



BLOCK X Capital Corp. (the "Company")

STATEMENT OF EXECUTIVE COMPENSATION

FOR THE FISCAL YEAR ENDED December 31, 2017
Dated August 22, 2018

For the purposes of this Statement of Executive Compensation, a Named Executive Officer ("NEO") of the Company means each of the following individuals:

(a) a CEO of the Company, or an individual who acted in a similar capacity during the year ended December 31, 2017, regardless of the amount of compensation;

(b) a CFO of the Company, or an individual who acted in a similar capacity during the year ended December 31, 2017, regardless of the amount of compensation;

(c) each of the three most highly compensated executive officers, 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) of Form 51-102F6, for that financial year; and

(d) each individual who would be an NEO under paragraph (c) above 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 that financial year. During the year ended December 31, 2017, the Company had three NEOs: Darius Eghdami, President and CEO of the Company, Lubica Niemann, CFO, and Rahim Rajwani, CFO. The total compensation awarded, paid to or earned by the NEOs from the Company for the three most recently completed years of the Company is set out below in the Summary Compensation Table.

Compensation Discussion and Analysis

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of stock options. Finally, the Board may award cash or stock bonuses for achieving budgeted revenue and EBITDA targets as approved by the Board.

The Company compensates its executive officers based on their skill and experience levels and the existing stage of development of the Company. Executive officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

Compensation Risk Management

The Board has reviewed the risks, if any, associated with the Company's current compensation policies and practices.

The Board relies on the general knowledge and experience of the directors to identify and mitigate any compensation policies and practices that could encourage inappropriate or excessive risks taking.

The Board has not identified any specific risks associated with the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company has not adopted a policy forbidding directors or executive officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by directors or executive officers. The Company is not, however, aware of any directors or executive officers having entered into this type of transaction.

Option-Based Awards

The Company's stock option plan (the "**Plan**") has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Canadian Securities Exchange (the "**CSE**") and closely align the interests of the executive officers with the interests of shareholders.

The directors and officers of the Company from time to time may be granted incentive stock options in accordance with the policies of the CSE and pursuant to the Plan. See discussion of the Plan under "Discussion of Incentive Plan Awards" below.

Compensation Governance

In light of the Company's size and limited elements of executive compensation, the Board does not have a compensation committee and does not deem it necessary to consider at this time the implications of the risks associated with the Company's compensation policies and practices. Also, there are no risks which have been identified in the Company's practices to date which would reasonably be likely to have a material adverse effect on the Company. In addition, the CEO and the Board from time to time determine the stock option grants to be made pursuant to the Plan. The Board awards bonuses at its sole discretion and does not have pre-existing performance criteria or objectives.

Compensation of Executive Officers

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 – *Statement of Executive Compensation* and sets forth all annual and long term compensation for services in all capacities to the Company for the financial years ended December 31, 2015, December 31, 2016 and December 31, 2017, in respect of each of the following executive officers of the Company: (a) the CEO of the Company; (b) the CFO of the Company; and, where applicable, (c) the other three most highly compensated executive officers of the Company during the financial year whose individual total compensation for the most recently completed financial year exceeded \$150,000 and 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").

Name and principal position	Year Ended	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			
Peter Born ⁽¹⁾ (CEO)	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2016	Nil	Nil	Nil	Nil	Nil	Nil	11,000	11,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	12,000	12,000
Lubica Niemann ⁽²⁾ (CFO)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Samantha Stewart ⁽³⁾ (CFO)	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	24,000	24,000
Darius Eghdami (CEO)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rahim Rajwani (CFO)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- (1) Peter Born resigned on December 8, 2016 and was replaced with Darius Eghdami on December 30, 2017.
(2) Lubica Niemann resigned on December 30, 2017 and was replaced with Rahim Rajwani on December 30, 2017.
(3) Samantha Stewart resigned on November 2, 2016 and was replaced with Lubica Niemann on November 2, 2016.

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 2017

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	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 (\$)
Lubica Niemann	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Darius Eghdami	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Rahim Rajwani	Nil	N/A	N/A	N/A	N/A	N/A	N/A

- (1) Value calculated using the closing price of the Company's Shares on the CSE on December 31, 2017 of \$0.43 and subtracting the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Company's Shares on the date of exercise.

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, 2017

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 (\$)
Lubica Niemann	Nil	Nil	Nil
Darius Eghdami	Nil	Nil	Nil
Rahim Rajwani	Nil	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

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

Stock Option Plan

Please see "Particulars of Other Matters to be Acted Upon – Annual Approval of Rolling 10% Stock Option Plan" for more details on the Company's stock option 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, 2017.

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	42,163	Nil	Nil	Nil	42,163

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Ian Harris ⁽¹⁾	Nil	Nil	60,233	Nil	Nil	Nil	60,233
Emily Davis	Nil	Nil	21,081	Nil	Nil	Nil	21,081
Michele Romanow	Nil	Nil	Nil	Nil	Nil	Nil	0
Zyshan Kaba	Nil	Nil	Nil	Nil	Nil	Nil	0

(1) Ian Harris resigned on December 30, 2017

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, 2017.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	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	350,000	0.165	December 8, 2021	92,750	Nil	Nil	Nil
Ian Harris	500,000	0.165	December 8, 2021	122,500	Nil	Nil	Nil
Emily Davis	175,000	0.165	December 8, 2021	46,375	Nil	Nil	Nil
Zyshan Kaba	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Michele Romanow	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Value calculated using the closing price of the Company's Shares on the CSE on December 31, 2017 of \$0.43 and subtracting the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Company's Shares on the date of exercise.

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, 2017 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 (\$)
Zyshan Kaba	Nil	Nil	Nil
Michele Romanow	Nil	Nil	Nil
Cale Moodie	11,813	Nil	Nil
Ian Harris	16,875	Nil	Nil
Emily Davis	5,906	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 “Statement of Executive Compensation — Discussion of Incentive Plan Awards — Stock Option Plan”.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table (presented in accordance with Form 51-102F5) sets forth all compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2017.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans ⁽²⁾
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	1,875,000	\$0.165	2,530,970
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	1,875,000	\$0.165	2,530,970

(1) Represents the number of Shares available for issuance upon exercise of outstanding stock options as at December 31, 2017.

(2) Represents the number of Shares remaining available for future issuance under stock options available for grant as of December 31, 2017 under the Company’s stock option plan. The maximum number of Shares which may be issued pursuant to options granted under the Stock Option Plan is 10% of the issued and outstanding Shares at the time of grant. See “Particulars of Other Matters to be Acted Upon – Annual Approval of Rolling 10% Stock Option Plan” for further details concerning the stock option plan.