BLOCK X CAPITAL CORP.
(formerly Lions Gate Metals Inc.)
MANAGEMENT DISCUSSION AND ANALYSIS
YEAR-ENDED DECEMBER 31, 2017

This Management Discussion and Analysis ("MD&A") of Block X Capital Corp. (formerly Lions Gate Metals Inc.) (the "Company") has been prepared by management as of, and is dated, April 26, 2018, and should be read together with the audited financial statements and related notes for the year-ended December 31, 2017, 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.

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Issuer. The Issuer has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect" and similar expressions. The statements reflect the current beliefs of the management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Issuer to differ materially from those expressed in, or implied by, these statements.

The Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

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

Description of Business and Operations

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. 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. The Company was unsuccessful in developing properties and management commenced a review of alternate business strategies.

In November 2017, the Company announced that it has proposed a change of business and transitioned to an investment issuer focused on companies in the blockchain technology industry. 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 Company will be made in accordance with and are otherwise subject to the Company's Investment policy, which may be amended from time to time.

Financings

On January 12, 2018, the Company completed a non-brokered private placement whereby it issued 1,292,500 common shares at a price of $0.40 per share for proceeds of $517,000. In addition, the Company issued 86,000 finders' shares and 86,000 finders' warrants, exercisable at $0.40 until January 8, 2020.

On December 18, 2017, the Company issued 350,000 common shares at a price of $0.40 per share for proceeds of $140,000 as the first tranche of a private placement completed subsequent to December 31, 2017.

On December 6, 2017, the Company closed a non-brokered private placement whereby it issued 3,887,500 common shares at a price of $0.40 per share for proceeds of $1,555,000. The Company incurred cash share issuance costs of $17,563 in relation to this private placement. The Company issued 317,000 finders shares and 317,000 finders' warrants related to this private placement. Each warrant is exercisable to December 1, 2019 for $0.40 per share.

On October 30, 2017, the Company closed a non-brokered private placement whereby it issued 10,000,000 common shares at a price of $0.20 per share for proceeds of $2,000,000. In addition, the Company issued 790,000 finders' shares with a fair value of $292,300 and 790,000 finders' warrants with a fair value of $227,419. Each warrant is exercisable to October 30, 2019 for $0.20 per share.

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.

Investments

On February 9, 2018, the Company purchased 500,000 common shares of Building Block Technology Corp at $0.30 per share for $150,000. Buildings Block is developing a secure data management and analysis platform for the strata/condominium industry, aimed at increasing consumer protection for homebuyers during real-estate transactions by providing users with instant intelligence relating to the financial health and physical condition of a multifamily building.

On March 19, 2018, the Company purchased 625,000 common shares of Abaxx Technologies Inc. at $0.40 per share for $250,000. Abaxx develops technology, files intellectual property patent inventions and generates royalties through strategic partnerships and transactions with early adopters in the enterprise-blockchain financial sector.

On March 28, 2018, the Company acquired 12.5% of the issued and outstanding founder shares of Silota Research and Development Inc ("Silota"), consisting of $238,500 shares at $0.0001 per share for total purchase price of $24. In addition, the Company issued a convertible note to Silota of $300,000, which is non-interest bearing, due five years from the date of issuance, and convertible into common shares at a price equal to the price of common shares on the day prior to conversion, less a 20% discount. Silota's feature product, Covalent, is building tools and infrastructure to bridge decentralized blockchains with centralized databases. Covalent's technology will allow companies to quickly perform complex queries on, and derive analytics from data stored on blockchains.

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 at December 31, 2017.

During the years ended December 31, 2017 and 2016, 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				
Paid in available-for-sale investments	(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**
Claim fees			9,493	9,493
Write down of mineral property	-	-	(224,448)	(224,448)
Balance, December 31, 2017	**-**	**-**	**-**	**-**

Results and Discussion of Operations

Results of Operations for the year-ended December 31, 2017 and 2016

		2017		**2016**
Amortization	$	-	$	1,166
Finance fees and bank charges		601		430
Consulting and management fees		48,600		250,000
Filing and transfer agent fees		26,191		31,246
Office, rent and administration		115,251		74,158
Professional fees		73,498		36,555
Marketing		110,452		167,777
Share-based payments		286,109		43,594
Write-down of mineral property interests		224,448		2,536,462
Write-off of accounts payable and accrued liabilities		-		(52,136)
Finance income		(155)		(134)
Loss on sale of investments		-		370,846
Loss on settlement of accounts payable		-		207,724
Loss for the period	$	884,995	$	3,667,688

The net loss for the year ended December 31, 2017 was $884,995 compared to $3,667,688 for the same period in 2016, representing a decrease of $2,782,693. 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 $2,536,462 due to Poplar property sale, realized loss of $370,846 due to sale of most of the available-for-sale investments, loss on settlement of accounts payable of $207,724 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 $201,400, office, rent and administration increased by $41,093 and filing and transfer agent fees decreased by $5,055. Stock-based compensation of $286,109 was recorded for stock options that vested in the 2017 period (2016: $43,594).

Summary of Quarterly Results

	31Dec17	30Sept17	30Jun17	31Mar17	31Dec16	30Sept16	30Jun16	31Mar16
Revenue	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net Loss	$(293,090)	$(70,281)	$(336,146)	$(185,478)	$(1,686,512)	$(1,933,494)	$(39,859)	$(7,823)
Total Assets	$5,142,785	$967,095	$995,221	$1,270,918	$1,309,773	$1,469,844	$3,153,359	$3,176,415
Total Liabilities	$133,003	$23,946	$23,614	$42,349	$45,246	$459,733	$209,754	$193,681
Working Capital	$4,949,058	$882,425	$910,873	$643,398	$988,848	$(449,367)	$(130,960)	$(112,887)

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 issued 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 investment in blockchain technology projects.

The Company reported working capital of $4,949,058 at December 31, 2017 compared to working capital surplus of $988,848 at December 31, 2016. As at September 30, 2017, the Company had cash of $4,932,737 compared to cash of $1,025,475 as at December 31, 2016.

Current assets excluding cash at December 31, 2017 consisted of receivables of $15,608, subscriptions receivable of $122,500 and prepaid expenses of $11,216. As at December 31, 2016, the Company had receivables of $8,619.

Current liabilities as at December 31, 2017 consisted of accounts payable of $121,003 (2016: $35,246) and accrued liabilities of $12,000 (2016: $10,000).

At this time, the Company has no operating revenues, and does not anticipate any operating revenues. Historically, the Company has raised funds through equity financing to fund its operations.

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 April 26, 2018

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

Issued and outstanding: 48,145,756

Stock options: 4,515,000 at an average exercise price of $0.32 per Share.

Warrants: 20,782,380 at an average exercise price of $0.11 per Share.

Risk Factors

The Company is in the business of evaluating and investing in blockchain technology projects and companies. Such investments are highly speculative and involves a high degree of risk. There is a probability that the investments made by the Company in will not result in adequate returns and potential write-offs due to both external factors related to the blockchain industry and unique business risk factors related to the individual investments.

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

Related party transactions to former key management of the Company for the years ended December 31, 2017 and 2016 are as follows:

	Year ended December 31 2017	Year ended December 31 2016
	$	$
Geological consulting fees	-	11,000
Office services fees	-	54,900
	-	65,500

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.

Results of Fourth Quarter

Net loss in the fourth quarter was $293,090 (2016: $1,686,512) which represented a $1,393,422 (82%) decrease from the quarter ended December 31, 2016.

The decrease between results from 2016 to 2017 was a result of the Company incurring one time charges including a loss on settlement of accounts payable of $207,724, write-down of mineral properties of $1,029,799 and a loss on sale of investments of $145,314. Operating expenditures remained relatively consistent between the comparable periods.

Fair Value of Financial Instruments

The Company'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 December 31, 2017, the Company has $4,932,737 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 its corporate administration and working capital for projects 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 investments in which the Company currently has an interest are in the pre-revenue and/or pre-income stage. It is uncertain that, should these investments should become profitable, that the Company will realize any liquidity through dividends or other distributions to shareholders. 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 strategy and pay for administrative costs, the Company 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, 2017, 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 determination of deferred income tax assets and liabilities; and
- the assessment of the Company's ability to continue as a going concern.

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, 2017. 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.