BLOCK X CAPITAL CORP.

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FORM 2A

LISTING STATEMENT

Dated as at January 23, 2018

1. Table of Contents

Include a table of contents with the following headings:

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Glossary of Terms

The following terms used in this Listing Statement have the following meanings. This is not an exhaustive list of defined terms used in this Listing Statement and additional terms are defined throughout the Listing Statement.

"**BCBCA**" means *Business Corporations Act* (British Columbia) including regulations thereunder, as amended.

"**Share**" means a common share without par value of Block X Capital Corp.

"**Exchange**" means the Canadian Securities Exchange.

"**Issuer**" or "**Company**" or "**BLOCK X**" means Block X Capital Corp.

Currency

In this Listing Statement, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to "$" are to Canadian dollars.

Forward Looking Statements

Certain statements contained in this Listing Statement constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or BLOCK X's future performance, business prospects or opportunities. All statements other than statements of historical fact may contain forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. The forward-looking information contained herein may include, but is not limited to, information with respect to: need for additional financing; anticipated funding sources; future growth plans; proposed royalty transactions; estimated market drivers and demand; business prospects and strategy; anticipated trends and challenges in BLOCK X's business and the markets in which it operates; and BLOCK X's financial position. By identifying such information and statements in this manner, BLOCK X is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of BLOCK X to be materially different from those expressed or implied by such information and statements.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. BLOCK X believes that the expectations reflected in its forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this Listing Statement should not be unduly relied upon. These statements speak only as of the date of this Listing Statement. BLOCK X does not intend, and does not assume any obligation, to update these forward-looking statements except as required by applicable law. These forward-looking statements involve risks and uncertainties relating to, among other things, the need for additional financing; the speculative and illiquid nature of an investment in BLOCK X; the volatility of BLOCK X's share price; BLOCK X's lack of operating history; BLOCK X's ability to generate sufficient revenues; BLOCK X's ability to manage future growth; ability to negotiate investments on investee companies; dependence on the operations, assets and financial health of investee companies; limited ability to exercise control or direction over investee companies; potential defaults by investee companies; BLOCK X's ability to enforce on any default by an investee company; competition with other investment entities; BLOCK X's ability to pay dividends in the future and the timing and amount of those dividends; reliance on key personnel; dilution of shareholders' interest through future financings; and general economic and political conditions; as well as the risks discussed above under the heading "Risk Factors". Actual results may differ materially from those expressed or implied by such forward-looking statements or forward-looking information.

In connection with the forward-looking information and forward-looking statements contained in this document, we have made certain assumptions. Key assumptions include, but are not limited to: that BLOCK X will be able to successfully target and negotiate investments; that the businesses of BLOCK X's investee companies will not experience material negative results; and that BLOCK X will have the ability to raise required equity and/or debt financing on acceptable terms. BLOCK X has also assumed that access to the capital markets will remain relatively stable, that the capital markets will perform with normal levels of volatility and that the Canadian dollar will not have a high amount of volatility.

To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions.

2. Corporate Structure

BLOCK X was incorporated on March 28, 1980 under incorporation number BC0207267. On November 10, 2016, BLOCK X consolidated its shares on the basis of 4 to 1. On January 23, 2018, the Company changed its name from "Lions Gate Metals Corp." to "Block X Capital Corp."

The head and principal office of BLOCK X is at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3.

The Company does not have any subsidiaries.

The Company is requalifying for a listing following a fundamental change or proposing an acquisition, amalgamation, merger, reorganization or arrangement. In particular, the Issuer is requalifying for a listing following a change of business from a "mining issuer" to an "investment issuer" on the Exchange.

3. General Development of the Business

During the Issuer's three most recently completed financial years, the Issuer was unable to locate and purchase an asset for mining purposes. Accordingly, management is reviewing other business opportunities, primarily in the area of investing and subsequently acquiring suitable technology companies. As such, the Issuer is currently an investment company and is actively looking for suitable investments as further described below.

4 Narrative Description of the Business

<u>General</u>

The Issuer is intended to be an investment company specializing in business opportunities in the blockchain (see below) and emerging technology sectors. The Issuer is applying to list as an "investment issuer" on the Exchange. Additional details regarding blockchain technologies are provided below.

<u>Blockchain</u>

Background and History

Blockchain was discovered with the invention of the cryptocurrency Bitcoin in 2008 by a pseudonymous person or organization known as Satoshi Nakamoto. Satoshi Nakamoto sought to create a new digital currency, but one that was global and not controlled by any single authority.

Blockchain is often defined as a distributed ledger or database with decentralized control. The types of databases that could be implemented on the blockchain are broad and include, among others, databases similar to a bank ledger that record statements of accounts or transactions, or any other digital record of asset ownership, such as an identity system, land registry or even the rights and obligations defined in a contract. In the traditional centralized model (i.e. one that does not include blockchain technology), the master version of such ledgers are controlled by a bank, government or a trusted third party. Disputes are resolved by checking the master version, through a manual and often redundant reconciliation process. In the decentralized blockchain model, the master ledger is not stored in one place or controlled by one entity. Every counterparty on the network receives an identical real-time copy of the ledger; the data in the ledger is tamper-proof using cryptography; new states of the ledger are agreed upon by consensus among all parties - with trust achieved through the application of economic game theory, as discussed below; and the entire process is automated using software.

Participants (also referred to as nodes or miners) on a blockchain network connect their computer resources with each other via a common software protocol. The software appropriates the necessary processing power and storage for the network to run, and acts as a secure messaging system to enable transactions. The protocol is coded with specific rules to ensure the validity of transactions, and shares the ledger and all valid transactions to all participants on the network in real time. This ensures broad persistence of the data, and continuity in the event that any computers go off-line. In public blockchains the software is open source and created by an open community of developers, while in closed blockchains the software is created by private organizations.

The shared ledger is made tamper-proof using a cryptographic technique called hashing. A hashing algorithm is a mathematical transformation function with two key properties. First, it accepts any alphanumeric dataset as an input and produces a unique 256 bit code as an output. It is nearly impossible to find another data set that produces the same code. Second, the smallest change in the dataset results in a significant change in the unique code. Any tampering of the dataset can be detected by re-hashing the data and checking for a change in the unique code. Any user that runs the hash algorithm on the same strings will derive the same unique code. Thus, the data on the distributed ledger can be run through a series of hash algorithms to create a unique code, which ensures the entire ledger is immutable. Furthermore, whenever a new set or block of transactions is added to the ledger, it is appended with the code from the prior state of the ledger before it is hashed. This chain links both states of the ledger by combining them into a single unique code. Thus, tampering of any historical state of the ledger can be automatically detected by the blockchain software protocol.

As new blocks of transactions are collected, the concepts of game theory are applied before the next block is hashed and chained to the ledger. This ensures that the data in the new block is trustworthy and that no participants on the network cheat. The process is commonly referred to as "mining", particularly on the Bitcoin blockchain, and in general terms is referred to as a consensus algorithm. Essentially, the miners are network nodes that compete to play a game, with the winner earning the right to record the next block of data to the blockchain. The game requires a cost to play, to ensure miners have a vested interest in fair play. A reward is also offered to offset these costs and provide an incentive for miners to participate. Once the winner is determined, the new block of data must match the versions held by the majority of nodes before the reward is provided. If consensus is not achieved, the reward is not given, and the game is played again. Therefore, the costs of cheating outweigh the benefits of playing the game fairly, and decentralized trust can be established. Notably, the game is also meritocratic. The number of times a miner can expect to win the game is based on the proportion of their costs incurred vs. the total costs of all miners on the network. Thus, the incentive system is fair, and the rewards are shared proportionally.

In public, open source blockchains, a token is created to capture the utility value of the underlying service the blockchain is enabling and provides the incentive that powers the consensus algorithm. Users of the blockchain must buy the tokens to use the service, with the value of the token determined by market forces of supply and demand. Demand increases with usage, while supply is set by the underlying protocol as determined by the consortium of developers creating the particular blockchain. Tokens are also provided to the miner as their reward, with the prospects for value appreciation offering an economic incentive for miners to participate and for the consensus algorithm of the blockchain to function. Tokens also incentivise the addition of processing power to the network, and creates a virtuous circle or network effect for the system to grow from the ground up. Notably, token supply may or may not be capped, and increases may be gradual or immediate, depending on how the particular blockchain protocol is defined.

Bitcoin was the first and remains the simplest blockchain protocol. In the bitcoin network, counterparties connect their computers to a shared network via the bitcoin software protocol. Accounts or wallets are represented by numeric addresses on the network, and coins are represented by unique and specially coded serial numbers. There are two kinds of parties on the bitcoin network: nodes and miners. Nodes track and check the validity of all transactions. Miners collect groups of transactions into blocks, and compete to earn the right to add these blocks to the blockchain. The consensus algorithm in Bitcoin is known as Proof-of-Work (PoW). Miners collect blocks of transactions and append the hash of the prior block to the dataset. Miners are then required to add a single additional number (called a “nonce” - number used only once) such that the resulting new hash starts with a certain number of zeros. Miners run the hash calculation over and over to guess the unique nonce that results in a hash with the required number of zeros. The network sets the number of zeros required based on the total processing power among all miners (known as the hash rate), such that the solution takes 10 minutes to find. The miner that finds the solution first earns the right to add their version of the block to the blockchain. For their efforts, they receive all the transaction fees within the block, plus newly mined or minted Bitcoins, if they are available. The reward is set to halve every four years (next in 2020), and the maximum amount of Bitcoin that will ever be generated is capped at 21 million Bitcoin. To date, 16,720,475 Bitcoins have been mined by the global community. Considering that the reward is expected to be cut in half every four years, it is estimated that the supply limit will be reached in the year 2140. When the supply limit is reached, miners only receive the transaction fees as their reward.

For users, Bitcoin is valued as a fast and efficient borderless payment network, and valued for the potential as an inflation hedge, given its limited supply. If demand outpaces supply, the value of the coins appreciate. For miners, Bitcoin is valued for transaction fees and new Bitcoin rewards. Furthermore, these incentives ensure sufficient processing power is provided to the network, and creates a virtuous circle or network effect for the system to grow from the ground up.

Types of Blockchains

<u>Open or public blockchains</u>: Open or public blockchains are available to the general public, counterparties are unknown, and protocols are generally open-source and developed by a decentralized community or an open not-for-profit foundation. A token of value is required to drive the incentive and consensus mechanisms of the blockchain. Examples include Bitcoin, Dash, Ethereum and Litecoin.

<u>Closed or permissioned blockchains</u>: Closed or permissioned blockchains are restricted to known counterparties, and development is more centralized or completely proprietary. Read and write permissions are assigned independently, and a token of value is not required for an incentive mechanism or consensus algorithm. Rather, counterparties share a common interest for trust, such as automation to lower costs. Examples include Chain, Hyperledger and Ripple, each which are working with major banks to automate back-office operations.

<u>Distributed ledgers and databases</u>: A distributed ledger type of blockchain can be a simple record of transactions, a record of asset ownership, or a record of rights and obligations between counterparties. Bitcoin and similar payment networks are the simplest types of ledger-based blockchains. Other examples include identity records (i.e. citizenship, shareholders), ownership registries (i.e. land, cars), supply chains, and systems to manage simple processes like licensing and voting. In some cases such as government-run blockchain registries, tokens may only have nominal value or may not be required at all.

<u>Smart contracts and distributed applications</u>: In a smart contract, the obligations between counterparties (i.e. payments, approvals or notifications) are recorded and automatically executed by the blockchain protocol. Ethereum is the second largest blockchain protocol by market capitalization, and is a platform that enables smart contracts. Ethereum is essentially a distributed computer powered by Ether tokens, with a scripting language to allow for the creation of smart contracts and other tokenized blockchain applications. The latter are referred to as decentralized applications (DAPPs) and are essentially applications that run autonomously using the decentralized

consensus mechanisms of blockchain. A simplified example of a smart contract is a power utility that creates a tokenized blockchain network for a neighbourhood. Homeowners would pay monthly tokens to receive power, and in the event of a default, the smart contract could automatically trigger a shutdown and notify the customer's bank, the regulator and credit agencies as required. Furthermore, consumers that generate excess power could receive tokens as payment from the power authority for net power they contribute to the grid. More significantly, with blockchain, this type of system can now be created as an open system by a consortium of miners, without the involvement of any central authority, power company or bank. This would be considered a type of distributed application. Smart contract platforms today include Tezos, Eos and Interbit, by BTL Group.

Blockchain systems offer significant advantages over traditional centralized systems, are disruptive to the status quo, and are potentially invaluable to society. The technology is also at its infancy and is rapidly evolving to address significant challenges that it is facing.

Blockchain protocols, while complex, are typically open source and available to all counterparties for scrutiny and evaluation. Participants are also generally free to join and exit at will. While limited regulations at this stage require participants to verify the quality of the protocol on their own, the rules governing protocols can be understood in advance, and can only change with the consensus of the majority of counterparties on the network.

Cryptographic hashing of transactions creates a tamper-proof record of the entire history of a blockchain. This makes forging of records very unlikely. It also allows for the entire history of a given token to be tracked between addresses, albeit with the appropriate analytical software. Requirements to disclose ownership of network addresses are not ubiquitous, however. Hence blockchains such as Bitcoin remain pseudonymous. While it may be possible to track the history of every coin through every address, it may not be possible to identify the address owners without proper regulation.

With no centralized authority or control, blockchain systems do not have a single source of failure or corruption. Furthermore, consensus algorithms are typically meritocratic, where rewards are distributed in proportion to relative investment in the system. This creates a flatter and more equitable system for shared value creation.

Similar to traditional peer-to-peer networks, the broader the distribution of nodes on the network, the more resilient the network is to infrastructure failures or data corruption. This also reduces the ability for single parties to control, manipulate or even shut the system down.

Blockchains are typically global peer-to-peer networks that are limited only by the reach of the internet, or by the particular rules embedded into each specific blockchain protocol. This offers a large addressable market for growth and diversification. For Bitcoin, this has been a double-edged sword. Bitcoin's global presence has supported its growth and persistence, but its borderless nature has caused concern for governments and central banks, since regulations for security, capital control, anti-money laundering are not yet in place.

As primarily open source protocols, blockchains benefit from large, diverse groups of software developers which can accelerate the development of new capabilities. Open source software can often leapfrog traditionally developed software. The success of Android as the most pervasive mobile operating system, and the flexibility of Linux as an operating system deployed in PCs, web servers and cars, are good examples.

Blockchains, and Bitcoin in particular, have powerful built-in network effects. These are generally a consequence of the incentive mechanisms built into the consensus algorithms. Providing a reward to miners through a valuable and potentially appreciating token not only removes the incentive to cheat, but creates the incentive for token owners to recruit more users to the network. During periods of growing adoption, demand will outpace supply and tokens will appreciate, with the majority of the value accruing to the earlier users of the network.

<u>Investment Policy and Procedures</u>

The Company's investment objectives are to seek investment opportunities in early-stage to mid-level blockchain and emerging technology companies and to achieve an acceptable rate of return by focusing on opportunities with attractive risk to reward profiles. Investments by the Issuer will be made in accordance with and are otherwise subject to the Issuer's Investment policy (the "Investment Policy"), which may be amended from time to time at the sole discretion of the Company without shareholder approval unless required by applicable laws or Exchange policies. The key elements of the Investment Policy are summarized and included below.

The proposed investments will generally be companies with competent management in place that are seeking funds for expansion. Preference will be given to North American jurisdictions but other countries outside of North America may be permissible depending on the risk-reward relationship associated with the particular jurisdiction, including tax considerations.

In terms of composition, the nature and timing of the Company's investments will depend, in part, on available capital at any particular time and the investment opportunities identified and available to the Company. Subject to the availability of capital, the Company intends to create a diversified portfolio of investments. The composition of its investment portfolio will vary over time. All investments shall be made in compliance with applicable laws in relevant jurisdictions, and shall be made in accordance with and governed by the rules and policies of applicable regulatory authorities.

From a procedure and implementation perspective, the senior officers and other management of the Company (“Management”) and the Company’s Board of Directors (the “Board”) and the respective members thereof will identify potential investment opportunities. These individuals have a broad range of business experience and their own networks of business partners, financiers, venture capitalists and finders through whom potential investments may be identified.

Prospective investments will be channeled through Management. Management will make an assessment of whether the proposal fits with the investment and corporate strategy of the Company in accordance with the Company's Investment Policy, and then proceed with preliminary due diligence, leading to a decision to reject or move the proposal to the next stage of detailed due diligence. This process may involve the participation of outside professional consultants.

Due diligence will include an analysis of the relevant industry, as well as the investee corporation, its management team, quality of asset(s) and risks associated as applicable. All investments shall be submitted to the Board for final approval. The Board will be provided with a summary of the rationale behind the investment decision and will typically include, among other things, the estimated return on investment, timeline of investment, guidelines against which future progress can be measured, and risks associated with the investment.

The current directors have considerable experience dealing in the blockchain and technology industry and can be expected to find considerable opportunities for investment in the less than one million dollar range where risk is elevated but may be reduced by diversification.

Other than angel investors or crowd funding, the Issuer believes that few sources for early stage investment are available to startup companies.

Monitoring and Financial and Other Reporting

Management will monitor the Company’s investment portfolio on an ongoing basis and report to the Board on the state of the investment portfolio on a regular basis.

The Issuer will require that investee companies provide status reports, including in relation to financial performance, to Management on a periodic basis. To assist with the monitoring of its investments in addition to observing each investment’s financial performance, the Issuer may seek to appoint a director to the board of its investee companies.

Although no such investments are currently planned, in the event the Company invests directly in tokens/coins or other cryptocurrencies, Management will, in accordance with best practices and after consulting with its auditors and other professional advisors, provide fulsome and detailed disclosure of its use of judgment in developing and applying an accounting policy that results in relevant and reliable information in relation to its investments.

Types of Investments and Security

It is expected that the Issuer will be seeking equity investments however debt instruments will also be considered if and when appropriate. The Issuer does not currently plan making investments directly in the form of tokens/coins or other cryptocurrencies, but rather intends to focus on investments in early-stage to mid-level blockchain and emerging technology companies, which such companies may invest or otherwise have businesses related to cryptocurrencies. In the event that the Issuer makes any direct investments in cryptocurrency assets, the Issuer will provide details of such cryptocurrency assets including the utility function, if any, associated rights or restrictions, details regarding existing markets, and other information as required by the Exchange.

Where relevant, the due diligence of Management of will include a review of the policies of investee companies with regard to security and custody of digital assets, including cryptocurrencies. Such reviews will include an evaluation of the persons at such investee company who have access to cryptocurrency assets, an evaluation of related insurance arrangements, and how such investee companies mitigate against the risk of cyber-theft of hacking attacks. Additionally, such reviews are intended to ensure that appropriate policies and procedures are in place, and that the relevant policies of such investee companies include the following elements as appropriate:

1) Wallet – investee companies should maintain private keys using a cold storage hardware wallet. This form of wallet is considered the most secure means of storage for private keys currently available in the marketplace as it is not connected to the internet. Investee companies must continuously evaluate new alternatives and ensure that the private key is stored in the most secure environment available in the marketplace.
2) Cryptocurrency Exchanges – investee companies must minimize the value and time that cryptocurrency is listed on a public exchange to reduce the risk associated with fund misappropriation resulting from the exchange being hacked. Any exchange used by an investee company must comply with current best practices for cyber security including use of cold storage, two-factor authentication for login, and good public validation of security practices.
3) Security Updates – investee companies must ensure that software updates and recommendations are implemented immediately. This includes updates related to the exchange, wallet as well as software installed on local computers including malware and anti-virus.
4) Password protection – passwords will be utilized for all electronic devices and online accounts and will adhere to best practices for effective passwords including storage, expiry, length, special characters, upper and lower case numbers.
5) Dual factor authentication – dual factor authentication will be utilized for wallets and online exchanges.

In effect, the Issuer plans to operate as an incubator and provide capital and consultations to early stage blockchain and emerging technology companies. Each investment is expected to be somewhat unique and will likely require different timeframes and strategies to reach maturity and then eventually be divested by the Issuer. The Issuer intends to generate returns upon divestiture of such investments.

Business Objectives and Milestones

Over the next twelve months, the Issuer will review and identify potential investments in companies operating in the technology space and more specifically, emerging and blockchain related technologies, in accordance with its Investment Policy.

During this twelve-month period, the Issuer will focus on investments in North America but will be open to countries outside of North America pending satisfactory due diligence and acceptable risk reward profiles. The Issuer plans to use the funds from its investment budget of $3,500,000 for this business objective.

The Issuer intents to invest in one to three early-stage to mid-level companies within the next twenty-four month period, however, the number of investments is subject to change depending on market conditions. To monitor these investments, in addition to observing each investment's financial performance, the Issuer may seek to appoint a director to the board of each of its investee companies. The Issuer plans to use the funds from its investment budget of $3,500,000 for this business objective.

The Issuer intends to create and maintain an active website and the planned budget for such website for the next twenty-four months is $50,000.

Funds Available to the Issuer and Use of Funds

The estimated consolidated working capital of the Issuer as of the date of this Listing Statement is $5,000,000, the majority of which such working capital resulting from the consideration received by the Issuer through the private placement of Shares as detailed under Description of Securities – Prior Sales.

The following table summarizes the proposed use of funds by the Issuer during 2018 and 2019.

Business Objective	**Estimated Cost**
Set-Up Office	$75,000
Marketing	$75,000
Website	$50,000
Available for Investments	$4,500,000
General Administrative Expenses	$150,000
Unallocated Working Capital	$150,000
TOTAL:	**$5,000,000**

5. Selected Consolidated Financial Information

The following table summarizes financial data for the Issuer each of the last three completed financial years and any period subsequent to the most recent financial year end for which financial statements have been prepared, accompanied by a discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business.

The information contained in this table should be read in conjunction with the Issuer's financial statements.

	Nine Months Ended September 30, 2017	**Six Months Ended June 30, 2017**	**Year Ended Dec. 31, 2016**	**Year Ended Dec. 31, 2015**	**Year Ended Dec. 31, 2014**
		$	**$**	**$**	**$**
Total Assets	967,095	995,211	1,309,773	3,185,178	3,375,044
Total Liabilities	23,946	23,614	45,246	193,891	172,229
Total Long-Term Liabilities	Nil	Nil	Nil	Nil	Nil
Working Capital (Deficiency)	882,425	910,873	988,848	(104,418)	(89,805)

Revenues	Nil	Nil	Nil	Nil	Nil
Net Loss for Period	(591,905)	(521,624)	(3,667,688)	(264,426)	(2,585,127)
Loss per Share – basic and diluted	(0.02)	(0.02)	(0.83)	(0.15)	(1.47)

The following table summarizes quarterly results for each of the eight most recently completed quarters ending at the end of the most recent completed financial year. The information contained in this table should be read in conjunction with the Issuer's financial statements.

Quarter Ended	Total Assets	Total Liabilities	Revenue	Net Loss	Loss per Share
	$	$	$	$	$
Dec. 31, 2016	1,309,773	45,246	Nil	(1,686,512)	(0.14)
Sept. 30, 2016	1,469,844	459,733	Nil	(1,933,494)	(1.10)
June 30, 2016	3,153,359	209,754	Nil	(39,859)	(0.02)
March 31, 2016	3,176,415	193,681	Nil	(7,823)	(0.00)
Dec. 31, 2015	3,185,178	193,891	Nil	(207,638)	(0.12)
Sept. 30, 2015	3,342,032	203,304	Nil	(13,048)	(0.01)
June 30, 2015	3,343,780	191,274	Nil	(23,865)	(0.01)
March 30, 2015	3,351,919	175,548	Nil	(19,875)	(0.01)

6. Management's Discussion and Analysis

Management's Discussion and Analysis of the financial condition of the Company ("**MD&A**") for the year ended December 31, 2016 and the MD&A for the nine months ended September 30, 2017, are included as Schedule "A" to this Listing Statement.

7. Market for Securities

The Issuer's Shares are listed on the Exchange under the trading symbol BXXX.

8. Consolidated Capitalization

The following table reflects the capitalization of the Issuer as of the date of this Listing Statement:

Designation of Security	Amount authorized or to be authorized	Amount outstanding as at January 23, 2018
Common Shares	Unlimited	45,755,200

9. Options to Purchase Securities

As at the date of this Listing Statement, the following incentive options are outstanding and are expected to constitute all incentive options of the Company outstanding after giving effect to the Change of Business:

Group	Number of Options	Expiry Date	Exercise Price
Non-Executive Directors	350,000*(1)*	December 8, 2021	$0.165
Officers	500,000*(1)*	December 8, 2021	$0.165
Former Directors	175,000*(1)*	December 8, 2021	$0.165
Consultants	850,000*(1)*	December 8, 2021	$0.165
Directors	850,000*(2)*	January 11, 2023	$0.43
Officers	150,000*(2)*	January 11, 2023	$0.43
Consultants	1,640,000*(2)*	January 11, 2023	$0.43

(1) These options were granted on December 8, 2016 based on the then current market price of the Company's Shares being $0.165. Based on the last closing price of the Shares prior to the date of this Listing Statement, the market value of each Shares underlying the above listed options is $0.43.

(2) There options were granted on January 11, 2018 based on the previous closing price of $0.43 per share expiring in 2023 with an exercise price of 0.43.

There can be no assurance that the options will be exercised in whole or in part. The Company will use any funds received upon exercise of any options for general working capital.

Stock Option Plan

The Company has adopted an incentive stock option plan (the "**Option Plan**") which provides that the board of directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options granted to an optionee that does not continue as a director, officer, technical consultant or employee of the Company have a maximum term of 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

The exercise price of incentive stock options is determined the board of directors of the Company.

10. Description of the Securities

All of the Shares of the Company will rank equally within their class as to voting rights, participation in assets and in all other respects. None of the Shares are subject to any call or assessment nor pre-emptive or conversion rights. There are no provisions attached to the Shares for redemption, purchase for cancellation, surrender or sinking or purchase funds.

Prior Sales

The following table sets forth details of all Shares issued within the 12 months prior to the date of this Listing Statement:

Date	Number of Shares(1)	Issue price per Share	Aggregate issue price	Consideration received
October 30, 2017	10,000,000	$0.20	$2,000,000	Cash

December 6, 2017	3,887,500	$0.40	$1,555,000	Cash
January 5, 2018	1,292,500	$0.40	$517,000	Cash

(1) *In connection with each of the private placements indicated above, the Issuer issued to certain arm's length finders such number of finder's shares and finder's warrants each equal to 8% of the total number of Shares issued to subscribers introduced to the Company by the applicable finder. Each of the finder's warrants are exercisable into one Share at a price of $0.20 per Share for a period of 24 months from the date of issuance. In total, 1,193,000 Shares and 1,193,000 warrants were issued to such finders.*

Stock Exchange Price:

The Shares are listed on the Exchange. The following table sets out, for the periods indicated, the high and low sales price and the volume of trading of the Shares during the periods indicated. The Shares were halted on November 7, 2017.

Period	**High**	**Low**	**Volume**
November 2016	$0.18	$0.04	90,903
December 2016	$0.165	$0.11	32,835
January 2017	$0.25	$0.15	25,037
February 2017	$0.35	$0.205	61,028
March 2017	$0.33	$0.19	399,865
April 1 2017	$0.22	$0.165	164,725
May 2017	$0.17	$0.145	73,647
June 2017	$0.145	$0.13	111,223
July 2017	$0.13	$0.105	135,912
August 2017	$0.11	$0.10	38,916
September 2017	$0.115	$0.10	179,268
October 2017	$0.44	$0.10	1,781,944
November 2017	$0.48	$0.40	484,094
December 2017	n/a	n/a	n/a
January 2018	n/a	n/a	n/a

The last closing price of the Shares on the Exchange (November 7, 2017) was $0.43.

11. Escrowed Securities

Pursuant to the policies of the Exchange, certain Shares issued to principals of the Issuer are required to be subject to an escrow agreement that provides for the escrow of certain of such principals' Shares. Pursuant to the requirements of the Exchange, Cale Moodie, a director of the Issuer entered into a lock-up agreement dated January 12, 2018 (the (the "**Lock-up Agreement**") in relation to 250,000 Shares (the "**Locked-up Securities**") which Spartan Holdings Ltd., a company wholly-owned by Cale Moodie ("**Holdco**") acquired on October 30, 2017 pursuant to a private placement (see Description of Securities – Prior Sales). Under the Lock-Up Agreement, Mr. Moodie must not directly or indirectly sell or agree to sell or announce any intention to sell any of the Locked-Up Securities on or before the date such Locked-Up Securities are released in accordance with the release schedule set forth below, without the prior written consent of the Company.

Time	Release Schedule
Listing Date on the Exchange	1/4 of the Locked-Up Securities
6 months after Listing Date	1/3 the remaining Locked-Up Securities
12 months after Listing Date	1/2 of the remaining Locked-Up Securities
18 months after Listing Date	All remaining Locked-Up Securities

In total, the number of securities of the Issuer subject to the Lock-Up Agreement as of the date of this Listing Statement are as follows:

Designation of class held in escrow	Number of securities held in escrow	Percentage of class
Common	250,000	.052%

Additionally, the Shares issued under the private placements noted under Description of Securities – Prior Sales (totalling 16,373,000 Shares, including 1,193,000 Shares paid in relation to finder's fees) are subject to a contractual resale restriction whereby such Shares are restricted from being transferred for a period of six months from the date of issuance.

To the knowledge of the Issuer, other than as disclosed above, there are no other escrowed securities of the Issuer as of the date of this Listing Statement.

12. Principal Shareholders

To the knowledge of the Company, no person is anticipated to own of record or beneficially, directly or indirectly, or exercise control or direction over, more than 10% of any class of voting securities of the Company upon completion of the Change of Business.

13. Directors and Officers

The following table sets forth the name of all individuals who are directors, officers and promoters of the Company, their municipalities of residence, their current positions with the Company, their principal occupations during the past five years and the number of Shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised.

Name, municipality of residence and position	Principal occupation for past five years	Previous service as a director	Shares held	Percentage of Shares held
Darius Eghdami *Vancouver, British Columbia* Chief Executive Officer	See "*Management Team*" below.	n/a	0	0%
Emily Davis(1) *Vancouver, British Columbia* Chairman, Director	See "*Management Team*" below.	Since November 2, 2016	None	0%
Zyshan Kaba(1) *Toronto, Ontario* Director	See "*Management Team*" below.	Since December 30, 2017	None	0%
Cale Moodie(1) *Vancouver, British Columbia* Director	See "*Management Team*" below.	Since December 8, 2016	250,000	0.52%
Rahim Rajwani *West Vancouver, British Columbia* Chief Financial Officer	See "*Management Team*" below	Since December 30, 2017	10,000	0.002%
Michele Romanow *Mississauga, Ontario* Director	See "*Management Team*" below	Since December 30, 2017	0	0%

(1) Current members of the Audit Committee of the Company.

Each of the Company's directors is elected by the Company's shareholders at an annual general meeting to serve until the next annual general meeting of shareholders or until a successor is elected or appointed.

The directors and officers of the Company as a group beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 260,00 Shares, representing approximately 0.54% of the Company's issued and outstanding Shares. Directors and officers of the Company have also been granted options to purchase Shares as indicated under the heading "*Options to Purchase Securities*".

Management

The Company does not expect that it will request any director or officer to enter into a non-disclosure or non-competition agreement with the Company upon conclusion of the Change of Business. The Company will have no employees – all of its directors and officers will serve as independent contractors.

Further details regarding each of the directors and officers of the Company are provided above under the heading "*Narrative Description of the Business – General – Management Team*".

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoters of the Company that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Name of Exchange or Market	Position	Term
Darius Eghdami	MK2 Ventures Ltd.	TSXV	Director	Nov. 2017 to Present
Emily Davis	Skana Capital Corp.	TSXV	Officer	2007 to 2007
	Standard Lithium (formerly Patriot Petroleum	TSXV	Officer	2015 to 2017
	Desert Star Resources	TSXV	Officer	2012 to 2015
	Oyster Oil & Gas Ltd.	TSXV	Officer	2014 to Present
	Datinvest International Ltd.	TSXV	Officer	2016 to Present
	Bethpage Capital Corp.	TSXV	Director	2017 to Present
	Von Capital Corp.	TSXV	Director	2017 to Present
	Sherpa Capital Corp.	TSXV	Officer, Director	2017 to Present
	MK2 Ventures Ltd.	TSXV	Director	2017 to Present
Zyshan Kaba	Hashchain Technology Inc.	TSXV	Director	Oct. 2017 to Present
Cale Moodie	Full Metal Minerals Corp	TSXV	CFO	2008 to Present
	Brixton Metals Corporation	TSXV	CFO and Director	2010 to Present
	Bee Vectoring Technologies International Inc	TSXV	Director	2012-2015
	Vendetta Mining Corp.	TSXV	CFO	2014-2017
	Genesis Metals Corp.	TSXV	CFO	2010-2014
	Aftermath Silver Ltd.	TSXV	CFO and Director	2011-2015
	Minaurum Gold Inc.	TSXV	CFO	2012-Present
Rahim Rajwani	Sherpa Capital Corp.	TSXV	Director	2017 to Present
	MK2 Ventures Ltd.	TSXV	Director	2017 to Present
Michele Romanow	Freshii Inc.	TSX	Director	Jan. 2017 - Present
	Vail Resorts, Inc.	NYSE	Director	Oct. 2016 - Present

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, none of the directors or officers of the Company is or has been, within the past ten years, a director or officer of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

To the knowledge of the Company, no director, officer or promoter of the Company has:

(a) been subject to any penalties or sanctions imposed by a court or securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Change of Business.

Personal Bankruptcies

No director, officer or promoter of the Company, or a personal holding company of any of them, has, within the ten years prior to the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Directors and officers of the Company also serve as directors and/or officers of other companies working in the technology space and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm's length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to the Company which arise under British Columbia corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of the Company.

All conflicts of interest will be resolved in accordance with the BCBCA. Any transactions with officers and directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Company, and, depending upon the magnitude of the transactions and the absence of any disinterested board members may be submitted to the shareholders for their approval.

Management Team

Like other investment issuers companies, BLOCK X has a highly scalable business where a small investment team can drive a large numbers of transactions. BLOCK X's current management team consists of the persons noted below. None of the members of the BLOCK X's current management team is a party to any non-competition or confidentiality agreement with BLOCK X.

<u>*Darius Eghdami – Vancouver, British Columbia – 30 years of age – Chief Executive Officer*</u>

Mr. Eghdami is a chartered accountant by trade, Mr. Eghdami is a serial entrepreneur, investor, and sports enthusiast. He has previously founded and/or led multiple businesses in digital, data analytics, and consumer internet. Darius has been involved in the sports betting industry since 2008 and has been the CEO of FansUnite since 2012. His goal and passion with FansUnite was to create a community of sports bettors working together to beat the house. Mr. Eghdami has extensive experience managing companies, raising capital, as well as developing overall vision and business frameworks. Mr. Eghdami was recently named Canada's next 150 top entrepreneurs by the TMX Group.

Mr. Eghdami will devote 100% of his working time to the Company in connection with his duties as CEO and a director of the Company.

Emily Davis –North Vancouver, British Columbia - 46 years of age – Director

Emily Davis has more than 20 years of experience providing a variety of administrative and corporate services to Exchange listed companies in the financial, technology and natural resource sectors. Prior to joining current employers, Venture One Management., as President and TY Management Corp. as Director of Administration, she worked in administration with Silver Standard. She has also worked with several merchant banks, managing portfolios of private and public companies, focused on mining, energy and technology. Ms. Davis currently serves as a Director on a number of public companies.

Ms. Davis will work part time as a director of the Issuer, and will devote the amount of time as is necessary to perform the work required in connection with her duties as a director.

Cale Moodie – Vancouver, British Columbia - 41 years of age – Director

Cale Moodie is currently Chief Executive Officer & Director of Neptune Dash Technologies (TSX-V: DASH), a builder and operator of Dash Masternodes and exclusive public investor in the Dash digital currency eco-system. He is also currently Chief Financial Officer of Full Metal Minerals Corp. (TSX-V: FMM) and a co-founder of Brixton Metals (TSX-V:BBB). Previously, Cale was the Chief Financial Officer of Underworld Resources Inc. until its sale to Kinross Gold Corporation in June of 2010. Prior to becoming a successful public market executive of multiple companies, Cale worked for KPMG LLP's Vancouver Industrial Markets Group, with an emphasis on audits for mining and resource-based companies.

Mr. Moodie will work part time as a director of the Issuer, and will devote the amount of time as is necessary to perform the work required in connection with her duties as a director.

Zyshan Kaba – Toronto, British Columbia – 33 years of age – Director

A corporate and securities lawyer by background, Zyshan Kaba is a venture investor and advisor that focuses on financial technology, blockchain, and cryptoassets. With a deep interest in disruptive technology and emerging markets, he focuses on early stage technology companies and his experience covers a variety of areas, including legal counsel, business and regulatory strategy, product development, market research, token sale structuring and analysis, and raising venture capital. Zyshan is also a former executive of a venture backed financial technology company where he was Head of Business and Legal Affairs. Zyshan received his J.D. from the University of Toronto and is called to the bar in Ontario and the state of New York.

Mr. Kaba will work part time as a director of the Issuer, and will devote the amount of time as is necessary to perform the work required in connection with his duties as a director.

Rahim Rajwani – West Vancouver, British Columbia – 45 years of age – Chief Financial Officer

Rahim Rajwani brings over 22 years of extensive public and private company experience to Block X Capital. Rahim began his career at Yorkton Securities, and then later moved on to Union Securities where he worked as Chief Compliance Officer and Vice President of Compliance with a primary focus on risk mitigation. Rahim served in successive roles of increasing responsibility at Salman Partners, moving from Chief Compliance Officer, to Vice President, to Managing Director. Rahim aims to bestow his deep expertise in the regulatory, compliance, risk mitigation, and M&A transaction fields in order to support Block X's process of identification, evaluation, and investment in the most promising blockchain companies.

Mr. Rajwani will devote approximately 30% of his working time to the Company, or such greater amount of time as is necessary to perform the work required in connection with his duties as an officer of the Company.

Michele Romanow – Mississauga, Ontario - 32 years of age – Director

Michele is the Co-Founder of Clearbanc, a technology company that provides financial services for freelancers in the United States. Previously, Michele was the Co-Founder of Snap by Groupon (previously SnapSaves), which was founded in March 2012 and acquired by Groupon, Inc. in June 2014. She served as a senior marketing executive for Groupon from June 2014 until March 2016. In February 2011, Michele also founded Buytopia.ca, a Canadian ecommerce leader, of which she continues to be a partner. Prior to that, she was Director of Corporate Strategy & Business Improvement for Sears Canada. Michele is also one of the venture capitalists on the award-winning CBC series Dragons' Den. She is also a Director of SHAD, a registered Canadian charity that empowers exceptional high school students. Michele is currently a director of Freshii Inc. (FRII-T) and Vail Resorts, Inc. (NYSE-MTN).

Ms. Romanow will work part time as a director of the Issuer, and will devote the amount of time as is necessary to perform the work required in connection with her duties as a director.

14. Capitalization

Issued Capital

	Number of Securities (non-diluted)	**Number of Securities (fully-diluted)**	**%of Issued (non-diluted)**	**% of Issued (fully diluted)**
Public Float				
Total outstanding (A)	45,755,200	74,233,136	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	3,003,313	6,596,626	6.2%	8.6%
Total Public Float (A-B)	42,751,887	62,636,510	95.8%	91.3%

Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	16,945,000	18,110,000	35.4%	24.6%
Total Tradeable Float (A-C)	28,810,200	56,123,136	64.6%	76.2%

Based on the list of the Issuer's registered holders of Shares dated January 4, 2018 produced by the Company's transfer agent, and the [list of non-objecting beneficial holders] of Shares dated January 12, 2018 provided by Broadridge Investor Services Inc., to the knowledge of the Issuer, there are approximately 288 public shareholders (57 registered; and 231 beneficial) holding at least a board lot of 500 free-trading Shares. As such, the Issuer has more than the minimum number of shareholders with minimum board lots to satisfy the listing qualifications of the Exchange.

Securities Convertible or Exchangeable into Any Class of Listed Securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Common Share Purchase Warrants	23,962,936	23,962,936
Options to purchase Common Shares(1)	4,515,000	4,515,000

(1) Includes the 1,193,000 warrants issued to finders in connection with the private placement of Shares as detailed under Description of Securities – Prior Sales.

15. Executive Compensation

The following table (presented in accordance with National Instrument Form 51-102F6 – *Statement of Executive Compensation* ("**Form 51-102F6**")) sets forth all compensation for services in all capacities to the Company for the Company’s completed financial year ended December 31, 2016 in respect of:

(a) each individual who acted as CEO or CFO for all or any portion of the most recently completed financial year;

(b) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6), for that financial year; and

(c) any individual who would have satisfied these criteria but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year, (collectively, the "**Named Executive Officers**" or "**NEOs**").

NEO Name and Principal Position	***Year***	***Salary ($)***	***Share-Based Awards ($)***	***Option-Based Awards ($)***	***Non-Equity Incentive Plan Compensation ($)***		***Pension Value ($)***	***All Other Compensation ($)***	***Total Compensation ($)***
					Annual Incentive Plans	***Long-term Incentive Plans***			
Ian Harris[(1)]	2016	Nil	Nil	500,000	Nil	Nil	Nil	Nil	Nil
Lubica Niemann[(2)]	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Ian Harris was never appointed as CEO of the Issuer, but acted in that capacity for a portion of the most recently completed financial year. Ian Harris was appointed as a director on October 17, 2016. Ian Harris resigned as a director on December 30, 2017.

(2) Lubica Niemann was appointed as the CFO on November 2, 2016. Lubica Niemann resigned as CFO on December 30, 2017, and Rahim Rajwani was appointed as CFO on December 30, 2017.

Incentive Option-Based Awards for Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table (presented in accordance with Form 51-102F6) sets forth all awards outstanding at the end of the year ended December 31, 2016.

	Option-based Awards				**Share-based Awards**		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the money options ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Cale Moodie *Director*	350,000	$0.165	December 8, 2021	$150,500	Nil	Nil	Nil
Ian Harris *Former Director* [(1)]	500,000	$0.165	December 8, 2021	$215,000	Nil	Nil	Nil
Emily Davis *Director*	175,000	$0.165	December 8, 2021	$75,250	Nil	Nil	Nil

(1) Ian Harris was appointed as a director on October 17, 2016. Ian Harris resigned as a director on December 30, 2017.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table (presented in accordance with Form 51-102F6) sets forth details of the value vested or earned during the year ended December 31, 2016.

Name	Option-based awards – Value vested during the year ($)[1]	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Cale Moodie	92,750	Nil	Nil
Ian Harris [2]	132,500	Nil	Nil
Emily Davis	46,375	Nil	Nil

(1) This amount is the aggregate dollar value that would have been realized if the options had been exercised on the vesting dates. The amount is computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.
(2) Ian Harris was appointed as a director on October 17, 2016. Ian Harris resigned as a director on December 30, 2017

Discussion of Incentive Plan Awards

Additional factors necessary to understand the information disclosed above include the terms of the Company's Plan.

Pension Plan Benefits

The Company does not provide a defined benefit plan or a defined contribution plan for any of its executive officers, nor does it have a deferred compensation plan for any of its executive officers

Termination and Change of Control Benefits

The Company and its subsidiaries have no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries or a change in responsibilities of the NEO following a change in control.

Compensation of Directors

Director Compensation Table

The following table (presented in accordance with Form 51-102F6) sets forth all amounts of compensation provided to the non-executive directors, other than NEOs, for the year ended December 31, 2016.

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total compensation ($)
Cale Moodie	Nil	Nil	$150,500	Nil	Nil	Nil	$150,500
Emily Davis	Nil	Nil	$75,250	Nil	Nil	Nil	$75,250

Discussion of Director Compensation Table

The Company has not defined financial entitlements for directors. Directors of the Company are, however, eligible to participate in the Plan.

Incentive Option-Based Awards for Directors

Outstanding Share-Based Awards and Option-Based Awards

The following table (presented in accordance with Form 51-102F6) sets forth for each non-executive director all awards outstanding for the year ended December 31, 2016.

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Cale Moodie	500,000	$0.165	December 8, 2021	$150,500	Nil	Nil
Emily Davis	175,000	$0.165	December 8, 2021	$75,250	Nil	Nil

Incentive Plan Awards – Value Vested or Earned During the Year

The following table (presented in accordance with Form 51-102F6) sets forth for each non-executive director the details of the value vested or earned for the year ended December 31, 2016 for each incentive plan award.

Name	**Option-based awards – Value vested during the year ($)(1)**	**Share-based-awards – Value vested during the year ($)**	**Non-equity incentive plan compensation – Value earned during the year ($)**
Cale Moodie	$150,500	Nil	Nil
Emily Davis	$75,250	Nil	Nil

(1) This amount is the aggregate dollar value that would have been realized if the options had been exercised on the vesting dates. The amount is computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

Discussion of Incentive Plan Awards for Directors

Additional factors necessary to understand the information disclosed above include the terms of the Plan. See “Option to Purchase Securities — Stock Option Plan”.

16. Indebtedness of Directors and Executive Officers

No director, executive officer or other senior officer of the Company has been indebted to the Company in the most recently completed financial year and no director, executive officer or senior officer or proposed director, executive officer or other senior officer of the Company, or any Associate of any such director or officer, will be indebted to the Company upon completion of the Change of Business.

17. Risk Factors

Investors should carefully consider the following risk factors and all of the other information contained in this Listing Statement when evaluating the Issuer and its Shares.

An investment in the Shares involves a number of risks, many of which are beyond the Issuer's control. The risks and uncertainties set out below are all of the known risks which are deemed to be material to the Issuer's business or the results of its operations. When reviewing forward-looking statements and other information contained in this

Listing Statement, investors and others should carefully consider these factors, as well as other uncertainties, potential events, and industry-specific factors that may adversely affect the Issuer's future results. If any of these risks should actually occur, the Issuer's business, financial condition, results of operations, cash flows, and prospects could be harmed. Such risks and uncertainties are not the only ones the Issuer faces. Additional risks and uncertainties of which the Issuer is currently unaware or that are deemed immaterial may also adversely affect the Issuer's business, financial condition, results of operations, cash flows, and prospects.

Reliance on Key Personnel

The Issuer's success depends, in large part, upon the continuing contributions of its personnel. The loss of the service of several key people within a short period of time could have a material adverse effect upon the Issuer's financial condition and operations. The Issuer's future success is also dependent upon its continuing ability to attract and retain other highly qualified personnel. Competition for such personnel is intense, and the Issuer's inability to attract and retain additional key employees could have a material and adverse effect on the Issuer's financial condition and operations.

Dependence on Management Team

The Issuer currently depends on certain key management team members to identify business and investment opportunities. The management team, which has developed key relationships in the technology industry, is also relied upon to oversee the core marketing, business development, operational and fund raising activities. If one or more of our management team members is unable or unwilling to continue their positions with the Issuer, the Issuer we may not be able to replace team members easily. Failure to attract and retain qualified employees or the loss or departure in the short-term of any member of senior management may result in a loss of organizational focus, poor operating execution, or an inability to identify and execute potential strategic initiatives. This could, in turn, materially and adversely affect the Issuer's business, financial condition and results of operations.

Lack of Availability of Growth Opportunities

The Issuers business plan includes growth through the Issuers identification of suitable investment or acquisition opportunities, pursuing such opportunities, consummating investments or acquisitions, and effectively generating returns on such investments or acquisitions. If the Issuer is unable to manage its growth effectively, its business, operating results, and financial condition could be adversely affected.

Suitable Investment Candidates

The Issuer expects a significant and major portion of its future growth to come from high-quality capital investments and acquisitions. There is no assurance that the Issuer can successfully identify suitable investment candidates. If suitable candidates are identified, however, the Company may not be able to complete an investment or acquisition on terms that are beneficial and acceptable to the Issuer. In addition, the Issuer competes with other entities to acquire quality technology investments and acquisitions. Some of its competitors may have greater financial resources than the Issuer does and may be able to outbid the Issuer for these investment or acquisition targets. If the Issuer is unable to complete investments or acquisitions, its growth strategy may be impeded and its earnings or revenue growth may be negatively affected.

If the Issuer succeeds in making investments or acquiring technology targets or a portion thereof, the investment or acquired companies may not perform to the Issuer’s expectations for various reasons. Should an investment or acquired entity fail to perform to the Issuers expectations, the Issuers business, prospects, results of operations and financial condition may materially and adversely affected.

Limited Diversification of Investments

As the Issuer will be focusing on investments in the blockchain and emerging technology sectors and, hence, concentrating its invested funds in limited sectors, the Issuer is subject to greater risk in one or more of its future investments should these sectors experience a downturn. A decline in the blockchain or emerging technology sectors will likely have a material adverse effect on the Issuers business, results from operations, and financial condition. In addition, the Issuer is more exposed to business cycles than it would be if it owned a high number of investments diversified over various industries with differing business cycles in different geographic areas.

Cryptocurrency Inventory May be Exposed to Cybersecurity Threats and Hacks

As with any other computer code, flaws in the cryptocurrency codes have been exposed by certain malicious actors. Several errors and defects have been found and corrected, including those that disabled some functionality for users and exposed users' information. Discovery of flaws in or exploitations of the source code that allow malicious actors to take or create money have been relatively rare, but have occurred. If hack, the cryptocurrency assets of an investee company could be adversely affected, which could adversely affect the value of the Issuer's investment in such an investee company, and thereby adversely affect the Issuer's shareholders.

Regulatory Changes or Actions May Affect the Issuer's Investment in Investee Companies

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies with certain governments deeming them illegal while others have allowed their use and trade. Ongoing and future regulatory actions may alter, perhaps to a materially adverse extent, the ability of the companies in which the Issuer invests to continue to operate.

The effect of any future regulatory change on the Issuer or any cryptocurrency that an investee company may hold, mine or otherwise have exposure to is impossible to predict, but such change could be substantial and have a material adverse effect on the Issuer.

Governments may in the future curtail or outlaw the acquisition, use or redemption of cryptocurrencies. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost and/or subject cryptocurrency companies to additional regulation.

Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency. By extension, similar actions by other governments, may result in the restriction of the acquisition, ownership, holding, selling, use or trading in the shares of the Issuer's investee companies. Such a restriction could result in such investee companies liquidating their cryptocurrency inventories at unfavorable prices and may adversely affect the Issuer's investments, and, as a result its shareholders.

The Value of Cryptocurrencies Held by Investee Companies May be Subject to Momentum Pricing Risk

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

Cryptocurrency Exchanges and Other Trading Venues are Relatively New and, in Most Cases, Largely Unregulated and May Therefore be More Exposed to Fraud and Failure

To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices, which could adversely affect the value of the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. For example, during the past three years, a number of Bitcoin (BTC) exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed BTC exchanges were not compensated or made whole for the partial or complete losses of their account balances in such BTC exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

Banks May Not Provide Banking Services, or May Cut Off Banking Services, to Businesses that Provide Cryptocurrency-Related Services or That Accept Cryptocurrencies as Payment

A number of companies that provide BTC and/or other cryptocurrency-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to BTC and/or other cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide BTC and/or other cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing BTC and/or other cryptocurrency-related services. This could decrease the market prices of cryptocurrencies and adversely affect the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

The Impact of Geopolitical Events on the Supply and Demand for Cryptocurrencies is Uncertain

Crises may motivate large-scale purchases of cryptocurrencies which could increase the price of cryptocurrencies rapidly. This may increase the likelihood of a subsequent price decrease as crisis-driven purchasing behavior wanes, adversely affecting the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

As an alternative to fiat currencies that are backed by central governments, cryptocurrencies, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralised means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of cryptocurrencies either globally or locally. Large-scale sales of cryptocurrencies would result in a reduction in their market prices and adversely affect the Company's investments and profitability.

The Further Development and Acceptance of the Cryptographic and Algorithmic Protocols Governing the Issuance of and Transactions in Cryptocurrencies is Subject to a Variety of Factors That Are Difficult to Evaluate

The use of cryptocurrencies to, among other things, buy and sell goods and services and complete other transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. The growth of this industry in general, and the use of cryptocurrencies in particular, is subject to a high degree of uncertainty, and the slowing, or stopping of the development or acceptance of developing protocols may adversely affect certain investee company's operations, which may adversely affect the Issuer's investment in such companies, and thereby adversely affect the Issuer's shareholders. The factors affecting the further development of the use of cryptocurrencies by such investee companies, include, but are not limited to:

- Continued worldwide growth in the adoption and use of cryptocurrencies;
- Governmental and quasi-governmental regulation of cryptocurrencies and their use, or
- Restrictions on or regulation of access to and operation of the network or similar cryptocurrency systems;
- Changes in consumer demographics and public tastes and preferences;
- The maintenance and development of the open-source software protocol of the network;
- The availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;
- General economic conditions and the regulatory environment relating to digital assets; and
- Negative consumer sentiment and perception of cryptocurrencies generally.

Acceptance and/or Widespread use of Cryptocurrency is Uncertain

Currently, there is relatively small use of cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect the operations of certain of the Issuer's investee companies, which could in turn adversely affect the Issuer's investment strategies, and profitability.

As relatively new products and technologies, cryptocurrencies have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of cryptocurrency demand is generated by speculators and investors seeking to profit from the short-term or long-term holding of cryptocurrencies.

The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. A lack of expansion by cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in their market prices, either of which could adversely impact the certain of the Issuer's investee companies, which could in turn adversely affect the Issuer's investment strategies, and profitability.

Investee Companies with Cryptocurrency Inventories May be Subject to Loss, Theft or Restriction on Access or Loss or Destruction of a Private Key Required to Access their Digital Wallets

There is a risk that some or all of an investee company's cryptocurrency could be lost or stolen. An investee company's access to such cryptocurrency could also be restricted by cybercrime (such as a denial of service attack) against a service at which such Company maintains a hosted online wallet, or keys required to access digital wallets could be lost. Any of these events may adversely affect the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

Incorrect or Fraudulent Coin Transactions May be Irreversible

Cryptocurrency transactions are irrevocable and stolen or incorrectly transferred coins may be irretrievable. As a result, any incorrectly executed or fraudulent coin transactions could adversely affect certain investee companies, and thereby adversely affect the Issuer's shareholders.

Cryptocurrency transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction. In theory, cryptocurrency transactions may be reversible with the control or consent of a majority of processing power on the network. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of a coin or a theft of coin generally will not be reversible and an investee company may not be capable of seeking compensation for any such transfer or theft.

If the Awards for Solving Blocks and Transaction Fees are Not Sufficiently High, Cryptocurrency Miners May Not Have an Adequate Incentive to Continue Mining and May Cease Their Mining Operations.

As the number of coins awarded for solving a block in the blockchain decreases, the incentive for miners to continue to contribute processing power to the network will transition from a set reward to transaction fees. Either the requirement from miners of higher transaction fees in exchange for recording transactions in the blockchain or a software upgrade that automatically charges fees for all transactions may decrease demand for the relevant coins and prevent the expansion of the network to retail merchants and commercial businesses, resulting in a reduction in the price of the relevant cryptocurrency that could adversely impact certain investee companies' cryptocurrency inventory and investments, which may adversely affect the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

In order to incentivize miners to continue to contribute processing power to the network, the network may either formally or informally transition from a set reward to transaction fees earned upon solving for a block. This transition could be accomplished either by miners independently electing to record on the blocks they solve only those transactions that include payment of a transaction fee or by the network adopting software upgrades that require the payment of a minimum transaction fee for all transactions. If transaction fees paid for the recording of transactions in the blockchain become too high, the marketplace may be reluctant to accept network as a means of payment and existing users may be motivated to switch between cryptocurrencies or back to fiat currency. Decreased use and demand for coins may adversely affect their value and result in a reduction in the market price of coins, which may adversely affect the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

If the award of coins for solving blocks and transaction fees are not sufficiently high, miners may not have an adequate incentive to continue mining and may cease their mining operations. Miners ceasing operations would reduce collective processing power, which would adversely affect the confirmation process for transactions (i.e., decreasing the speed at which blocks are added to the blockchain until the next scheduled adjustment in difficulty for block solutions) and make the network more vulnerable to a malicious actor or botnet obtaining control in excess of 50 percent of the processing power. Any reduction in confidence in the confirmation process or processing power of the network may adversely impact investee companies that engage in cryptocurrency mining activities and any cryptocurrency inventory they old, which may adversely affect the Issuer's investment in certain investee companies, and thereby adversely affect the Issuer's shareholders.

The Price of Coins May Be Affected by the Sale of Coins by Other Vehicles Investing in Coins or Tracking Cryptocurrency Markets

To the extent that other vehicles investing in coins or tracking cryptocurrency markets form and come to represent a significant proportion of the demand for coins, large redemptions of the securities of those vehicles and the subsequent sale of coins by such vehicles could negatively affect cryptocurrency prices and therefore affect the value of any inventory held by investee companies, which may adversely affect the Issuer's investment in such investee companies, and thereby adversely affect the Issuer's shareholders.

Currency Fluctuations

The issuer may invest in technology companies based in foreign jurisdictions such as the United States, Great Britain, and the European Union. Such investments may be subject to currency and exchange fluctuations and may negatively influence the return on the Issuer's investments.

Foreign Taxes and Double Taxation

The Issuer may invest into technology companies based in foreign jurisdictions and may be subject to double taxation on its foreign investments, which will reduce the return on investments and the profitability, if any, of the Issuer.

Conflicts of Interest

The Issuer may, in the future, raise further funds through the sale of securities to other companies which may be associated with the directors of officers of the Issuer, and, as such, the directors and officers of the Issuer may increase their ownership and/or control positions in the Issuer without an equal opportunity to participate in such financings being granted to other shareholders. Under certain circumstances, shareholder approval of such action may be required. As certain directors and officers are involved with other companies, there may be potential conflicts of interest limiting the amount of time managing the affairs of the Issuer.

Inability to Perform Accurate Due Diligence

The Issuer will be investing in start-up companies and may not have the resources or may be not be able to perform detailed due diligence, which may result in a partial or complete loss of investments.

Lack of Capital

Until revenues exceed expenses, the Issuer raises the necessary capital through private placements and other financing tools. There can be no assurance that management will be successful in raising the necessary capital required to fund ongoing activities.

18. Promoters

Other than the directors and officers of BLOCK X, management is not aware of any person or company who could be characterized as a promoter of the Issuer within the two years immediately preceding the date of this Listing Statement.

19. Legal Proceedings

As of the date of this Listing Statement, the Issuer is not a party to any material legal proceedings or any regulatory actions. The Issuer does not contemplate any material legal proceedings and is not aware of any material legal proceedings being contemplated against the Issuer.

Regulatory Actions

The Issuer has not been subject to any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or a securities regulatory authority, any other penalties or sanctions imposed by a court or regulatory body, nor any settlement agreements entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

20. Interest of Management and Others in Material Transactions

No director, executive officer, or principal shareholder of the Issuer, or an associate or affiliate of a director, executive officer or principal shareholder of us, has any material interest, direct or indirect, in any transaction within the three years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer.

21. Auditors, Transfer Agents and Registrars

Auditor

The auditor of the Issuer is MNP LLP of Suite 2200, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3.

Transfer Agent and Registrar

The transfer agent and registrar for the Shares of the Issuer is AST Trust Company (Canada) of 1066 West Hastings Street, Suite 1600, Vancouver, British Columbia, V6C 3B9.

22. Material Contracts

The Issuer has not entered into any material contracts within the two years before the date of this Listing Statement.

23 Interest of Experts

There is no direct or indirect interest in the Issuer or of a Related Person received or to be received by a person or Issuer whose profession or business gives authority to a statement made by the person or Issuer and who is named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement.

24. Other Material Facts

There are no material facts other than as disclosed herein.

25. Financial Statements

The audited financial statements for the year ended December 31, 2016 and the condensed consolidated interim financial statements for the nine months ended September 30, 2017, are included as Schedule "B" to this Listing Statement.

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Block X Capital Corp., hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Block X Capital Corp. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia

this 23rd day of January, 2018.

"*Darius Eghdami*"	"*Rahim Rajwani*"
Chief Executive Officer Darius Eghdami	Chief Financial Officer Rahim Rajwani
"*Zyshan Kaba*"	"*Emily Davis*"
Director Zyshan Kaba	Director Emily Davis

Schedule "A"

LIONS GATE METALS INC.
MANAGEMENT DISCUSSION AND ANALYSIS
NINE MONTHS ENDED SEPTEMBER 30, 2017

This Management Discussion and Analysis ("MD&A") of Lions Gate Metals Inc. (the "Company") has been prepared by management as of, and is dated, November 28, 2017 and should be read together with the unaudited financial statements and related notes for the nine months ended September 30, 2017, as well as the Company's audited financial statements for the year ended December 31, 2016, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Company can be found on SEDAR at www.sedar.com. All amounts following are expressed in Canadian dollars unless otherwise stated.

All amounts in the MD&A, financial statements and related notes are expressed in Canadian dollars unless otherwise noted.

Description of Business and Operations

Lions Gate Metals Inc. ("Lions Gate" or the "Company"), was incorporated pursuant to the Business Corporations Act of British Columbia on March 11, 1981 and its office is at Suite 918 – 1030 West Georgia Street, Vancouver, BC, V6E 2Y3. On June 20, 2014, the Company delisted from the TSX Venture Exchange ("TSX-V") and commenced trading on the Canadian Securities Exchange ("CSE") on June 23, 2014 under the symbol "LGM". The Company has historically been a junior mineral exploration stage company in the business of acquiring, exploring and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company holds no mineral property interests, has no active business, and has no source of revenue. In November 2017, the Company announced that it has proposed a change of business and intends to transition to an investment issuer focused on companies in the blockchain technology industry. Lions Gate is not aware of any contingent liabilities, legal proceedings, defaults or breaches, other than disclosed herein. Regulatory consent has been obtained for all significant transactions. There are no material deviations between the intended use of proceeds announced in financings and the actual use of those funds.

Finance

In November 2016, the Company closed a non-brokered private placement of 20,115,656 units at a price of $0.075 per unit for gross proceeds of $1,508,675. Each unit is comprised of one common share of the Company and one common share purchase warrant. The Company paid $59,379 in cash as broker's fee, issued 647,980 finders' shares with a fair value of $48,599 and issued 647,980 finder's warrants.

On November 24, 2016, the Company issued 1,333,333 units and 2,000,000 units at a price of $0.075 in consideration of the debt settlement in the amounts of $100,000 and $150,000 respectively. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 24, 2018.

Details of the financings can be found under "Liquidity and Capital Resources" below.

Mineral Properties

1. Poplar Property

In prior years, the Company entered into various option agreements to acquire a 100% interest in certain mineral claims, known as the Poplar mineral property interest (“Poplar 1, 2 and 3”), located in the Omineca Mining District of B.C. The Company has met all required cash payments and share issuances related to these option agreements, and have staked additional adjacent hectares (“Poplar 4”) (collectively, “Poplar”).
During the year ended December 31, 2014 the Company entered into an agreement with Aldever Resources Inc. (“Aldever”) to option a 100% interest, subject to existing royalties, in the Poplar property. During the year ended December 31, 2015, the Company received 1,500,000 Aldever shares with a fair value of $195,000 as option payments and recorded an impairment of $45,038.
On January 8, 2016, the Company amended its agreement with Aldever and received 2,500,000 of Aldever shares with a fair value of $500,000. The agreement was defaulted by Aldever during 2016.

On November 1, 2016, the Company entered into a sale agreement to sell the Poplar mineral property for a consideration of 10,000 Class L Redeemable, participating preferred shares of Doctors Investment Group Ltd.. As the fair value of the preferred shares are not readily measurable, no value was attributed to the preferred shares. An impairment of $2,231,663 on the Poplar property was recorded as a result of the sale of this property.

2. Whitford Lake

Pursuant to the terms of an Option Agreement dated February 18, 2013, and amended on August 26, 2013, with St. Jacques Mineral Corp., the Company has agreed to acquire an undivided 100% interest in the Whitford Lake property located in the Athabasca Basin in Saskatchewan. In September 2013, the Company entered into a Whitford Lake Option Assignment Agreement with Canadian Uranium Corp. (“CanU”), which was later amended on December 1, 2013 and August 18, 2014, whereby the Company would transfer all of its interest in the Whitford Lake Option Agreement to CanU. This property is subject to a 1% NSR one half of which can be purchased by the Company for $750,000 less any NSR amounts previously paid.

During the year ended December 31, 2015, the Option Agreement for Whitford property went into default. The company did not extend the option agreement during the year ended December 31, 2016. Accordingly, the accumulated costs of $304,799 were written off as at December 31, 2016.

3. Howard Lake

Pursuant to the terms of an Option Agreement dated September 18, 2014 with St. Jacques Mineral Corp. and Urania Resource Corp. (the “Vendors”), the Company can earn a 100% interest in the Howard Lake Project located on the northeast shore of Howard Lake in Saskatchewan. The property is subject to a 1% Gross Overriding Royalty (“GORR”) that has been granted to the vendors relating to the claims held by each of them. The Company may purchase half of the GORR (0.5%) from each vendor for $1,000,000.

During the year ended December 31, 2015, the Company recorded a write-down of $38,667 due to the lapse of two claims with respect of the Howard Lake mineral property.

In July 2017, the Company provided the optionors of the Howard Lake property with a notice of termination of the option agreement. Accordingly, accumulated expenses of $224,448 were written off as of June 30, 2017.

During the year ended December 31, 2016 and nine months ended September 30, 2017, the Company expended the following on exploration costs on its properties as set out in the following tables:

	Poplar	Whitford Lake	Howard Lake	Total
	$	$	$	$
Balance, December 31, 2015	**2,651,482**	**305,000**	**77,333**	**3,033,815**
Acquisition costs				
Option payments paid (received) in shares	(500,000)	-	120,000	(380,000)
	(500,000)	-	120,000	(380,000)
Deferred exploration expenditures				
Storage	12,058	-	-	12,058
Claim fees	-	-	6,160	6,160
Consulting	37,171	(201)	11,462	48,432
Miscellaneous	30,952	-	-	30,952
	80,181	(201)	17,622	97,602
Write down of mineral property	(2,231,663)	(304,799)	-	(2,536,462)
Balance, December 31, 2016	**-**	**-**	**214,955**	**214,955**

	Howard Lake	Total
	$	$
Balance, December 31, 2016	**214,955**	**214,955**
Acquisition costs		
Option payments paid (received) in shares	-	-
	-	-
Deferred exploration expenditures		
Claim fees	9,243	9,243
Consulting	250	250
	9,493	9,493
Write down of mineral property	(224,448)	(224,448)
Balance, September 30, 2017	**-**	**-**

Results and Discussion of Operations

Results of Operations for the nine months ended September 30, 2017 and 2016

		2017		2016
Amortization		-		1,166
	$		$	165
Finance fees and bank charges		131		179
Consulting and management fees		5,000		50,000
Marketing		-		167,777
Filing and transfer agent fees		20,267		13,151
Office, rent and administration		56,983		54,110
Professional fees		14,704		14,868
Share-based payments		270,527		-
Impairment on abandonment of exploration and evaluation assets		224,448		-
Write-down of mineral property interests		-		1,506,663
Write-off of accounts payable and accrued liabilities		-		(52,136)
Finance income		(155)		(134)
Realized loss on available-for-sale investments		-		225,532
Loss for the period	$	591,905	$	1,981,176

The net loss for the nine months ended September 30, 2017 was $591,905 compared to $1,981,176 for the same period in 2016, representing a decrease of $1,389,271. The primary reasons were a write-off of exploration and evaluation assets of $224,448 due to abandonment of the Howard Lake property in the 2017 period compared to a write-down of mineral property interests of $1,506,663 due to Poplar property sale during the 2016 period, realized loss of $225,532 due to sale of most of the available-for-sale investments, and write-off of accounts payable and accrued liabilities of $52,136 in the 2016 period. Other significant costs in the period that fluctuated were: consulting and management fees decreased by $45,000 and filing and transfer agent fees increased by $7,116. Stock-based compensation of $270,527 was recorded for stock options that vested in the 2017 period (2016: $Nil).

Results of Operations for the three months ended September 30, 2017 and 2016

		2017		2016
Amortization		-		1,001
	$ 1,166		$	
Finance fees and bank charges		18		32
Consulting and management fees		-		50,000
Marketing		-		167,777
Filing and transfer agent fees		3,289		4,405
Office, rent and administration		21,505		32,991
Professional fees		3,680		3,143
Share-based payments		41,833		-
Write-off of accounts payable and accrued liabilities		-		(52,136)
Finance income		(44)		-
Write-down of mineral property interests		-		1,506,663
Unrealized gain on available-for-sale investments		-		624
Realized loss on available-for-sale investments		-		218,994
Loss for the period	$	70,281	$	1,933,494

The net loss for the three months ended September 30, 2017 was $70,281 compared to $1,933,494 for the same period in 2016, representing a decrease of $1,863,213. The primary reasons were a write-down of mineral property interests of $1,506,663 due to Poplar property sale, realized loss of $218,994 due to sale of most of the available-for-sale investments, and write-off of accounts payable and accrued liabilities of $52,136 during the 2016 quarter. Other significant costs in the period that fluctuated were: consulting and management fees decreased by $50,000 and office, rent and administration decreased by $18,214. Stock-based compensation of $41,833 was recorded for stock options that vested in the 2017 quarter (2016: $Nil).

Summary of Quarterly Results

	30Sept17	30Jun17	31Mar17	31Dec16	30Sept16	30Jun16	31Mar16	31Dec15
Revenue	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net Loss	$(70,281)	$(336,146)	$(185,478)	$(1,686,512)	$(1,933,494)	$(39,859)	$(7,823)	$(219,692)
Total Assets	$967,095	$995,221	$1,270,918	$1,309,773	$1,469,844	$3,153,359	$3,176,415	$3,185,178
Total Liabilities	$23,946	$23,614	$42,349	$45,246	$459,733	$209,754	$193,681	$193,891
Working Capital	$882,425	$910,873	$643,398	$988,848	$(449,367)	$(130,960)	$(112,887)	$(104,418)

The June 30, 2016 included share-based compensation of $79,174 and write-down of $224,448 on abandonment of Howard Lake Property. The September 30, 2016 loss included the Poplar property write-down of $1,506,663 resulting from the November 2016 sale of the property and realized loss of $218,994 on disposition of most of available-for-sale investments. The December 31, 2016 loss included the Poplar property write-down of $725,000 resulting from the November 2016 sale, write-down of the Whitford Lake property of $304,799 due to the abandonment, loss on sale of investments of $145,314, and loss on settlement of accounts payable of $207,724. The March 31, 2017 loss included share-based compensation of $149,520 and the September 30,2017 loss included share-based compensation of $41,833.

Liquidity and Capital Resources

The Company has no revenue generating operations from which it can internally generate funds and therefore has been incurring losses since inception. The Company has financed its operations and met its capital requirements primarily through the sale of capital stock by way of private placements and the subsequent exercise of share purchase warrants issued in connection with such private placements and the exercise of stock options. The Company also has raised funds through the sale of interests in its mineral properties. When acquiring interests in resource properties through purchase or option, the Company issues common shares or a combination of cash and shares to the vendors of the property as consideration for the property in order to conserve its cash. The Company expects that it will continue to operate at a loss for the foreseeable future and will require additional financing to fund the exploration of its existing properties and the acquisition of potential resource properties.

The Company reported a working capital surplus of $882,425 at September 30, 2017 compared to working capital surplus of $988,848 at December 31, 2016. As at September 30, 2017, the Company had cash of $903,047 compared to cash of $1,025,475 as at December 31, 2016.

Current assets excluding cash at September 30, 2017 consisted of receivables of $3,323. As at December 31, 2016, the Company had receivables of $8,619.

Current liabilities as at September 30, 2017 consisted of accounts payable and accrued liabilities of $23,946 which represents a $11,300 decrease from December 31, 2016. The Company has no long-term debt.

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production, and operate a resource property. Historically, the Company has raised funds through equity financing to fund its operations.

On November 18, 2016, the Company closed a first tranche of a non-brokered private placement of 13,474,996 units at a price of $0.075 per unit for gross proceeds of $1,010,625. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 18, 2018. The Company paid $15,412 in cash as broker's fee, issued 458,100 finder's shares with a fair value of $34,358 and issued 458,100 finder's warrants with a fair value of $28,629 in relation to the financing. Each finder's warrant carries the same terms as those issued for the private placement. The fair value of finder's warrants was determined using the Black-Scholes Pricing Model using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the private placement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 18, 2016 closing date.

On November 24, 2016, the Company closed a second tranche of a non-brokered private placement of 6,640,666 units at a price of $0.075 per unit for gross proceeds of $498,050. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 24, 2018. The Company paid $43,967 in cash as broker's fee, issued 189,880 finders' shares with a fair value of $14,241 and issued 748,840 finder's warrants with a fair value of $46,804 in relation to the financing. Each finder's warrant carries the same terms as those issued for the private placement. The fair value of the finder's warrants was determined using the Black-Scholes Pricing Model using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the private placement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 24, 2016 closing date.

On November 24, 2016, the Company issued 1,333,333 units and 2,000,000 units at a fair value of $0.075 in consideration of settlements of accounts payable in the amounts of $100,000 and $150,000 respectively. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 24, 2018. The fair value of the share purchase warrants was determined to be $207,724 using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the settlement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 24, 2016 closing date. The Company recorded a loss on settlement of $207,724.

On October 30, 2017, the Company closed a non-brokered private placement of 10,000,000 common shares at a price of $0.20 per common share for gross proceeds of $2,000,000. The Company issued 790,000 finder shares and 790,000 finder warrants in connection with the private placement. Each warrant entitles the holder to purchase one additional common share of the Company for a period of two years from the date of issuance at a price of $0.20 per share.

On November 16, 2017, 2,675,999 share purchase warrants of the Company at $0.10 were exercised for total proceeds of $267,600.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements which may affect the Company's current or future operations or conditions.

Outstanding Share Data

On November 18, 2016, the common shares of the Company were consolidated on the bases of four pre-consolidation common shares for one post-consolidation common share. The Company's options and warrants were also consolidated on the same four for one basis. All shares are reflected on a post-consolidation basis unless otherwise noted.

Summary of Outstanding Securities as at November 28 , 2017:

Authorized: Unlimited number of common shares without nominal or par value.

Issued and outstanding: 39,322,200

Stock options: 2,375,000 at an average exercise price of $0.165 per Share.

Warrants: 22,769,936 at an average exercise price of $0.10 per Share.

Risk Factors

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Mineral property exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production state are also very substantial.

Matters related to the principal risks faced by the Company have been disclosed in previous MD&A's filed on SEDAR and continue to apply to the activity and business of the Company.

Related Party Transactions

During the periods ended September 30, 2017 and 2016, the Company entered into the following transactions with related parties:

(a) Related party transactions

The Company incurred the following transactions with companies controlled by former common officers:

	Three months ended September 30,		Nine months ended September 30,	
	2017	**2016**	**2017**	**2016**
	$	$	$	$
Geological consulting fees	-	3,000	-	9,000
Office services fees	-	5,500	-	25,500
	-	8,500	-	34,500

(b) Related party balances

A loan of $1,600 was included in accounts payable and accrued liabilities as of September 30, 2016 due to a former officer of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted. Amounts due to/from the related parties are non-interest bearing, unsecured and have no fixed terms of repayment.

Fair Value of Financial Instruments

Lions Gate's financial instruments consist of cash, receivables, and trade payables. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments is approximately equal to their carrying values. As at September 30, 2017, the Company has $903,048 in cash held in Canadian dollars in accounts with major Canadian banks. The Company does not use derivative instruments or foreign exchange contracts to hedge against gains or losses arising from foreign exchange fluctuations.

Capital Management

The Company's objectives when managing capital are to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern and maintain adequate levels of funds to support the acquisition, exploration and development of exploration and evaluation assets such that it can continue to provide returns to shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or sell assets to settle liabilities. The Company has no long-term debt and is not subject to externally imposed capital requirements.

The properties in which the Company currently has an interest in are in the exploration stage, as such, the Company does not recognize revenue from its exploration properties. The Company's historical sources of capital have consisted of the sale of equity securities, loans, advances from related parties and interest income. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

Critical Accounting Estimates

In the application of the Company's accounting policies, which are described in note 2 to the audited consolidated financial statements for the year ended December 31, 2016, management is required to make judgments, apart from those requiring estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- the determination of the element of costs recorded as exploration and evaluation assets and determination of reclamation obligations;
- the classification of financial instruments; and
- the determination of the functional currency of the parent company and its subsidiaries.

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, provisions for restoration and environmental obligations and contingent liabilities.

Accounting Standards Issued but not yet Adopted:

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods after December 31, 2016. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from the discussion below.

- IFRS 9 - Financial Instruments; and
- IAS 15 – Revenue from contract with Customers.

The Company does not expect the implementation of these standards to have a significant impact on the Company's results of operations, financial position and disclosures.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Proposed Transactions

The Company is continuously evaluating new opportunities that could include a joint venture, a disposal of the project or a sale of the Company. While various negotiations may be ongoing at any given time, these may or may not be successful. The Company considers opportunities where there is expected to be significant value to the shareholders. At this date, the Board of Directors have not approved any transaction, nor presented any potential transaction to the shareholders.

Additional Information

Additional information about the Company is available under the Company's profile on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

This document may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, the Company and its operations, its planned exploration activities, the adequacy of its financial resources and statements with respect to the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Schedule "B"

Lions Gate Metals Inc.
(An Exploration Stage Company)

Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2017

(Expressed in Canadian Dollars - unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. They include appropriate accounting principles, judgment and estimates in accordance with IFRS for unaudited consolidated interim financial statements

The Company's independent auditors have not performed a review of these unaudited condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of unaudited condensed interim financial statements by an entity's auditors.

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars - unaudited)
As at

	Note	September 30, 2017	December 31 2016
		$	$
Assets			
Current			
Cash		**903,048**	1,025,475
Receivable	**5**	**3,323**	8,619
		906,371	1,034,094
Non-Current			
Reclamation deposits		**60,724**	60,724
Mineral property interests	**7**	**-**	214,955
		60,724	275,679
		967,095	1,309,773
Liabilities			
Current			
Accounts payable	**9**	**23,946**	35,246
Accrued liabilities		**-**	10,000
		23,946	45,246
Equity			
Share capital	**8**	**25,953,521**	25,953,521
Share purchase warrants	**8**	**283,157**	283,157
Option reserve	**8**	**396,485**	125,958
Deficit		**(25,690,014)**	(25,098,109)
		943,149	1,264,527
		967,095	1,309,773

Nature of operations and going concern (Note 1)
Subsequent event (Note 13)

These consolidated financial statements were approved by Board of Directors on November 28, 2017 and were signed on its behalf by:

On behalf of the Board:

"Emily Davis" Director *"Ian Harris"* Director

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars - unaudited)

	Note	Three months ended Sept. 30, 2017	Three months ended Sept. 30, 2016	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
		$	$	$	$
Amortization	6	-	1,001	-	1,166
Finance fees and bank charges		18	32	131	179
Consulting and management fees		-	50,000	5,000	50,000
Marketing		-	167,777	-	167,777
Filing and transfer agent fees		3,289	4,405	20,267	13,151
Office, rent and administration	9	21,505	32,991	56,983	54,110
Professional fees	9	3,680	3,143	14,704	14,868
Share-based payments	8	41,833	-	270,527	-
Write off of accounts payable and accrued liabilities	8	-	(52,136)	-	(52,136)
Loss before other items		**(70,325)**	(207,213)	**(367,612)**	(249,115)
Finance income		44	-	155	134
Impairment on abandonment of exploration and evaluation assets		-	-	(224,448)	-
Write-down of mineral property interests		-	(1,506,663)	-	(1,506,663)
Realized loss on sale of available-for-sale investments		-	(218,994)	-	(225,532)
Unrealized impairment of available-for-sale investments		-	(624)	-	-
		44	(1,726,281)	(224,293)	(1,732,061)
Total comprehensive loss for the period		**(70,281)**	(1,933,494)	**(591,905)**	(1,981,176)
Net loss per share					
Basic and diluted		(0.00)	(1.10)	(0.02)	(1.13)
Weighted average number of common shares outstanding					
Basic and diluted		25,856,201	1,759,226	25,856,201	1,759,226

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Equity
(Expressed in Canadian dollars - unaudited)

	Common Shares	Share Capital	Share purchase warrants	Option Reserve	AOCI	Deficit	Total
	#	$	$	$	$	$	$
Balance at December 31, 2015	**1,759,226**	**24,329,658**	**-**	**136,459**	**9,686**	**(21,484,516)**	**2,991,287**
Unrealized loss on available for sale securities	-	-	-	-	(9,686)	9,686)	-
Net loss for the period	-	-	-	-	-	(1,981,176)	(1,981,176)
Balance at September 30, 2016	**1,759,226**	**24,329,658**	**-**	**136,459**	**-**	**(23,456,006)**	**1,010,111**
Shares issued for cash, net share issue costs (Note 8)	20,763,642	1,373,863	75,433	-	-	-	1,449,296
Shares issued for settlement of accounts payable (Note 8)	3,333,333	250,000	207,724	-	-	-	457,724
Share-based payments (Note 8)	-	-	-	43,594	-	-	43,594
Stock options expired/cancelled	-	-	-	(54,095)	-	54,095	-
Net loss for the period	-	-	-	-	-	(1,696,198)	(1,696,198)
Balance at December 31, 2016	**25,856,201**	**25,953,521**	**283,157**	**125,958**	**-**	**(25,098,109)**	**1,264,527**
Share-based payments (Note 8)	-	-	-	270,527	-	-	270,527
Net loss for the period	-	-	-	-	-	(591,905)	(591,905)
Balance at September 30, 2017	**25,856,201**	**25,953,521**	**283,157**	**396,485**	**-**	**(25,690,014)**	**943,149**

LIONS GATE METALS INC.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars - unaudited)

	Nine months ended Sept. 30, 2017	Nine months ended Sept. 30, 2016
	$	$
Cash flows from operating activities		
Net loss for the period	**(591,905)**	(1,981,176)
Adjustments for:		
Depreciation	**-**	1,166
Impairment of exploration and evaluation assets	**224,448**	-
Write down of mineral property interests	**-**	1,506,663
Share-based payments	**270,527**	-
Realized loss on sale of available-for-sale investment	**-**	225,532
Changes in non-cash working capital items:		
Receivables	**5,296**	1,453
Prepaid expenses and advances	**-**	2,744
Accounts payable and accrued liabilities	**(21,300)**	265,842
Net cash flows from (used in) operating activities	**(93,765)**	22,191
Cash flows from investing activities		
Mineral property interests	**(9,493)**	(96,602)
Net cash used in investing activities	**(9,493)**	(96,602)
Cash flows from financing activities		
Proceeds from sale of marketable securities	**-**	57,726
Net cash from financing activities	**-**	57,726
Change in cash for the period	**(122,427)**	(16,685)
Cash, beginning	**1,025,475**	18,377
Cash, ending	**903,048**	1,692

1. Nature of operations and going concern

Lions Gate Metals Inc. (the "Company") was incorporated under the Canada Business Corporations Act on March 28, 1980, and is in the business of acquiring, exploring and developing mineral properties. The Company has historically been a junior mineral exploration stage company in the business of acquiring, exploring and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. In November 2017, the Company announced that it has proposed a change of business and intends to transition to an investment issuer focused on companies in the blockchain technology industry. The Company's shares trade on the Canadian Securities Exchange ("CSE") under the symbol "LGM". The Company's registered and records office is located at 918 – 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

These condensed consolidated financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the nine months ended September 30, 2017, the Company incurred a net loss of $591,905 (September 30, 2016: $1,981,176) and as of that date the Company's deficit was $25,690,014 (December 31, 2016: $25,098,109). As at September 30, 2017, the Company had working capital surplus of $882,425 which should be sufficient to finance exploration and operating costs over the next twelve months. Additional financing may be required to acquire new projects and ongoing costs. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. Basis of presentation and significant policies

(a) Basis of presentation and statement of compliance

The condensed consolidated interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

The condensed consolidated interim financial statements do not include all of the information required of full annual financial statements and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2016. However, these condensed consolidated interim financial statements provide selected significant disclosures that are required in the annual financial statements under IFRS.

The condensed consolidated interim financial statements have been prepared on an accrual basis, based on historical costs. The condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

2. Basis of presentation and significant policies - continued

(b) Basis of consolidation

These condensed consolidated interim financial statements incorporate the financial statements of the Company and the entities controlled by the Company. These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary Canadian Copper & Gold Corp. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation.

(c) Significant accounting estimates and judgements

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and judgments. Those areas requiring the use of management estimates and judgments include:

Estimates

(i) Option or sale agreements, under which the Company may receive shares as payment, require the Company to determine the fair value of the shares received. Many factors can enter into this determination, including, if public shares, the number of shares received, the trading value of the shares, and volume of shares, and if non-public shares, the underlying asset value of the shares, or value of the claims under option or sale. This determination is subjective and does not necessarily provide a reliable single measure of the fair value of the shares received.

Judgments

(i) Recorded costs of mineral property interests and deferred exploration and evaluation costs are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Management is required, at each reporting period, to review its mineral property interests for signs of impairment. This is a highly subjective process taking into consideration exploration results, metal prices, economics, financing prospects and sale or option prospects. Management makes these judgments based on information available, but there is no certainty that a property is or is not impaired. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

(ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values

2. Basis of presentation and significant policies - continued

(c) Significant accounting estimates and judgements - continued

Judgments - continued

(iii) These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company's ability to continue in operation for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations. There are several adverse conditions that may cast substantial doubt upon the soundness of this assumption (Note 1).

3. Future and recently adopted accounting standards

Recently adopted accounting standards

(Expressed in Canadian dollars - unaudited)

There are no new accounting standards adopted during the current year that have a material impact on the consolidated financial statements.

Future accounting standards

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods after December 31, 2016. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from the discussion below.

- IFRS 9 - Financial Instruments; and
- IAS 15 – Revenue from contract with Customers.

The Company does not expect the implementation of these standards to have a significant impact on the Company's results of operations, financial position and disclosures.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

4. Available for sale investments

Available-for-sale investments consisted of investments in equity shares. The fair value of the publicly traded shares has been determined by reference to published price quotations in an active market. During the year ended December 31, 2016 most of the available-for sale investments were disposed of. As of September 30, 2017, the remaining available-for-sale investment has no value (December 31, 2016: $nil).

During the year end December 31, 2016, the Company received 2,500,000 Aldever Resources Inc. ("Aldever") shares as an option payment on the Poplar property and transferred 2,000,000 of the Aldever shares as option payments on the Howard Lake property (Note 7).

5. Receivables

	September 30, 2017	**December 31 2016**
	$	**$**
GST Recoverable	3,323	

6. Equipment

	Computer Equipment
	$
Cost	
Balance, December 31, 2015, 2016 and September 30, 2017	4,945
Accumulated amortization	
Balance, December 31, 2015	3,779
Amortization	1,116
Balance, December 31, 2016 and September 30, 2017	4,945

(Expressed in Canadian dollars - unaudited)

Net book value	
September 30, 2017	-
December 31, 2016	-

7. Mineral property interests

	Poplar	Whitford Lake	Howard Lake	Total
	$	$	$	$
Balance, December 31, 2015	**2,651,482**	**305,000**	**77,333**	**3,033,815**
Acquisition costs				
Option payments paid (received) in shares	(500,000)	-	120,000	(380,000)
	(500,000)	-	120,000	(380,000)
Deferred exploration expenditures				
Storage	12,058	-	-	12,058
Claim fees	-	-	6,160	6,160
Consulting	37,171	(201)	11,462	48,432
Miscellaneous	30,952	-	-	30,952
	80,181	(201)	17,622	97,602
Write down of mineral property	(2,231,663)	(304,799)	-	(2,536,462)
Balance, December 31, 2016	**-**	**-**	**214,955**	**214,955**

7. Mineral property interests – continued

	Howard Lake	Total
	$	$
Balance, December 31, 2016	**214,955**	**214,955**
Acquisition costs		
Option payments paid (received) in shares	-	-
	-	-
Deferred exploration expenditures		
Claim fees	9,243	9,243
Consulting	250	250
	9,493	9,493
Write down of mineral property	(224,448)	(224,448)
Balance, September 30, 2017	**-**	**-**

Poplar mineral property
In prior years, the Company entered into various option agreements to acquire a 100% interest in certain mineral claims, known as the Poplar mineral property, located in the Omineca Mining District of B.C. The Company has met all required cash payments and share issuances related to these option agreements.

During the year ended December 31, 2014 the Company entered into an agreement with Aldever to option a 100% interest, subject to existing royalties, in the Poplar property. During the year ended December 31, 2015, The Company received 1,500,000 Aldever shares with a fair value of $195,000 as option payments and recorded an impairment of $45,038.

On January 8, 2016, the Company amended its agreement with Aldever and received 2,500,000 of Aldever shares with a fair value of $500,000 (Note 4). The agreement was defaulted by Aldever during 2016.

On November 1, 2016, the Company entered into a sale agreement to sell the Poplar mineral property for a consideration of 10,000 Class L Redeemable, participating preferred shares of Doctors Investment Group Ltd. As the fair value of the preferred shares are not readily measurable, no value was attributed to the preferred shares. An impairment of $2,231,663 on the Poplar property was recorded as a result of the sale of this property.

Whitford Lake mineral property
Pursuant to the terms of an Option Agreement dated February 18, 2013, and amended on August 26, 2013, with St. Jacques Mineral Corp., the Company had agreed to acquire an undivided 100% interest in the Whitford Lake Property located in the Athabasca Basin in Saskatchewan. In September 2013, the Company entered into a Whitford Lake Option Assignment Agreement with Canadian Uranium Corp. ("CanU"), which was later amended on December 1, 2013 and August 18, 2014, whereby the Company would transfer all of its interest in the Whitford Lake Option Agreement to CanU. This property is subject to a 1% NSR one half of which can be purchased by the Company for $750,000 less any NSR amounts previously paid.

During the year ended December 31, 2015, the Option Agreement for Whitford Property went into default. The company did not extend the option agreement during the year ended December 31, 2016. Accordingly, the accumulated costs of $304,799 were written off as at December 31, 2016.

7. Mineral property interests – continued

Howard Lake mineral property
Pursuant to the terms of an Option Agreement dated September 18, 2014 with St. Jacques Mineral Corp. and Urania Resource Corp. (the "Vendors"), the Company can earn a 100% interest in the Howard Lake Project located on the northeast shore of Howard Lake in Saskatchewan. The property is subject to a 1% Gross Overriding Royalty ("GORR") that has been granted to the vendors relating to the claims held by each of them. The Company may purchase half of the GORR (0.5%) from each vendor for $1,000,000.

On August 20, 2016, the Company amended its option agreement with the vendors for the Howard Lake Option Agreement.

During the year ended December 31, 2015, the Company recorded a write-down of $38,667 due to the lapse of two claims with respect of the Howard Lake mineral property.

In July 2017, the Company provided the optionors of the Howard Lake property a notice of termination of the option agreement. Accordingly, accumulated expenses of $224,448 were written off as of June 30, 2017.

8. Share capital

On November 18, 2016 the common shares of the Company were consolidated on the basis of four pre-consolidation common shares for one post-consolidation common share. The Company's options and warrants were also consolidated on the same basis. All shares, options and warrant information are reflected on a post-consolidation basis.

(a) Authorized

(i) Authorized – unlimited number of common shares without par value

(Expressed in Canadian dollars - unaudited)

(ii) Issued and outstanding – 25,856,201 (December 31, 2016: 25,856,201) common shares

(b) Share issuances

On November 18, 2016, the Company closed a first tranche of a non-brokered private placement of 13,474,996 units at a price of $0.075 per unit for gross proceeds of $1,010,625. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 18, 2018. The Company paid $15,412 in cash as broker's fee, issued 458,100 finder's shares with a fair value of $34,358 and issued 458,100 finder's warrants with a fair value of $28,629 in relation to the financing. Each finder's warrant carries the same terms as those issued for the private placement. The fair value of finder's warrants was determined using the Black-Scholes Pricing Model using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the private placement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 18, 2016 closing date.

8. Share capital - continued

(b) Share issuances – continued

On November 24, 2016, the Company closed a second tranche of a non-brokered private placement of 6,640,666 units at a price of $0.075 per unit for gross proceeds of $498,050. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 24, 2018. The Company paid $43,967 in cash as broker's fee, issued 189,880 finders' shares with a fair value of $14,241 and issued 748,840 finder's warrants with a fair value of $46,804 in relation to the financing. Each finder's warrant carries the same terms as those issued for the private placement. The fair value of the finder's warrants was determined using the Black-Scholes Pricing Model using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the private placement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 24, 2016 closing date.

On November 24, 2016, the Company issued 1,333,333 units and 2,000,000 units at a fair value of $0.075 in consideration of settlements of accounts payable in the amounts of $100,000 and $150,000 respectively. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company at an exercise price of $0.10 per share until November 24, 2018. The fair value of the share purchase warrants was determined to be $207,724 using the following assumptions: Risk-free rate of 0.67%; Expected life of 2 years, Expected volatility of 125% and dividend yield of nil. All securities issued in the settlement are subject to a contractual resale restriction provided that one third of the securities will be released every four months from the November 24, 2016 closing date. The Company recorded a loss on settlement of $207,724.

(c) Share purchase warrants

The balance of warrants outstanding and exercisable for as at September 30, 2017 is as follows:

	Number of shares	**Weighted average exercise price**
		$

Balance, December 31, 2015	-	-
Issued	24,655,935	0.10
Balance, December 31, 2016 and September 30, 2017	24,655,935	0.10
Warrants exercisable, September 30, 2017	16,437,290	0.10
Weighted average remaining contractual life		1.14 years

8. Share capital - continued

(c) Share purchase warrants – continued

	Warrants outstanding				Warrants exercisable	
Expiry Date	Exercise Price	Warrants	Weighted Average Exercise Price	Weighted average remaining contractual life (years)	Warrants	Weighted Average Exercise Price
	$		$			$
November 18, 2018	0.10	13,933,096	0.10	0.64	9,288,730	0.10
November 24, 2018	0.10	10,722,839	0.10	0.50	7,148,560	0.10
		24,655,935	0.10	1.14	16,437,290	0.10

(d) Stock options

The Company has a Rolling Incentive Stock Option Plan (“the Plan”) under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or consultants of the Company. A maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. Terms of the Plan, considered to be the most significant, provide that the Directors have the right to grant options to acquire common shares of the Company at a price not less than the closing market price of the shares on the date the Company grants the option, less any discount permitted by the CSE, at terms of up to ten years. The majority of stock options vest immediately on the date of grant unless otherwise required by the CSE or the Board of Directors.

On December 8, 2016, the Company granted 2,375,000 stock options to directors and consultants of the Company at an exercise price of $0.165 per common share for a period of five years ending December 8, 2021. The stock options vest as at 25% every three months after the grant date. The fair value of the options granted was determined to be $329,703 using the following assumptions: Risk-free rate of 1.07%; Expected life of 5 years, Expected volatility of 125% and dividend yield of nil. During the nine months ended September 30, 2017, the Company recognized share-based payment of $270,527 (2016: $nil) in net loss.

(Expressed in Canadian dollars - unaudited)

8. Share capital - continued

(d) Stock options - continued

The balance of stock options outstanding and exercisable for as at September 30, 2017 is as follows:

	Number of shares	Weighted average exercise price
	$	$
Balance, December 31, 2015	30,625	12.12
Cancelled/expired	(24,312)	12.12
Granted	2,375,000	0.165
Balance, December 31, 2016	2,381,313	0.165
Expired	(6,313)	12.12
Balance, September 30, 2017	2,375,000	0.165
Options exercisable, September 30, 2017	1,781,250	0.165
Weighted average remaining contractual life		4.19 years

	Options outstanding				Options exercisable	
Expiry Date	Exercise Price	Options	Weighted Average Exercise Price	Weighted average remaining contractual life (years)	Options	Weighted Average Exercise Price
	$		$			$
December 8, 2021	0.165	2,375,000	0.165	4.19	1,781,250	0.165

(e) Reserves

Share purchase warrant reserve records fair value of the warrants issued as part of the units in private placement and issued for finders until such time that the warrants are exercised or expired, at which time the corresponding amount will be transferred to share capital. The reserve also records fair value of the warrant issued for services other than finders until such time that the warrants are exercised or expired, at which time the corresponding amount will be transferred to share capital or charged to deficit, respectively.

(Expressed in Canadian dollars - unaudited)

Option reserve records fair value of the stock options issued for services until such time that the options are exercised or expired, at which time the corresponding amount will be transferred to share capital or charged to deficit, respectively.

9. Related party transactions

	Three months ended September 30,		**Nine months ended September 30,**	
	2017	**2016**	**2017**	**2016**
	$	$	$	$
Geological consulting fees	-	3,000	-	9,000
Office services fees	-	5,500	-	25,500
	-	8,500	-	34,500

A loan of $1,600 was included in accounts payable and accrued liabilities as of September 30, 2016 due to a former officer of the Company.

10. Financial instruments and risk management

Financial instrument risk

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

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 primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk is assessed low.

Liquidity risk
Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to settle liabilities and obligations when they become due. As at September 30, 2017, the Company had cash and receivables of $906,371 to settle current liabilities of $23,946. Liquidity risk was assessed as low.

Market risk
Market risk consists of currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency 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. The Company has no foreign exchange rate risk.

Interest rate and commodity price 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. Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company is not significantly exposed to interest

rate or commodity price risk.

11. Segment reporting

The Company operates in one reportable operating and geographic segment, being the exploration and evaluation of mineral properties in Canada.

12. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration and development of mineral properties.

In order to maintain or adjust its capital structure the Company may issue new equity if it is available on favorable terms, finance through debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture agreements, or dispose of mineral properties.

The Company is dependent on capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to these markets and by its ability to compete for investor support of its projects. The Company is not subject to externally imposed capital requirements and there were no changes in the Company's management of capital during the period ended September 30, 2017. The Company's capital structure consists of shareholders' equity, which is comprised of share capital net of accumulated deficit. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and intends to raise additional amounts externally as needed.

13. Subsequent event

On October 30, 2017, the Company closed a non-brokered private placement of 10,000,000 common shares at a price of $0.20 per common share for gross proceeds of $2,000,000. The Company issued 790,000 finder shares and 790,000 finder warrants in connection with the private placement. Each warrant entitles the holder to purchase one additional common share of the Company for a period of two years from the date of issuance at a price of $0.20 per share.

On November 16, 2017, 2,675,999 share purchase warrants of the Company at $0.10 were exercised for total proceeds of $267,600.