BLOCKMINT

BLOCKMINT TECHNOLOGIES INC.

(FORMERLY SMC VENTURES INC.)

MANAGEMENT'S DISCUSSION AND ANALYSIS
QUARTERLY HIGHLIGHTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2019

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") has been prepared to provide material updates to the business, operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2018. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the Annual MD&A, the audited annual consolidated financial statements of the Company for the year ended December 31, 2018 and the period from incorporation (December 22, 2017) to December 31, 2017 and the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2019, together with the notes thereto. **Results are reported in United States 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. The results for the three and six months ended June 30, 2019 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at August 29, 2019 unless otherwise indicated.

The unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2019, 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. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Audit Committee of 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 BlockMint's 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 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.

Forward-looking statements	Assumptions	Risk factors
The Company's cash balance at June 30, 2019, is sufficient to fund its consolidated operating expenses at current levels. At the date hereof, the Company's consolidated cash balance has diminished as a result of normal business operations and management is attempting to defer payments, to the extent practical.	The development and operating activities of the Company for the twelve-month period ending June 30, 2020, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to BlockMint.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; government regulation, cryptocurrency price fluctuations; interest rate and exchange rate fluctuations; changes in economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond BlockMint's ability to predict or control. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and 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 BlockMint'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

BlockMint (Canada) Technologies Inc. (formerly BlockMint Technologies Inc.) ("BlockMint-Canada"), a wholly owned subsidiary of the Company, was incorporated on December 22, 2017 pursuant to the British Columbia *Business Corporations Act*. BlockMint-Canada and its subsidiary, BlockMint (USA) Technologies Inc. ("BlockMint-USA") are in the business of developing distributed systems and networks that enable a more decentralized deployment of blockchain based applications such as cryptocurrency mining. BlockMint-(USA) was incorporated under the laws of the State of Delaware on March 6, 2018.

On February 19, 2019, the Company completed a triangular amalgamation whereby BlockMint-Canada shares were exchanged for Company shares and BlockMint-Canada became a wholly owned subsidiary of the Company (see "Outlook and Overall Performance" below). The transaction was accounted for as a reverse takeover ("RTO") whereby BlockMint-Canada was identified as the acquirer for accounting purpose and the resulting unaudited condensed consolidated interim financial statements are presented as a continuance of BlockMint-Canada and the comparative figures presented in the unaudited condensed consolidated interim financial statements after the RTO are those of BlockMint-Canada.

The Company's registered office address is located at 29th Floor, 595 Burrard Street, Vancouver, British Columbia, V7X 1J5.

BlockMint's objective is to develop distributed systems and networks that enable a more decentralized deployment of blockchain based applications. One such application is cryptocurrency mining, which relies on a decentralized blockchain network. BlockMint believes that everyone should be able to contribute to this network and participate in the crypto-economy and the Company aims to create software products to achieve this objective.

This is why BlockMint's initial software product was the Minter browser - the only secure and private browser where someone can mine cryptocurrency as they browse the web. In addition to being a web browser, Minter has additional integrated features, such as a virtual private network (VPN), ad-blocker and cryptocurrency wallet. The Minter browser was released earlier this year and it is available for download at the website getminter.com.

BlockMint is also developing a second software product referred to as MintAccess, which will allow website owners/hosts to earn cryptocurrency from users when they visit the owner's site by utilizing the site visitor's computing power from their connected device to mine cryptocurrency. With MintAccess, website owners can monetize the content on their site without having a site visitor pay a fee (no paywall or subscription fees) or view paid/sponsored advertisements (ads will not display). BlockMint intends to licence the software to websites once the product is ready for its beta release, which was planned for later this year but its release may be delayed until there has been further recovery in the prices of digital currencies.

Outlook and Overall Performance

Corporate

Business Development

As referred to above, on February 19, 2019 the Company closed its reverse takeover acquisition of BlockMint-Canada, whereby:

- the Company consolidated its 18,708,678 common shares on a two for one basis resulting is 9,354,387 post consolidation shares outstanding;
- BlockMint Technologies Inc. changed its name to Blockmint (Canada) Technologies Inc.;
- The Company issued 34,914,681 post-consolidation shares to the shareholders of BlockMint-Canada (1.33 post consolidation shares of the Company for each share of BlockMint-Canada);
- The Company issued 6,650,000 performance warrants in replacement of the 5,000,000 performance warrants outstanding in the capital of BlockMint-Canada and 152,498 finder's fee warrants in replacement of the 114,660 finder's fee warrants outstanding in the capital of BlockMint-Canada, each share purchase warrant entitling the holder to acquire one post-consolidation share of the Company at the exercise price in the underlying BlockMint- Canada warrant.

In accordance with IFRS 3, Business Combination, the substance of the transaction is a reverse takeover of a non-operating company. The transaction does not constitute a business combination as the Company did not meet the definition of a business under the standard. As a result, the transaction is accounted for as a capital transaction with BlockMint-Canada being identified as the acquirer and the equity consideration being measured at fair value. The resulting unaudited condensed consolidated interim statement of financial position is presented as a continuance of BlockMint- Canada and comparative figures presented in the unaudited condensed consolidated interim financial statements after the reverse takeover are those of BlockMint-Canada.

IFRS 2, Share-based Payment, applies to transactions where an entity grants equity instruments and cannot identify specifically some or all of the goods or services received in return. Because BlockMint-Canada would have issued shares with a value in excess of the assets received, the difference is recognized in comprehensive loss as a transaction cost. The amount assigned to the transaction cost of $3,458,765 is the difference between the fair value of the consideration and the net identifiable assets of the Company acquired by BlockMint-Canada and included in the unaudited condensed consolidated interim consolidated statement of comprehensive loss.

The purchase price is recorded as the cost to acquire the share capital at the fair value at the time of the transaction. The excess of the amount paid over the fair value of the net assets acquired is charged to profit or loss as a transaction cost. Accordingly share capital increased by $3,835,279, being the fair value of the common shares issued for the acquisition.

Consideration - Shares	$3,835,279
Total consideration	**$3,835,279**
Identifiable assets acquired	
Cash	$ 408,219
Other receivables and prepaid expenses	6,657
Accounts payable and accrued liabilities	(38,362)
Net assets acquired	**$376,514**
Transaction cost	**$3,458,765**

<u>Financial highlights</u>

The Company had no revenue, so its ability to ensure continuing operations is dependent on the development of its operating systems, or raising more equity or debt financing.

For the six months ended June 30, 2019, the Company had a net loss of $3,992,123 which consisted primarily of transaction cost of $3,458,765. At June 30, 2019, the Company had a net working capital of $3,084,475 (December 31, 2018 - $3,233,685). The Company had cash and cash equivalents of $3,112,147 (December 31, 2018 - $3,232,402).

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 June 30, 2020. Management may increase or decrease budgeted expenditures depending on the cryptocurrency market and demand for its two products. See "Liquidity and Financial Position" below.

Trends

The Company is focused on developing distributed systems and networks that enable a more decentralized deployment of blockchain based applications such as cryptocurrency mining. There has been a general down-turn in the cryptocurrency markets due primarily to the decline in the price of the major cryptocurrencies. While the prices of certain cryptocurrencies has rebounded, the volume of trading remains well below highs from 12 to 18 months ago. Consequently, the market for the Company's products has declined, and it is uncertain whether the demand for such products will return. Management, in conjunction with the Board of Directors, will continue to monitor these developments and their effect on the Company's business.

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.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", 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. See "Risks and Uncertainties" below.

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.

Discussion of Operations

Three months ended June 30, 2019 compared to three months ended June 30, 2018

BlockMint's net loss totaled $261,979 for the three months ended June 30, 2019, with basic and diluted loss per share of $0.01. This compares with a net loss of $516,008 with basic and diluted loss per share of $0.02 for the three months ended June 30, 2018. The decrease in the net loss of $254,029 was primarily due to a decrease in office and miscellaneous expenses as the Company downsized its operations in the United States.

Cash Flow

The Company had cash of $3,112,147 at June 30, 2019 (December 31, 2018 - $3,232,402).

Cash used in operating activities was $528,474 for the six months ended June 30, 2019. Operating activities were affected by the net change in non-cash, working capital balances due to a decrease in receivables and prepaid expenses of $50,032; and offset by a decrease in accounts payable and accrued liabilities of $52,285. The Company also recorded a transaction cost of $3,458,765; depreciation of equipment of $4,103; and revaluation gain in digital currency of $497.

Net cash used in investing activities was $408,219 during the six months ended June 30, 2019, as the Company completed the Arrangement Agreement with SMC.

Liquidity and Capital Resources

The activities of the Company principally involve the development of distributed systems and networks that enable a more decentralized deployment of blockchain based applications such as cryptocurrency mining, specifically, the development of BlockMint's two software products the *Minter browser* and *MintAccess*. The Company activities have been financed through the completion of equity offerings. There is no assurance that equity capital will be available to the Company in the amounts or at the times desired or on terms that are acceptable to the Company, if at all.

The Company has no significant revenues, and therefore must utilize its current cash reserves, funds obtained from the exercise of warrants and other financing transactions to maintain its capacity to meet ongoing operating activities. As of June 30, 2019, the Company had 6,650,000 warrants outstanding that would raise approximately $200,000, if exercised in full; however, 6,650,000 of the warrants are subject to the Company meeting certain revenue thresholds so it is not anticipated that they will become exercisable in the next twelve months.

At June 30, 2019, the Company reported cash of $3,112,147 (December 31, 2018 - $3,232,402) and a net working capital of $3,084,475 (December 31, 2018 - $3,233,685). Currently, the Company's operating expenses are approximately $20,000 to $50,000 per month for management fees, month-to-month professional fees, listing expenses and other working expenses. The Company's cash as at June 30, 2019 is expected to be sufficient to satisfy current liabilities and general and administrative costs up to June 30, 2020.

Recent Accounting Pronouncements

IFRIC Interpretation 23 Uncertainty over Income Tax Treatments

The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. At January 1, 2019, the Company adopted this standard and there was no material impact on the Company's unaudited condensed consolidated interim financial statements.

New standards not yet adopted and interpretations issued but not yet effective

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

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. Related party transactions conducted in the normal course of operations are measured at the amount established and agreed to by the related parties.

(a) The Company entered into the following transactions with related parties:

Names	Three months ended June 30, 2019 ($)	Three months ended June 30, 2018 ($)	Six months ended June 30, 2019 ($)	Six months ended June 30, 2018 ($)
Owen Bird Law Corporation. (Owen Bird) (1)	1,511	17,500	30,952	27,166
Bayswater Consulting Ltd. (Bayswater) (2)	2,248	4,939	3,792	7,104
Marrelli Support Services Inc. ("Marrelli Support") (3)	7,652	4,658	15,772	10,458

1) For the three and six months ended June 30, 2019, the Company expensed $1,511 and $30,952, respectively (three and six months ended June 30, 2018 - $17,500 and $27,166, respectively) to a corporation with a common director for legal services. As at June 30, 2019, $5,739 (December 31, 2018 - $17,845) was payable to this party and the amount is included in accounts payable and accrued liabilities.

2) For the three and six months ended June 30, 2019, the Company expensed $2,248 and $3,792, respectively (three and six months ended June 30, 2018 - $4,939 and $7,104, respectively) to a company controlled by an officer for corporate services.

3) For the three and six months ended June 30, 2019, the Company expensed $7,652 and $15,772, respectively (three and six months ended June 30, 2018 - $4,658 and 10,458, respectively) to Marrelli Support for Victor Hugo to act as the Chief Financial Officer of the Company and for bookkeeping services. Victor Hugo is an employee of Marrelli. These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at June 30, 2019, Marrelli was owed $1,315 (December 31, 2018 - $17,845), and the amount is included in accounts payable and accrued liabilities.

(b) Remuneration of key management personnel was as follows:

Name	Salaries and wages		Management fees		Total	
	Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,	
	2019 ($)	2018 ($)	2019 ($)	2018 ($)	2019 ($)	2018 ($)
Nelson Ijih, CEO / CIO	37,500	59,784	Nil	15,000	37,500	74,784
Daniel Beck, COO	27,500	29,784	Nil	10,000	27,500	39,784
Toni Allen, former CFO	Nil	16,666	Nil	Nil	Nil	16,666
Total	**65,000**	**106,234**	**Nil**	**25,000**	**65,000**	**131,234**

Name	Salaries and wages Six Months Ended June 30, 2019 ($)	 2018 ($)	Management fees Six Months Ended June 30, 2019 ($)	 2018 ($)	Total Six Months Ended June 30, 2019 ($)	 2018 ($)
Nelson Ijih, CEO / CIO	82,500	59,784	Nil	60,000	82,500	119,784
Daniel Beck, COO	57,500	29,784	Nil	40,000	57,500	69,784
Toni Allen, former CFO	Nil	16,666	Nil	Nil	Nil	16,666
Total	**140,000**	**106,234**	**Nil**	**100,000**	**140,000**	**206,234**

(c) Remuneration of directors was as follows:

Names	Three months ended June 30, 2019 ($)	 2018 ($)	Six months ended June 30, 2019 ($)	 2018 ($)
Jeff Lightfoot	2,257	Nil	2,257	Nil
David Patterson	2,257	Nil	2.257	Nil
Colin Watt	2,257	Nil	2,257	Nil
Total	6,771	Nil	6,771	Nil

(d) Other transactions

On February 1, 2018, the Company granted 6,650,000 (5,000,000 pre-consolidation) bonus warrants to two officers at an exercise price of CDN$0.05 (US$0.04 pre-consolidation) for a period of 5 years from the date of issuance. The warrants were issued in exchange for all rights in the Intellectual Property, related to U.S. Patent Pending No. 15/848.583. 3,325,000 (2,500,000 pre-consolidation) of the bonus warrants are eligible for exercise provided at any time during the term the Company achieves at least cumulative gross revenue of $4,000,000. The balance of 3,325,000 (2,500,000 pre-consolidation) warrants will be eligible for exercise when a further $4,000,000 of gross revenue is achieved by the Company (i.e. cumulative gross revenue of $8,000,000 from the date of issuance of the warrants).

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
6,650,000	February 1, 2023	CDN$0.05

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk and Uncertainties" in the Company's Annual MD&A for the fiscal year ended December31, 2018, available on SEDAR at **www.sedar.com**.