

FORM 51-102F3
Material Change Report

1. Name and Address of Company:

Blockchain Holdings Ltd.
("Blockchain Holdings" or the "Company")
Sea Meadow House
P.O. Box 116
Road Town, Tortola
VG 1110 British Virgin Islands

2. Date of Material Change:

April 22, 2020

3. News Release:

The news release with respect to the material change was disseminated through Accesswire Canada Ltd. on April 23, 2020 and filed on SEDAR.

4. Summary of Material Change:

The Company has executed a definitive agreement (the "**Purchase Agreement**") providing for the acquisition, through its wholly-owned subsidiary, Tracesafe Technologies Inc. ("**Tracesafe Technologies Inc.**"), of the self-quarantine monitoring technology suite known collectively as "TRACESafe" from WiSilica, Inc. ("**WiSilica**"). TRACESafe is a global health product designed for deployment by governments and corporations as they fight the global COVID-19 pandemic.

Pursuant to the Purchase Agreement, Tracesafe Technologies Inc. will acquire from WiSilica the "TRACESafe" self-quarantine monitoring technology suite. Under the terms of the transaction, the consideration for the TRACESafe assets will consist of a cash payment of USD\$250,000, to be paid as a deposit which is refundable in certain circumstances, and 4,516,395 non-voting common shares in the capital of Tracesafe Technologies Inc. (the "**Tracesafe Common Shares**"), which, subject to certain voluntary conversion restrictions, are exchangeable for 4,516,395 common shares in the capital of Blockchain (the "**BCX Common Shares**").

In addition, WiSilica will receive an aggregate of 1,483,605 preferred shares in the capital of Tracesafe Technologies Inc., which may be converted into an aggregate of up to 19,286,865 Tracesafe Common Shares, upon satisfaction of three separate performance milestones relating to the commercialization of the TRACESafe assets. Such Tracesafe Common Shares are, subject to certain voluntary conversion restrictions, exchangeable for an aggregate of up to 19,286,865 BCX Common Shares.

5. Full Description of Material Change:

5.1 Full Description of Material Change

The material change described in item 4 is fully described in the Company's press release of April 23, 2020 attached hereto and as filed on SEDAR.

5.2 Disclosure of Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not Applicable

7. Omitted Information:

Not Applicable

8. Executive Officer:

Betty Anne Loy, Corporate Secretary
Telephone: 604-283-2339 xt 702

9. Date of Report:

April 23, 2020

Blockchain Holdings Enters into Definitive Agreement for Acquisition of COVID-19 Quarantine Management Product TRACESafe

Tortola, British Virgin Islands – April 23, 2020 - Blockchain Holdings Ltd. ("Blockchain") (CSE:BCX) is pleased to announce that, further to its previous news release, it has executed a definitive agreement (the "**Purchase Agreement**") providing for the acquisition, through its wholly-owned subsidiary, Tracesafe Technologies Inc. ("**Tracesafe Technologies Inc.**"), of the self-quarantine monitoring technology suite known collectively as "TRACESafe" from WiSilica, Inc. ("**WiSilica**"). TRACESafe is a global health product designed for deployment by governments and corporations as they fight the global COVID-19 pandemic.

TRACESafe is an innovative suite of patent-protected health and safety products, including a bracelet with an embedded chip and related software to track the wearer's location. It was developed and deployed for maternity wards and senior citizen's housing and has now been transformed to help governments and health authorities manage and track those in COVID-19-related quarantine. It is expected that ongoing COVID-19 quarantines may be required over the next 12-24 months, pending development and widespread distribution of a vaccine. In addition, Blockchain believes TRACESafe can function as a critical tool to help manage any future pandemics, including any resurgence of COVID-19, when added to a government's national health arsenal.

Already, initial deliveries of TRACESafe disposable bracelets have been deployed and are in use by the Hong Kong government to manage and enforce their quarantine program for foreign visitors. TRACESafe is expected to roll out in multiple countries over the coming weeks and months.

The Transaction

Pursuant to the Purchase Agreement, Tracesafe Technologies Inc. will acquire from WiSilica the "TRACESafe" self-quarantine monitoring technology suite. Under the terms of the transaction, the consideration for the TRACESafe assets will consist of a cash payment of USD\$250,000, to be paid as a deposit which is refundable in certain circumstances, and 4,516,395 non-voting common shares in the capital of Tracesafe Technologies Inc. (the "**Tracesafe Common Shares**"), which, subject to certain voluntary conversion restrictions, are exchangeable for 4,516,395 common shares in the capital of Blockchain (the "**BCX Common Shares**").

In addition, WiSilica will receive an aggregate of 1,483,605 preferred shares in the capital of Tracesafe Technologies Inc., which may be converted into an aggregate of up to 19,286,865 Tracesafe Common Shares, upon satisfaction of three separate performance milestones relating to the commercialization of the TRACESafe assets. Such Tracesafe Common Shares are, subject to certain voluntary conversion restrictions, exchangeable for an aggregate of up to 19,286,865 BCX Common Shares.

WiSilica has agreed that the conversion of Tracesafe Common Shares will be subject to certain voluntary conversion restrictions (effectively, voluntary resale restrictions on the BCX Common Shares they would otherwise receive) as follows: (a) in the first four (4) months, no Tracesafe Common Shares may be exchanged; (b) after such time until January 1, 2021, no more than 20% of the Tracesafe Common Shares may be exchanged; (c) after such time until the first anniversary of the date of issuance, no more than 66.67% of the Tracesafe Common Shares may be exchanged; (d) after such time until January 1, 2022, no more than 83.33% of the Tracesafe Common Shares may be exchanged; and (e) after January 1, 2022, all outstanding Tracesafe Common Shares may be exchanged.

The exchange of Tracesafe Common Shares may be settled, in the sole and absolute discretion of Tracesafe Technologies Inc. and Blockchain, by way of cash payment in lieu of the issuance of BCX Common Shares.

Dennis Kwan, the CTO of WiSilica, is expected to be appointed as CEO of Tracesafe Technologies Inc. on closing of the transaction to help continuity of ongoing operations and deployment of TRACESafe technology to governments and the private sector around the world.

Completion of the transaction is subject to customary closing conditions, including, among other things, the negotiation and execution of certain ancillary agreements, the receipt of any third-party consents, and the receipt of approval from the Canadian Securities Exchange.

Executive Quotes

"The TRACESafe technology represents the culmination of years of innovation in low-power wireless technology from WiSilica. With the support of Blockchain Holdings, we believe we can launch TRACESafe into a new stage of growth and provide a critical tool to assist governments as they mitigate the spread of COVID-19 and also large corporations and organizations to protect employees' health as they re-open for business," explained Dennis Kwan, CEO of Tracesafe. "I couldn't be more excited to be a part of this cutting-edge opportunity to help combat COVID-19."

"The acquisition of TRACESafe will further advance our technology and data aggregation business and highlight our role as a value-added investor in disruptive technology startups," remarked Wayne Lloyd, CEO of Blockchain.

About TRACESafe

TRACESafe is a proprietary self-quarantine management monitoring system which registers a user through a wrist tag. The tag can log time stamps and locations of the user through a single application used by both the user and administrators to a central monitoring system. TRACESafe allows a user to declare once they have entered quarantine, and subsequently prompts periodic check-in acknowledgements. The application will alert administrators if the user fails to acknowledge a check-in, the tag is unreachable through the user's phone or if any tampering with the tag is suspected.

TRACESafe was developed by WiSilica, a California-based private company in the business of creating intelligent Internet of Things (IoT) solutions to enable human centric lighting, real time tracking, intelligent wireless controls, and customized IoT Solutions. It helps customers manage space, energy, and gain access to insightful reports and dashboards.

About Blockchain Holdings

Blockchain provides investors and fund managers with unique insights into the growing ecosystem of crypto-assets. BCXdata.com captures and aggregates data from different blockchains for use and analysis with a clean and approachable API. With a portfolio of proprietary tools, Blockchain is giving users an institutional-grade analysis package that forms the basis for an extended suite of product offerings in the future.

None of the securities to be issued pursuant to the transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

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This press release was prepared by management of Blockchain, which takes full responsibility for its contents. The Canadian Securities Exchange has in no way passed upon the merits of the proposed transaction and has neither approved or disapproved the contents of this press release.

Statements in this news release may contain forward-looking statements that are based on Blockchain's expectations, estimates and projections regarding its business and the economic environment in which it operates, including with respect to expectations regarding the TRACESafe assets, future developments in respect of COVID-19, the appointment of Dennis Kwan to a leadership role with respect to the TRACESafe assets, the completion of the transaction in accordance with the terms of the Purchase Agreement, the satisfaction of the closing conditions by the parties, and the expected benefits of the transaction. Although Blockchain believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements. These forward-looking statements speak only as of the date on which they are made, and Blockchain undertakes no obligation to update them publicly to reflect new information or the occurrence of future events or circumstances unless otherwise required to do so by law.