company signed a definitive share purchase agreement (the "**Definitive Agreement**") with NameSilo, LLC ("**NameSilo**") whereby the Company has agreed to acquire all of the issued and outstanding securities of NameSilo (the "**Transaction**"). With a priority of no interruption to existing customers or NameSilo's growth trajectory, the Transaction will not impact the existing operations of NameSilo and the founders, who are also the owner/operators of NameSilo and who will continue in their current roles and continue operating the business. Further, there are no planned changes to the system infrastructure or operational policies of the business.

NameSilo is a low-cost provider of domain name registration and management services, and is an ICANN-accredited registrar. NameSilo is a high growth registrar with nearly 1.5 million domains under management, and over 85,000 customers from approximately 160 countries. According to RegistrarOwl.com, which provides domain registrar industry statistics from ICANN, NameSilo is the 6th-fastest growing registrar in the world based on percentage growth of new registrations, and 6th-fastest growing registrar in the world when based on net new registrations, behind household names such as Google, GoDaddy and Alibaba. NameSilo recorded approximately US$11.1 million in annual recurring billings in 2017 up from US$6.9 million in 2016. It has grown its domain names under management from approximately 745,000 domains at the beginning of 2017 to over 1.35 million today, a growth rate of over 65% versus industry averages of approximately 7%. Additionally, NameSilo maintains a customer retention rate of approximately 87%.

Under the terms of the Definitive Agreement, the Company will acquire all of the securities of NameSilo and, in consideration of which, the Company will pay a total of US$9,511,500 (the "**Purchase Price**") to the members of NameSilo (the "**NameSilo Members**"). The closing of the Transaction is anticipated to be July 2, 2018. Further, NameSilo Members will be entitled to certain earnout payments provided that the business achieves a specified EBITDA. All earnout payments will be made no later than August 15, 2018 and will be payable in cash and shares. After completion of the Transaction, the Company intends to spin-out NameSilo as a separately listed entity on a Canadian stock exchange. The board of directors of the Company will provide further details on the proposed spin-out on closing of the Transaction.

The Transaction is subject to customary conditions contained in the Definitive Agreement as well as approval of the stock exchange, and the Company completing sufficient financing to satisfy the Purchase Price. If the Company is unable to close the transaction, the Company will be required to pay a break fee to NameSilo.

On March 27, 2018, the Company announced its intention to complete a non-brokered private placement financing of a minimum of 18,571,428 shares at a price of $0.35 per share for gross proceeds of a minimum of $6,500,000. The Company may pay a fee in cash and/or share purchase warrants in connection with this non-brokered private placement financing. The proceeds will be used for the Company's acquisition of NameSilo LLC and working capital purposes.

Summary of Quarterly Results

The following table presents selected unaudited consolidated financial information for the last eight quarters:

	2018	2017				2016		
(C$)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Gross Revenues	-	-	15	31	-	423	2,146	1,825
Net Income (Loss) for the Period	(931,199)	177,029	10,603	(47,717)	44,161	1,906,310	(13,180)	(51,181)
Basic & Diluted Income (Loss) per Share	(0.01)	0.01	0.00	0.00	0.01	0.07	0.00	0.00

Liquidity and Capital Resources

Cash and cash equivalents at March 31, 2018 totaled $469,786 compared to $49,145 as at December 31, 2017.

As of March 31, 2018, the Company had a working capital of $322,255 compared to a working capital deficit of $156,599 as at December 31, 2017.

At March 31, 2017, the Company had a cash and cash equivalents balance of $469,786, accounts receivable of $9,964 and goods and services tax recoverable of $7,597 to settle current liabilities of $142,658.

The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time. These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

On January 17, 2017, the Company closed a non-brokered private placement financing of 5,332,834 Units at a price of $0.15 per Unit, for gross proceeds of up to $799,925.

In the first quarter of 2017, the aggregate of 1,818,331 warrants were exercised at a price of $0.15 per share for gross proceeds of $272,750.

In the second quarter of 2017, the aggregate of 20,000 warrants were exercised at a price of $0.15 per share for gross proceeds of $3,000.

On September 6, 2017, the aggregate of 275,000 options were exercised for gross proceeds of $37,500.

On January 15, 2018, the Company closed a non-brokered private placement financing of 5,000,000 Units at a price of $0.20 per Unit for gross proceeds of $1,000,000.

On January 22, 2018, 9,375 warrants were exercised at price of $0.25 per share for total proceeds of $2,344.

Off-Balance Sheet and Other Financial Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

We do not have any commitments under contracts or other types of hedging arrangements which might expose us to commodity price or production volume risks.

We do not have in place any off-balance sheet financing type arrangements.

Transactions between Related Parties

During the three-month period ended March 31, 2018, directors of the Company billed management and director fees totaling $18,000 (2017 - $18,000). Paul Andreola, President and Director was paid or accrued a total of $7,500 (2017 - $7,500), Colin Bowkett, Director was paid or accrued a total of $7,500 (2017 - $7,500) and Scott MacEachern, Chief Financial Officer was paid or accrued a total of $3,000 (2017 - $3,000).

Proposed Transactions and Subsequent Events

On May 18, 2018, the Company announced that it has closed the initial tranche of its previously announced non-brokered private placement financing (the "Financing") (see news release dated March 27, 2018) by issuing a total of 5,940,727 shares (each, a "Share") at a price of $0.35 per Share for gross proceeds of $2,083,466.

The securities issued under the initial tranche of the Financing will be subject to restrictions on resale until September 16, 2018. The Company paid finders a fee of $101,237 and issued a total of 20,300 shares of the Company.

The proceeds of the initial tranche of the Financing are being used for the Company's acquisition of NameSilo LLC and working capital purposes.

<u>NameSilo Acquisition Update</u>

The Company is also pleased to announce that it has paid a total of US$4.9 million to an escrow agent pursuant to the terms of the share purchase agreement with NameSilo LLC. The funds used for this escrow payment were through bridge loan financings of C$5.25 million and utilizing the Company's cash on hand.

Closing of the acquisition remains subject to Canadian Securities Exchange approval. The Company plans to close the acquisition of NameSilo LLC in summer 2018.

<u>Convertible Debenture</u>

The Company also announces that it issued a convertible debenture in the principal amount of $300,000. The debentures are secured on the assets of the Company, bear interest at a rate of 10% per annum, payable semi-annually and due eighteen months after closing. The debenture is convertible into common shares of the Company at a price of $0.50 per share. Further, the holder received a total of 300,000 detachable share purchase warrants. The warrants are exercisable at a price of $0.65 per share for a period of eighteen months from the date of issue. The proceeds of the convertible debenture were used to satisfy the payment for the NameSilo LLC acquisition as set forth above.

Critical Accounting Estimates

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods.

Our management routinely makes judgments and estimates about the effects of matters that are inherently uncertain. As the number of variables and assumptions affecting the probable future resolution of the uncertainties increase, these judgments become even more subjective and complex. We have identified certain accounting policies that are the most important to the portrayal of our current financial condition and results of operations.

The key elements and assumptions that we have made under these principles and their impact on the amounts reported in the March 31, 2018 Interim Financial Statements remain substantially unchanged from those described in our December 31, 2017 annual audited financial statements.

Please refer to Note 3 of our Interim Financial Statements for our Significant Accounting Policies.

The significant accounting policies that we use are disclosed in the notes to our Interim Financial Statements for the quarter ended March 31, 2018. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The following discussion outlines such accounting policies and is included in the MD&A to aid the reader in assessing our significant accounting policies and practices of our Company and the likelihood of materially different results being reported. Our management reviews its estimates regularly.

The following significant accounting policies outline the major policies involving critical estimates:

Impairment

Financial assets:

A financial asset, other than those designated as FVTPL is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Income Tax Accounting

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that if the income tax expense related to items recognized directly in equity, the income tax expense would also be recognized in equity. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share-Based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid. The amount remains in contributed surplus if the options expire unexercised.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Share Purchase Warrants of Other Companies Owned by Brisio

Where Brisio acquires share purchase warrants when making an investment in another company by way of private placement, the fair value of the warrants is included as an investment asset and charged to other comprehensive income. The value of the share purchase warrants is estimated by application of the Black Scholes pricing model. The inputs used in determining the valuation of share purchase warrants owned by Brisio are based on estimates, and result in an estimate valuation of the share purchase warrants. The warrants are revalued on a quarterly basis.

Convertible Note Valuation

The Company entered into a convertible note which was revalued to fair value due to the conversion feature embedded in the convertible note. The estimated fair value of the convertible note comprises the fair value of the shares and the fair value of the warrants determined by the use of the Black-Scholes option-pricing model. The inputs used in determining the valuation of convertible notes is based on estimates, and result in an estimate valuation of the convertible note.

Legal, Environmental Remediation and Other Contingent Matters

We are required to both determine whether a loss is probable based on judgment and interpretation of laws and regulations and determine that the loss can reasonably be estimated. When the loss is determined, it is charged to earnings. Our management must continually monitor known and potential contingent matters and make appropriate provisions by charges to earnings when warranted by circumstance.

New Accounting Standards and Interpretations

The Company adopted the following new standards and interpretations issued by the IASB effective January 1, 2017. The adoption of these standards had no impact on the Group's consolidated financial statements.

IAS 7 (Amendment)	*Statement of Cash Flows*
IAS 12 (Amendment)	*Income Taxes*
IFRS 12 (Amendment)	*Disclosure of Interests in Other Entities*

The Company adopted the following new standards and interpretations issued by the IASB effective January 1, 2018. The adoption of these standards had no impact on the Group's consolidated financial statements with the exception of IFRS 9.

IFRS 9	*Financial Instruments: Classification and Measurement*
IFRS 15	*Revenue from Contracts with Customers*
IFRS 2 (Amendment)	*Clarification of Classification & Measurement of Share-Based Payment Transactions*

The following standards and interpretations have been issued but are not yet effective. The Group is currently assessing the impact that these standards will have on the interim financial statements. The Group plans to adopt these standards as soon as they become effective for the Group's reporting period.

Effective annual periods beginning on or after January 1, 2019:	
IFRS 16	*Leases*

The Company is currently assessing the impact that these standards will have on the Interim Financial Statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

Financial Instruments and Other Instruments

Our Company is exposed in varying degrees to a number of risks arising from financial instruments. The Board of Directors has overall responsibility for the establishment and oversight of our Company's risk management framework. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Board approves and monitors the risk management process. Please refer to Note 4 and 5 of our Interim Financial Statements for additional details on our Financial Instruments and Other Instruments.

Risk Factors

Ongoing global economic instability has had a significant negative impact on many segments of the world economy due to many factors including, without limitation: the effects of the subprime lending and general credit market crises, slower economic activity, decreased consumer confidence, reduced corporate profits and capital spending, adverse business conditions, increased unemployment and liquidity concerns, high level of investment risk due to possibility of security prices rising and falling significantly in a short period of time. We cannot predict the timing or duration of economic slowdowns or the timing or strength of subsequent economic recoveries, worldwide or in our industry, and we cannot predict the extent to which economic slowdowns will impact our business. However, the uncertainty regarding the financial markets and worldwide political and economic climates are expected to likely have a negative impact on our business, financial condition and results of operations.

Risks Related to the Departure of Key Employees and Contractors: The Company's success is closely linked to its ability to maintain a relationship with its key employees and contractors. If, for whatever reason, they leave or become unavailable for an extended period, this could have an impact on the Company.

The Company's future success will also depend on its ability to attract, train, retain and motivate very technically skilled employees and contractors. Losing one or more key employees, managers, or contractors, or failing to attract new highly skilled staff could have a significant negative impact on the Company's revenue, earnings and financial position. The Company is organised today in such a way as to minimise risk related to the departure or extended unavailability of key employees or managers. One measure aimed at reducing this risk is stock options.

Risks Related to Dependence on Suppliers and Subcontractors: The Company works with several suppliers around the world and has not identified any major risks related to dependence on any supplier in particular.

The Company has no significant financial dependence on its subcontractors or suppliers that is likely to affect its development plan.

Litigation – Legal Proceedings and Arbitration: There are no government, court or arbitration proceedings, including any proceedings of which the Company is aware, which are pending or with which it is threatened, that could have or have had a significant impact on the financial position or profitability of the Company over the past 12 months, although there is always the possibility that such proceedings could arise.

Currency Fluctuations: We maintain our deposit accounts in U.S., Argentinean and Canadian currencies and we are therefore subject to currency fluctuations. These currency fluctuations could materially affect our financial position and results. We do not engage in currency hedging activities.

Inflation Risk in Argentina: Argentina has a history that includes high rates of inflation. This can affect the Company by increasing the cost of doing business in Argentina as well as decreasing the real value of the Argentine pesos kept in the Company's bank account in Argentina. The Company limits the risk of inflation by limiting the amount of funds kept in its Argentinean bank account. The Company only transfers to the Argentinean subsidiary the funds necessary to pay current liabilities and does not maintain any large bank account balances in Argentina.

***Need to Manage Growth*:** We could experience rapid growth in profits, personnel, complexity of administration and in other areas. There can be no assurance that we will be able to manage the impact that future growth could place on our administrative infrastructure, systems, and controls. If we are unable to manage future growth effectively, our business, operating results and financial condition may be materially and adversely affected.

Reliance on Key Personnel/Employees: The Company's success is largely dependent upon the performance of its directors and officers. As of February 2018, the Company has a C$500,000 Directors' and Officers' liability insurance policy. The loss of service of any director or officer could have a materially adverse effect on the Company.

Financial Risks: Financial risks include changing interest rates, which are beyond the Company's control. Additional financial risks are the Company's ability to raise capital to continue funding its operations.

Price of Investments Risks: Investors in equity securities may be exposed to a high level of risk because the prices of equity securities can rise and fall significantly in a short period of time. This could arise due to the ups and downs in the economic cycle and the fortunes of the issuing firm.

***Conflicts of Interest*:** Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors or officers will be in direct competition with our Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act.* Some of our directors and officers are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to our Company and their duties to the other companies on whose boards they serve, the directors and officers of our Company have agreed to the following:

1. participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial ability and needs of the companies to participate;

2. no commissions or other extraordinary consideration will be paid to such directors and officers; and

3. business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to our Company except on the same or better terms than the basis on which they are offered to third party participants.

Outstanding Share Data

Our common shares are listed for trading on the CSE under the symbol "BZI".

As of March 31, 2018, we had the following securities outstanding:

Class of Shares	Par Value	Number Authorized	Number Issued
Common	Nil	Unlimited	41,517,368
Preferred	Nil	Unlimited	Nil

Security Type	Number Outstanding	Exercise / Convert Price	Conversion / Expiry Date
Options	540,000	$0.15	September 27, 2018
Options	300,000	$0.30	February 28, 2019
Options	150,000	$0.10	December 12, 2019
Options	575,000	$0.10	August 4, 2021
Options	1,000,000	$0.23	December 20, 2022
Options	75,000	$0.23	December 29, 2022
Warrants	1,333,208	$0.25	January 17, 2019
Warrants	2,500,000	$0.30	January 15, 2020

As of the date of this MD&A, we had the following securities outstanding:

Class of Shares	Par Value	Number Authorized	Number Issued
Common	Nil	Unlimited	47,678,395
Preferred	Nil	Unlimited	Nil

Security Type	Number Outstanding	Exercise / Convert Price	Conversion / Expiry Date
Options	540,000	$0.15	September 27, 2018
Options	300,000	$0.30	February 28, 2019
Options	150,000	$0.10	December 12, 2019
Options	575,000	$0.10	August 4, 2021
Options	1,000,000	$0.23	December 20, 2022
Options	75,000	$0.23	December 29, 2022
Warrants	1,333,208	$0.25	January 17, 2019
Warrants	2,500,000	$0.30	January 15, 2020

There are no common shares held in escrow or subject to pooling.

Additional Information

Additional information relating to our Company is available on SEDAR at www.sedar.com. We also maintain a web site at www.brisio.com and an email address support@brisio.com for shareholder communication. Our phone number is (604) 644-0072.

Appendix D

Management Discussion and Analysis of NameSilo

NAMESILO, LLC
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017

The following Management's Discussion and Analysis ("MD&A"), prepared as of July 26, 2018, should be read in conjunction with the audited financial statements of NameSilo, LLC ("the Company" or "NameSilo") for the year ended December 31, 2017. This MD&A is the responsibility of management and has been reviewed and approved by the Members of NameSilo.

The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and related IFRS Interpretations Committee ("IFRIC's") as issued by the International Accounting Standards Board ("IASB"). Except as otherwise noted all dollar figures in this MD&A are stated in United States dollars which is the Company's reporting currency.

FORWARD-LOOKING STATEMENTS

This MD&A may contain certain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions.

Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

GENERAL

NameSilo is a limited liability company incorporated in the United States of America with limited liability under the legislation of the State of Arizona. The head office and principal address is Suite A-110 1300 E Missouri Avenue, Phoenix, Arizona 85014.

DESCRIPTION OF BUSINESS

NameSilo is a low-cost provider of domain name registration and management services, and is an ICANN-accredited registrar. NameSilo is a high growth registrar with over 1.7 million domains under management as of the date of this MD&A, and over 115,000 customers from approximately 160 countries. NameSilo is one of the largest domain name registrars in the world and offers .com and .net domains as well as the latest top-level domains. According to RegistrarOwl.com, which provides domain registrar statistics from ICANN, NameSilo is the 5th fastest growing registrar in the world based on percentage growth of new registrations, and 6th fastest growing registrar in the world when based on net new registrations, behind household names such as Google, GoDaddy and Alibaba.

Domain Name Registration

As a global domain registrar, NameSilo enables small businesses to establish an online presence by buying a domain name at a discounted price.

Primary Registrations. Using its website, NameSilo offers customers the ability to search for and register available domain names with the relevant registry. NameSilo's inventory for primary registrations is defined by the number of top-level domains (TLDs) it offers. As of the date of this MD&A, 355 different gTLDs (e.g. .com, .net and .org) and 15 different ccTLDs (e.g. .de, .ca, .in and .jp.) were available for purchase through NameSilo. Since 2013, hundreds of new gTLDs have been launched, making it easier for companies and individuals to find and register new, easy-to-remember domain names tailored to their ventures, industry or interests. ccTLDs are important to our international expansion efforts as NameSilo has found international customers may select the ccTLD for the country or geographic market in which they operate. As of December 31, 2017, primary registrations represented approximately 98.9% of NameSilo's revenue.

Marketplace. NameSilo also operates a domain marketplace, which processes aftermarket, or secondary, domain name sales. The marketplace platform is designed to enable the seamless purchase and sale of an already registered domain name through an online auction, an offer and counter-offer transaction or a "buy now" transaction. As of December 31, 2017, domain marketplace services represented approximately 1.1% of NameSilo's revenue.

STRATEGY AND OUTLOOK

The Company's goal is to offer an extensive set of and easy-to-use cloud-based technology products that will enable NameSilo customers to establish a digital presence and connect with their customers. In order to achieve this, NameSilo plans to create a new Digital Service Business product line, which will offer hosting, presence and business applications products. The Company believes that this new product line will increase the core revenue of NameSilo and margin growth opportunities, improve customer retention and significantly improve the Company's value proposition to its customers.

The Company plans to develop and offer the following digital service products:

Shared Website Hosting. The term "shared hosting" refers to the housing of multiple websites on the same server. NameSilo plans to operate, maintain and support shared website hosting in owned and operated data centers and leased data centers using either Linux or Windows operating systems. NameSilo also plans to bundle its hosting plans with a variety of applications and products such as web analytics, secure sockets layer (SSL) certificates, WordPress and Google Apps. WordPress and Google Apps will be the most used content management application on the shared hosting platform

Website Hosting on Virtual Private Servers and Virtual Dedicated Servers. NameSilo plans to implement a broad range of virtual private server (VPS) and virtual dedicated server offerings that allows customers to select the server configuration best suited for their applications, requirements and growth. The virtual private servers provide customers with a single virtual machine running on a single bare metal server that is running multiple other virtual machines for other customers. The planned VPS product is designed to meet the requirements of customers with a need for greater control, more advanced technical capabilities and higher performance than that offered by the shared hosting plans. NameSilo's customers will have the ability to tailor their virtual dedicated server plan based on a range of performance, storage, bandwidth and operating system needs.

Managed Hosting. With the managed hosting products, NameSilo will be able to set up, monitor, maintain, secure and patch software and servers for its customers. NameSilo plans to offer a variety of managed hosting plans to support its customers' needs including multiple tiers of Managed WordPress hosting on a platform optimized for WordPress. In addition to managed hosting plans tailored to NameSilo's customers' needs, NameSilo will also offer expert services, which provide additional support services.

Marketing Tools. NameSilo plans to offer a range of marketing tools designed to help businesses acquire and engage customers. These capabilities will be available in an integrated offering with its website and commerce tools, or as a stand-alone for customers using other website tools. The tools are designed for busy customers who may lack experience with online marketing, focusing on ease of use, mobile experience, and delivering business results. Search Engine Optimization will help customers get their websites found on major search sites through search engine optimization using a simple step-by-step wizard with targeted recommendations on which search phrases are most likely to drive traffic to a customer's site. Business listings capabilities bring business information to where customers are looking, including Google My Business. Email marketing lets people build targeted campaigns, either from scratch or using website or commerce content.

Email Accounts. NameSilo plans to offer a range of email service plans with a multi-feature web interface that connects to its customers' domains. The pricing of these plans will depend on the customer's desired amount of storage and number of email addresses. All of the email accounts will be advertising-free and include security functionality designed to provide protection from spam, viruses and other forms of online fraud, such as phishing.

Secure Socket Layer (“SSL”). In order to ensure customers have a secure website, NameSilo plans to also offer SSL certificates to ensure that customers establish a secure connection. NameSilo anticipates that small businesses would be ideal for this service as it will ensure an encrypted connection with their visitors.

Search Engine Optimization. NameSilo plans to offer search engine optimization tools for its customers, which will allow them to increase the number of website visitors and potential online leads for their business.

SELECTED ANNUAL INFORMATION

The Company’s fiscal period ends on December 31st of each year. The following is a summary of certain selected financial information of the Company for the years ended December 31, 2017 and 2016:

	2017	2016
Gross revenues	$ 8,071,840	$ 5,371,391
Cost of Sales	7,208,398	4,820,818
General & Administrative Expenses	428,203	301,456
Net income	435,239	249,117
Total assets	11,630,567	5,021,336
Long-term liabilities	660,147	469,324
Members’ capital	3,844,973	627,692

OVERALL PERFORMANCE

NameSilo has been organically growing its domain name registration business. NameSilo recorded approximately $11.1 million in annual billings for registration fees in 2017 up from $6.9 million in 2016. It has grown its domain names under management from approximately 745,000 domains at the beginning of 2017 to over 1.7 million as of the date of this MD&A. Additionally, NameSilo maintains a customer retention rate of approximately 87%. The growth of the Company’s business has been fueled by excellent customer service, an array of domain related services, and affordable and consistent pricing.

The Company’s revenues are derived from domain name registration fees and the sale of domain names. Domain names are generally purchased for terms of one to ten years. Registration fees charged for domain name registration and provisioning services are recognized on a straight-line basis over the life of the contracted term. During the year ended December 31, 2017, the Company’s recognized revenues increased to $8,071,840 from $5,371,391 in 2016 primarily due to growth in the sale of domain products, which represented a 50% growth in revenues. These increases were primarily driven by increases in total customers and domains under management, and continued increases in marketplace domain sales. During the 2017 fiscal year, 87% of the Company's total revenue was generated by customers who were also customers in the prior year. To track its growth and the stability of its customer base, the Company monitors, among other things, revenue and retention.

The Company's total assets at December 31, 2017 increased to $11,630,567 from $5,021,336 at December 31, 2016, because more revenues were collected in advance of meeting the revenue recognition criteria, which was a direct result of increases in total customers and billings. It translated into higher registry deposits and prepaid domain name registry fees, and also resulted in an increase in deferred revenue and therefore total liabilities at the end of 2017.

RESULTS OF OPERATIONS

During the year ended December 31, 2017 the Company increased recognized revenues to $8,071,840 from $5,371,391 in 2016. This represents a 50% increase in revenue and stems from the increases in total customers and billings. The Company generates substantially all of its revenue from sale of domain products. Domain names are generally purchased for terms of one to ten years. The Company generally collects the full amount of fees at the time of sale, but recognizes revenue ratably over the applicable contract term. Domain registrations provide a customer with the exclusive use of a domain during the applicable contract term. After the contract term expires, unless renewed, the customer can no longer access the domain.

Costs of revenue are the direct costs incurred by the Company in connection with selling an incremental product to its customers. Substantially all cost of revenue relates to domain registration fees paid to the various domain registries, payment processing fees, and third-party commissions. Similar to its billing practices, the Company pays domain costs at the time of purchase for the life of each subscription, but recognizes the costs of service ratably over the term of the customer contracts. The terms of registry pricing are established by agreements between registries and registrars, and can vary significantly depending on the TLD. The Company expects both the revenue and the cost of revenue to increase in absolute dollars in future periods as the Company expands its domains business and develops the new Digital Service Business product line. Cost of revenue may increase or decrease as a percentage of total revenue, depending on the mix of products sold in a particular period and the sales.

During the year ended December 31, 2017 the Company increased its gross margin to $863,442 from $550,573 in 2016. In percentage terms, the Company's gross margin increased slightly to 10.7% from 10.2% in 2016. The Company's cost of sales increased to $7,208,398 from $4,820,818 in 2016. This increase was primarily attributable to the increased domain costs driven by the increase in domains under management and higher registration costs associated with many new gTLDs.

The Company recorded a net income of $435,239 during the year ended December 31, 2017, compared to net income of $249,117 for the 2016 fiscal year. The slight increase in the net income from 2016 to 2017 is mostly attributable to increases in total customers and domains under management.

Variances of note in the Company's expenses include:

- Salaries and benefits expense increased to $321,301 from $224,750 in 2016 due to the increased time and efforts required to manage higher volume and level of business operations as a result of the business growth.
- The hosting fees of $35,884 (2016 - $22,242) and professional fees of $37,668 (2016 - $10,905) were higher compared to the 2016 fiscal year as a result of the Company's overall business growth.

SUMMARY OF QUARTERLY RESULTS

As NameSilo is not a reporting issuer, NameSilo has not prepared financial information for the last eight fiscal quarters.

FINANCING ACTIVITIES

The Company had no financing activities during the years ended December 31, 2017 and 2016.

LIQUIDITY AND CAPITAL RESOURCES

The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity. The capital structure of the Company consists of members' capital.

The Company makes adjustments to its capital structure upon approval from its Members, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

As at December 31, 2017, the Company held cash of $386,533 (2016 – $306,033) and had working capital of $3,911,126 (2016 – $352,053). The increase in working capital was a direct result of increases in total customers and billings, which translated into higher registry deposits and prepaid domain name registry fees, and also resulted in an increase in deferred revenue and therefore total liabilities at the end of 2017.

As at December 31, 2017, the Company does not have any commitments for capital expenditures.

CAPITAL EXPENDITURES

The Company did not make any capital expenditures during the years ended December 31, 2017 and 2016.

RELATED PARTY TRANSACTIONS

The aggregate amount of expenditures made to parties not at arm's length to the Company for the years ending December 31, 2017 and 2016 are:

	Year ended December 31,	
	2017	**2016**
	$	**$**
Consulting fees to a related company	321,301	224,750
Hosting fees to a related company	19,900	17,400
	341,201	242,150

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the years ended December 31, 2017 and 2016.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant estimates and judgements made in the preparation of these consolidated financial statements include, but are not limited to, the following areas, with further information contained in the applicable accounting policy or note:

Functional currency
The Company has used judgment in determining the currency of the primary economic environment in which the entity operates, which has been determined to be the United States dollars.

Digital currency
There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for digital currencies and management has exercised significant judgement in determining appropriate accounting treatment. In making this determination on the accounting for the digital currencies the Company has reviewed the sources and uses of the digital currencies in the operations of its business. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following revised standards are effective for the annual periods noted with earlier application permitted. The Company also has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

Financial instruments
In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39") and all previous versions of IFRS 9. The new standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Company intends to adopt IFRS 9 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The adaption of this standard is not expected to have material impact on the Company's financial statements.

Revenue recognition

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company intends to adopt IFRS 15 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The adaption of this standard is not expected to have material impact on the Company's financial statements.

Leases

In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. The Company intends to adopt IFRS 16 in its consolidated financial statements for the annual period beginning January 1, 2019. The extent of the impact of adoption has not yet been determined.

FAIR VALUE MEASUREMENT

Estimates of the fair value of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. At December 31, 2017, the Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. Cash and cash equivalents and accounts payable are recognized on the statement of financial position at their carrying value which approximated their fair value due to their short-term nature.

All financial instruments measured at fair value are categorized into a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are described below:

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

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

December 31, 2017	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Cash and cash equivalents	386,533	-	-	386,533
	386,533	-	-	386,533

December 31, 2016	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Cash and cash equivalents	306,033	-	-	306,033
	306,033	-	-	306,033

FINANCIAL RISK MANAGEMENT

Overview

The Company's activities expose it to a variety of financial risks that arise as a result of its activities such as market risk, credit risk, and liquidity risk.

Management establishes and executes the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a. Interest rate risk
The Company's cash and cash equivalents is held in bank accounts and due to the short-term nature of these financial instruments, fluctuations in market interest rates do not have significant impact on the fair value as at December 31, 2017.

The Company's sensitivity to interest rates is currently immaterial due to the short-term maturity of its monetary assets and liabilities.
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b. Foreign currency risk
Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

As at December 31, 2017, the Company did not hold any financial assets or liabilities in foreign currencies.

c. Other price risk
Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents are exposed to credit risk. The credit risk on cash and cash equivalents is considered small because the majority of funds have been placed with accredited US financial institutions.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet liabilities when due.

SUBSEQUENT EVENTS

Subsequent to the year-end the Company distributed digital currency to the members:

- 75 bitcoin to settle the distribution payable at December 31, 2017 valued at $846,189 on the date of distribution.
- 300 bitcoin cash as a distribution in 2018 valued at $524,600 on the date of distribution.
- 120 bitcoin as a distribution in 2018 valued at $1,040,270 on the date of distribution.

On the distribution of the 75 bitcoin to settle the distribution payable at December 31, 2017 the distribution originally recorded for 2017 was reduced by $233,254 resulting in an increase in retained earnings of the same amount.

A distribution of $1,564,910 was recorded in 2018 to reflect the value of the 300 bitcoin cash and 120 bitcoin distributed to the members. This reduced retained earnings by $1,564,910.

The value of bitcoin and bitcoin cash has declined since December 31, 2017. The decline in value between the year-end date and the date of distribution of the above digital currency was approximately $1,005,000. This reduction in value was recorded as a digital currency revaluation in other comprehensive income and reduce accumulated other comprehensive income.

The realized gain occurring on the distribution of the digital currency was transferred from accumulated other comprehensive income to retained earnings. The realized gain is $2,180,394.

RISKS AND UNCERTAINTIES

If NameSilo is unable to attract and retain customers and increase sales to new and existing customers, the NameSilo Business and operating results would be harmed.

NameSilo's success depends on its ability to attract and retain customers and increase sales to new and existing customers. NameSilo derives its revenue from domain registration. The rate at which new and existing customers purchase its products depends on a number of factors, including those outside of its control. Although its total customers and revenue have grown rapidly in the past, NameSilo cannot be assured that it will achieve similar growth rates in future periods as its total customers and revenue could decline or grow more slowly than it expects. NameSilo's sales could fluctuate or decline as a result of lower demand for domain names and website and related products, declines in its customers' level of satisfaction with its products, the timeliness and success of product enhancements and introductions by NameSilo and those of its competitors, the pricing offered by NameSilo and its competitors, the frequency and severity of any system outages and technological change. NameSilo's revenue has grown historically due in large part to sustained customer growth rates and strong sales of subscriptions of its domain name registration products. NameSilo's future success depends in part on maintaining strong renewal sales. NameSilo's costs associated with renewal sales are substantially lower than costs associated with generating revenue from new customers and costs associated with generating sales of additional products to existing customers. Therefore, a reduction in renewals, even if offset by an increase in other revenue, would reduce NameSilo's operating margins in the near term. Any failure by NameSilo to continue to attract new customers or maintain strong renewal sales could have a material adverse effect on its business, growth prospects and operating results. If the Company is unable to increase sales of these additional products to new and existing customers, NameSilo's growth prospects may be harmed.

If NameSilo do not successfully develop and market products that anticipate or respond promptly to the needs of our customers, our business and operating results may suffer.

The markets in which NameSilo competes are characterized by constant change and innovation, and NameSilo expects them to continue to evolve rapidly. NameSilo's historical success has been based on its ability to sell domain names at competitive prices. If NameSilo is not able to continue to provide products that respond in a timely and effective manner to their evolving needs to its customers, its business, operating results and financial condition will be adversely affected.

The process of developing new technology is complex and uncertain. If NameSilo fails to accurately predict customers' changing needs or emerging technological trends, or if it fails to achieve the benefits expected from its investments in technology its business could be harmed. The products will include those offered under the NameSilo Business and those to be offered under the Digital Service Business. NameSilo must continue to commit significant resources to develop its technology in order to maintain its competitive position, and these commitments will be made without knowing whether such investments will result in products the market will accept. NameSilo's new products or product enhancements could fail to attain meaningful market acceptance for many reasons, including:

- delays in releasing new products or product enhancements to the market;
- our failure to accurately predict market demand or customer preferences;
- defects, errors or failures in product design or performance;
- negative publicity about product performance or effectiveness;
- introduction of competing products (or the anticipation thereof) by other market participants;
- poor business conditions for NameSilo's customers or poor general macroeconomic conditions;
- the perceived value of NameSilo's products or product enhancements relative to their cost; and
- changing regulatory requirements affecting the products offered.

There is no assurance NameSilo will successfully identify new opportunities, develop and bring new products to market on a timely basis, or that products and technologies developed by others will not render its products or technologies obsolete or noncompetitive, any of which could adversely affect its business and operating results. If NameSilo's new products or enhancements do not achieve adequate acceptance by its customers, or if its new products do not result in increased sales or subscriptions, its competitive position will be impaired, its anticipated revenue growth may not be achieved and the negative impact on its operating results may be particularly acute because of the upfront technology and development, marketing and advertising and other expenses it may incur in connection with new products or enhancements.

A network attack, a security breach or other data security incident could delay or interrupt service to NameSilo's customers, harm its reputation or subject it to significant liability.

NameSilo's operations depend on its ability to protect its network and systems against interruption or damage from unauthorized entry, computer viruses, denial of service attacks and other security threats beyond its control. NameSilo regularly experiences DDOS attacks by hackers aimed at disrupting service to its customers and attempts to place illegal or abusive content on NameSilo or its customers' websites, and it may be subject to DDOS attacks or content abuse in the future. NameSilo's response to such DDOS attacks may be insufficient to protect its network and systems, especially as attacks increase in size. In addition, there has been an increase in the number of malicious software attacks in the technology industry, including malware and ransomware, such as WannaCry. In addition, from time to time, activities of its customers or other parties may cause it to suspend or terminate customer accounts. NameSilo have suspended and terminated, and will in the future suspend or terminate, a customer's use of its products when the activities on their site breach its terms of service (for example, phishing or resource misuse), interfere with or harm other customers' websites sharing the same resources or otherwise violate applicable law. NameSilo may also suspend or terminate a customer's website if it is repeatedly targeted by DDOS or other attacks disrupting other customers' websites or servers or otherwise impacts its infrastructure.

NameSilo cannot guarantee its backup systems, regular data backups, security protocols, network protection mechanisms and other procedures currently in place, or that may be in place in the future, will be adequate to prevent or remedy network and service interruption, system failure, damage to one or more of its systems, data loss, security breaches or other data security incidents. Also, its products are cloud-based, and the amount of data it stores for its customers on its servers has been increasing as its business has grown. Despite the implementation of security measures, NameSilo's infrastructure may be vulnerable to computer viruses, worms, other malicious software programs, illegal or abusive content or similar disruptive problems caused by its customers, employees, consultants or other Internet users who attempt to invade or disrupt public and private data networks or to improperly access, use or obtain data. Any actual or perceived breach of its security, or any other data security incident, could damage its reputation and brand, expose it to a risk of loss or litigation and possible liability, subject it to regulatory or other government inquiries or investigations, require it to expend significant capital and other resources to alleviate problems caused by the breach, and deter customers from using its products, any of which would harm its business, financial condition and operating results.

If the security of the confidential information or personally identifiable information NameSilo maintains, including that of its customers and the visitors to its customers' websites stored in its systems, is breached or otherwise subjected to unauthorized access, its reputation may be harmed and the Company may be exposed to liability.

NameSilo's business involves the storage and transmission of confidential information, including personally identifiable information. In addition, as nearly all of its products are cloud-based, the amount of data it stores for its customers on its servers (including personally identifiable information and other potentially sensitive information) has been increasing. NameSilo takes measures intended to protect the security, integrity and confidentiality of the personal information and other sensitive information, including payment card information, it collects, stores or transmits, but cannot guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties or its employees will not gain unauthorized access to this information despite its efforts. If third parties succeed in penetrating its security measures or those of its vendors and partners, or in otherwise accessing or obtaining without authorization the payment card information or other sensitive or confidential information NameSilo or its vendors and partners maintain, NameSilo could be subject to liability, loss of business, litigation, government investigations or other losses. Hackers or individuals who attempt to breach its security measures or those of its vendors and partners could, if successful, cause the unauthorized disclosure, misuse, or loss of personally identifiable information or other confidential information, including payment card information, suspend its web-hosting operations or cause malfunctions or interruptions in its networks.

If NameSilo or its partners experience any breaches of its security measures or sabotage, or otherwise suffer unauthorized use or disclosure of, or access to, personally identifiable information or other confidential information, including payment card information, NameSilo might be required to expend significant capital and resources to protect against or address these problems. NameSilo may not be able to remedy any problems caused by hackers or other similar actors in a timely manner, or at all. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until after they are launched against a target, NameSilo and its vendors and partners may be unable to anticipate these techniques or to implement adequate preventative measures on a timely basis. Advances in computer capabilities, discoveries of new weaknesses and other developments with software generally used by the Internet community, such as the Meltdown and Spectre vulnerabilities, which exploit security flaws in chips manufactured in the last 20 years, the Shellshock vulnerability in the Linux Bash shell, or WannaCry or Petya ransomware attacks, also increase the risk that NameSilo, or its customers using its servers, will suffer a security breach. NameSilo's partners and it may also suffer security breaches or unauthorized access to personally identifiable information and other confidential information, including payment card information, due to employee error, rogue employee activity, unauthorized access by third parties acting with malicious intent or who commit an inadvertent mistake or social engineering. If a breach of its security or other data security incident occurs or is perceived to have occurred, the perception of the effectiveness of its security measures and NameSilo's reputation could be harmed and it could lose current and potential customers.

Security breaches or other unauthorized access to personally identifiable information and other confidential information, including payment card information, could result in claims against NameSilo for unauthorized purchases with payment card information, identity theft or other similar fraud claims as well as for other misuses of personally identifiable information, including for unauthorized marketing purposes, which could result in a material adverse effect on its business or financial condition. Moreover, these claims could cause NameSIlo to incur penalties from payment card associations (including those resulting from its failure to adhere to industry data security standards), termination by payment card associations of its ability to accept credit or debit card payments, litigation and adverse publicity, and regulatory or other government inquiries or investigations, any of which could have a material adverse effect on its business and financial condition. NameSilo expects to continue to expend significant resources to protect against security breaches and other data security incidents. The risk that these types of events could seriously harm its business is likely to increase as it expands the number of cloud-based products it offers and operates in more countries.

NameSilo face significant competition for its products in the domain name registration and web-hosting markets and other markets in which it competes, which it expects will continue to intensify, and it may not be able to maintain or improve our competitive position or market share.

The market for cloud-based solutions enabling individuals, businesses and organizations to establish an online presence to connect with customers is highly fragmented and competitive. These solutions are also rapidly evolving, creating opportunity for new competitors to enter the market with point-solution products or address specific segments of the market. NameSilo's competitors include providers of domain registration services, web-hosting solutions, website creation and management solutions, e-commerce enablement providers, cloud computing service and online security providers, alternative web presence and marketing solutions providers and providers of productivity tools such as business-class email.

NameSilo expects competition to increase in the future from competitors in the domain and hosting and presence markets, such as GoDaddy, Endurance, United Internet, Web.com and Donuts, as well as competition from companies such as Google, Amazon and Microsoft, which provide web-hosting, other cloud-based services and domain name registration, and eBay and Facebook, which offer Internet marketing platforms. In addition, it faces competition in the website and e-commerce site building market from competitors such as Wix, Squarespace and Shopify, and from providers of social media networks and applications including Facebook and Tencent. Some of its current and potential competitors have greater resources, more brand recognition and consumer awareness, more diversified product offerings, greater international scope and larger customer bases than NameSilo does, and it may therefore not be able to effectively compete with them. If these competitors and potential competitors decide to devote greater resources to the development, promotion and sale of products in the markets in which NameSilo competes, or if the products offered by these companies are more attractive to or better meet the evolving needs of its customers, nameSilo's market share, growth prospects and operating results may be adversely affected.

In addition, in an attempt to gain market share, competitors may offer aggressive price discounts or alternative pricing models on the products they offer, such as so-called freemium pricing in which a basic offering is provided for free with advanced features provided for a fee, or increase commissions paid to their referral sources. As a result, increased competition could result in lower sales, price reductions, reduced margins and the loss of market share. Moreover, competitors and other third-parties may aggressively bid on Google AdWords, which could result in increased marketing expenses making it difficult for NameSilo to compete.

Furthermore, conditions in NameSilo's market could change rapidly and significantly as a result of technological advancements, partnering by its competitors or continuing market consolidation. Innovative new start-up companies and large competitors making significant investments in technology and development may invent similar or superior products and technologies competing with NameSilo's products and technology. NameSilo's current and potential competitors may also establish cooperative relationships among themselves or with third parties that may further enhance their ability to compete. The continued entry of competitors into the domain name registration and web-hosting markets, and the rapid growth of some competitors that have already entered each market, may make it difficult for NameSilo to maintain its market position. NameSilo's ability to compete will depend upon its ability to provide a better product than its competitors at a competitive price. To remain competitive, NameSilo may be required to make substantial additional investments in research, development, marketing and sales in order to respond to competition, and there can be no assurance that these investments will achieve any returns for it or that it will be able to compete successfully in the future.

NameSilo may not be able to maintain profitability in the future.

While NameSilo has experienced revenue growth and profitability over the last two fiscal years, NameSilo may not be able to sustain or increase its growth or maintain profitability in the future or on a consistent basis. NameSilo also expects to continue to invest for future growth. In addition, it expects to continue to incur significant accounting, legal and other expenses as a public company.

As a result of its increased expenditures, it will have to generate and sustain increased revenue to maintain future profitability. Maintaining profitability will require it to ensure revenues continue to increase while managing its cost structure and avoiding significant liabilities. Revenue growth may slow or decline, or it may incur significant losses in the future for a number of possible reasons, including general macroeconomic conditions, increased competition, a decrease in the growth of the markets in which it operates, or if it fails for any reason to continue to capitalize on growth opportunities. Additionally, it may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods. If these losses exceed its expectations or its revenue growth expectations are not met in future periods, its financial performance will be harmed, and its stock price could be volatile or decline.

NameSilo's failure to properly register or maintain its customers' domain names could subject it to additional expenses, claims of loss or negative publicity that could have a material adverse effect on its business.

System and process failures related to its domain name registration service may result in inaccurate and incomplete information in its domain name database. Despite testing, system and process failures may remain undetected or unknown, which could result in compromised customer data, loss of or delay in revenues, failure to achieve market acceptance, injury to its reputation or increased product costs, any of which could harm its business. Furthermore, the requirements for securing and renewing domain names vary from registry to registry and are subject to change. NameSilo cannot guarantee it will be able to readily adopt and comply with the various registry requirements. Its failure or inability to properly register or maintain its customers' domain names, even if it is not at fault, might result in significant expenses and subject it to claims of loss or to negative publicity, which could harm its business, brand and operating results.

NameSilo relies heavily on the reliability, security and performance of its internally developed systems and operations. Any difficulties in maintaining these systems may result in damage to its brand, service interruptions, decreased customer service or increased expenditures.

The reliability and continuous availability of the software, hardware and workflow processes underlying its internal systems, networks and infrastructure and the ability to deliver its products are critical to NameSilo's business. Any interruptions resulting in its inability to timely deliver its products, or materially impacting the efficiency or cost with which it provides its products, would harm its brand, profitability and ability to conduct business. In addition, many of the software and other systems it currently uses will need to be enhanced over time or replaced with equivalent commercial products or services, which may not be available on commercially reasonable terms or at all. Enhancing or replacing its systems, networks or infrastructure could entail considerable effort and expense. If NameSilo fails to develop and execute reliable policies, procedures and tools to operate its systems, networks or infrastructure, it could face a substantial decrease in workflow efficiency and increased costs, as well as a decline in its revenue.

Privacy concerns relating to NameSilo's technology could damage its reputation and deter existing and new customers from using its products.

From time to time, concerns have been expressed about whether NameSilo's products or processes compromise the privacy of customers and others. Concerns about its practices with regard to the collection, use, disclosure or security of personally identifiable information, including payment card information, or other privacy related matters, even if unfounded, could damage its reputation and adversely affect its operating results. As NameSilo continues to grow its business organically and through acquisitions, the amount of data it stores for its customers and related to its employees on its servers (including personally identifiable information) has been increasing. Any systems failure or compromise of its security resulting in the release of its users' or customers' data could seriously limit the adoption of its product offerings, as well as harm its reputation and brand and, therefore, its business. NameSilo expects to continue to expend significant resources to protect against security breaches. The risk that these types of events could seriously harm its business is likely to increase as it expands the number of cloud-based products it offers and operates in more countries.

Failure to adequately protect and enforce its intellectual property rights could substantially harm its business and operating results.

NameSilo relies on its unpatented proprietary technology and confidential proprietary information, including trade secrets and know-how. Despite its efforts to protect the proprietary and confidential nature of such technology and information, unauthorized parties may attempt to misappropriate, reverse engineer or otherwise obtain and use them. The contractual provisions in confidentiality agreements and other agreements the Company generally enters into with employees, consultants, partners, vendors and customers may not prevent unauthorized use or disclosure of NameSilo's proprietary technology or intellectual property rights and may not provide an adequate remedy in the event of unauthorized use or disclosure of its proprietary technology or intellectual property rights. Moreover, policing unauthorized use of its technologies, products and intellectual property is difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the U.S. and where mechanisms for enforcement of intellectual property rights may be weak. To the extent NameSilo expands its international activities, its exposure to unauthorized copying and use of its products and proprietary information may increase. It may be unable to determine the extent of any unauthorized use or infringement of its products, technologies or intellectual property rights.

From time to time, legal action by NameSilo may be necessary to enforce its patents, trademarks and other intellectual property rights, to protect its trade secrets, to determine the validity and scope of the intellectual property rights of others or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of resources, distract management and technical personnel and negatively affect its business, operating results and financial condition. If it is unable to protect its intellectual property rights, NameSilo may find itself at a competitive disadvantage. Any inability on its part to protect adequately its intellectual property may have a material adverse effect on its business, operating results and financial condition.

ICANN periodically authorizes the introduction of new TLDs, and NameSilo may not have the right to register new domain names to NameSilo's customers based on such TLDs, which could adversely impact its business and results of operations.

ICANN has periodically authorized the introduction of new TLDs and made domain names related to them available for registration. NameSilo's competitive position depends in part on its ability to secure access to these new TLDs. A significant portion of NameSilo's business relies on its ability to sell domain name registrations to its customers, and any limitations on NameSilo's access to newly-created TLDs could adversely impact its ability to sell domain name registrations to customers, and thus adversely impact its business.

In 2013, ICANN significantly expanded the number of gTLDs, which resulted in the delegation of new gTLDs commencing in 2014, which NameSilo refer to as the Expansion Program. NameSilo and certain of its competitors have expended resources filing gTLD applications under the Expansion Program to pursue the acquisition of gTLD operator rights. For example, NameSilo secured the rights to become the registry for NameSilo, a gTLD. The Expansion Program could substantially change the domain name industry in unexpected ways and is expected to result in an increase in the number of domains registered by NameSilo's competitors. If NameSilo does not properly manage its response to the change in business environment, and accurately predict the market's preference for specific gTLDs, it could adversely impact its competitive position or market share.

NAMESILO, LLC

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2018

The following Management's Discussion and Analysis ("MD&A"), prepared as of July 26, 2018, should be read in conjunction with the unaudited condensed interim consolidated financial statements of NameSilo, LLC ("the Company" or "NameSilo") for the three months ended March 31, 2018, together with the audited financial statements and accompanying MD&A of the Company for the year ended December 31, 2017. This MD&A is the responsibility of management and has been reviewed and approved by the Members of NameSilo.

The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and as applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. Except as otherwise noted all dollar figures in this MD&A are stated in United States dollars which is the Company's reporting currency.

FORWARD-LOOKING STATEMENTS

This MD&A may contain certain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions.

Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

GENERAL

NameSilo is a limited liability company incorporated in the United States of America with limited liability under the legislation of the State of Arizona. The head office and principal address is Suite A-110 1300 E Missouri Avenue, Phoenix, Arizona 85014.

DESCRIPTION OF BUSINESS

NameSilo is a low-cost provider of domain name registration and management services, and is an ICANN-accredited registrar. NameSilo is a high growth registrar with over 1.7 million domains under management as of the date of this MD&A, and over 115,000 customers from approximately 160 countries. NameSilo is one of the largest domain name registrars in the world and offers .com and .net domains as well as the latest top-level domains. According to RegistrarOwl.com, which provides domain registrar statistics from ICANN, NameSilo is the 5th fastest growing registrar in the world based on percentage growth of new registrations, and 6th fastest growing registrar in the world when based on net new registrations, behind household names such as Google, GoDaddy and Alibaba.

Domain Name Registration

As a global domain registrar, NameSilo enables small businesses to establish an online presence by buying a domain name at a discounted price.

Primary Registrations. Using its website, NameSilo offers customers the ability to search for and register available domain names with the relevant registry. NameSilo's inventory for primary registrations is defined by the number of top-level domains (TLDs) it offers. As of the date of this MD&A, 355 different gTLDs (e.g. .com, .net and .org) and 15 different ccTLDs (e.g. .de, .ca, .in and .jp.) were available for purchase through NameSilo. Since 2013, hundreds of new gTLDs have been launched, making it easier for companies and individuals to find and register new, easy-to-remember domain names tailored to their ventures, industry or interests. ccTLDs are important to our international expansion efforts as NameSilo has found international customers may select the ccTLD for the country or geographic market in which they operate. As of March 31, 2018, primary registrations represented approximately 98.2% of NameSilo's revenue.

Marketplace. NameSilo also operates a domain marketplace, which processes aftermarket, or secondary, domain name sales. The marketplace platform is designed to enable the seamless purchase and sale of an already registered domain name through an online auction, an offer and counter-offer transaction or a "buy now" transaction. As of March 31, 2018, domain marketplace services represented approximately 1.8% of NameSilo's revenue.

STRATEGY AND OUTLOOK

The Company's goal is to offer an extensive set of and easy-to-use cloud-based technology products that will enable NameSilo customers to establish a digital presence and connect with their customers. In order to achieve this, NameSilo plans to create a new Digital Service Business product line, which will offer hosting, presence and business applications products. The Company believes that this new product line will increase the core revenue of NameSilo and margin growth opportunities, improve customer retention and significantly improve the Company's value proposition to its customers.

The Company plans to develop and offer the following digital service products:

Shared Website Hosting. The term "shared hosting" refers to the housing of multiple websites on the same server. NameSilo plans to operate, maintain and support shared website hosting in owned and operated data centers and leased data centers using either Linux or Windows operating systems. NameSilo also plans to bundle its hosting plans with a variety of applications and products such as web analytics, secure sockets layer (SSL) certificates, WordPress and Google Apps. WordPress and Google Apps will be the most used content management application on the shared hosting platform

Website Hosting on Virtual Private Servers and Virtual Dedicated Servers. NameSilo plans to implement a broad range of virtual private server (VPS) and virtual dedicated server offerings that allows customers to select the server configuration best suited for their applications, requirements and growth. The virtual private servers provide customers with a single virtual machine running on a single bare metal server that is running multiple other virtual machines for other customers. The planned VPS product is designed to meet the requirements of customers with a need for greater control, more advanced technical capabilities and higher performance than that offered by the shared hosting plans. NameSilo's customers will have the ability to tailor their virtual dedicated server plan based on a range of performance, storage, bandwidth and operating system needs.

Managed Hosting. With the managed hosting products, NameSilo will be able to set up, monitor, maintain, secure and patch software and servers for its customers. NameSilo plans to offer a variety of managed hosting plans to support its customers' needs including multiple tiers of Managed WordPress hosting on a platform optimized for WordPress. In addition to managed hosting plans tailored to NameSilo's customers' needs, NameSilo will also offer expert services, which provide additional support services.

Marketing Tools. NameSilo plans to offer a range of marketing tools designed to help businesses acquire and engage customers. These capabilities will be available in an integrated offering with its website and commerce tools, or as a stand-alone for customers using other website tools. The tools are designed for busy customers who may lack experience with online marketing, focusing on ease of use, mobile experience, and delivering business results. Search Engine Optimization will help customers get their websites found on major search sites through search engine optimization using a simple step-by-step wizard with targeted recommendations on which search phrases are most likely to drive traffic to a customer's site. Business listings capabilities bring business information to where customers are looking, including Google My Business. Email marketing lets people build targeted campaigns, either from scratch or using website or commerce content.

Email Accounts. NameSilo plans to offer a range of email service plans with a multi-feature web interface that connects to its customers' domains. The pricing of these plans will depend on the customer's desired amount of storage and number of email addresses. All of the email accounts will be advertising-free and include security functionality designed to provide protection from spam, viruses and other forms of online fraud, such as phishing.

Secure Socket Layer (“SSL”). In order to ensure customers have a secure website, NameSilo plans to also offer SSL certificates to ensure that customers establish a secure connection. NameSilo anticipates that small businesses would be ideal for this service as it will ensure an encrypted connection with their visitors.

Search Engine Optimization. NameSilo plans to offer search engine optimization tools for its customers, which will allow them to increase the number of website visitors and potential online leads for their business.

OVERALL PERFORMANCE

NameSilo has been organically growing its domain name registration business. It has grown its domain names under management from approximately 745,000 domains at the beginning of 2017 to over 1.7 million as of the date of this MD&A. Additionally, NameSilo maintains a customer retention rate of approximately 87%. The growth of the Company’s business has been fueled by excellent customer service, an array of domain related services, and affordable and consistent pricing.

The Company’s revenues are derived from domain name registration fees and the sale of domain names. Domain names are generally purchased for terms of one to ten years. Registration fees charged for domain name registration and provisioning services are recognized on a straight-line basis over the life of the contracted term. During the three months ended March 31, 2018, the Company’s recognized revenues increased to $1,975,334 from $1,787,171 in 2017 primarily due to growth in the sale of domain products, which represented a 11% growth in revenues. These increases were primarily driven by increases in total customers and domains under management, and continued increases in marketplace domain sales. During the current fiscal period, 87% of the Company’s total revenue was generated by customers who were also customers in the prior year. To track its growth and the stability of its customer base, the Company monitors, among other things, revenue and retention.

The Company’s total assets at March 31, 2018 decreased to $9,857,130 from $11,630,567 at December 31, 2017. More revenues were collected in advance of meeting the revenue recognition criteria, which was a direct result of increases in total customers and billings. It translated into higher registry deposits and prepaid domain name registry fees, and also resulted in an increase in deferred revenue and therefore total liabilities at March 31, 2018. However, the increases in registry deposits and prepaid domain name registry fees were offset by distributions made to members during the current quarter, which had the net effect of decreasing the total assets.

RESULTS OF OPERATIONS

During the three months ended March 31, 2018 the Company increased recognized revenues to $1,975,334 from $1,787,171 in 2017. This represents a 11% increase in revenue and stems from the increases in total customers and billings. The Company generates substantially all of its revenue from sale of domain products. Domain names are generally purchased for terms of one to ten years. The Company generally collects the full amount of fees at the time of sale, but recognizes revenue ratably over the applicable contract term. Domain registrations provide a customer with the exclusive use of a domain during the applicable contract term. After the contract term expires, unless renewed, the customer can no longer access the domain.

Costs of revenue are the direct costs incurred by the Company in connection with selling an incremental product to its customers. Substantially all cost of revenue relates to domain registration fees paid to the various domain registries, payment processing fees, and third-party commissions. Similar to its billing practices, the Company pays domain costs at the time of purchase for the life of each subscription, but recognizes the costs of service ratably over the term of the customer contracts. The terms of registry pricing are established by agreements between registries and registrars, and can vary significantly depending on the TLD. The Company expects both the revenue and the cost of revenue to increase in absolute dollars in future periods as the Company expands its domains business and develops the new Digital Service Business product line. Cost of revenue may increase or decrease as a percentage of total revenue, depending on the mix of products sold in a particular period and the sales.

During the three months ended March 31, 2018 the Company achieved a gross margin of $241,048. In percentage terms, the Company's gross margin increased slightly to 12.2% from 10.9% in 2017. The Company's cost of sales increased to $1,734,286 from $1,591,715 in 2017. This increase was primarily attributable to the increased domain costs driven by the increase in domains under management and higher registration costs associated with many new gTLDs.

The Company recorded a net income of $127,664 during the three months ended March 31, 2018, compared to net income of $83,741 for the 2017 fiscal period. The slight increase in the net income from 2017 to 2018 is mostly attributable to increases in total customers and domains under management.

The Company incurred total general and administrative expenses of $113,384 during the three months ended March 31, 2018, consistent with the expenses of $111,715 for the 2017 fiscal period.

SUMMARY OF QUARTERLY RESULTS

As NameSilo is not a reporting issuer, NameSilo has not prepared financial information for the last eight fiscal quarters.

FINANCING ACTIVITIES

The Company had no financing activities during the three months ended March 31, 2018 and the year ended December 31, 2017.

LIQUIDITY AND CAPITAL RESOURCES

The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity. The capital structure of the Company consists of members' capital.

The Company makes adjustments to its capital structure upon approval from its Members, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

As at March 31, 2018, the Company held cash of $1,601,256 (December 31, 2017 – $386,533) and had working capital of $1,257,268 (December 31, 2017 – $3,911,126). Even though more revenues were collected as a result of increases in total customers and billings, which translated into higher registry deposits and prepaid domain name registry fees, the increases in registry deposits and prepaid domain name registry fees were offset by distributions made to members during the current quarter, which had the net effect of decreasing the working capital.

As at March 31, 2018, the Company does not have any commitments for capital expenditures.

CAPITAL EXPENDITURES

The Company did not make any capital expenditures during the three months ended March 31, 2018 and 2017.

RELATED PARTY TRANSACTIONS

The aggregate amount of expenditures made to parties not at arm's length to the Company for the three months ended March 31, 2018 and 2017 are:

	Three months ended March 31,	
	2018	**2017**
	$	**$**
Consulting fees to a related company	86,692	100,000
Hosting fees to a related company	4,950	4,950
	91,642	104,950

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the three months ended March 31, 2018 and 2017.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant estimates and judgements made in the preparation of these consolidated financial statements include, but are not limited to, the following areas, with further information contained in the applicable accounting policy or note:

Functional currency
The Company has used judgment in determining the currency of the primary economic environment in which the entity operates, which has been determined to be the United States dollars.

Digital currency
There is currently no specific definitive guidance in IFRS or alternative accounting frameworks for the accounting for digital currencies and management has exercised significant judgement in determining appropriate accounting treatment. In making this determination on the accounting for the digital currencies the Company has reviewed the sources and uses of the digital currencies in the operations of its business. In the event authoritative guidance is enacted by the IASB, the Company may be required to change its policies which could result in a change in the Company's financial position and earnings.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following revised standards are effective for the annual periods noted with earlier application permitted. The Company also has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

Financial instruments
In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39") and all previous versions of IFRS 9. The new standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Company intends to adopt IFRS 9 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The adaption of this standard is not expected to have material impact on the Company's financial statements.

Revenue recognition
In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company intends to adopt IFRS 15 in its consolidated financial statements for the fiscal year beginning January 1, 2018. The adaption of this standard is not expected to have material impact on the Company's financial statements.

Leases
In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. The Company intends to adopt IFRS 16 in its consolidated financial statements for the annual period beginning January 1, 2019. The extent of the impact of adoption has not yet been determined.

FINANCIAL INSTRUMENTS

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. Cash and cash equivalents and accounts payable are recognized on the statement of financial position at their carrying value which approximated their fair value due to their short-term nature.

RISKS AND UNCERTAINTIES

If NameSilo is unable to attract and retain customers and increase sales to new and existing customers, the NameSilo Business and operating results would be harmed.

NameSilo's success depends on its ability to attract and retain customers and increase sales to new and existing customers. NameSilo derives its revenue from domain registration. The rate at which new and existing customers purchase its products depends on a number of factors, including those outside of its control. Although its total customers and revenue have grown rapidly in the past, NameSilo cannot be assured that it will achieve similar growth rates in future periods as its total customers and revenue could decline or grow more slowly than it expects. NameSilo's sales could fluctuate or decline as a result of lower demand for domain names and website and related products, declines in its customers' level of satisfaction with its products, the timeliness and success of product enhancements and introductions by NameSilo and those of its competitors, the pricing offered by NameSilo and its competitors, the frequency and severity of any system outages and technological change. NameSilo's revenue has grown historically due in large part to sustained customer growth rates and strong sales of subscriptions of its domain name registration products. NameSilo's future success depends in part on maintaining strong renewal sales. NameSilo's costs associated with renewal sales are substantially lower than costs associated with generating revenue from new customers and costs associated with generating sales of additional products to existing customers. Therefore, a reduction in renewals, even if offset by an increase in other revenue, would reduce NameSilo's operating margins in the near term. Any failure by NameSilo to continue to attract new customers or maintain strong renewal sales could have a material adverse effect on its business, growth prospects and operating results. If the Company is unable to increase sales of these additional products to new and existing customers, NameSilo's growth prospects may be harmed.

If NameSilo do not successfully develop and market products that anticipate or respond promptly to the needs of our customers, our business and operating results may suffer.

The markets in which NameSilo competes are characterized by constant change and innovation, and NameSilo expects them to continue to evolve rapidly. NameSilo's historical success has been based on its ability to sell domain names at competitive prices. If NameSilo is not able to continue to provide products that respond in a timely and effective manner to their evolving needs to its customers, its business, operating results and financial condition will be adversely affected.

The process of developing new technology is complex and uncertain. If NameSilo fails to accurately predict customers' changing needs or emerging technological trends, or if it fails to achieve the benefits expected from its investments in technology its business could be harmed. The products will include those offered under the NameSilo Business and those to be offered under the Digital Service Business. NameSilo must continue to commit significant resources to develop its technology in order to maintain its competitive position, and these commitments will be made without knowing whether such investments will result in products the market will accept. NameSilo's new products or product enhancements could fail to attain meaningful market acceptance for many reasons, including:

- delays in releasing new products or product enhancements to the market;
- our failure to accurately predict market demand or customer preferences;
- defects, errors or failures in product design or performance;
- negative publicity about product performance or effectiveness;

- introduction of competing products (or the anticipation thereof) by other market participants;
- poor business conditions for NameSilo's customers or poor general macroeconomic conditions;
- the perceived value of NameSilo's products or product enhancements relative to their cost; and
- changing regulatory requirements affecting the products offered.

There is no assurance NameSilo will successfully identify new opportunities, develop and bring new products to market on a timely basis, or that products and technologies developed by others will not render its products or technologies obsolete or noncompetitive, any of which could adversely affect its business and operating results. If NameSilo's new products or enhancements do not achieve adequate acceptance by its customers, or if its new products do not result in increased sales or subscriptions, its competitive position will be impaired, its anticipated revenue growth may not be achieved and the negative impact on its operating results may be particularly acute because of the upfront technology and development, marketing and advertising and other expenses it may incur in connection with new products or enhancements.

A network attack, a security breach or other data security incident could delay or interrupt service to NameSilo's customers, harm its reputation or subject it to significant liability.

NameSilo's operations depend on its ability to protect its network and systems against interruption or damage from unauthorized entry, computer viruses, denial of service attacks and other security threats beyond its control. NameSilo regularly experiences DDOS attacks by hackers aimed at disrupting service to its customers and attempts to place illegal or abusive content on NameSilo or its customers' websites, and it may be subject to DDOS attacks or content abuse in the future. NameSilo's response to such DDOS attacks may be insufficient to protect its network and systems, especially as attacks increase in size. In addition, there has been an increase in the number of malicious software attacks in the technology industry, including malware and ransomware, such as WannaCry. In addition, from time to time, activities of its customers or other parties may cause it to suspend or terminate customer accounts. NameSilo have suspended and terminated, and will in the future suspend or terminate, a customer's use of its products when the activities on their site breach its terms of service (for example, phishing or resource misuse), interfere with or harm other customers' websites sharing the same resources or otherwise violate applicable law. NameSilo may also suspend or terminate a customer's website if it is repeatedly targeted by DDOS or other attacks disrupting other customers' websites or servers or otherwise impacts its infrastructure.

NameSilo cannot guarantee its backup systems, regular data backups, security protocols, network protection mechanisms and other procedures currently in place, or that may be in place in the future, will be adequate to prevent or remedy network and service interruption, system failure, damage to one or more of its systems, data loss, security breaches or other data security incidents. Also, its products are cloud-based, and the amount of data it stores for its customers on its servers has been increasing as its business has grown. Despite the implementation of security measures, NameSilo's infrastructure may be vulnerable to computer viruses, worms, other malicious software programs, illegal or abusive content or similar disruptive problems caused by its customers, employees, consultants or other Internet users who attempt to invade or disrupt public and private data networks or to improperly access, use or obtain data. Any actual or perceived breach of its security, or any other data security incident, could damage its reputation and brand, expose it to a risk of loss or litigation and possible liability, subject it to regulatory or other government inquiries or investigations, require it to expend significant capital and other resources to alleviate problems caused by the breach, and deter customers from using its products, any of which would harm its business, financial condition and operating results.

If the security of the confidential information or personally identifiable information NameSilo maintains, including that of its customers and the visitors to its customers' websites stored in its systems, is breached or otherwise subjected to unauthorized access, its reputation may be harmed and the Company may be exposed to liability.

NameSilo's business involves the storage and transmission of confidential information, including personally identifiable information. In addition, as nearly all of its products are cloud-based, the amount of data it stores for its customers on its servers (including personally identifiable information and other potentially sensitive information) has been increasing. NameSilo takes measures intended to protect the security, integrity and confidentiality of the personal information and other sensitive information, including payment card information, it collects, stores or transmits, but cannot guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties or its employees will not gain unauthorized access to this information despite its efforts. If third parties succeed in penetrating its security measures or those of its vendors and partners, or in otherwise accessing or obtaining without authorization the payment card information or other sensitive or confidential information NameSilo or its vendors and partners maintain, NameSilo could be subject to liability, loss of business, litigation, government investigations or other losses. Hackers or individuals who attempt to breach its security measures or those of its vendors and partners could, if successful, cause the unauthorized disclosure, misuse, or loss of personally identifiable information or other confidential information, including payment card information, suspend its web-hosting operations or cause malfunctions or interruptions in its networks.

If NameSilo or its partners experience any breaches of its security measures or sabotage, or otherwise suffer unauthorized use or disclosure of, or access to, personally identifiable information or other confidential information, including payment card information, NameSilo might be required to expend significant capital and resources to protect against or address these problems. NameSilo may not be able to remedy any problems caused by hackers or other similar actors in a timely manner, or at all. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until after they are launched against a target, NameSilo and its vendors and partners may be unable to anticipate these techniques or to implement adequate preventative measures on a timely basis. Advances in computer capabilities, discoveries of new weaknesses and other developments with software generally used by the Internet community, such as the Meltdown and Spectre vulnerabilities, which exploit security flaws in chips manufactured in the last 20 years, the Shellshock vulnerability in the Linux Bash shell, or WannaCry or Petya ransomware attacks, also increase the risk that NameSilo, or its customers using its servers, will suffer a security breach. NameSilo’s partners and it may also suffer security breaches or unauthorized access to personally identifiable information and other confidential information, including payment card information, due to employee error, rogue employee activity, unauthorized access by third parties acting with malicious intent or who commit an inadvertent mistake or social engineering. If a breach of its security or other data security incident occurs or is perceived to have occurred, the perception of the effectiveness of its security measures and NameSilo’s reputation could be harmed and it could lose current and potential customers.

Security breaches or other unauthorized access to personally identifiable information and other confidential information, including payment card information, could result in claims against NameSilo for unauthorized purchases with payment card information, identity theft or other similar fraud claims as well as for other misuses of personally identifiable information, including for unauthorized marketing purposes, which could result in a material adverse effect on its business or financial condition. Moreover, these claims could cause NameSIlo to incur penalties from payment card associations (including those resulting from its failure to adhere to industry data security standards), termination by payment card associations of its ability to accept credit or debit card payments, litigation and adverse publicity, and regulatory or other government inquiries or investigations, any of which could have a material adverse effect on its business and financial condition. NameSilo expects to continue to expend significant resources to protect against security breaches and other data security incidents. The risk that these types of events could seriously harm its business is likely to increase as it expands the number of cloud-based products it offers and operates in more countries.

NameSilo face significant competition for its products in the domain name registration and web-hosting markets and other markets in which it competes, which it expects will continue to intensify, and it may not be able to maintain or improve our competitive position or market share.

The market for cloud-based solutions enabling individuals, businesses and organizations to establish an online presence to connect with customers is highly fragmented and competitive. These solutions are also rapidly evolving, creating opportunity for new competitors to enter the market with point-solution products or address specific segments of the market. NameSilo's competitors include providers of domain registration services, web-hosting solutions, website creation and management solutions, e-commerce enablement providers, cloud computing service and online security providers, alternative web presence and marketing solutions providers and providers of productivity tools such as business-class email.

NameSilo expects competition to increase in the future from competitors in the domain and hosting and presence markets, such as GoDaddy, Endurance, United Internet, Web.com and Donuts, as well as competition from companies such as Google, Amazon and Microsoft, which provide web-hosting, other cloud-based services and domain name registration, and eBay and Facebook, which offer Internet marketing platforms. In addition, it faces competition in the website and e-commerce site building market from competitors such as Wix, Squarespace and Shopify, and from providers of social media networks and applications including Facebook and Tencent. Some of its current and potential competitors have greater resources, more brand recognition and consumer awareness, more diversified product offerings, greater international scope and larger customer bases than NameSilo does, and it may therefore not be able to effectively compete with them. If these competitors and potential competitors decide to devote greater resources to the development, promotion and sale of products in the markets in which NameSilo competes, or if the products offered by these companies are more attractive to or better meet the evolving needs of its customers, nameSilo's market share, growth prospects and operating results may be adversely affected.

In addition, in an attempt to gain market share, competitors may offer aggressive price discounts or alternative pricing models on the products they offer, such as so-called freemium pricing in which a basic offering is provided for free with advanced features provided for a fee, or increase commissions paid to their referral sources. As a result, increased competition could result in lower sales, price reductions, reduced margins and the loss of market share. Moreover, competitors and other third-parties may aggressively bid on Google AdWords, which could result in increased marketing expenses making it difficult for NameSilo to compete.

Furthermore, conditions in NameSilo's market could change rapidly and significantly as a result of technological advancements, partnering by its competitors or continuing market consolidation. Innovative new start-up companies and large competitors making significant investments in technology and development may invent similar or superior products and technologies competing with NameSilo's products and technology. NameSilo's current and potential competitors may also establish cooperative relationships among themselves or with third parties that may further enhance their ability to compete. The continued entry of competitors into the domain name registration and web-hosting markets, and the rapid growth of some competitors that have already entered each market, may make it difficult for NameSilo to maintain its market position. NameSilo's ability to compete will depend upon its ability to provide a better product than its competitors at a competitive price. To remain competitive, NameSilo may be required to make substantial additional investments in research, development, marketing and sales in order to respond to competition, and there can be no assurance that these investments will achieve any returns for it or that it will be able to compete successfully in the future.

NameSilo may not be able to maintain profitability in the future.

While NameSilo has experienced revenue growth and profitability over the last two fiscal years, NameSilo may not be able to sustain or increase its growth or maintain profitability in the future or on a consistent basis. NameSilo also expects to continue to invest for future growth. In addition, it expects to continue to incur significant accounting, legal and other expenses as a public company.

As a result of its increased expenditures, it will have to generate and sustain increased revenue to maintain future profitability. Maintaining profitability will require it to ensure revenues continue to increase while managing its cost structure and avoiding significant liabilities. Revenue growth may slow or decline, or it may incur significant losses in the future for a number of possible reasons, including general macroeconomic conditions, increased competition, a decrease in the growth of the markets in which it operates, or if it fails for any reason to continue to capitalize on growth opportunities. Additionally, it may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods. If these losses exceed its expectations or its revenue growth expectations are not met in future periods, its financial performance will be harmed, and its stock price could be volatile or decline.

NameSilo's failure to properly register or maintain its customers' domain names could subject it to additional expenses, claims of loss or negative publicity that could have a material adverse effect on its business.

System and process failures related to its domain name registration service may result in inaccurate and incomplete information in its domain name database. Despite testing, system and process failures may remain undetected or unknown, which could result in compromised customer data, loss of or delay in revenues, failure to achieve market acceptance, injury to its reputation or increased product costs, any of which could harm its business. Furthermore, the requirements for securing and renewing domain names vary from registry to registry and are subject to change. NameSilo cannot guarantee it will be able to readily adopt and comply with the various registry requirements. Its failure or inability to properly register or maintain its customers' domain names, even if it is not at fault, might result in significant expenses and subject it to claims of loss or to negative publicity, which could harm its business, brand and operating results.

NameSilo relies heavily on the reliability, security and performance of its internally developed systems and operations. Any difficulties in maintaining these systems may result in damage to its brand, service interruptions, decreased customer service or increased expenditures.

The reliability and continuous availability of the software, hardware and workflow processes underlying its internal systems, networks and infrastructure and the ability to deliver its products are critical to NameSilo’s business. Any interruptions resulting in its inability to timely deliver its products, or materially impacting the efficiency or cost with which it provides its products, would harm its brand, profitability and ability to conduct business. In addition, many of the software and other systems it currently uses will need to be enhanced over time or replaced with equivalent commercial products or services, which may not be available on commercially reasonable terms or at all. Enhancing or replacing its systems, networks or infrastructure could entail considerable effort and expense. If NameSilo fails to develop and execute reliable policies, procedures and tools to operate its systems, networks or infrastructure, it could face a substantial decrease in workflow efficiency and increased costs, as well as a decline in its revenue.

Privacy concerns relating to NameSilo’s technology could damage its reputation and deter existing and new customers from using its products.

From time to time, concerns have been expressed about whether NameSilo’s products or processes compromise the privacy of customers and others. Concerns about its practices with regard to the collection, use, disclosure or security of personally identifiable information, including payment card information, or other privacy related matters, even if unfounded, could damage its reputation and adversely affect its operating results. As NameSilo continues to grow its business organically and through acquisitions, the amount of data it stores for its customers and related to its employees on its servers (including personally identifiable information) has been increasing. Any systems failure or compromise of its security resulting in the release of its users' or customers' data could seriously limit the adoption of its product offerings, as well as harm its reputation and brand and, therefore, its business. NameSilo expects to continue to expend significant resources to protect against security breaches. The risk that these types of events could seriously harm its business is likely to increase as it expands the number of cloud-based products it offers and operates in more countries.

Failure to adequately protect and enforce its intellectual property rights could substantially harm its business and operating results.

NameSilo relies on its unpatented proprietary technology and confidential proprietary information, including trade secrets and know-how. Despite its efforts to protect the proprietary and confidential nature of such technology and information, unauthorized parties may attempt to misappropriate, reverse engineer or otherwise obtain and use them. The contractual provisions in confidentiality agreements and other agreements the Company generally enters into with employees, consultants, partners, vendors and customers may not prevent unauthorized use or disclosure of NameSilo's proprietary technology or intellectual property rights and may not provide an adequate remedy in the event of unauthorized use or disclosure of its proprietary technology or intellectual property rights. Moreover, policing unauthorized use of its technologies, products and intellectual property is difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the U.S. and where mechanisms for enforcement of intellectual property rights may be weak. To the extent NameSilo expands its international activities, its exposure to unauthorized copying and use of its products and proprietary information may increase. It may be unable to determine the extent of any unauthorized use or infringement of its products, technologies or intellectual property rights.

From time to time, legal action by NameSilo may be necessary to enforce its patents, trademarks and other intellectual property rights, to protect its trade secrets, to determine the validity and scope of the intellectual property rights of others or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of resources, distract management and technical personnel and negatively affect its business, operating results and financial condition. If it is unable to protect its intellectual property rights, NameSilo may find itself at a competitive disadvantage. Any inability on its part to protect adequately its intellectual property may have a material adverse effect on its business, operating results and financial condition.

ICANN periodically authorizes the introduction of new TLDs, and NameSilo may not have the right to register new domain names to NameSilo's customers based on such TLDs, which could adversely impact its business and results of operations.

ICANN has periodically authorized the introduction of new TLDs and made domain names related to them available for registration. NameSilo's competitive position depends in part on its ability to secure access to these new TLDs. A significant portion of NameSilo's business relies on its ability to sell domain name registrations to its customers, and any limitations on NameSilo's access to newly-created TLDs could adversely impact its ability to sell domain name registrations to customers, and thus adversely impact its business.

In 2013, ICANN significantly expanded the number of gTLDs, which resulted in the delegation of new gTLDs commencing in 2014, which NameSilo refer to as the Expansion Program. NameSilo and certain of its competitors have expended resources filing gTLD applications under the Expansion Program to pursue the acquisition of gTLD operator rights. For example, NameSilo secured the rights to become the registry for NameSilo, a gTLD. The Expansion Program could substantially change the domain name industry in unexpected ways and is expected to result in an increase in the number of domains registered by NameSilo's competitors. If NameSilo does not properly manage its response to the change in business environment, and accurately predict the market's preference for specific gTLDs, it could adversely impact its competitive position or market share.

BRISIO INNOVATIONS INC.

PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2018
(Unaudited – Expressed in Canadian Dollars)

BRISIO INNOVATIONS INC.
PRO-FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31, 2018
(Unaudited – Expressed in Canadian Dollars)

	Brisio Innovations Inc. As at, March 31, 2018 $	NameSilo, LLC As at, March 31, 2018 $	Notes	Pro-forma Adjustments $	Pro-forma Consolidated $
ASSETS					
Current assets					
Cash and cash equivalents	469,786	2,064,659	2(a)	(15,289,916)	2,820,106
			2(b)(i)	1,982,229	
			2(b)(ii)	11,400,438	
			2(b)(iii)	300,000	
			2(b)(iv)	1,892,910	
Receivables	17,561	-		-	17,561
Registry deposits	-	1,156,689		-	1,156,689
Prepaid expenses	13,566	-		-	13,566
Prepaid domain name registry fees, current portion	-	8,183,969		-	8,183,969
Digital currency	-	489,652		-	489,652
	500,913	11,894,969		285,661	12,681,543
Prepaid domain name registry fees, long-term portion	-	814,814		-	814,814
Convertible note	581,235	-		-	581,235
Investments	3,145,761	-		-	3,145,761
Long-term deposit for investment	257,110	-	2(a)	(257,110)	-
Goodwill	-	-	2(a)	13,998,530	13,998,530
TOTAL ASSETS	4,485,019	12,709,783		14,027,081	31,221,883
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	142,658	244,854		-	387,512
Subscription advances	36,000	-		-	36,000
Customer deposits	-	613,851		-	613,851
Loans payable	-	-	2(b)(ii)	9,982,938	9,982,938
Deferred revenue, current portion	-	9,415,142		-	9,415,142
	178,658	10,273,847		9,982,938	20,435,443
Convertible debenture, liability portion	-	-	2(b)(iii)	253,793	253,793
Deferred revenue, long-term portion	-	887,440		-	887,440
	178,658	11,161,287		10,236,731	21,576,676
SHAREHOLDERS' EQUITY					
Share capital/members' capital	22,542,280	520,531	2(a)	(520,531)	27,834,919
			2(b)(i)	1,982,229	
			2(b)(ii)	1,417,500	
			2(b)(iv)	1,892,910	
Convertible debenture, equity portion	-	-	2(b)(iii)	15,808	15,808
Contributed surplus	1,251,950	-	2(b)(iii)	30,399	1,282,349
AOCI	-	330,165	2(a)	(330,165)	-
Retained earnings (deficit)	(19,487,869)	697,800	2(a)	(697,800)	(19,487,869)
	4,306,361	1,548,496		3,790,350	9,645,207
TOTAL LIABILITIES AND EQUITY	4,485,019	12,709,783		14,027,081	31,221,883

BRISIO INNOVATIONS INC.
PRO-FORMA CONSOLIDATED STATEMENTS OF LOSS (INCOME) AND COMPREHENSIVE LOSS
For the three months ended March 31, 2018
(Unaudited – Expressed in Canadian Dollars)

	Brisio Innovations Inc. $	NameSilo, LLC $	Notes	Pro-forma Adjustments $	Pro-forma Consolidated $
REVENUE	-	2,498,182		-	2,498,182
COST OF SALES	-	2,193,332		-	2,193,332
GROSS PROFIT	-	304,850		-	304,850
OPERATING EXPENSES					
Consulting fees	-	109,638		-	109,638
Dues and subscriptions	-	3,193		-	3,193
Hosting fees	-	7,830		-	7,830
Management fees	18,000	-		-	18,000
Office and general	16,766	12,294		-	29,060
Professional fees	20,036	10,440		-	30,476
Transfer agent and filing	3,899	-		-	3,899
	(58,701)	(143,395)		-	(202,096)
INCOME (LOSS) BEFORE OTHER ITEMS	(58,701)	161,455		-	102,754
OTHER INCOME (EXPENSES)					
Unrealized loss on investments	(1,074,984)	-		-	(1,074,984)
Realized gain on sale of investments	201,540	-		-	201,540
Foreign exchange gain	946	-		-	946
	(872,498)	-		-	(872,498)
NET LOSS (INCOME) FOR THE PERIOD	(931,199)	161,455		-	(769,744)
OTHER COMPREHENSIVE LOSS					
Digital currency revaluation	-	(1,821,200)		-	(1,821,200)
TOTAL COMPREHENSIVE LOSS	(931,199)	(1,659,745)		-	(2,590,944)
Basic and diluted net loss per share	(0.01)				(0.01)
Weighted average number of shares outstanding	37,537,137				53,171,554

1. BASIS OF PRESENTATION

The unaudited pro-forma consolidated financial statements of Brisio Innovations Inc. ("Brisio" or the “Company”) have been prepared by its management based on historical financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") to give effect to the proposed definitive share purchase agreement (the "Agreement") dated March 7, 2018 between Brisio and NameSilo, LLC (“NameSilo”) whereby Brisio has agreed to acquire all of the securities of NameSilo (the “Acquisition”).

It is management's opinion that the pro-forma consolidated financial statements include all adjustments necessary for the fair presentation, in all material respects, of the transactions described in Note 2, and are in accordance with IFRS.

The unaudited pro-forma consolidated financial statements should be read in conjunction with the audited consolidated financial statements of Brisio for the years ended December 31, 2017 and 2016, the condensed interim consolidated financial statements of Brisio for the three months ended March 31, 2018 and 2017, the audited consolidated financial statements of NameSilo for the years ended December 31, 2017 and 2016, and the condensed interim consolidated financial statements of NameSilo for the three months ended March 31, 2018 and 2017. The unaudited pro-forma consolidated financial statements have been prepared using the same accounting policies as set out in the audited consolidated financial statements of Brisio for the years ended December 31, 2017 and 2016.

The unaudited pro-forma consolidated financial statements give effect to the acquisition of NameSilo by Brisio as if it had occurred on March 31, 2018 (“Acquisition Date”). The unaudited pro-forma consolidated financial statements have been prepared for illustrative purposes only and may not be indicative of the combined entities' financial position or operating results that would have occurred if the Acquisition had been in effect at the dates indicated. The pro-forma adjustments are based on available financial information and certain estimates and assumptions. The actual adjustments to the consolidated financial statements of Brisio will depend on a number of factors. Therefore, the actual amounts recorded upon completion of the Acquisition will likely differ from those recorded in the unaudited pro-forma consolidated financial statements and these differences may be material. Any potential synergies that may be realized and integration costs that may be incurred upon completion of the Acquisition have been excluded from the unaudited pro-forma consolidated financial statements.

2. PRO-FORMA TRANSACTIONS AND ADJUSTMENTS

The pro-forma consolidated financial statements reflect the following assumptions and adjustments:

(a) Pursuant to the Agreement, Brisio will acquire all of the securities of NameSilo in consideration for total cash payments of US$9,511,500. Further, the members of NameSilo will be entitled to certain earnout payments provided that the business achieves a specified EBITDA, which have been determined to be US$2,546,066. All earnout payments will be made no later than August 15, 2018 and will be payable in cash and shares.

The Acquisition will be accounted for as a business combination, as the operations of NameSilo meet the definition of a business. As the Acquisition will be accounted for as a business combination, all transaction costs will be expensed. The goodwill resulting from the allocation of the purchase price to the total fair value of net assets represents the sales and growth potential of NameSilo. Goodwill recorded is allocated in its entirety to NameSilo.

(Unaudited – Expressed in Canadian Dollars)

The purchase price has been allocated as follows:

	$
Cash	12,264,128
Earn out payments – cash	3,043,942
Earn out payments – 682,730 common shares of the Company at $0.35 per share	238,956
Fair value of consideration	15,547,026
Cash	2,064,659
Registry deposits	1,156,689
Prepaid domain name registry fees	8,998,783
Digital currency	489,652
Goodwill	13,998,530
Accounts payable and accrued liabilities	(244,854)
Customer deposits	(613,851)
Deferred revenue, current portion	(10,302,582)
	15,547,026

The shares issued were valued at $238,956 using a market value of $0.35 per share, which was determined based on the closing share issue price on the announcement date of the Acquisition.

Member's capital, accumulated other comprehensive income and retained earnings for NameSilo are eliminated.

(b) Prior to the Acquisition:

(i) On May 18, 2018, the Company closed the initial tranche of a non-brokered private placement and issued 5,940,727 common shares at $0.35 per share for gross proceeds of $2,083,466. The Company incurred cash finder's fees of $101,237 and issued 20,300 finder's shares.

(ii) On May 1, 2018, the Company received a bridge loan financing in the principal amount of $5,000,000. The loan bears interest at a rate of 8% per annum and is due on November 1, 2018. As an incentive for the lender entering into the loan agreement, the Company issued as a bonus a total of 300,000 common shares. The shares issued were valued at $105,000 using a market value of $0.35 per share, which was determined based on the closing share issue price on the announcement date of the Acquisition.

On June 22, 2018, the Company received another bridge loan financing in the principal amount of USD$4,770,000. The loans bear interest at a rate of 8% per annum and are due in June 2019. As an incentive for the lenders entering into the loan agreements, the Company agreed to issue as a bonus a total of 3,750,000 common shares on August 15, 2018. The shares issued were valued at

$1,312,500 using a market value of $0.35 per share, which was determined based on the closing share issue price on the announcement date of the Acquisition.

(iii) On May 2, 2018, the Company issued a convertible debenture in the principal amount of $300,000. The debentures are secured on the assets of the Company, bear interest at a rate of 10% per annum, payable semi-annually and due eighteen months after closing. The debenture is convertible into common shares of the Company at a price of $0.50 per share. Further, the holder received a total of 300,000 detachable share purchase warrants. The warrants are exercisable at a price of $0.65 per share for a period of eighteen months from the date of issue.

For accounting purposes, the convertible debenture is separated into liability and equity components. The fair value of the liability component is calculated as the discounted cash flows for the exchangeable note assuming a 15% effective interest rate which is the estimated rate for convertible debentures without a conversion feature. The fair value of the equity component (conversion feature) is determined as the difference between the face value of the convertible debenture and the fair value of the liability component.

The fair value of the share purchase warrants is estimated to be $30,399 based on the Black-Scholes option pricing model. The following assumptions were used for the fair value determination of the warrants: dividend yield of 0%, expected volatility of 100.8%, a risk- free interest rate of 0.73% and an expected life of 1.5 years. The fair value of the share purchase warrants is allocated between the liability and equity components of the convertible debenture on a pro rata basis.

(iv) On July 12, 2018, the Company closed the second tranche of the non-brokered private placement and issued 5,408,315 common shares at $0.35 per share for gross proceeds of $1,892,910. The Company issued 215,075 finder's shares.

(Unaudited – Expressed in Canadian Dollars)

3. PRO-FORMA SHAREHOLDERS' EQUITY

Shareholders' equity as at March 31, 2018 in the unaudited pro-forma consolidated financial statements are comprised of the following:

	Number of Shares #	Share Capital / Members' Capital $	Convertible Debenture – Equity Component $	Contributed Surplus $	AOCI $	Retained Earnings (Deficit) $	Total $
Balance per unaudited condensed interim consolidated financial statements of Brisio at March 31, 2018	41,517,368	22,542,280	-	1,251,950	-	(19,487,869)	4,306,361
Balance per unaudited condensed interim consolidated financial statements of NameSilo at March 31, 2018	-	520,531	-	-	330,165	697,800	1,548,496
Brisio private placements	11,349,042	3,976,376	-	-	-	-	3,976,376
Finder's shares issued	235,375	-	-	-	-	-	-
Share issue costs incurred	-	(101,237)	-	-	-	-	(101,237)
Bonus shares issued pursuant to bridge loans	4,050,000	1,417,500	-	-	-	-	1,417,500
Convertible debentures	-	-	15,808	30,399	-	-	46,207
Eliminate NameSilo share capital	-	(520,531)	-	-	(330,165)	(697,800)	(1,548,496)
As at March 31, 2018	**57,151,785**	**27,834,919**	**15,808**	**1,282,349**	**-**	**(19,487,869)**	**9,645,207**

4. EFFECTIVE TAX RATE

Upon completion of the Agreement the effective tax rate of the Company is expected to be 26%.

(Unaudited – Expressed in Canadian Dollars)

5. PRO-FORMA BASIC AND DILUTED LOSS PER SHARE

	Three months ended March 31, 2018
Weighted average number of shares outstanding of Brisio	37,537,137
Pro-forma shares issued	15,634,417
Pro-forma weighted average number of shares outstanding	53,171,554
Pro-forma net loss	$ (769,744)
Pro-forma adjusted basic and diluted loss per share	$ (0.01)

6. PRO-FORMA NUMBER OF STOCK OPTIONS AND WARRANTS OUTSTANDING

	March 31, 2018
Pro-forma number of stock options outstanding of Brisio	3,600,000
Pro-forma number of warrants outstanding of Brisio	4,133,208

The following is a list of Brisio's outstanding pro-forma stock options and warrants:

Expiry Date	Exercise Price ($)	Remaining Life (years)	Number of Options Outstanding
September 27, 2018	0.15	0.49	540,000
February 28, 2019	0.30	0.92	300,000
December 12, 2019	0.10	1.70	150,000
August 4, 2021	0.10	3.35	575,000
December 20, 2022	0.23	4.73	1,000,000
December 29, 2022	0.23	4.75	75,000
	0.19	3.20	2,640,000

Expiry Date	Exercise Price ($)	Remaining Life (years)	Number of Warrants Outstanding
January 17, 2019	0.25	0.80	1,333,208
January 15, 2020	0.30	1.79	2,500,000
March 31, 2020	0.65	2.00	300,000
		1.48	4,133,208