CRYPTANITE BLOCKCHAIN TECHNOLOGIES CORP.
(Formerly Westbay Ventures Inc.)

Interim MD&A - Quarterly Highlights
For the nine months ended February 28, 2018 and 2017

The Quarterly Highlights of Cryptanite Blockchain Technologies Corp. (the "Company" or "Cryptanite", formerly Westbay Ventures Inc.) provide a summary of the activities, results of operations and financial condition of the Company as at and for the nine months ended February 28, 2018. The Quarterly Highlights have been prepared by management as of April 27, 2018 and should be read in conjunction with the condensed interim financial statements and related notes thereto of the Company for the nine months ended February 28, 2018 and 2017, the audited financial statements and related notes thereto of the Company for the years ended May 31, 2017 and 2016, which were prepared in accordance with International Financial Reporting Standards ("IFRS"), and the annual Management Discussion and Analysis ("MD&A") of the Company prepared by management as of September 25, 2017.

Forward-looking statements

Certain statements contained in the following Quarterly Highlights constitute forward-looking statements. Such forward-looking statements include, but are not limited to statements regarding the Company's ability to identify and pursue a suitable business opportunity and its ability to raise sufficient financing to continue its operations. These forward-looking statements involve a number of known and unknown risks, uncertainties and other factors including financial, operational, environmental and political risks, general equity and market conditions. The outcome of these factors may cause the actual results and performance of the Company to be materially different from any plans or results expressed or implied by such forward-looking statements. Readers are cautioned not place undue reliance on these forward-looking statements.

Company overview

The Company was incorporated on June 24, 1986 under the laws of British Columbia. The Company was listed on the NEX Board of the TSX Venture Exchange ("TSX-V") under the symbol "AFS.H". On January 24, 2017, the Company changed its name from Afrasia Mineral Fields Inc. to Westbay Ventures Inc. and its stock symbol from AFS.H to WEST.H. The Company also consolidated its share capital on a ratio of one (1) new post-consolidated common share for every four (4) old pre-consolidated common shares.

On March 7, 2018, the Company completed a reverse acquisition transaction (the "RTO"), which was effected pursuant to an agreement and plan of merger dated January 9, 2018 between Westbay Venture Inc. and ChargaCard Inc.("ChargaCard"), a private corporation incorporated under the laws of Delaware with its head office in Boulder, Colorado.

As part of the transaction, the Company voluntarily delisted from the TSX-V, effective February 28, 2018, changed its name to Cryptanite Blockchain Technologies Corp. and commenced trading its shares on Canadian Securities Exchange ("CSE") on March 12, 2018, under the symbol NITE.

Pursuant to the RTO, the Company issued an aggregate of 39,558,733 common shares of the Company at a deemed price of $0.45 per share in exchange for all of the issued and outstanding shares of Chargacard and 2,000,000 share purchase warrants ("Merger Warrants") to warrant holders of ChargaCard. On closing the RTO, ChargaCard became a wholly-owned subsidiary of the Company. The shareholders of ChargaCard owned approximately 70% of the common shares of the Company and, as a result, the transaction is considered a reverse acquisition of the Company by ChargaCard. The Company changed its year end from May 31st to December 31st in order to align the fiscal year periods of ChargaCard.

17,648,600 shares issued to the principals of the Company under the RTO are subject to escrow conditions required by applicable securities laws and the CSE requirements. Pursuant to the terms of the escrow agreements, 10% of the escrowed shares were released from escrow on March 7, 2018. The remaining 15,883,740 shares held within escrow will be released over a period of 36 months.

In addition, 2,750,000 shares issued under the RTO have the restrictive resale legend and are subject to a 18-months voluntary hold period with 10% of shares being released four, eight and twelve months from the listing date, and 35% released every three months thereafter.

Each Merger Warrant entitles the holder to acquire one additional common share of the Company at $0.10 per share until September 7, 2019. However, the exercise of the Merger Warrant is subject to the Company completing one or more additional equity financings for total aggregate proceeds of not less than $473,331 within 12 months following the listing of its shares on the CSE.

In connection with the RTO, the Company also issued 1,717,000 common shares to an arm’s length third party at a deemed price of $0.45 per common share as a finder’s fee equal 5% of the total number of shares issued under the RTO.

Business description

The Company is listed on the CSE as a technology issuer and will be engaged in the business of ChargaCard. ChargaCard is a peer-to-peer (P2P) payment processing network developing full-service blockchain and cryptocurrency solutions with end to end payment solutions to monetize the blockchain ecosystem. ChargaCard’s Web and Mobile apps include credit and debit products for fiat and cryptocurrency markets.

ChargaCard is also a business-to-consumer (B2C) bill payment product for the informal credit markets, which allows service sector businesses to provide their clients with direct credit lines and streamlined payment processing. ChargaCard’s Cryptonite™ mobile app allows customers to pay for goods and services with cryptocurrencies, in both POS retail, e-commerce and bill pay markets.

The Company has recently launched its Cryptanite Wallet app for cryptocurrency buyers and investors, allowing users to purchase a diversified portfolio of the top performing crypto-assets powering the blockchain with an assurance of transparency and heightened confidence.

The Company is also conducting tests for its ChargaCard secure network payment that will help businesses to collect debt, recover past-due invoices and provide customers with flexible payment plans and zero percent interest rates.

Financing activities and subsequent events

Concurrent with the RTO, the Company closed a private placement on March 2, 2018, consisting of 8,189,442 common shares of the Company at a price of $0.45 cents per share for gross proceeds of $3,685,249. In connection with the private placement, the Company paid aggregate finder's fees of $82,935 and issued 184,299 common share purchase warrants. Each finder warrant is exercisable for one common share of the Company at an exercise price of $0.45 cents per share until March 2, 2019. All securities issued pursuant to the private placement are subject to a four-month hold period in accordance with applicable securities laws expiring July 3, 2018.

Upon closing of the RTO, the Board of Directors consists of Praveen Varshney and three new directors appointed by ChargaCard, John Eagleton, Maria Nosikova and Jack Donenfeld. John Eagleton was appointed as Chief Executive Officer and President of the Company, Maria Nosikova as Chief Operating Officer and Rob Kang was appointed as Chief Financial Officer and Corporate Secretary of the Company. Mervyn Pinto and Hari Varshney resigned as directors of the Company and Debbie Lew resigned as a director and officer of the Company effective March 7, 2018.

McMillan LLP was appointed as legal counsel of the Company. The Company’s registered and records office has changed to Suite 1500-1055 West Georgia Street, Vancouver, BC V6E 4N7.

Effective March 1, 2018, the Company entered into a new administrative agreement with Varshney Capital Corp. ("VCC"), whereby the Company agreed to pay administrative services fees of $10,000 per month. The agreement has an initial 3 year term and auto renews annually thereafter.

On March 12, 2018, the Company issued 620,000 incentive stock option to a consultant for the purchase of up to 620,000 common shares of the Company at an exercise price of $0.47 per share on or before March 12, 2023 with no vesting provisions.

Effective April 11, 2018, the Company changed its auditor from Davidson & Company LLP to Dale Matheson Carr-Hilton Labonte LLP.

Analysis of the Company's financial performance and conditions

During the nine months ended February 28, 2018, the Company reported a net loss of $204,576 compared to a net loss of $65,036 for the nine months ended February 28, 2017, an increase in net loss of $139,540.

The increase in net loss was a result of the following:

- Professional fees increased by $118,855, which includes $115,310 in legal and audit fees incurred in connection with the RTO, listing on the CSE, name change and concurrent private placement. There were no similar transactions recorded in the comparative period ended February 28, 2017.

- Office and administration expenses increased by $9,182 due to the Company's increased fees from its administrative services fees with VCC effective June 1, 2017 (Transactions with Related Parties) and costs related to the Company's AGM mailing.

- Travel and promotion expenses increased by $11,978 as a result of travel expenses incurred by directors and consultants of the Company for meetings with the ChargaCard principals and attending technology conferences and investors' presentations in the US and Europe.

During the three months ended February 28, 2018, the Company reported a net loss of $150,672 compared to a net loss of $30,726 in the comparative quarter in 2017, an increase in net loss of $119,946. The increase in net loss resulted from increased professional fees, the majority of which were related to the completion of the RTO with ChargaCard, monthly administrative services fees and travel expenses incurred by directors and consultants of the Company.

As at February 28, 2018, the Company reported a working capital of $1,922,219 compared to $115,394 at May 31, 2017, representing an increase in working capital of $1,806,825. The increase in working capital was a result of cash received for share subscriptions in the Company's concurrent financing in connection with the RTO totaling $2,011,401. The shares were issued to the subscribers of the private placement on March 2, 2018.

As at February 28, 2018, the Company had net cash on hand of $2,038,082 compared to $126,801 as at May 31, 2017, representing an increase of $1,911,281. $100,120 was used in operating activities.

Current assets excluding cash as at February 28, 2018 consisted of receivables of $2,671 (May 31, 2017 - $9,218), which comprised of government sales tax credits of $2,307 (May 31, 2017 - $9,011) and other receivables of $364 (May 31, 2017 - $207), and prepaid regulatory fees of $3,917 (May 31, 2017 - $418).

Current liabilities as at February 28, 2018 consisted of trade payables and accrued liabilities of $117,157 (May 31, 2017 - $20,958), and amounts due to related parties of $5,294 (May 31, 2017 - $85).

Management believes that its cash balance will be sufficient to meet its presently anticipated working capital and capital expenditures requirements. However, the Company may need to raise additional funds in order to support rapid expansion, development of new or enhanced services and products, respond to competitive pressures, acquire complimentary businesses or technologies or take advantage of unanticipated opportunities. Although the Company has been successful in raising the above funds, there can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

The other sources of funds potentially available to the Company are through the exercise of outstanding stock options and share purchase warrants that are summarized below. There can be no assurance, whatsoever, that any or all of these outstanding exercisable securities will be exercised.

The Company is exposed in varying degrees to a variety of financial instrument related risks, including liquidity risk and market risks with respect to its ability to raise capital through equity markets under acceptable terms and conditions. Management monitors its activities and various factors that could impact the risks in order to manage risks and make timely decisions. For further discussion of financial risks, please refer to Note 7 of the condensed interim financial statements for the nine months ended February 28, 2018.

To date, the Company has not generated any revenues and accumulated a deficit of $9,042,848 including a loss for the six months ended February 28, 2018 of $204,576 (2017 - $65,036).

Transactions with related parties

(a) On June 1, 2015, the Company entered into an administrative agreement with VCC, a company controlled by a common director, whereby the Company agreed to pay administrative services fees of $3,000 per month. Effective April 1, 2017, the Company terminated its administrative agreement with VCC.

    On June 1, 2017, the Company entered into a new administrative agreement with VCC whereby the Company agreed to pay administrative services fees of $3,500 per month. The agreement has an initial 3 year term and was terminated effective February 28, 2018.

    During the nine months ended February 28, 2018, the Company paid $31,500 (2017 - $27,000) for administrative fees to VCC.

(b) As at February 28, 2018, $5,294 (May 31, 2017-$85) was due to a director for reimbursement of a business expense.

(c) As at February 28, 2018, $364 (May 31, 2017 - $207) in cost recoveries was due from companies with directors and officers in common. The amount was included in the receivables and collected in full subsequent to February 28, 2018.

<u>Summary of outstanding share data as at April 27, 2018:</u>

Authorized: Unlimited common shares without par value

Issued and outstanding:	56,471,844
(Includes escrowed shares of 15,883,740)	

Warrants issued under the RTO:	2,000,000
Finders' warrants:	184,299
Stock options:	620,000

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

"Praveen Varshney"

Praveen Varshney, FCPA, FCA
Director