

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Cryptanite Blockchain Technologies Corp. (the "Issuer", "Cryptanite").

Trading Symbol: NITE

Number of Outstanding Listed Securities: 56,471,844

Date: June 5, 2019

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

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

#### **General Instructions**

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

#### **Report on Business**

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

Cryptanite is a technology company building blockchain solutions for a variety of sectors including financial technology, marketplaces, and virtual reality social networks. The company is also exploring the application of blockchain technologies to other sectors such as real estate, healthcare and telecommunications.

Cryptanite's core technology is the Cryptanite mobile app which is a peer-to-peer marketplace with innovative UX making it easy for users to purchase and trade diversified bundles of crypto

tokens as well as access cryptocurrency news and charts. The Cryptanite App includes a variety of pre-configured baskets such as the “HODL” bundle, and “SIZE” bundle, as well as the option to create customized bundles. The App is designed to provide a secure, easy-to-use and frictionless process to buy, trade, and store a diversified collection of several dozen crypto tokens, including Bitcoin, Ethereum, Ripple, Stellar and Dash. The app is available in the Apple and Google Play stores. The Cryptanite ecosystem has a growing portfolio of innovative features on its mobile platform and continues to develop innovative solutions on the front range of blockchain technologies. At present, the Application is available for the users in its Beta-version, as the core development and improvement of the product and its functionalities still continues.

The Chargacard platform is a payment processing platform for the informal credit markets.

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

Management of the Issuer continues to build strategic partnerships in the blockchain sector with a focus to grow its revenue generating blockchain consulting business which is designed to provide clients with the business analytics, project management and technology solutions to build blockchain technology products and platforms for clients.

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

The Issuer has been developing its peer-to-peer cryptocurrency exchange and cryptocurrency bundles, as well as developing a marketplace for cryptocurrency and blockchain apps which was launched in beta version in January 2019.

Additional features which are currently in R&D phase include:

- Chat: an instant messaging “chat” feature within the app allowing users to communicate on the platform and to share ideas, further enhancing the Cryptanite ecosystem.
- User Rankings (based on the CryptaKings performance model): which rank the performance of users of the platform to help identify experts and build an expert and influencer network. The system currently tracks Twitter influencers.
- DollaCoin: is a stable coin which will be linked to the US Dollar and will allow users to store tokens in their decentralized DollaBank account. The target market is primarily mobile underbanked people globally. The coin is currently in development and scheduled for alpha release in 2019.
- Cryptanite Payments (CryptaPay) Cryptanite has developed a payments app that makes it easy for users to spend their cryptocurrencies online and at retail locations. The app is currently in beta. Cryptanite is exploring integration of the core features into the Cryptanite app.
- Cryptanite Mining: the Company is also exploring mobile cloud mining facilities as an additional feature within the Cryptanite ecosystem.
- Codium Cloud: the Company launched Codium cloud in Q2 2018 offering cloud hosting solutions for decentralized applications. The Codium hosting platform makes it easy to

build, deploy and run decentralized applications. The solution is currently undergoing market feasibility.

- BitDrop: Chargacard, Inc. (a wholly owned subsidiary of the Issuer in the US) has commenced the development of a new product called “BitDrop” in May 2019. BitDrop is an augmented reality advertising platform. The alpha launch of the product is planned for June 2019.

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

None

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

None

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

None

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

- Creation of intangible assets (commercial videos, created in-house)
- According to the Resolution of the Board of Directors of the Issuer and the Issuer’s wholly owned subsidiary in the US, Chargacard, Inc., the latter continues to sell the mining equipment and sold 43 units in May 2019 for a total amount of \$15,587.50 USD.

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

- Cryptanite Application – about 1,000 new customers downloaded and used the mobile application

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

Chargacard Inc. (a wholly owned subsidiary of the Issuer in the US) filed an application for the trademark “Cryptanite” on November 17, 2017. The trademark was approved by USPTO, but on March 5, 2018 Warner Brothers Entertainment Inc. filed an objection to use the mark

CRYPTANITE. ChargoCard Inc. promptly responded to the objection, but on April 23, 2018 Warner Brothers Entertainment Inc. filed a Notice to Objection.

ChargoCard Inc. involved the legal firm Neugeboren O' Dowd PC to handle the case. Neugeboren O' Dowd PC provided a response to the Notice of Opposition.

Warner Brothers Entertainment Inc./DC Comics offered terms of trademark coexistence. ChargoCard Inc. studied the terms, but Warner Brothers Entertainment Inc./DC Comics withdrew its offer for trademark coexistence and initiated an opposition before Trademark Trial and Appeal Board against ChargoCard's attempt to register the mark CRYPTANITE.

ChargoCard Inc. has responded to the Opposer's First Set of Interrogatories within the stage of Initial Disclosures (in February 2019).

ChargoCard Inc. has submitted its First and Second Supplemental Responses to DC Comic's (the Opposer) First Set of Interrogatories within the stage of Initial Disclosures (in March 2019). Now ChargoCard is preparing for the next steps of the proceedings.

The Issuer has approved to withdraw the registration of the trademark "CRYPTANITE" by ChargoCard, Inc. at the United States Patent and Trademark Office, according to the Resolution of the Board of Directors of the Issuer as of April 09, 2019. ChargoCard, Inc. and the Opposer have commenced to discuss and negotiate the conditions of the Settlement Agreement.

The management of the Issuer is looking to adopt a new name for the Issuer and plans to proceed with the name "Bit Corporation".

Whole the group of the Issuer's subsidiaries and entities has commenced the preparations for the rebranding. The official website of the Issuer (previously <http://cryptanite.com>) now redirects any visitor to the new website <https://bitcorporation.co/>.

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

None

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

None

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

None

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

None

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

(1) State aggregate proceeds and intended allocation of proceeds.

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

None

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

None

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

None

### **Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 5, 2019.

Robert Kang  
Name of Director or Senior Officer

*Robert Kang*  
Signature

CFO  
Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer Cryptanite Blockchain Technologies Corp	For Month End May 2019	Date of Report YY/MM/DD 19/06/05
Issuer Address Suite 2050 – 1055 West Georgia Street,		
City/Province/Postal Code Vancouver, BC, V6E 3P3	Issuer Fax No. (604) 682-4768	Issuer Telephone No. (     )
Contact Name Robert Kang	Contact Position CFO	Contact Telephone No. (604) 684-2181