BLOCKMINT TECHNOLOGIES INC.

(FORMERLY SMC VENTURES INC.).

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2018

Introduction

The following Management's Discussion & Analysis ("MD&A") of the financial condition and results of the operations of BlockMint Technologies Inc. (formerly SMC Ventures Inc.). (the "Company" or "BlockMint (SMC)") constitutes management's review of the factors that affected the Company's financial and operating performance for the fiscal year ended December 31, 2018.

This MD&A has been prepared in compliance with the requirements of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the audited annual financial statements of the Company for the fiscal year ended December 31, 2018 and December 31, 2017, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Information contained herein is presented as at April 29, 2019 unless otherwise indicated.

The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

For the purposes of preparing this MD&A, management, in conjunction with the Audit Committee of the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Audit Committee of the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Readers are cautioned that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Readers should refer to those risk factors referenced in the "Risks and Uncertainties" section below.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

SMC Ventures Inc. was a publicly traded company whose shares were listed on the NEX board of the TSX Venture Exchange ("TSXV"). SMC Ventures Inc. changed its name to BlockMint Technologies Inc. on February 19, 2019 as part of a Reverse Takeover and Change of Business within the meaning of the TSXV policies. On February 21, 2019 the common shares of the Company began trading as a Tier 2 Issuer on the TSXV under the symbol BKMT.

The Company was incorporated under the laws of British Columbia, Canada. Its registered and records office is located at 29th Floor, 595 Burrard Street, Vancouver, British Columbia, V7X 1J5.

Outlook and Overall Performance

Corporate

Business Development

Pursuant to an arrangement agreement dated July 10, 2018 (as amended September 28, 2018) (the "Arrangement Agreement) among BlockMint (SMC), Blockmint (Canada) Technologies Inc. ("BMT") and 1166066 B.C. Ltd. ("SMC Subco", a wholly-owned subsidiary of SMC), which closed February 19, 2019:

- BMT amalgamated with SMC Subco, such that BMT became a wholly-owned subsidiary of BlockMint (SMC) (the "Amalgamation");
- the shareholders of BMT received 1.33 post-consolidated shares of BlockMint (SMC) for each BMT share held;
- the BMT warrant holders received 1.33 BlockMint (SMC) warrants for each BMT warrant held, each warrant entitling the holder to acquire one (1) post-consolidated BlockMint (SMC) share at the exercise price in the underlying BMT warrant as adjusted for the 1.33 exchange ratio upon the same terms as the BMT warrants;
- SMC changed its name to Blockmint Technologies Inc.; and
- the Company resumed trading on the TSXV under the symbol "BKMT", as a Tier 2 technology issuer.

Private Placement

On January 5, 2018, the Company closed a non-brokered private placement financing for gross proceeds of $600,000, (received during the year ended December 31, 2017), and issued 12,000,000 units at a price of $0.05 per unit. Each unit comprised one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of $0.05 for a period of one year. The Company also issued 880,000 units to a finder. The finders' units have been valued at $125,057 using the Black-Scholes valuation model, with an expected life of one year, volatility of 142% and risk free interest rate of 1.76%. This has been credited to share issuance cost reserve in shareholders' equity.

On December 27, 2018 the Company received $10,000 for exercise of 200,000 common share purchase warrants. The common shares were issued January 3, 2019.

Financial highlights

The Company has no revenues, so its ability to ensure continuing operations was dependent on it completing the Arrangement Agreement.

At December 31, 2018, the Company had a net working capital of $422,047 (December 31, 2017 - $506,303) and the Company had cash of $471,938 (December 31, 2017 – 608,292). Working capital and cash decreased during the year ended December 31, 2018 due to cash used toward general administrative costs and costs associated with the Amalgamation and change of business.

The Company has sufficient capital to meet its ongoing operating expenses and continue to meet its obligations on its current projects for the 12-month period ending December 31, 2019. Management may increase or decrease budgeted expenditures depending on volatility in the economic environment.

Change of Business

BMT develops distributed systems and networks that enable a more decentralized deployment of blockchain based applications such as cryptocurrency mining. BMTs initial two products will be *Minter* and *MintAccess*, both of which are explained in further detail below.

Minter Browser - "Earn Money While Browsing"

Through BMT's wholly-owned U.S. subsidiary, Blockmint (USA) Technologies Inc. ("BlockMint-USA"), BMT is developing software that allows owners of various connected devices (e.g. desktops, laptops, gaming consoles, smartphones, etc.) to download a browser app that allows BMT to utilize the owner's spare computing power to mine various cryptocurrencies in exchange for BMT paying the user a fee in cryptocurrency. The browser application is called "*Minter*." Prior to downloading the *Minter* browser, a user will be required to agree to an end users license agreement ("**EULA**") and privacy policy. Downloads will also be restricted to users in jurisdictions where use of such cryptocurrency mining applications are compliant with prevailing laws. Once the browser is open, a user will be able to control the amount (if any) of computing power on his/her connected device used by BMT for mining via a dashboard built into the browser. Under such an arrangement, the owner of the device bears all mining costs associated with the computing power on their device (electricity costs of operating the owner's device) but benefits from a sharing of the income earned from any currency mined.

Minter will also provide a virtual private network ("**VPN**"), ad-blocker and cryptocurrency wallet. A VPN is a service that lets a user access the web safely and privately by routing his/her connection through a server and hiding any online activity. The use of VPNs has grown considerably in recent years as public awareness and applications continue to rise. In fact, one quarter of all Internet users have accessed a VPN in the last month *(as per Global Web Index, VPN Usage Around the World, Q2 2017)*. When the VPN is activated, the user is required to elect the desired level of computing power that the user is willing to allow BMT to use through the browser for purposes of BMT's mining activities. Users can select between low, medium and high, with each level corresponding to an increasing level of processing power. BMT will be unable to access users' computing power unless the VPN is turned on. Alternatively, users can elect to use the *Minter* browser without using the VPN completely free of charge. In this situation, no virtual currency mining would take place.

Ad blocking is also growing in popularity. eMarketer, a leading research firm for digital marketing, estimates that about 25% of U.S. Internet users were employing ad blockers as of the end of 2016 with that number projected to grow to 30% in 2018. *Minter* will also allow users to enjoy a faster browsing experience by automatically blocking intrusive third-party trackers.

The *Minter* browser will also have access to a cryptocurrency wallet so that users can track and hold their share of the cryptocurrencies earned in fees. Each user of *Minter* will be provided with a virtual currency wallet accessible through the web browser, the private keys for which will be stored locally on the user's device.

BMT's software development efforts will focus on a variety of devices, such as:

Passive Devices

- PlayStation/Xbox
- Smart TV
- Amazon Echo
- Google Home
- Apple TV
- Routers

Active Devices

- Desktops
- Laptops
- Tablets
- Smartphones

Minter will initially be launched for use on desktops and laptops, with apps for mobile devices to follow. BMT then intends to develop similar applications for other connected devices, such as those mentioned above.

BMT will retain a portion of the cryptocurrencies that are awarded to the BMT mining network based on the cumulative processing power generated by the connected devices of *Minter* users. The remaining balance will comprise the fees to be paid to the users of the *Minter* browser, with each *Minter* user to be paid in cryptocurrency based on the processing power of their connected device in relation to the cumulative processing power of the BMT mining network. The amount of awarded cryptocurrencies that will be paid to *Minter* browser users in exchange for their spare computing power will vary in each instance due to several factors including, but not limited to, the price of the cryptocurrency being mined, the number of users that are using the *Minter* browser at any given time, operating costs, development costs, marketing costs, taxes imposed on mined cryptocurrencies, as well as other factors.

<u>MintAccess – "Website Owners Get Paid While Site Visitors Get Free Content"</u>

Through BMT's wholly-owned U.S. subsidiary, BlockMint-USA, BMT is developing software that allows website owners to earn cryptocurrency from users when they visit the owner's site. As with the *Minter* browser, the *MintAccess* application will utilize the site visitor's spare computing power to mine cryptocurrency. Income earned from the mined cryptocurrencies will then be shared between the website owner and BMT This will allow website owners to monetize the content on their site without having a site visitor pay a fee (no paywall) or view ads (ads will not display). A site visitor using any browser will be able to "opt-in" and allow his/her device to mine cryptocurrency in exchange for free content without ads. The application will only mine while the user is visiting the partner site and will disconnect once the user leaves the site. Any use of *MintAccess* will require that the website owner agrees to comply with BMT's license terms as well as prevailing laws in each instance and jurisdiction where used.

BMT intends to enter into a separate *MintAccess* agreement with each website owner and the revenue share arrangement under each agreement will be negotiated separately with each website owner. Each website owner will be paid in cryptocurrency based in part on the cumulative processing power generated from all of the users of that particular website that elect to opt-in to the *MintAccess* arrangement.

Development Status

BlockMint-USA has completed a "beta" version of the *Minter* browser for use on desktops and has initially launched the browser to a small group of "beta" users in December 2018. BMT intends to have a commercial launch in the first half of 2019 after making any changes or improvements required based on feedback from the "beta" users. *MintAccess* is anticipated to be released in the third quarter of 2019.

BMT intends to market its two distributed cryptocurrency products via various social trending sites such as Reddit and Telegram. Its digital marketing strategy may also include the use of digital ads, permission-based emails and blogs. These online marketing activities will be supplemented by attending conference and other networking events to raise brand awareness and advertise its products to eligible users.

Principals and Employees

BMT intends to engage third party technical consultants to assist with product development. Software developers will be employed by BlockMint USA as needed. These individuals, along with BMT's CTO Nelson Ijih, will be responsible for developing all the components of the software products.

Trends

The Company intends to search suitable assets or businesses to acquire or merge with in order to maximize value for shareholders.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the year equity markets in Canada showed signs of trading sideways, with equities decreasing slightly during this period. Strong equity markets are favourable conditions for completing a public merger or acquisition transaction, while lower equity market increases risks. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Off-Balance-Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Corporate Transactions

On February 19, 2019 the Company closed its reverse takeover acquisition of Blockmint (Canada) Technologies Inc. ("BMT"). This acquisition was carried out pursuant to a plan of arrangement involving a "three-cornered" amalgamation, whereby:

- The Company consolidated its 18,708,678 common shares on a two for one basis resulting is 9,354,339 post consolidation shares outstanding;
- BMT changed its name to Blockmint (Canada) Technologies Inc.;
- The Company issued 34,914,681 post-consolidation shares to the shareholders of BMT (1.33 post consolidation shares of the Company for each share of BMT);

- The Company issued 6,650,000 performance warrants in replacement of the 5,000,000 performance warrants outstanding in the capital of BMT and 152,498 finder's fee warrants in replacement of the 114,660 finder's fee warrant outstanding in the capital of BMT, each share purchase warrant entitling the holder to acquire one post consolidation share of the Company at the exercise price in the underlying BMT warrant;
- BMT became a wholly owned subsidiary of the Company; and
- The Company's board of directors and management were replaced with representatives nominated by BMT.

Selected Annual Information

The following is selected financial data derived from the audited financial statements of the Company at and for the years ended December 31, 2018, and 2017 and 2016.

	Year ended December 31, 2018	Year ended December 31, 2017	Year ended December 31, 2016
Revenue	Nil	Nil	Nil
Net loss	($94,257)	($43,718)	($10,480)
Basic and diluted loss	($0.00)	($0.01)	($0.00)
	As at December 31, 2018	**As at December 31, 2017**	**As at December 31, 2016**
Total assets	$473,250	$608,292	$15,255
Total liabilities	$51,203	$101,989	$65,233

Summary of Quarterly Information

A summary of selected financial information of the Company for each of last eight quarters is as follows:

Three Months Ended	Total Revenue ($)	Loss (Income)		Total Assets ($)
		Total ($)	Per Share ($) [9]	
December 31, 2018 [1]	Nil	52,841	(0.00)	471,250
September 30, 2018 [2]	Nil	19,273	(0.00)	478,951
June 30, 2018 [3]	Nil	11,357	(0.00)	501,419
March 31, 2018 [4]	Nil	10,787	(0.00)	508,811
December 31, 2017 [5]	Nil	22,727	(0.01)	15,255
September 30, 2017 [6]	Nil	4,634	(0.00)	15,614
June 30, 2017 [7]	Nil	12,682	(0.00)	14,942
March 31, 2017 [8]	Nil	3,676	(0.00)	17,345

(1) The net loss of $52,841 for the three months ended December 31, 2018, consisted primarily of (i) consisted primarily of expenses – general and admin of $52,841.

(2) The net loss of $19,273 for the three months ended September 30, 2018, consisted primarily of expenses – general and admin of $19,273.

(3) The net loss of $11,357 for the three months ended June 30, 2018, consisted primarily of expenses – general and admin of $11,357.
(4) The net loss of $10,787 for the three months ended March 31, 2018, consisted primarily of expenses – general and admin of $10,787.
(5) The net loss of $22,727, for the three months ended December 31, 2017, consisted primarily of (i) expenses – general and admin of $26,829; (ii) interest expense of $1,607 and (iii) a gain in the fair value of the investment of $5,709.
(6) The net loss of $4,634 for the three months ended September 30, 2017, consisted primarily of (i) expenses – general and admin of $4,862; (ii) interest expense of $1,164 and (iii) a gain in the fair value of the investment of $1,392.
(7) The net loss of $12,682 for the three months ended June 30, 2017, consisted primarily of (i) expenses – general and admin of $8,873; (ii) interest expense of $1,071; and (iii) a change in the fair value of the investment of $2,738.
(8) The net loss of 3,676 for the three months ended March 31, 2017, consisted primarily of (i) expenses – general and admin of $4,730; (ii) interest expense of $771; and (iii) a gain in the fair value of the investment of $1,825.
(9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Financial Highlights

For the year ended December 31, 2018 compare to the year ended December 21, 2017

The Company's net loss totaled $94,256 for the year ended December 31, 2018, with basic and diluted loss per share of $0.00. This compares with a net loss of $43,719 with basic and diluted loss per share of $0.01 for the year ended December 31, 2017. The increase in the net loss of $50,537 consisted primarily of:

- regulatory and shareholder expenses increased $42,000 to $62,400 due to increased costs relating to the combination of business and reverse take-over which closed in February 2019;
- interest expense decreased by $4,613 due to repayment of loan during the year; and
- gain on disposal of investment decreased by $6,187 as all investments were disposed of during the year ended December 31, 2017.

Three months ended December 31, 2018 compare to three months ended December 21, 2017

For the three months ended December 31, 2018, the Company's net loss was $52,839 with basic loss per share of $0.00. This compares with a net loss of $22,726 with basic and diluted loss per share of $0.00 for the three months ended December 31, 2017. The increase in the net loss of $30,113 consisted primarily of:

- regulatory and shareholder expenses increased due to increased costs relating to the combination of business and reverse take-over which closed in February 2019;
- interest expense decreased by $1,607, due to repayment of loan prior to the Q4 2018; and
- gain on disposal of investment decreased by $5,708 as investments were disposed of during the three months ended December 31, 2017.

Cash Flow

The Company had cash of $471,938 at December 31, 2018 (December 31, 2017 - $608,292). The decrease in cash during the year ended December 31, 2018 was primarily due to the cash used in operating and financing activities.

Cash used in operating activities was $91,605 for the year ended December 31, 2018. Operating activities were affected by the net changes in non-cash, working capital balances due to an increase in prepaid expenses of $1,312; and offset by an increase in accounts payable and accrued liabilities of $3,963.

Cash used financing activities was $44,749 for the year ended December 31, 2018 primarily because of repayment of promissory note of $54,749 offset by proceeds from the exercise of warrants of $10,000.

Liquidity and Capital Resources

The Company had no positive operating cash flow and had to finance its activities and its ongoing expenditures primarily through equity transactions such as equity offerings, the exercise of warrants and other financing arrangements.

As of December 31, 2018, the Company had 12,600,000 warrants outstanding that would raise approximately $630,000, if exercised in full. Subsequent to fiscal year end, a total of 2,480,000 of such warrants were exercised, and the balance expired unexercised on January 4, 2019.

At December 31, 2018, the Company had cash of $471,938 (December 31, 2017 - $608,292). and net working capital of $422,047 (December 31, 2017 - $506,303). The net cash on hand as at December 31, 2018, is expected to be sufficient to meet the Company's liquidity requirements in 2019. The Company's cash and cash equivalents as at December 31, 2018 is expected to be sufficient to satisfy current liabilities and general and administrative costs up to December 31, 2019.

Recent Accounting Pronouncements

IFRS 16 - Leases

This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15. The Company does not expect the adoption of IFRS 16 for periods beginning January 1, 2019 to be significant.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Capital Risk Management

The Company's objectives when managing capital are to safeguard its accumulated capital in order to maintain its ability to continue as a going concern.

The Company manages its capital structure and makes adjustments to it based on economic conditions and the risk characteristics of the underlying assets. There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

Financial Risk Management

Financial Instruments

The Company has classified its financial instruments as follows:

Financial Instrument	Classification	Measurement	Carrying Value and Fair
Cash	Held-for-trading	Fair value	$471,938
Accounts payable	Other financial liabilities	Amortized cost	$25,400

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash and investments are fair valued using Level I inputs-quoted market prices (unadjusted), in active markets for identical assets.

The fair value of accounts payable approximates the carrying value due to their short term nature.

The Company did not have any held-to-maturity or available-for-sale financial instruments, nor did it have any derivative instruments in the year.

Financial Risk Management

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and interest rate risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial asset fails to meet its contractual obligations and arises principally from the Company's cash equivalents. The carrying amount of the financial assets represents the maximum credit exposure.

The Company limits its exposure to credit risk on cash by placing the funds with high-credit quality financial institutions and only investing in liquid, investment grade securities. These guidelines are periodically reviewed by the Company and modified to reflect changes in market conditions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by keeping its expenses to a minimum. The majority of the Company's financial liabilities are due within ninety days. The Company does not have long-term financial liabilities.

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 exposed to interest rate risk arising primarily from fluctuations in interest rates on its cash. The Company believes that the results of operations, financial position and cash flows would not be significantly affected by a change in market interest rates relative to the investment interest rates due to the short term nature of the investments.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company has expenditures denominated in US dollars. Fluctuations in the value of the US dollar relative to the Canadian dollar are not expected to have a significant impact the Company's results from operations.

Related Party Transactions

Related parties include the Board of Directors and officers of the Company, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

During the year ended December 31, 2018 $48,500 plus accrued interest of $6,249 on Demand Promissory Note was repaid to an officer and director of the Company.

During the year ended December 31, 2017, an officer and director advanced the Company $23,500 evidenced by Demand Promissory Notes. The loan bears interest at 12%, is unsecured and due on demand.

There are no related party transactions during the years ended December 31, 2018 and 2017.

Share Capital

As of the date of this MD&A, the Company had 44,269,068 issued and outstanding common shares.

Warrants outstanding for the Company at the date of this MD&A were as follows:

Warrants	Expiry Date	Exercise Price
11,571	May 14, 2019	$0.50
6,650,000	February 1, 2023	$0.05

Risks and Uncertainties

As at December 31, 2018, the Company did not hold any interest in an active operating business or asset. Following closing of the transactions with BMT, the Company's viability and potential success lies in its ability to develop, exploit and generate revenue from BMT's business operations. Revenues, profitability and cash flow from BMT's future operations are difficult to predict and will be influenced by several factors, many of which are listed in the Company's Filing Statement dated December 28, 2018 and filed on SEDAR on January 2, 2019. Readers are encouraged to review the Filing Statement in its entirely, and in particular to review the risk factors noted therein.

As at December 31, 2018, the Company's ability to continue as a going concern was uncertain and was dependent upon its ability to amalgamate with BMT. Following closing of the transactions with BMT, the Company has sufficient financial resources to satisfy expected costs for fiscal 2019. However financial circumstances can change, and there is no assurance the Company will not require additional funding prior to December 31, 2019.

Additionally, certain of the directors and officers of the Company may also serve as directors and officers of other companies and consequently, the possibility of conflict exists. Any decisions made by such directors involving the Company will be made in accordance with the duties and obligations of directors to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare, and refrain from voting on, any matters in which such directors may have a conflict of interest.

Consequently, such directors and officers will be dividing their time between their duties to the Company and their duties to their other reporting issuers.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company 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 such 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 issuer 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 financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company'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 such 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.

Subsequent Events

On January 3, 2019 the Company issued 2,480,000 common shares at $0.05 per share for proceeds of $124,000 ($10,000 received in 2018 and the remainder received in 2019) pursuant to share purchase warrant exercises. Shortly thereafter the Company closed on the Amalgamation and related transactions with BMT.

Additional Disclosure for Venture Issuers without Significant Revenue

General and Administrative Expenses

The following is a breakdown of the Company's operating expenses for the fiscal year ended December 31, 2018:

	Period Ended December 31,	
Names	**2018 ($)**	**2017 ($)**
Consulting fees	18,451	2,504
Office and miscellaneous	215	239
Professional fees	13,231	22,907
Regulatory and shareholder expenses	62,360	19,643
Total	**94,257**	**45,293**