GLOBAL BLOCKCHAIN MINING CORP.

Management's Discussion and Analysis

For the three-month period ended July 31, 2018

(Expressed in Canadian dollars)

FORM 51-102F1

For the three-month period ended July 31, 2018

This management's discussion and analysis ("MD&A") provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the three-month period ended July 31, 2018. This report prepared as at ***September 17, 2018*** *intends to complement and supplement our condensed interim consolidated financial statements (the "consolidated financial statements") for the period ended July 31, 2018 and should be read in conjunction with the consolidated financial statements and the accompanying notes.*

Our consolidated financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "Global Blockchain Mining", we mean Global Blockchain Mining Corp.

Additional information on the Company is available on SEDAR at www.sedar.com or the Company's website at www.forkcse.com

FORWARD-LOOKING INFORMATION OR STATEMENTS AND CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding Global Blockchain Mining's business programs going forward, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in currency exchange rates; uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of September 17, 2018, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations that the Company can compete effectively with its competitors in the investment industry.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

OVERVIEW AND DESCRIPTION OF BUSINESS

Overview

Global Blockchain Mining Corp. ("Global Blockchain Mining" or the "Company") is a technology company that was incorporated on November 9, 2017 under the Business Corporations Act (British Columbia) and was a wholly owned subsidiary of Global Blockchain Technologies Corp. ("Global Blockchain Technologies"). The Company's registered office is located at 810 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2.

On January 26, 2018, Global Blockchain Technologies announced the spinout of Global Blockchain Mining Corp. The reason for the spinout is so that Global Blockchain Mining can represent an independent pure play cryptocurrency mining company with a unique business model differentiated from the other verticals and focuses within Global Blockchain Technologies. The spinout is also an effort to not only simplify our story for investors, but more critically to unlock this overlooked value, by splitting the company into two publicly traded entities, each with its own major individual and important business focus.

On April 20, 2018, Global Blockchain Technologies completed a plan of arrangement (the "Arrangement") with Global Blockchain Mining to liberate the value of its mining division. Global Blockchain Technologies transferred all of its interest in its mining machines, Coinstream Mining Corp. ("Coinstream"), which has a wholly-owned subsidiary in Mozambique, and a 25% interest in Distributed Consensus Platform ("DISCO") formerly Distributed Mining and $500,000 for working capital purposes (the "Mining Assets"). As consideration for the Mining Assets, all existing shareholders' of the Global Blockchain Technologies as of the March 1, 2018 (the "Record Date" for the Arrangement), received 340,570,263 common shares in Global Blockchain Mining on a one-for-one basis.

The Company's common shares trade on the Canadian Securities Exchange under the symbol "FORK" and on the OTC Markets under the symbol "GBCHF."

Description of Business

The Company is a technology company with a focus in the mining of cryptocurrencies in order to provide investors with access to existing known currencies such as Bitcoin through the deployment of hardware and associated infrastructure that can mine these coins by performing the function of verifying and validating transactions as trustworthy through the processing of difficult cryptographic problems that require tremendous amounts of computational power to solve. This achieves exposure at a fraction of the cost of ownership and speculative risk associated with retail purchase at current price levels. We aim to build shareholder value by offering investors cost predictability at a high-margin, direct leverage to cryptocurrency prices, additional growth through the accretive acquisition of new mining operations, and a high-quality, diversified operational base.

Facilities:

The Company has facilities and agreements in place for mining operations in the following locations:

- Lachute, Quebec
- Winnipeg, Manitoba
- Buffalo, New York
- Maputo, Mozambique.

The facilities are managed by personnel who are seasoned in the operation of cryptocurrencies, providing a turnkey and lean solution to the Company.

Hardware:

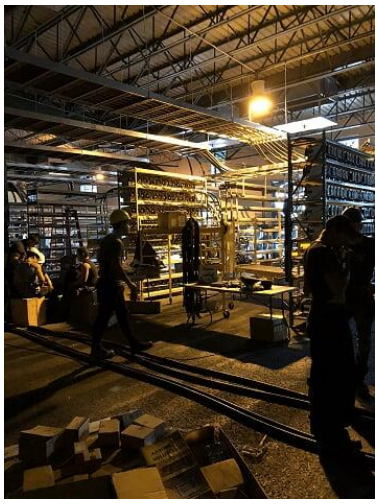
As of the date of this report, the Company has 9,000 Bitcoin mining rigs fully operational. Below are pictures of the plugged machines in its Quebec and New York facility.

OVERVIEW AND DESCRIPTION OF BUSINESS (Continued)

Below are pictures of the Company's facilities and mining machines in New York and Quebec.

New York:

Quebec:



OVERVIEW AND DESCRIPTION OF BUSINESS (continued)

DISCO:

The Company holds a 25% interest in DISCO. DISCO is a blockchain software company that makes software enabling anyone with common electronic devices to participate in cryptocurrency mining. This can include gaming consoles and mobile phones. With billions of such devices in everyday use, access to their power throughput for cryptocurrency mining will create substantial opportunities for Global Blockchain Mining to control an even greater share of mining resources.

Glossary of Terms:

Terms used throughout that are used frequently within the cryptocurrency mining space:

Blockchain: A Blockchain is a digital public ledger in which cryptocurrency are recorded in chronological order and published publicly.

Mining: Mining refers to the process by which transactions are verified and added to the Blockchain. Mining involves compiling transactions into small blocks of data and trying to solve a computationally difficult puzzle.

DIFFERENCES BETWEEN CRYPTOCURRENCIES AND BLOCKCHAIN TECHNOLOGY

Blockchain technology used to be interchangeable and synonymous with Bitcoin, and then with other virtual currencies as they sprang up, as it was first developed to support them. However, the public ledger has come a long way since with a lot more uses for blockchain technology, over and above altcoins ("alternative cryptocurrencies"), are being identified and developed. Cryptocurrencies are now just one of the many applications that blockchain can be used for. The difference between the blockchain industry and the cryptocurrency industry can be best explained as an extension of the differences between blockchain and cryptocurrency as technologies themselves. Blockchain is a distributed computing approach that enables decentralized asset management, and cryptocurrency is a form of an asset that can reside and be exchanged on a blockchain. This means that blockchains can host and exchange other assets, such as utility tokens - which do not necessarily act as currencies. This example can be solidified with the analogy of roads and automobiles. Roads are the network that facilitate the movement of people and goods, whereas automobiles are the primary form of transportation that move through roads. While automobiles may be the primary traffic of roads (just as cryptocurrencies are the primary traffic of blockchains), roads can still allow other forms of traffic such as bicycles and pedestrians (just as blockchains can allow other forms of traffic such as utility tokens).

From this, the difference between the blockchain industry and the cryptocurrency industry can easily be seen. The blockchain industry relates to blockchain technology as a whole, irrespective of the exact use of the blockchain - whereas the cryptocurrency industry relates to cryptocurrencies specifically, and the nuances that relate to the currencies themselves, as opposed to the underlying technology. The blockchain industry consists more of programming, analysis, and integration - as a matter of aligning blockchain's functionality with the business applications of user organizations and their corresponding stakeholders. The cryptocurrency industry would then consist more of finance-related competencies, as a matter of forming asset-related applications for a given coin, integrating it with payment and accounting systems, and marketing it as appropriate to users who can benefit from a given cryptocurrency's unique properties.

To ultimately simplify this difference would be to equate blockchain to the term "technology", and cryptocurrency to the term "finance or asset class". Each of these pairs overlap with each other in the real world, but they are distinct enough that they are treated separately.

COMPANY HIGHLIGHTS AND ACHIEVEMENTS

Key developments and achievements

- In January 2018, Global Blockchain Technologies paid $25,468,000 (US$20,000,000) for 6,666 cryptocurrency mining machines. In addition, Global Blockchain Technologies incurred $6,314,436 in brokerage fees related to the purchase of these machines and recognized impairment of $11,637,436 due to a decline in value of the machines. The total carrying value of $20,145,000 was recognized as an equipment deposit, which transferred to the Company pursuant to the Arrangement. In June and July 2018, the Company took possession of the 6,666 cryptocurrency mining machines. Towards the end of July, the Company began mining and mined Bitcoin valued at approximately $90,000.

- On April 10, 2018, the Company entered into an asset purchase agreement for the purchase of 4,000 cryptocurrency mining machines in exchange for the issuance of common shares. On July 13, 2018, the Company issued 62,830,357 common shares . To date, the Company has received 3,000 of the 4,000 cryptocurrency mining machines.

Subsequent events

- On August 1, 2018, the Company entered into an amended share purchase agreement for the purchase of all of the issued and outstanding shares of CryptoPower Management Ltd. ("CryptoPower"). CryptoPower owns 5,000 units of cryptocurrency mining machines. The machines and agreement were completed subsequent to the period end. Finders fees will be payable in connection with the transaction. As consideration for the purchase, the Company shall issue a number of common shares as follows:
  - 25,000,000 common shares on closing;
  - 14,250,000 common shares on installation of the machines in the facility selected by the Company ("Delivery Date");
  - 8,250,000 common shares on the 90th day from the Delivery Date; and
  - 19,050,000 common shares on the 120th day from the Delivery Date.

Outlook

The Company continues to execute on its growth strategy to deliver shareholder value. The Company expects that by mid-September, 2018 the company will have at least 10,000 S9s fully operational. Additionally, the Company and its hosting partners have secured expansion capacity to accommodate for future growth in Q3/early Q4 of up to another 10,000 machines. The Company expects that by the end of September it will have 11,666 S9s online as well as 3,000 E9 and E9+, for a total of 14,666 bitcoin miners online. Beyond the Company's announced expansion, the Company is actively exploring additional opportunities and is focused on the acquisition and operation of additional low-cost data centres and mining rigs to increase its capacity by up to 200% over the course of the year.

CONDENSED INTERIM CONSOLIDATED RESULTS OF OPERATIONS

All of the balances set out in this and following sections, including the Summary of quarterly results conform to IFRS standards.

For the three-month period ended,	July 31, 2018 $
Revenues – digital currency mining	**92,751**
Costs of mining	
Operating and maintenance costs	**(87,114)**
Depreciation on mining machines	**(419,688)**
	(414,051)
Revaluation loss of digital currencies	**(5,370)**
Expenses	
Professional fees	**(53,813)**
Consulting fees	**(60,000)**
Filing fees	**(14,892)**
Depreciation on data centre	**(35,943)**
general and administration	**(1,488)**
Share of loss in investment using the equity method	**(15,017)**
	(181,153)
Net and comprehensive loss for the period	**(600,574)**
Basic and diluted loss per share	**(0.00)**
Weighted average number of common shares outstanding	**355,336,113**

Prior to the completion of the Arrangement on April 20, 2018, the Company had no operating income or expenses.

During the period ended July 31, 2018, the Company reported a net loss and comprehensive loss for the period of $600,574. Some of the significant changes to operations are as follows:

- During the month of July 2018, the Company installed approximately 2,000 cryptocurrency mining machines and recorded revenues of $92,751.
- Operating and maintenance costs include the power used to mine Bitcoin for the month of July, 2018.
- Depreciation of $419,688 relate the amortization of the cryptocurrency mining machines for the month of July, 2018.
- Professional fees of $53,813 consist of accounting, legal, corporate service fees and other professional fees incurred during the period.
- Depreciation of $35,943 relate to the depreciation of the data centre facility in Mozambique.
- Loss on investment of $15,017 relate to the 25% equity pick up in connection with DISCO's loss during the period ended July 31, 2018.

SELECTED QUARTERLY FINANCIAL DATA

The following table provides summary financial data for our last quarters since incorporation prepared in accordance with IFRS:

Quarter ended		Revenue $	Net income (loss) and comprehensive income (loss) $	Basic and diluted earnings (loss) per common share $	Total assets $	Total liabilities $	Shareholders ' equity $
Q1/19	31-Jul-18	92,751	(600,574)	(0.00)	30,531,303	1,864,459	28,666,844
Q4/18	30-Apr-18	-	(15,000)	(0.00)	23,160,066	100,828	23,059,238
Q3/18	31-Jan-18	-	-	-	-	-	-

On April 20, 2018, Global Blockchain Technology completed the plan of arrangement and spun out Global Blockchain Mining Corp. Prior to the completion of the Arrangement on April 20, 2018, the Company had no operating income or expenses.

Fluctuations in assets and total liabilities are mostly due to cash on financing activities and invested in the installation, development and acquisition of cryptocurrency mining machines. The amount and timing of expenses and availability of capital resources vary substantially from quarter to quarter, depending on the availability of funding from investors or collaboration partners.

Growth in sales quarter over quarter relate to the installation of approximately 2,000 cryptocurrency mining machines.

ANALYSIS OF CASH FLOWS

OPERATING ACTIVITIES:

Cash used in operating activities for the three months ended July 31, 2018 was $469,776. Approximately 2,000 cryptocurrency machines were installed and actively mining throughout the month of July 2018. The cash used in operating activities represent the cash used to maintain and operate these machines. Further, the Company recently filed their GST return, representing an increase in GST receivable of $489,110.

INVESTING ACTIVITIES:

Cash used in investing activities for the three months ended July 31, 2018 was $20,855 and relate to costs associated with bringing the cryptocurrency machines operational.

FINANCING ACTIVITIES:

Cash provided by financing activities for the three months ended was $500,000. The Company received a $500,000 working capital loan from Global Blockchain Technologies, pursuant to the plan of arrangement.

WORKING CAPITAL, LIQUIDITY AND CAPITAL RESOURCES

The liquidity and working capital of the Company is integrated as follows:

		July 31, 2018
Liquidity:		
Cash	$	17,381
GST receivable		489,110
Prepaid		5,644
Digital currencies		87,381
Total liquidity		599,516
Total working capital deficiency	$	1,264,943

The Company's ability to continue as a going concern and realize its assets is dependent on its ability to raise capital through public equity financing, or upon the generation of income from its mining operations, the outcome of which cannot be predicted at this time. Management is planning to raise additional capital to finance operations and expected growth.

FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's maximum credit risk is limited by its liquidity.

Credit risk with respect to receivables has been assessed as low from management as receivables are due from companies with related parties and the Company has strong working relationships with the parties involved.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Board of Directors approves the Company's annual operating budget as well as any material transactions outside the ordinary course of business. The Company's working capital deficit at July 31, 2018 is $1,264,943; therefore, is exposed to moderate liquidity risk.

(c) Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. Foreign currency risk is limited to the portion of the Company's business transactions denominated in currencies other than the Canadian dollar.

The Company operates in in the North American business environment, and some of the Company's financial instruments and transactions are denominated in currencies other than the Company's functional currency. The Company determines the fair value of its digital currencies by using the USD spot rate based on the hourly volume weighted average from www.cryptocompare.com. The Company believes that the primary foreign exchange risk is the Company's digital currencies. A 5% variance in the foreign exchange based on the spot rate as at July 31, 2018 is $4,369.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk.

(e) Digital currency risk

Digital currencies are measured using level two fair values, determined by taking the rate from www.cryptocompare.com.

Digital currency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The profitability of the Company is directly related to the current and future market price of coins; in addition, the Company may not be able liquidate its inventory of digital currency at its desired price if required. A decline in the market prices for coins could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its coin sales.

Digital currencies have a limited history and the fair value historically has been very volatile. Historical performance of digital currencies are not indicative of their future price performance. The Company's digital currencies currently consist of bitcoin. A 25% variance in the price of Bitcoin based on their closing price as at July 31, 2018 was $21,845.

OUTSTANDING SHARE DATA

The following table summarizes the outstanding common shares, options, and warrants.

As at September 17, 2018, the date of this MD&A, there are:

- 413,820,619 common shares outstanding;
- Stock options outstanding for the purchase of 26,500,000 common shares; and,
- Warrants and finders warrants outstanding for the issuance of 90,471,500 common shares.

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been previously disclosed in subsequent events or elsewhere.

Litigation

From time to time, the Company is subject to costs and other effects of legal proceedings, settlements, investigations, claims and actions. The Company determines whether an estimated loss from a contingency should be accrued by assessing whether a loss is deemed probable and can be reasonably estimated. The Company assesses potential liabilities by analyzing the claims using available information. The Company develops its views on estimated losses in consultation with outside counsel handling our defense in these matters. Should developments in any of these matters cause a change in our determination as to an unfavorable outcome and result in the need to recognize a material accrual, or should any of these matters result in a final adverse judgment or be settled for significant amounts, they could have a material adverse effect on our results of operations, cash flows and financial position in the period or periods in which such change in determination, judgment or settlement occurs.

Subsequent to period-end, the Company became aware of a claim by a third party for additional equity considerations from an agreement. The Company believes the claim is frivolous and completely without merit and has commenced investigation into the matter. Notwithstanding the uncertainty as to the final outcome, based on the information currently available to it, the Company does not currently believe this matter will have a material adverse effect on its consolidated financial position.

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The information provided in this report, including the condensed interim consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements. In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the Company's GAAP.

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

BOARD APPROVAL

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the consolidated financial statements and related financial reporting and internal control matters before the consolidated financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the consolidated financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR website at www.sedar.com.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (BC) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

RELATED PARTY TRANSACTIONS

The Directors and Executive Officers of the Company are as follows:

Shidan Gouran	President and CEO
Theo van der Linde	CFO and Director
Steven Nerayoff	Director and Chairman
Brendan Purdy	Director and Secretary

Key management personnel are persons responsible for planning, directing and controlling the activities of the entity, and include all directors and officers. During the period ended July 31, 2018, the Company accrued $60,000 of consulting fees each to the CFO and CEO.

As at July 31, 2018, the Company owed $1,673,824 to Global Blockchain Technology, the former parent Company and a Company that share common management. The amount owing is non-interest bearing, unsecured and due on demand.

On September 17, 2018, the Company announced the resignation of Peter McCague from the Board of Directors in order to focus his efforts on other business commitments. The Board wishes to thank Mr. McCague for his contributions to the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant

RISKS AND UNCERTAINTIES

The Company faces a number of risks that are related to both the general cryptocurrency business as well as the Company's business model. The risk factors described below summarize and supplement the risk factors contained in the Company's listing statement dated June 28, 2018 (the "Listing Statement") and available on SEDAR at www.sedar.com, and should be read in conjunction with the more detailed risk factors outlined in the Listing Statement.

These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial may also adversely impact the Company's business, results of operations, and financial performance. The most significant risks and uncertainties faced by the Company are (in no specific order) are:

Limited Operating History

The Company has limited operating history as an investment company, and no operating history in making investments in the cryptocurrency or blockchain industries. The Company and its business prospects must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets such as the cryptocurrency and blockchain market. There is no certainty that the Company will be able to operate profitably.

No Profits to Date

The Company has not made profits since its incorporation and it is expected that it will not be profitable for the foreseeable future. Its future profitability will, in particular, depend upon its success in making strategic investments in companies involved in the cryptocurrency and blockchain industries, which themselves are able to generate significant revenues or capital appreciation. Because of the limited operating history, and the uncertainties regarding the development of the cryptocurrency market and blockchain technology, there is significant risks associated with the Company's investment strategy.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in developing a diversified and material portfolio of investments. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated investments.

Development of Cryptocurrencies

Cryptocurrency and blockchain technology is a young and rapidly growing business area. Although it is predicted that cryptocurrency will become an accepted means of digital payment, it cannot be assured that this will in fact occur. Currently, blockchain software is dependent on the widespread acceptance of cryptocurrency as a means of payment within the digital economy. For a number of reasons, including, for example, the lack of recognized security technologies, inefficient processing of payment transactions, problems in the handling of warranty claims, limited user-friendliness, inconsistent quality, lack of availability of cost-efficient high-speed services and lack of clear universally applicable regulation as well as uncertainties regarding proprietary rights and other legal issues, such cryptocurrency activities may prove in the long run to be an unprofitable means for businesses.

In particular, the factors affecting the further development of the cryptocurrency industry include:

(a) Worldwide adoption and usage of cryptocurrencies;

(a) Regulations by governments and/or by organizations directing governmental regulations regarding the use and operation of and access to cryptocurrencies;

(b) Changes in consumer demographics and public behavior, tastes and preferences;

(c) Redirection and liberalization of using fiat currencies as well as the development of other forms of publicly acceptable means of buying and selling goods and services; and

(d) General economic conditions and the regulatory environment relating to cryptocurrencies.

Regulatory Risks

Changes in or more aggressive enforcement of laws and regulations could adversely impact companies involved in the cryptocurrency business. Failure or delays in obtaining necessary approvals, changes in government regulations and policies and practices could have an adverse impact on such businesses' future cash flows, earnings, results of operations and financial condition.

Regulatory agencies could shut down or restrict the use of platforms or exchanges using virtual currencies or blockchain based technologies. This could lead to a loss of any investment made in the Company.

The legal status of cryptocurrency varies substantially from country to country and is still undefined and changing in many of them. While some countries have explicitly allowed its use and trade, others have banned or restricted it. Likewise, various government agencies, departments, and courts have classified cryptocurrencies differently.

Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change

The success as any developer of cryptocurrency-based, blockchain platforms will depend by and large upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complementary products such as high-speed modems for providing reliable internet access and services. Cryptocurrency has experienced and is expected to continue to experience significant growth in the number of users, amount of content and bandwidth availability. It cannot be assured that the cryptocurrency infrastructure will continue to be able to support the demands placed upon it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth. It is further not assured that the infrastructure or complementary products or services necessary to make cryptocurrency a viable medium for digital payments will be developed in a timely manner, or that such development will not result in the requirement of incurring substantial costs in order to adapt the Company's services to changing technologies.

Intellectual Property Rights

Companies involved in the development and operation of virtual currencies or blockchain based technologies may be dependent on intellectual property rights; the loss of which could harm its business, results of operations and its financial condition. There can be no assurance that any company's products will not violate proprietary rights of third parties or that third parties will not assert or claim that such violation has occurred. Any such claims and disputes arising may result in liability for substantial damages which in turn could harm the underlying business, results of operations and financial condition.

Volatilities in Cryptocurrency Prices

The markets for cryptocurrencies have experienced much larger fluctuations than other security markets. There can be no assurances that cryptocurrency prices will not be subject to erratic swings in the future, which could be related not only to improper payment activities involving cryptocurrency but also regulations by law makers in various countries. Furthermore, cryptocurrencies have not been widely adopted as a means of payments for goods and services by the majority of retail and commercial outlets. On the other hand, a significant portion of the demands for cryptocurrency is generated by investors and speculators focusing on generating profits by buying and holding cryptocurrency which might create limitations on the availability of cryptocurrencies to pay for goods and services resulting in increased volatility of cryptocurrency which could adversely impact an investment in the Company.

Several factors may affect the price and the volatility of cryptocurrency, including, but not limited to:

(a) *Global cryptocurrency demand depending on the acceptance of cryptocurrency by retail merchants and commercial businesses, the perception that the use and holding of cryptocurrency is safe and secure as well as the lack of regulatory restrictions;*

(b) *Interest rates;*

(c) *Currency exchange rates, including exchange rates between cryptocurrency and fiat currency;*

(d) *Fiat currency withdrawal and deposit policies on cryptocurrency exchanges and liquidity on such cryptocurrency exchanges;*

(e) *Interruption of services or failures of major cryptocurrency exchanges;*

Volatilities in Cryptocurrency Prices

(f) Large investment and trading activities in cryptocurrency;

(g) Monetary policies of governments, trade restrictions, currency de- and revaluations;

(h) Regulatory measures restricting the use of cryptocurrency as a form of payment or the purchase of cryptocurrency;

(i) Global or regional political, economic or financial events and situations, including increased threat of terrorist activities; and/or

(j) Self-fulfilling expectations of changes in the cryptocurrency market.

Stability of Bitcoin Exchanges

The price of cryptocurrency is established by public exchanges that have, by nature of their business, a limited operating history. Even the largest cryptocurrency exchanges have been subject to operational interruptions or even collapse. The interruption and the collapse of cryptocurrency exchanges may limit the liquidity of cryptocurrencies resulting in volatile prices and a reduction in confidence in the cryptocurrency network and the cryptocurrency exchange market. The deposit or withdrawal of fiat currency into or from the cryptocurrency exchanges may also affect the price of cryptocurrency. Operational limits regarding the settlement with fiat currencies may also reduce the demand to use cryptocurrency exchanges which would adversely affect an investment made by the Company. Cryptocurrency exchanges are relatively new and largely unregulated, and may, therefore, be more exposed to fraud and failure than other, more established currency and commodity exchanges. While smaller cryptocurrency exchanges are lacking infrastructure and capitalization the larger cryptocurrency exchanges are more likely to become targets of hackers and malware. Also, arbitraging activities between cryptocurrency exchanges may destabilize some of the smaller cryptocurrency exchanges. A lack of stability in the cryptocurrency exchange market may reduce the confidence in the cryptocurrency network affecting adversely an investment in the Company.

Changes in the Bitcoin Network Protocol

The cryptocurrency network is based on a protocol governing the peer-to-peer interactions between computers that are connected to each other within the cryptocurrency network. The governing code regulating such math-based protocol is informally managed by a development team. This development team, though, might propose and implement amendments to the cryptocurrency network's source code through software upgrades altering the original protocol, including fundamental ideas such as the irreversibility of transactions and limitations on the validation of blockchain software distributed ledgers. Such changes of the original protocol and software may adversely affect an investment made by the Company.

Acceptance of Virtual Currencies

Although the Company believes that the usage of cryptocurrencies will be focused on the technology to transmit and clear fiat currencies their usage as virtual currency will be an important factor as well. Hence, in the event that companies or individuals will be increasingly reluctant to accept virtual currencies, such limited usage of cryptocurrencies could adversely affect an investment made by the Company.

Misuse of Cryptocurrencies

Ever since the existence of cryptocurrencies, and especially bitcoins, there has been attempts to use them for speculation purposes and manipulations by hackers to use cryptocurrencies for malicious purposes. Although law makers increasingly regulate the use and applications of cryptocurrencies and software is being developed to curtail hacker activities as well as misuses by speculators no assurances can be given that those measures will be sufficiently deter those illegal activities in the future.

In particular, misuses could occur if a malicious actor or botnet (i.e. a series of computer controlled by a networked software coordinating the actions of the computers) obtains a majority of the processing power controlling the cryptocurrency validating activities and altering the blockchain which cryptocurrency transactions rely upon. Moreover, if the award for solving transaction blocks declines and transaction fees are not sufficiently high, the incentive to continue validating blockchain transactions would decrease and could lead to a stoppage of validation activities. The collective processing power of the blockchain network would be reduced, which would adversely affect the confirmation process for transactions by decreasing the speed of the adaption and adjustment in the difficulty for transaction block solutions. Such slower adjustments would make the blockchain network more vulnerable to malicious actors or botnets obtaining control of the blockchain network processing power.

Recording of Transactions

It is feasible that blockchain validators will cease to record transactions in solved transaction blocks. In particular, transactions that do not include the payment of transaction fees will not be recorded on the blockchain until a transaction block is solved by validators who are not required to pay such transaction fees. Any widespread delays in the recording of transactions could result in a loss of confidence in the blockchain network which could adversely affect an investment in the Company.

Competition

The market for blockchain technology and cryptocurrencies is becoming highly competitive on both a local and a national level. The current marketplace is dominated by a few companies, but will face substantial competition from and other competitors, which may have greater financial, technical, and marketing resources. Competitors may also have a larger installed base of users, longer operating histories or greater name recognition. There can be no assurance that any company will successfully differentiate its products from its competitors, or that the marketplace will consider one technology to be superior to others.

Key Personnel

The Company is dependent upon the continued availability and commitment of its management, whose contributions to immediate and future operations are of significant importance. The loss of any such management could negatively affect the Company's business operations. From time to time, the Company will also need to identify and retain additional skilled management to efficiently operate its business. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of its ability to attract and retain such personnel. If it is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Conflicts of Interest

Certain of the Company's directors and officers may, from time to time, serve as directors or officers of other companies involved in similar businesses to the Company and, to the extent that such other companies may participate in the same ventures in which the Company may seek to participate, such directors and officers may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such conflicts of the Company's directors and officers may result in a material and adverse effect on the Company's results of operations and financial condition.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.