

## FORM 5

### QUARTERLY LISTING STATEMENT

Name of CNSX Issuer: Cascadia Blockchain Group Corp.

Trading Symbol: "CK"

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CSE Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the CNSX.ca website.

#### **General Instructions**

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

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

The condensed interim consolidated financial statements for the first quarter ended April 30, 2020 are attached hereto as Schedule A.

**SCHEDULE B: SUPPLEMENTARY INFORMATION**

**1. Related Party Transactions**

The salaries and benefits compensation paid to key management personnel of the Company was \$30,077 for the three months ended April 30, 2020 (2019: \$83,756).

Key management includes directors, the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) of the Company.

Included in accounts payable and accrued liabilities was \$104,800 (April 30, 2019 - \$70,211) due to directors and officers of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount established and agreed to by the related parties.

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

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

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
			Nil					

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
	Nil					

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

	<b>Number of Common Shares</b>	<b>Amount</b>
<b>Authorized Share Capital</b>	Unlimited	
<b>Balance, April 30, 2020</b>	71,977,438	\$13,364,643

The following is a summary of options and warrants outstanding at the first quarter ended April 30, 2020.

	<b>No. of Shares under Option/Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
Stock options	140,000	\$0.12	March 15, 2021
<b>Total Options</b>	<b>140,000</b>		
Warrants	10,951,400	\$0.10	November 27, 2020
Warrants	28,500,000	\$0.12	March 24, 2021
<b>Total Warrants</b>	<b>39,451,400</b>		

As at April 30, 2020, the Company has no shares (April 30, 2019 – Nil) held in escrow.

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

Di Deng	Chairman of the Board of Directors, President and Chief Executive Officer
Hanxuan Wu	Director and Chairwoman of Audit Committee
Shanshan Zhu	Director, Member of Audit Committee
Eason Chen	Interim Chief Financial Officer

**SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

The Interim MD&A is attached hereto as Schedule C.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: June 29, 2020

Eason Chen  
Name of Director or Senior Officer

"Eason Chen"  
Signature

Interim CFO  
Official Capacity

<b>Issuer Details</b> Name of Issuer Cascadia Blockchain Group Corp.	For Quarter Ended April 30, 2020	Date of Report YY/MM/DD 20/06/29
Issuer Address PO Box 43166, 6060 Minoru Blvd.		
City/Province/Postal Code Richmond, B.C. V6Y 3Y3	Issuer Fax No.	Issuer Telephone No. (604) 773-5180
Contact Name Eason Chen	Contact Position Corporate Secretary	Contact Telephone No. (604) 773-5180
Contact Email Address EChen@cascadiacorp.com	Web Site Address www.cascadiacorp.com	

Schedule A  
Financial Statements

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian Dollars)*

**NOTICE TO READER OF THE UNAUDITED CONDENSED INTERIM  
CONOSLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited condensed interim consolidated financial statements of Cascadia Blockchain Group Corp. (the "Company") have been prepared by the Company's management and have not been reviewed by the Company's independent auditors. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended January 31, 2020 which are available at the SEDAR website at [www.sedar.com](http://www.sedar.com).

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT APRIL 30, 2020 AND JANUARY 31, 2020**  
*(Expressed in Canadian dollars)*

	Notes	April 30, 2020 (Unaudited)	January 31, 2020 (Audited)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 452,049	\$ 393,126
Cryptocurrency	3	409,724	753,403
Accounts receivable and other receivables	4	4,232	6,508
Prepaid expense		-	3,618
<b>Total current assets</b>		<b>866,005</b>	<b>1,156,655</b>
<b>Non-current assets</b>			
Fixed assets	5	26,004	28,589
Right-of-use Assets	6	13,130	17,507
<b>Total non-current assets</b>		<b>39,134</b>	<b>46,096</b>
<b>TOTAL ASSETS</b>		<b>\$ 905,139</b>	<b>\$ 1,202,751</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	8	\$ 151,875	\$ 81,326
Lease liabilities	6	13,767	17,013
<b>Total current liabilities</b>		<b>165,642</b>	<b>98,339</b>
<b>Equity</b>			
Share capital	7	13,364,643	13,364,643
Contributed surplus		58,248	58,248
Accumulated other comprehensive loss		39,171	2,453
Deficit		(12,722,565)	(12,320,932)
<b>Total equity</b>		<b>739,497</b>	<b>1,104,412</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 905,139</b>	<b>\$ 1,202,751</b>

**NATURE OF BUSINESS (NOTE 1)**  
**SUBSEQUENT EVENT (NOTE 13)**

On behalf of the Board:

(signed) Di Deng, Director

(signed) Hanxuan Wu, Director

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



**CASCADIA BLOCKCHAIN GROUP CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (UNAUDITED)**  
*(Expressed in Canadian dollars)*

	Notes	Three Months Ended April 30,	
		2020	2019
<b>EXPENSE</b>			
Salaries and benefits	8	\$ 142,287	\$ 196,048
Consulting and professional fees		161,603	42,778
Amortization	5, 6	6,962	994
Rent		-	23,793
Office and miscellaneous		3,393	14,948
Listing and transfer agent expenses		3,098	6,616
Bank charges and interest		1,130	3,508
Travel		529	5,083
<b>OPERATING LOSS</b>		<b>(319,002)</b>	<b>(293,768)</b>
<b>OTHER INCOME (LOSS)</b>			
Interest income		357	1,462
Foreign exchange gain (loss)		(24,169)	10,583
Recovery (loss) from change in fair value of cryptocurrency	3	(2,824)	255,868
Gain/(loss) on disposal of cryptocurrency	3	(55,995)	-
<b>NET LOSS</b>		<b>(401,633)</b>	<b>(25,855)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
<b>Items that will be reclassified to net income / loss:</b>			
Foreign currency translation adjustments from foreign subsidiary		36,718	1,190
<b>COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>\$ (364,915)</b>	<b>\$ (24,665)</b>
<b>LOSS PER SHARE FROM OPERATIONS</b>			
Basic and Diluted		\$ (0.01)	\$ (0.00)
<b>LOSS PER SHARE FOR THE PERIOD</b>			
Basic and Diluted		\$ (0.01)	\$ (0.00)
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>			
Basic and Diluted		71,977,438	71,977,438

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

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**  
*(Expressed in Canadian dollars)*

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated other comprehensive income (loss)	Retained Earnings (Deficit)	Total Equity
		\$	\$	\$	\$	\$
<b>Balance, January 31, 2019</b>	<b>71,977,438</b>	<b>13,364,643</b>	<b>58,248</b>	<b>-</b>	<b>(11,862,653)</b>	<b>1,560,238</b>
Net loss for the period	-	-	-	-	(25,855)	(25,855)
Other comprehensive income for the period	-	-	-	1,190	-	1,190
<b>Balance, April 30, 2019</b>	<b>71,977,438</b>	<b>13,364,643</b>	<b>58,248</b>	<b>1,190</b>	<b>(11,888,508)</b>	<b>1,535,573</b>
Net loss for the period	-	-	-	-	(432,424)	(432,424)
Other comprehensive income for the period	-	-	-	1,263	-	1,263
<b>Balance, January 31, 2020</b>	<b>71,977,438</b>	<b>13,364,643</b>	<b>58,248</b>	<b>2,453</b>	<b>(12,320,932)</b>	<b>1,104,412</b>
Net loss for the period	-	-	-	-	(401,633)	(401,633)
Other comprehensive income for the period	-	-	-	36,718	-	36,718
<b>Balance, April 30, 2020</b>	<b>71,977,438</b>	<b>13,364,643</b>	<b>58,248</b>	<b>39,171</b>	<b>(12,722,565)</b>	<b>739,497</b>

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

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
*(Expressed in Canadian dollars)*

	Notes	Thress Months Ended April 30,	
		2020	2019
<b>Cash flows from (used in ) operating activities</b>			
Net income / (loss) from continuing opeartions		\$ (401,633)	\$ (25,855)
Adjustments to reconcile net income to net cash flows:			
Amortization	5, 6	6,962	994
Change in fair value of cryptocurrency	3	2,824	(255,868)
Recovery of loss on sale of cryptocurrency and transaction fee	3	55,995	-
Fees and salaries paid in cryptocurrency	3	105,542	-
		<b>(230,310)</b>	<b>(280,729)</b>
Changes in working capital items:			
Accounts receivable and other receivables		2,276	(2,538)
Prepaid expenses		3,618	4,893
Accounts payable and accued liabilities		70,550	15,782
Cash flows used in operating activities		<b>(153,866)</b>	<b>(262,592)</b>
<b>Cash flows from investing activities</b>			
Proceed from sale of cryptocurrency	3	179,317	-
Cash flows from (used in) investing activities		<b>179,317</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Lease payments		<b>(3,246)</b>	<b>-</b>
Cash flows from financing activities		<b>(3,246)</b>	<b>-</b>
<b>Decrease in cash and cash equivalents</b>		<b>22,205</b>	<b>(262,592)</b>
<b>Foreign exchange effect on cash and cash equivalents</b>		<b>36,718</b>	<b>1,190</b>
<b>Cash and cash equivalents, beginning of the period</b>		<b>393,126</b>	<b>1,267,970</b>
<b>Cash and cash equivalents, end of the period</b>		<b>\$ 452,049</b>	<b>\$ 1,006,568</b>

Supplemental cash flow information (Note 9)

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

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian dollars)*

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

THESE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS CONTAIN THE FOLLOWING NOTES:

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**CASCADIA BLOCKCHAIN GROUP CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian dollars)*

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**1. NATURE OF BUSINESS**

Blockchain Group Corp. (the “Company” or “Cascadia”) was incorporated on November 10, 2011 under the laws of British Columbia, Canada. Cascadia is a blockchain technology company operating in Vancouver, B.C., Canada. Its registered office is located at #530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8. In September 2013, the Company was approved for listing on the Canadian Securities Exchange (“CSE”). The Company’s common shares commenced trading on the CSE at the opening of markets on September 12, 2013 under the symbol “CK”.

On December 20, 2017, the Company proposed a fundamental change of business to a blockchain company and a change of its name from Cascadia Consumer Electronics Corp. to Cascadia Blockchain Group Corp. The proposed change of business and change of name were approved by the CSE on September 7, 2018. The corresponding listing statement was filed on both the CSE and SEDAR websites.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. The Company has incurred losses since its inception. For the three months ended April 30, 2020, the Company incurred a net loss of \$402,006 and has an accumulated deficit of \$12,772,565 as at April 30, 2020. The Company’s ability to continue as a going concern and to realize assets and discharge its liabilities in the normal course of business is dependent upon its generating profitable operations, obtaining additional financing or maintaining continued support from its shareholders and creditors, and identifying and acquiring other businesses or assets in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. 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 as a going concern. Such adjustments could be material.

The consolidated financial statements were approved by the Board of Directors and authorized for issuance on June 29, 2020.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Statement of compliance**

These unaudited condensed interim consolidated financial statements (“interim financial statements”) have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), have been omitted or condensed. These interim financial statements should be read in conjunction with the Company’s consolidated financial statements for the year ended January 31, 2020.

**Basis of consolidation**

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiaries in the table below. All inter-company transactions, balances, income and expenses have been eliminated in full on consolidation.

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian dollars)*

Entity	Operations	Country of Incorporation	% of Interest	Basis of Accounting
Tianjin Bocui Technology Ltd. ("Bocui")	Continuing	China	100% <sup>(1)</sup>	Consolidated
CK Fintech Corp. ("CK Fintech")	Continuing	Canada	100% <sup>(1)</sup>	Consolidated
Eurasia Blockchain Fintech Group Limited ("EBFG")	Continuing	Kazakhstan	100% <sup>(2)</sup>	Consolidated
CK Blockchain Lab Corp. ("CK Lab")	Continuing	Canada	100% <sup>(1)</sup>	Consolidated

(1) Owned through Cascadia

(2) Owned through CK Fintech

**Basis of measurement**

These interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**Functional and presentation currency**

The presentation and functional currency of the Company is the Canadian dollar. The functional currency of its subsidiaries is also the Canadian dollar except for Eurasia Blockchain Fintech Group Limited ("EBFG") which is the Kazakhstani Tenge ("KZT"), and Tianjin Bocui Technology Ltd. ("Bocui") which is Chinese RenMinBi ("RMB").

**Significant judgements and estimates**

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses for the periods reported. 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. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Judgements are choices in accounting policies and disclosures which management believes are supported by facts and circumstances existing at the date of the consolidated financial statements.

Significant areas requiring the use of management estimates include:

- The amount of expected credit loss of receivables.

Critical accounting judgements are accounting policies that have been identified as being complex or involve subjective judgments or assessments with a significant risk of material adjustment in the next fiscal year.

Significant judgement areas include:

- The classification of cryptocurrency as intangible assets;
- The ability of the Company to continue as a going concern; and
- The determination of whether the revenue recognition criteria are satisfied when transacting with new customers, particularly whether the receipt of the economic benefits associated with a transaction is probable.

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian dollars)*

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**Adoption of new pronouncements**

Standard effective for annual periods beginning on or after January 1, 2020

The Company has adopted the following amendments to existing standards on February 1, 2020.

Amendments to IFRS 3, Business Combinations, improve the definition of a business. The amendments help entities determine whether an acquisition made is of a business or a group of assets. The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.

Definition of Material (Amendments to IAS 1, Presentation of Financial Statements, ["IAS 1"] and to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ["IAS 8"]) is intended to make the definition of material in IAS 1 easier to understand and is not intended to alter the underlying concept of materiality in IFRS Standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.

The amendments listed above did not have a significant impact on the Company's financial statements.

**New pronouncements to be adopted**

The following amendments to a standard have been issued and are applicable to the Company for its annual periods beginning on February 1, 2022 and thereafter, with an earlier application permitted:

Amendments to IAS 1, Presentation of Financial Statements, clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity.

The Company is currently assessing the impact of adopting these amendments on its financial statements.

**CASCADIA BLOCKCHAIN GROUP CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian dollars)*

**3. CRYPTOCURRENCY**

The Company received 425 bitcoins (“BTCs”) worth \$7,705,051 from a private placement closed on December 29, 2017 (see Note 7). Cryptocurrency assets are classified as intangible assets initially recorded at cost and subsequently measured at fair value. The fair value of BTC is determined according to Bitcoin Reference Rate published by CME Group (“CME”) on the reporting date, and the closing exchange rate between Canadian dollar and US dollar published by the Bank of Canada (“BOC”) on the same day. The price of cryptocurrency is volatile, and it exposes the Company to market risk due to the fluctuation of cryptocurrency price.

During the three months ended April 30, 2020, the Company sold 15.56 BTCs (2019: nil) for working capital purposes and paid consulting and director fees of 12.03 BTCs (2019: nil). After the deduction of transaction fees and network fees paid in BTCs, the remaining the balance of the cryptocurrency asset is 33.39 BTCs as at April 30, 2020 (2019: 99.19 BTCs). The corresponding fair value is shown as follows:

Price in US dollars per CME on April 30, 2020	\$	8,821.50
Foreign exchange rate per BOC		1.3910
Price in Canadian dollars per CME on April 30, 2020		12,270.71
Number of BTC as at April 30, 2020		33.3904
Fair value of BTC in Canadian dollars on April 30, 2020	\$	409,724
Opening balance on February 1, 2020	\$	753,403
Proceeds from sale of BTC		(179,317)
Consulting fees paid in BTC		(105,542)
Loss on disposal of BTC and transaction fees		(55,995)
Change in fair value		(2,824)
<b>Ending balance on April 30, 2020</b>	<b>\$</b>	<b>409,724</b>

**4. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES**

On February 19, 2018, the Company entered into a three-year non-exclusive licensing agreement of its intellectual properties related to the Company’s self-developed trading platform for blockchain based digital assets, utility tokens and cryptocurrencies, with an unrelated third party in exchange for \$60,000 monthly licensing fee to be payable in cash or Bitcoin. The licensing fee is waived for the first three months and then payable every three months started on May 19, 2019 until February 18, 2021.

According to the licensing agreement, the first licensing fee payment of \$203,226 which includes the period from May 19 to August 31, 2018 was due within five business days after August 31, 2018. The licensee has not been able to make the first payment due to unexpected market conditions causing financial difficulties to the licensee. Subsequent to three months ended April 30, 2020, the balance was still outstanding. The Company considers the licensing fee receivable to be in default and estimates that the life-time expected credit loss (“ECL”) for the receivable is \$203,226. No licensing fee is recognized as revenue after August 31, 2018 until the licensee is able to demonstrate its ability to pay.

During the year ended January 31, 2019, the Company also recorded ECL amounting to \$257,921 for other receivable from the licensee for the trading platform hosting charges paid on behalf of the licensee as the recovery of the amounts is uncertain.



**CASCADIA BLOCKCHAIN GROUP CORP.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED APRIL 30, 2020 AND 2019**  
*(Expressed in Canadian dollars)*

	April 30, 2020	January 31, 2020
	\$	\$
Accounts receivable and other receivables	461,657	464,091
Allowance for expected credit losses	(461,147)	(461,147)
Net accounts receivable	510	2,944
GST recoverable	3,722	3,564
Accounts receivable and other receivables	4,232	6,508

There is no movements in allowance for expected credit losses/ doubtful account of accounts receivable and other receivables computed based on lifetime ECL during the three months ended April 30, 2020.

**5. NON-CURRENT ASSETS**

	Computer Equipment	Furniture	Total
	\$	\$	\$
<b>Cost:</b>			
At January 31, 2019	8,151	-	8,151
Addition	8,004	21,923	29,927
At January 31, 2020	16,155	21,923	38,078
Addition	-	-	-
At April 30, 2020	16,155	21,923	38,078
<b>Depreciation:</b>			
At January 31, 2019	(3,776)	-	(3,776)
Change for the year	(4,740)	(973)	(973)
At January 31, 2020	(8,516)	(973)	(9,489)
Change for the period	(1,507)	(1,078)	(2,585)
At April 30, 2020	(10,023)	(2,051)	(12,074)
<b>Net book value:</b>			
At January 31, 2019	4,375	-	4,375
Change for the year	3,264	20,950	24,214
At January 31, 2020	7,639	20,950	28,589
Change for the period	(1,507)	(1,078)	(2,585)
At April 30, 2020	6,132	19,872	26,004

**6. RIGHT-OF-USE ASSET AND LEASE LIABILITY**

On September 9, 2019, the Company entered into a 17-month lease agreement for office space and recognized a right-of-use asset and lease liability. The lease liability is measured at the present value of the lease payments and discounted using the Company's incremental borrowing rate of 10%. The lease liability is subsequently measured at amortized cost using the effective interest method. The associated right-of-use asset for the lease was measured at an amount equal to the lease liability and is amortized over the shorter of the asset's useful life and the lease term on a straight-line basis.

Due to COVID-19, the lessor provides lease concession to the Company and the rental payments are delayed from April to June 2020. Such changes to lease payments are not included in the original lease contract, which is therefore not accounted for as lease modifications but as a variable lease payment only and accounted for in profit.

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Value of right-of-use asset at February 1, 2019	-
Recognition of right-of-use asset	24,802
Amortization	(7,295)
<b>Balance at January 31, 2020</b>	<b>17,507</b>
Amortization	(4,377)
<b>Balance at April 30, 2020</b>	<b>13,130</b>
Lease liability at February 1, 2019	-
Recognition of lease liability	24,802
Lease payments	(8,643)
Lease interest	854
<b>Balance at January 31, 2020</b>	<b>17,013</b>
Lease payments	(3,618)
Lease interest	372
<b>Balance at April 30, 2020</b>	<b>13,767</b>

## 7. SHARE CAPITAL

### Authorized:

The Company has authorized an unlimited number of common and preferred shares with no par value.

### Issued and outstanding:

On December 29, 2017, the Company completed a non-brokered private placement and issued 15,410,101 common shares at a price of \$0.50 per share, for gross proceeds of 425 BTC, which is equivalent to \$7,705,054 based on CME and BOC on December 28, 2017. The Company incurred share issuance expenses of \$10,000 relating to the private placement.

### Stock options

The Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in their discretion, and in accordance with the requirements of the CSE (the "Exchange"), grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options will be exercisable for a period of up to five years from the date of grant.

The following table summarizes the continuity of options as at April 30, 2020.

	Number of Options	Weighted Average Exercise Price
<b>Balance, January 31, 2019 and 2018</b>	<b>240,000</b>	<b>\$0.14</b>
Expired in 2020 fiscal year	(100,000)	\$0.16
<b>Balance, April 30 and January 31, 2020</b>	<b>140,000</b>	<b>\$0.12</b>

The following table summarizes information about stock options outstanding and exercisable as at April 30, 2020.

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Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Weighted Remaining Life of Options Outstanding (Years)	Weighted Remaining Life of Options Exercisable (Years)	Expiry Date
140,000	140,000	0.12	0.87	0.87	March 15, 2021
140,000	140,000		0.87	0.87	

**Warrants**

On March 24, 2016, with the private placement of unit subscription, the Company issued 28,500,000 non-transferrable common share purchase warrants. Each warrant entitles the holder to acquire one common share of the Company at a price of \$0.12 per share, expiring on March 24, 2021.

As at April 30, 2020, the issued and outstanding warrants to acquire common shares of the Company are as follows:

Number of Warrants Outstanding	Exercise Price (\$)	Weighted Average Remaining Life (Years)	Expiry Date
10,951,400	0.10	0.58	November 27, 2020
28,500,000	0.12	0.90	March 24, 2021
39,451,400		0.81	

**8. RELATED PARTY TRANSACTIONS AND BALANCES**

The salaries and benefits compensation paid to key management personnel of the Company was \$30,077 for the three months ended April 30, 2020 (2019: \$83,756).

Key management includes directors, the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) of the Company.

Included in accounts payable and accrued liabilities was \$104,800 (April 30, 2019 - \$70,211) due to directors and officers of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount established and agreed to by the related parties.

**9. SUPPLEMENTAL CASH FLOW INFORMATION**

	April 30, 2020	January 31, 2020
	\$	\$
Income taxes paid during the period	-	-
Interest paid during the period	-	-
Interest received during the period	292	1,669

The interest received in the three months ended April 30, 2020 US\$202 (C\$292) was due to the GIC in US dollars that was matured in March 2020, while interest received was US\$1,097 (C\$1,468) in the same period in 2019 as there was more GIC in by then.

**10. FINANCIAL INSTRUMENTS**

The Company classifies its cash and cash equivalents as financial asset measured at FVTPL, accounts receivable and other receivables (excluding GST recoverable) as financial assets measured at amortized cost, its accounts payable and loans payable as financial liabilities measured at amortized cost. The

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carrying amount of financial assets and liabilities carried at amortized cost is a reasonable approximation of their fair value due to the relatively short period to maturity of these financial instruments.

**Fair value**

The following table summarizes the carrying values of the Company's financial instruments:

	April 30, 2020	January 31, 2020
	\$	\$
Financial assets at fair value through profit or loss (i)	452,049	393,126
Financial assets measured at amortized cost (ii)	510	2,944
Financial liabilities measured at amortized cost (iii)	165,642	98,339

- (i) Cash and cash equivalents
- (ii) Accounts receivable and other receivables - excluding GST recoverable
- (iii) Accounts payable and lease liability

Financial instruments measured at fair value on a recurring basis are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

- 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 or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents are classified as Level 1. There were no transfers into or out of Level 2 or Level 3 during the three months ended April 30, 2020.

**Financial risk management**

The Company's financial risks arising from its financial instruments are market risk, credit risk, liquidity risk and interest rate risk. The Company's exposure to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

*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 consists of currency risk, which is the risk that exposes the Company to financial risk related to the fluctuation in exchange rates.

The Company's expenses are mainly denominated in Canadian dollars for operations. As the Company has significant amount of GIC in US dollars, it also faces exchange rate fluctuation relative to the US dollar. Significant change in the currency exchange rates between the Canadian dollars relative to the US dollar could both have effect on the Company's results of operations, financial position and / or cash flow. If the US dollar appreciates / depreciates 5%, the Company's net income would increase / decrease and deficit would decrease / increase by approximately \$7,031, which arises primarily from the Company's GIC in US dollars.

*Credit risk*

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company's credit risk with respect to its cash is minimal as it is held with a large financial institution. The Company's maximum exposure to credit risk for the components of the condensed interim consolidated statement of financial

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position at April 30, 2020 and 2019 is the carrying value of each class of financial assets disclosed in the condensed interim consolidated financial statements.

*Liquidity risk*

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in Note 11. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at April 30, 2020, the Company had a working capital surplus of \$700,363 (January 31, 2020: \$1,058,316). All of the Company's financial liabilities are classified as current.

*Interest rate risk*

The Company is exposed to insignificant interest rate risk on its GIC because the GIC balance is not material. The Company has no interest-bearing debt. The Company has not entered into any derivative instruments to manage interest rate fluctuations. The Company is not exposed to significant interest rate risk.

**11. CAPITAL MANAGEMENT**

The Company's objective when managing capital is to safeguard its ability to continue as a going concern while exploring to develop and provide proprietary, secured and legally compliant trading platforms around globe for selected digital assets and cryptocurrencies, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In management of capital, the Company's capital includes shareholders' equity.

The Company's objective is met by retaining adequate equity to provide for the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Board of Directors does not establish quantitative return on capital criteria for management. Currently, the Company is relying on private placements and advances from the directors and officers to continue its operations. The Company is not subject to any externally imposed capital requirements.

**12. SEGMENTED INFORMATION**

IFRS 8 - Operating Segments requires operating segments to be determined based on internal reports that are regularly reviewed by the chief operating decision maker for the purpose of allocating resources to the segment and to assessing its performance. For the three months ended April 30, 2020 and 2019, the Company operated in one segment in the development of blockchain technology platform in the digital asset and cryptocurrency sectors.

The Company's non-current assets include furniture and computer equipment where \$nil is located in Canada (January 31, 2020: \$523) and \$26,004 is located in Kazakhstan (January 31, 2020: \$28,066) as at April 30, 2020. In addition, the right-of-use asset of \$13,131 is located in Kazakhstan (January 31, 2020: \$17,507) as at April 30, 2020.

**13. SUBSEQUENT EVENT**

In May 2020, the Company's wholly owned subsidiary EBFQ granted five unrestricted common shares to a director of EBFQ which reduced the Company's ownership in EBFQ from 100.00% to 95.24%.

## Schedule C

### Management Discussion and Analysis

# **CASCADIA BLOCKCHAIN GROUP CORP.**

(the “Company”)

## **MANAGEMENT DISCUSSION AND ANALYSIS**

For the Three Months Ended April 30, 2020

The following Management Discussion and Analysis (“MD&A”) has been prepared by management as of June 29, 2020, should be read in conjunction with the condensed interim consolidated financial statements and related notes of the Company for the three months ended April 30, 2020 and the audited consolidated financial statements and related notes of the Company for the year ended January 31, 2020. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All amounts are stated in Canadian dollars unless otherwise indicated.

### **FORWARD LOOKING STATEMENTS**

This MD&A contains certain forward-looking information and statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions as at the date of this MD&A. The words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential”, “interprets”, “may”, “will” and similar expressions identify forward-looking statements. The forward-looking statements reflect the current beliefs of the management of the Company, and are based on currently available information. Readers are cautioned not to place undue reliance on these statements as they are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, such forward-looking statements. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

THIS MD&A CONTAINS THE FOLLOWING SECTIONS:

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DISCUSSION OF OPERATIONS ..... 3

REVIEW OF FINANCIAL RESULTS ..... 4

SUMMARY OF QUARTERLY RESULTS ..... 5

LIQUIDITY AND CAPITAL RESOURCES ..... 5

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**CASCADIA BLOCKCHAIN GROUP CORP.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTHS ENDED APRIL 30, 2020**

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**OVERVIEW**

Cascadia Blockchain Group Corp. (the "Company" or "Cascadia") was incorporated on November 10, 2011 under the laws of British Columbia, Canada. Cascadia is a blockchain technology company operating in Vancouver, B.C., Canada. Its registered office is located at #530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8. In September 2013, the Company was approved for listing on the Canadian Securities Exchange ("CSE"). The Company's common shares commenced trading on the CSE at the opening of markets on September 12, 2013 under the symbol "CK".

On December 20, 2017, the Company proposed a fundamental change of business to a blockchain company and a change of its name from Cascadia Consumer Electronics Corp. to Cascadia Blockchain Group Corp. The proposed change of business and change of name were approved by the CSE on September 7, 2018. The corresponding listing statement was filed on both the CSE and SEDAR websites.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

**Subsidiaries**

1. Tianjin Bocui Technology Limited

The Company incorporated a Wholly Foreign Owned Enterprise ("WFOE") in China under the name "Tianjin Bocui Technology Limited" ("Bocui") on October 9, 2015. Among other benefits, WFOEs can give greater control over business ventures in mainland China and avoid a multitude of problematic issues which can potentially result from dealing with a domestic joint venture partner. Bocui is currently inactive.

2. CK Fintech Corp.

"CK Fintech Corp." ("CK Fintech") is a wholly owned subsidiary incorporated on December 22, 2015. CK Fintech owns the intellectual property of a trading platform to provide various transaction capabilities for selected blockchain technology based digital assets, utility tokens, and cryptocurrencies.

3. Beijing Cascadia Technology Limited

A Chinese subsidiary "Beijing Cascadia Technology Limited" ("Beijing Cascadia") was incorporated under Bocui on February 17, 2016. This subsidiary developed the digital assets trading platform for CK Fintech and provided software developments services to external customers.

In January 2018, management of the Cascadia decided to sell all of the equity interest of this wholly owned subsidiary Beijing Cascadia. On February 9, 2018, the Company disposed all of its equity interest in its 100% owned subsidiary Beijing Cascadia in consideration for RMB1 with the assumption of debt of \$2,035,322 by the purchaser.

4. CK Blockchain Lab Corp.

The Company incorporated a wholly owned subsidiary "CK Blockchain Lab Corp." to research and develop blockchain products on September 28, 2017.

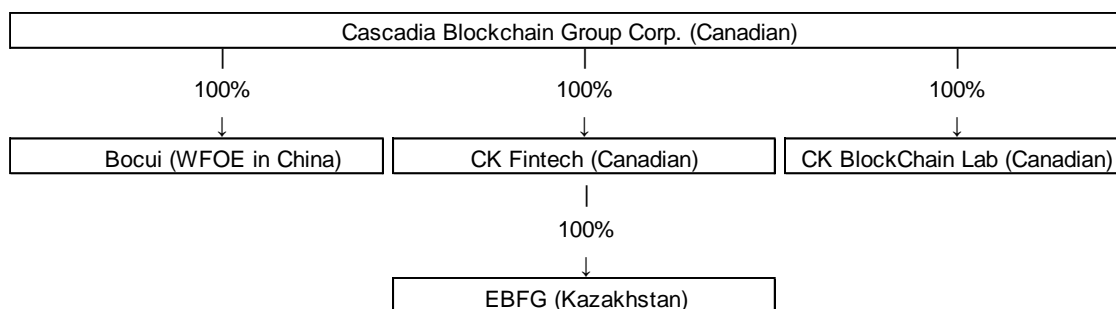
5. Eurasia Blockchain Fintech Group Limited

On June 28, 2018, CK Fintech incorporated a wholly owned subsidiary "Eurasia Blockchain Fintech Group Limited" ("EBFG") to establish a foothold to provide blockchain solutions for various organizations.

**CASCADIA BLOCKCHAIN GROUP CORP.  
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The detail structure of the Company as at April 30, 2020 is as follows:



The presentation currency of the Company is the Canadian dollar. The functional currency of the Company and its subsidiaries is also the Canadian dollar except for EBFG, which is the Kazakhstani Tenge (“KZT”).

## **DISCUSSION OF OPERATIONS**

On August 22, 2019, EBFG obtained the cryptocurrency exchange and custodian service conditional license issued by Astana International Financial Centre (“AIFC”). EBFG will be able to commence operations in a live environment after certain conditions are met such as providing written and approved Anti money laundry framework, complying with all IT systems requirements, and obtaining approval from Astana Financial Services Authority (“AFSA”). EBFG is currently at the final stage of completing the development of Eurasia Blockchain eXchange (“EBX”) and has commenced internal testing.

On September 22, 2019, the Company announced the appointment of Mr. Di Deng as the Chairman of the Board of Directors (the “Board”), President and Chief Executive Officer (“CEO”). Mr. Xiaochuan Guo, who had been the acting President and CEO, and the director of the Company since April 1st, 2019, resigned from the Company to pursue another opportunity. Also, Mr. Jiasheng Cheng resigned as the director and Chairman of the audit committee of the Company to focus on his role as the CEO of a private company. Hanxuan Wu has been appointed as a director and the chairwoman of the audit committee to fill the vacancy created by Mr. Jiasheng Cheng’s resignation. The new Board now comprises of Mr. Di Deng, Ms. Hanxuan Wu and Ms. Shanshan Zhu.

On October 7, 2019, the Company announced the appointment of Mr. Eason Chen as the interim Chief Financial Officer (“CFO”) and Corporate Secretary. Mr. Garry Wong resigned from the position of CFO and Corporate Secretary but remained at the Company as a senior advisor.

In May 2020, the Company granted five unrestricted common shares of EBFG to Mr. Tilektes Adambekov, who has been serving EBFG as a director since 2018. Cascadia’s ownership in EBFG has changed from 100.00% to 95.24% after granting the shares to Mr. Adambekov.

Management has been monitoring the COVID-19 outbreak and paying close attention to the guidance given by government and public health organizations. The Company’s employee continues to work remotely in a safe environment and develop of EBFG’s licensed cryptocurrency exchange, EBX. Meanwhile, senior management of the head office has voluntarily suspended their salary payment during the pandemic to minimize cash outflow.

The Company currently headquarters in Vancouver, Canada and has an office in Nur-Sultan, Kazakhstan.

**CASCADIA BLOCKCHAIN GROUP CORP.  
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FOR THE THREE MONTHS ENDED APRIL 30, 2020**

**REVIEW OF FINANCIAL RESULTS**

**Three months ended April 30, 2020 compare to three months ended April 30, 2019**

	Three Months Ended April 30,		Variance
	2020	2019	\$
<b>EXPENSE</b>			
Salaries and benefits	\$ 142,287	\$ 196,048	(53,761)
Consulting and professional fees	161,603	42,778	118,825
Amortization	6,962	994	5,968
Rent	-	23,793	(23,793)
Office and miscellaneous	3,393	14,948	(11,555)
Listing and transfer agent expenses	3,098	6,616	(3,518)
Bank charges and interest	1,130	3,508	(2,378)
Travel	529	5,083	(4,554)
<b>OPERATING LOSS</b>	<b>(319,002)</b>	<b>(293,768)</b>	<b>(25,234)</b>
<b>OTHER INCOME (LOSS)</b>			
Interest income	357	1,462	(1,105)
Foreign exchange gain (loss)	(24,169)	10,583	(34,752)
Recovery (loss) from change in fair value of cryptocurrency	(2,824)	255,868	(258,692)
Gain/(loss) on disposal of cryptocurrency	(55,995)	-	(55,995)
<b>NET LOSS</b>	<b>(401,633)</b>	<b>(25,855)</b>	<b>(375,778)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
<b>Items that will be reclassified to net income / loss:</b>			
Foreign currency translation adjustments from foreign subsidiary	36,718	1,190	35,528
<b>COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>\$ (364,915)</b>	<b>\$ (24,665)</b>	<b>(340,250)</b>

During the three months ended April 30, 2020, the Company reported a net loss of \$401,633 (2019: \$25,855). The details are listed as in the table.

1. a decrease of \$53,761 payroll expense from \$196,048 in the three months ended April 30, 2019 to \$142,287 in the same period in 2020 was due to the close of Toronto branch of the Company in March 2019 and less employee were hired;
2. an increase of \$118,825 consulting and professional expense from \$42,778 in the three months ended April 30, 2019 to \$161,603 in the same period in 2020 was due to more consultants hired since October 2019;
3. an increase of \$5,968 amortization from \$994 in the three months ended April 30, 2019 to \$6,962 in the same period in 2020 was due to the depreciation of furniture and equipment purchased in the fourth quarter of 2020 fiscal year in Kazakhstan, and depreciation on the 17-month Right-of-Use assets in Kazakhstan;
4. a decrease of \$23,793 in rent from \$23,793 in the three months ended April 30, 2019 to \$nil for the same period ended 2020, is due to the closure of Vancouver office from the beginning of 2020 and the new office rented in Kazakhstan in September 2020 is accounted for as a Right of Use ("ROU") asset under *IFRS 16 Leases*;
5. a decrease of \$11,555 of office and miscellaneous expense from \$14,948 in the three months ended April 30, 2019 to \$3,393 in the same period in 2020, due to management's continuous effort to reduce non-essential expenditures in three months ended 2020;

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6. a decrease of \$4,544 of travel expense in the three months ended April 30 from \$5,083 in 2019 to \$529 in the same period in 2020 due to management's effort to reduce travelling activities by using video conferences as of current;
7. foreign exchange loss of \$24,169 for the three months ended April 30, 2020 compared to \$10,583 gain for the three months ended April 30, 2019, due to the combined result from appreciation of the US dollar held by the Company, and negative direction when US dollar exchanged to KZT in EBFM as at three months ended April 30, 2020;
8. losses of \$2,824 in fair value of cryptocurrency was recorded in the three months ended April 30, 2020 compared to \$255,868 gain in the same period of 2019, due to the decrease in market price of bitcoins ("BTCs") and the number of bitcoins reduced as at April 30, 2020 compared to April 30, 2019;
9. \$55,995 loss on disposal of cryptocurrency in fair value of cryptocurrency for the three months ended April 30, 2020 is related to the sale of 15.56 BTCs and payment of 12.03 BTCs as consulting fee for the three months ended April 30, 2020;
10. a gain of \$36,718 of other comprehensive income from the operation of EBFM due to the currency translation adjustments for the three months ended April 30, 2020, while it is \$1,190 for the same period ended 2019.

**SUMMARY OF QUARTERLY RESULTS**

The following financial information for the Company has been derived from the Company's financial statements for the Company's most recent 8 quarters.

	For the Three Months Ended							
	Fiscal 2020	Fiscal 2020				Fiscal 2019		
	Apr. 30, 2020	Jan 31, 2020	Oct 31, 2019	July 31, 2019	Apr. 30, 2019	Jan. 31, 2019	Oct. 31, 2018	July 31, 2018 (restated)*
	\$	\$	\$	\$	\$	\$	\$	\$
Income (loss)	(401,633)	(273,203)	(530,964)	371,743	(25,855)	(2,470,116)	(1,338,828)	(915,289)
Earning (loss) per share - basic and diluted	(0.01)	(0.00)	(0.01)	0.01	(0.00)	(0.03)	(0.02)	(0.01)

\* Income from continuous operations for the three months ended April 30, 2018 has been restated from \$1,248,165 to \$1,116,536 and loss from continuous operations, for the three months ended July 31, 2018 has been restated from \$893,515 to \$915,289, respectively. The licensing fees for the first three months was waived according to the three-year license agreement. The licensing fee was originally recognized as revenue using straight-line method since February 19, 2018 based on the three-year term. However, the Company concluded the three-year agreement should be treated as a month-to-month contract for accounting purpose and no revenue should be recognized during the first three months. Therefore, revenue was reduced by \$131,629 for the three months ended April 30, 2018 and \$21,774 for the three months ended July 31, 2018.

The significant loss from continuing operation during the three months ended October 31, 2018 and July 31, 2018 was mainly due to the loss related to change in fair value of cryptocurrency.

The significant loss from continuing operation during the three months ended April 30, 2019 was mainly due to the loss in disposal of cryptocurrency in year ended April 30.

**LIQUIDITY AND CAPITAL RESOURCES**

Historically the Company has been successful in raising capital through private placements to finance day-to-day operation and expansion. The Company continually reviews operational results and expenditures to ensure adequate liquidity to support its growth strategy while maintaining the current operation. However, there is no guarantee that the Company will have access to future capital or the ability to generate positive cash flows.

As at April 30, 2020, the Company had a cash balance of \$452,049 compared to a cash balance of \$393,126 as at April 30, 2019. The Company had a working capital surplus of \$700,363 as at April 30,

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2020 compared to the working capital surplus of \$1,058,316 as at April 30, 2020. Among which, the Company has 33.39 bitcoins with fair value of \$409,724 as at April 30, 2020 compared with 60.98 bitcoins with fair value of \$753,403 as at January 31, 2020. The Company has no debt as at April 30, 2020.

**GOING CONCERN**

The Company's ability to continue as a going concern and to realize assets and discharge its liabilities in the normal course of business is dependent upon its generating profitable operations, obtaining additional financing or maintaining continued support from its shareholders and creditors, and identifying and acquiring other businesses or assets in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The condensed interim 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 as a going concern. Such adjustments could be material.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements.

**RELATED PARTY TRANSACTIONS**

The salaries and benefits compensation paid to key management personnel of the Company was \$30,077 for the three months ended April 30, 2020 (2019: \$83,756).

Key management includes directors, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company.

Included in accounts payable and accrued liabilities was \$104,800 (April 30, 2019 - \$70,211) due to directors and officers of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount established and agreed to by the related parties.

**DIRECTORS AND OFFICERS**

Di Deng	Chairman of the Board of Directors, President and Chief Executive Officer (appointed on September 20, 2019)
Hanxuan Wu	Director and Chairwoman of Audit Committee (appointed on September 20, 2019)
Shanshan Zhu	Director
Eason Chen	Interim Chief Financial Officer (appointed on October 7, 2019)
Rachel Wang	Chief Executive Officer (resigned on March 30, 2019)
Garry Wong	Chief Financial Officer (resigned on October 7, 2019)
Galen Cheng	Independent Director and Chairman of Audit Committee (resigned on September 20, 2019)
Xiaochuan Guo	Acting Chief Executive Officer and Director (resigned on September 20, 2019)

**CASCADIA BLOCKCHAIN GROUP CORP.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**OUTSTANDING SHARE DATA AS AT APRIL 30, 2020 AND JUNE 29, 2020**

	<b>Number Outstanding (#)</b>	<b>Exercise Price (\$)</b>	<b>Expiry Date</b>
Common shares	71,977,438		
<b>Common shares issuable on exercise:</b>			
Stock options	140,000	0.12	March 15, 2021
Warrants	10,951,400	0.10	November 27, 2020
Warrants	28,500,000	0.12	March 24, 2021

**CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and revenues and expenses for the periods reported. 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. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Judgements are choices in accounting policies and disclosures which management believes are supported by facts and circumstances existing at the date of the condensed interim consolidated financial statements.

Significant areas requiring the use of management estimates include:

- The amount of expected credit loss of receivables.

Critical accounting judgements are accounting policies that have been identified as being complex or involve subjective judgments or assessments with a significant risk of material adjustment in the next fiscal year.

Significant judgement areas include:

- The classification of cryptocurrency as intangible assets;
- The ability of the Company to continue as a going concern; and
- Revenue recognition for new customer.

**FINANCIAL INSTRUMENTS**

The Company classifies its cash and cash equivalents as financial asset measured at FVTPL, accounts receivable and other receivables (excluding GST recoverable) as financial assets measured at amortized cost, its accounts payable and loans payable as financial liabilities measured at amortized cost. The carrying amount of financial assets and liabilities carried at amortized cost is a reasonable approximation of their fair value due to the relatively short period to maturity of these financial instruments.

**Fair value**

The following table summarizes the carrying values of the Company's financial instruments:

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTHS ENDED APRIL 30, 2020**

	April 30, 2020	January 31, 2020
	\$	\$
Financial assets at fair value through profit or loss (i)	452,049	393,126
Financial assets measured at amortized cost (ii)	510	2,944
Financial liabilities measured at amortized cost (iii)	165,642	98,339

- (i) Cash and cash equivalents
- (ii) Accounts receivable and other receivables - excluding GST recoverable
- (iii) Accounts payable and lease liability

Financial instruments measured at fair value on a recurring basis are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

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 or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents are classified as Level 1. There were no transfers into or out of Level 2 or Level 3 during the three months ended April 30, 2020.

**Financial risk management**

The Company's financial risks arising from its financial instruments are market risk, credit risk, liquidity risk and interest rate risk. The Company's exposure to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

*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 consists of currency risk, which is the risk that exposes the Company to financial risk related to the fluctuation in exchange rates.

The Company's expenses are mainly denominated in Canadian dollars for operations. As the Company has significant amount of GIC in US dollars, it also faces exchange rate fluctuation relative to the US dollar. Significant change in the currency exchange rates between the Canadian dollars relative to the US dollar could both have effect on the Company's results of operations, financial position and / or cash flow. If the US dollar appreciates / depreciates 5%, the Company's net income would increase / decrease and deficit would decrease / increase by approximately \$7,081, which arises primarily from the Company's US account.

*Credit risk*

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company's credit risk with respect to its cash is minimal as it is held with a large financial institution. The Company's maximum exposure to credit risk for the components of the condensed interim consolidated statement of financial position at April 30, 2020 and 2019 is the carrying value of each class of financial assets disclosed in the condensed interim consolidated financial statements.

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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*Liquidity risk*

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at April 30, 2020, the Company had a working capital surplus of \$700,363 (April 30, 2020 - \$1,058,313). All of the Company's financial liabilities are classified as current.

*Interest rate risk*

The Company is exposed to insignificant interest rate risk on its GIC because the GIC balance is not material. The Company has no interest-bearing debt. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

**ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS**

*Standard effective for annual periods beginning on or after January 1, 2020*

The Company has adopted these standards on February 1, 2020.

Amendments to IFRS 3, Business Combinations, improve the definition of a business. The amendments help entities determine whether an acquisition made is of a business or a group of assets. The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.

Definition of Material (Amendments to IAS 1, Presentation of Financial Statements, ["IAS 1"] and to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ["IAS 8"]) is intended to make the definition of material in IAS 1 easier to understand and is not intended to alter the underlying concept of materiality in IFRS Standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.

The amendments listed above did not have a significant impact on the Company's financial statements.

**New pronouncements to be adopted**

The following amendments to a standard have been issued and are applicable to the Company for its annual periods beginning on February 1, 2022 and thereafter, with an earlier application permitted:

Amendments to IAS 1, Presentation of Financial Statements, clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity.

The Company is currently assessing the impact of adopting these amendments on its financial statements.

**SUBSEQUENT EVENT**

In May 2020, the Company's wholly owned subsidiary EBF G granted five unrestricted common shares to a director of EBF G which reduced the Company's ownership in EBF G from 100.00% to 95.24%.



**CASCADIA BLOCKCHAIN GROUP CORP.  
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FOR THE THREE MONTHS ENDED APRIL 30, 2020**

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**APPROVAL**

The Board of Directors of Cascadia Blockchain Group Corp. has approved the contents of this management discussion and analysis on June 29, 2020.

**ADDITIONAL INFORMATION**

Additional information concerning the Company and its operations is available on SEDAR at [www.sedar.com](http://www.sedar.com).