

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**1. Name and Address of Company**

Seaway Energy Services Inc. (the "Issuer")  
#1305 - 1090 West Georgia Street  
Vancouver, British Columbia V6E 3V7  
Phone: (604) 685-9316

**2. Date of Material Change**

January 22, 2018

**3. Press Release**

The press release was issued on January 22, 2018 through various approved public media and filed with the TSX Venture Exchange and the British Columbia and Alberta Securities Commissions.

**4. Summary of Material Change(s)**

See attached press release.

**5. Full Description of Material Change**

See attached press release.

**6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not Applicable

**7. Omitted Information**

Not Applicable

**8. Executive Officer**

Nick DeMare, Chief Financial Officer  
Phone: (604) 685-9316

**9. Date of Report**

February 8, 2018



January 22<sup>nd</sup>, 2018

TSX: SEW

## **SEAWAY ANNOUNCES AGREEMENT TO ACQUIRE X2 BLOCKCHAIN GAMES CORP.**

**Vancouver, British Columbia - Seaway Energy Services Inc. ("Seaway" or the "Company") (TSX: SEW) –** Mr. Dylan Sidoo, Director, is pleased to announce that the Company has entered into a letter of intent dated January 22<sup>nd</sup>, 2018 (the "**LOI**") with X2 Blockchain Games Corp. ("**X2**"), pursuant to which the Company will acquire all of the outstanding shares of X2 in exchange for 100,000,000 shares of Seaway (the "**Proposed Transaction**").

The Proposed Transaction is expected to constitute a change of business and be structured as a reverse takeover. The shareholders of X2 will receive an aggregate of 100,000,000 Seaway Shares at a deemed price of \$0.80 per Seaway Share.

### **About X2 Blockchain Games Corp.**

X2 is a British Columbia corporation, which holds 100% of X Blockchain Games Corp. ("**X Blockchain Games**"), a California corporation. X Blockchain Games is an Independent Games Publisher focused on Blockchain Technology, and is based in Silicon Beach, Santa Monica, California, the hub of Video Games and eSports.

X Blockchain Games is an Independent Games Publisher for cutting edge games that integrate Blockchain Technology and Cryptocurrency into the user's game experience. The company was founded by Nolan Bushnell, considered a founding father of the Video Game Industry, best known for founding Atari and Chuck E. Cheese's Pizza Time Theatre.

X Blockchain Games owns the Historical Back Catalogue of Nolan Bushnell's Games, which includes 40 unpublished games, created over 4 decades, following the sale of Atari in 1977 to Warner. In addition to developing and publishing this exclusive Back Catalogue of Games, the company is also looking to acquire a number of independent titles and game studios to ensure a continued stream of new titles for the world to enjoy and play.

X Blockchain Games has the technology and expertise to integrate Blockchain Technology into its digital games. Leveraging this secure distributed ledger technology, games are being developed to create bigger, better and more valuable gaming experiences by seamlessly integrating the digital and physical realms and creating value opportunities for players wherever they are.

Games development for X Blockchain Games is based in Silicon Beach, Santa Monica, California, with game design and art direction based under the oversight of Chief Creative Officer and Head of Games

Design, Zai Ortiz. Mr. Ortiz is a legendary Hollywood 3D visionary most famous for the animation design of the J.A.R.V.I.S. system holograms in Marvel's Iron Man, TRON Legacy, Mission Impossible and many more Hollywood Blockbusters.

X Blockchain Games' team will ensure cutting edge gaming experiences and a steady flow of new titles over the next two years.

### **The Proposed Transaction**

The LOI sets out certain terms and conditions pursuant to which the Proposed Transaction will be completed. The Proposed Transaction is subject to the parties successfully entering into a definitive business combination agreement (the "**Definitive Agreement**") in respect of the Proposed Transaction on or before March 15, 2018 or such other date as the parties may mutually agree.

The LOI also contemplates other material conditions precedent to the closing of the Proposed Transaction (the "**Closing**"), including customary due diligence, receipt of all necessary regulatory, corporate and third party approvals, compliance with all applicable regulatory requirements, and all requisite board and shareholder approvals being obtained.

Certain of the Seaway Shares issuable pursuant to the Proposed Transaction may be subject to escrow requirements pursuant to applicable regulatory policy and hold periods as required by applicable securities laws.

### **Current Share Structure**

X2 currently has 100,000,000 common shares issued and outstanding and no preferred shares issued and outstanding. The Company will issue 100,000,000 Seaway Shares at a deemed value of \$0.80 per Seaway Share to X2.

### **Company Share Structure**

The Company currently has 100,000,000 common shares issued and outstanding and no preferred shares issued and outstanding.

### **Concurrent Financing**

The Company will be completing a private placement (the "**Concurrent Financing**") at an issue price of \$0.80 per security. Pursuant to the terms of the LOI, the Company intends to issue up to 20,000,000 securities for maximum gross proceeds of \$15,000,000 in connection with the Concurrent Financing.

The Concurrent Financing will be completed on a non-brokered basis, and the Company may pay finder's fees in accordance with applicable securities laws and exchange policies to eligible finders. Completion of the Concurrent Financing is subject to receipt of exchange approval and other requisite approvals. All securities issued in connection with the Concurrent Financing will be subject to hold periods under applicable Canadian and United States securities laws for a minimum of four months and a day.

## Board of Directors

It is anticipated that the board of directors of Seaway will change in connection with the Proposed Transaction and become composed of the following individuals:

- **Nolan Bushnell – Director, Chief Executive Officer:**
  - Born in 1943, Nolan Bushnell has dedicated his life to games and entertainment in a way that very few have done. Having started more than 20 companies throughout his life, his life passions meet at the intersection of technology and entertainment to make people's lives better through fun.
  - Best known for starting Atari, arguably the catalyst for all gaming systems that we know today, he is one of the founding fathers of the Video Game Industry. With Atari, he paved the way for an industry that has changed billions of peoples' lives, and – although inadvertently at the time – spawned the modern eSports industry. Within 6 years of starting Atari, it became the fastest-growing company in American business history.
  - Not only did Mr. Bushnell invent the coin operated arcade experience through Atari, but he brought gaming mainstream into our homes with the invention of the Atari 2600 which spawned a home gaming revolution that is still strong today.
  - In 1977, Mr. Bushnell created Chuck E. Cheese's Pizza Time Theatre as an homage to his love of video games and theme parks. The pizza parlor and video game entertainment center hybrid quickly became popular amongst children and adults alike across the United States, featuring hundreds of games and animatronic animals who sang and danced for crowds in awe.
  - A lifelong entrepreneur, Mr. Bushnell has been inducted into the Video Game Hall of Fame and the Consumer Electronics Association Hall of Fame, received the BAFTA Fellowship and the Nation's Restaurant News "Innovator of the Year" award, and was named one of Newsweek's "50 Men Who Changed America."
  
- **Dylan Bushnell – Director, Chief Operating Officer:**
  - Dylan Bushnell has an in depth knowledge of the Gaming and eSports sectors and has worked in the Gaming industry for many years. After completing degrees in Film and Game Design, Dylan worked as a Product Developer at Two Bit Circus, helping to design and develop modern versions of classic Carnival Games.
  - Following Two Bit Circus, Mr. Bushnell worked as a Project Manager at Virsix where he oversaw the creation of multiple VR Amusements for various FECs. Following Virsix, he worked with remote development teams to develop iOS and Android applications.
  - Mr. Bushnell will bring to the X2 team the ability to implement the game design and development of the back catalogue of game titles, as well as work closely with the game studios and titles that X2 will acquire.
  
- **Zai Ortiz – Director, Chief Creative Officer, Head of Games Design:**
  - From film titles (All I See Is You, with Oscar-winning director Marc Forster) to hologram development (Marvel's Iron Man II) to gaming (Bethesda Studios Elder Scrolls Legends), Mr. Ortiz's design, visual effects and animation expertise bring forth ideas and iconic

images into tangible space.

- Equal parts designer, director and technological wizard, Mr. Ortiz's distinctive signature is his ability to bridge artistic storytelling and technical innovation. By immersing himself in both the creative and technical sides of animation, Mr. Ortiz is a standout in his field as he is fluid in both trades. This unique mastery earns him high on the ranks of the industry's top echelon of visual talent.
- Along with his strong leadership skills overseeing teams of 50+ artists, Mr. Ortiz's technical savvy garners technical director and CG supervisor positions. He has supervised the graphics and VFX for numerous films (up to 300 shots in a film) including TRON:Legacy, Final Destination 5, and Mission: Impossible - Ghost Protocol.

- **John McCoach – Director:**

- Mr. McCoach recently retired as president of the TSX Venture Exchange, a position he held since 2009. He is currently on the board of directors of a Toronto Stock Exchange-listed mining company and the capital markets authority implantation organization; the entity tasked by five participating provinces, one territory and the government of Canada to create a pan-Canadian securities commission.
- Mr. McCoach is a financial industry executive with experience in various strategic, management and operational roles. Mr. McCoach has a record of success in building strategies and programs to meet customer needs, and maximize revenue growth, operational efficiency and shareholder value. He is adept at leading and coaching teams through large, complex organizational and cultural transformations and regulatory changes. Moreover, Mr. McCoach is highly effective in establishing trust and credibility, both domestically and internationally, with multiple constituents.
- Mr. McCoach has over 35 years experience in the investment industry. He has witnessed, and participated in, many changes in the Canadian capital markets. He was a senior vice-president, corporate finance, for an independent Canadian investment dealer prior to joining TMX Group.

- **Dylan Sidoo – Director:**

- Mr. Sidoo graduated cum laude from the University of Southern California's School of Cinematic Arts. During his university career, he was a member of the USC Men's Rugby Team, competing in the D--1 PAC Rugby Conference. In 2013 he received the NRI Institute's Impending Innovator Award. Additionally, in his sophomore year he founded Stryker Entertainment, LLC, (<http://strykerentertainmentgroup.com>), a film acquisitions and distribution company, where he successfully outputted several films with Shout! Factory and Netflix. His concentration in business and entertainment led to numerous internships in the corporate and creative sector. During his senior year, he interned with the top tier talent and sports agency, William Morris Endeavour.

- **Amrik S. Virk – Director:**

- Mr. Virk is the former Minister of Technology, Innovation and Citizens' Services and Minister of Advanced Education for British Columbia, Canada. Mr. Virk's leadership positioned the province's technology sector as the 15<sup>th</sup> largest in the world. As Minister,

Mr. Virk launched the #BCTECH strategy, which still currently forms the backbone of the province's technology economy. Mr. Virk's comprehensive mandate included various international trade missions, 14 technology accelerators, all of government's cybersecurity and real estate portfolio, as well as a large portion of all public building construction.

- As the Minister of Advanced Education, Mr. Virk effectively had oversight of all postsecondary education in the province, including 25 public universities and colleges and over 300 private institutions. He was responsible for re-engineering postsecondary education in British Columbia and subsequently took a national lead in aligning university degree graduations and funding with job and economic prospects. In both of his portfolios, he managed budgets nearing \$2-billion. Prior to elected office, Mr. Virk was a highly decorated police officer with a 26-year career with the Royal Canadian Mounted Police.

- **Nick DeMare – Chief Financial Officer:**

- Mr. DeMare is the President and principal of Chase Management Ltd., a private company providing a broad range of administrative, management and financial services to private and public companies involved in mineral exploration and development, gold and silver production, oil and gas exploration and production and venture capital. For over 20 years, Mr. DeMare has assisted numerous companies in making the transition from the private to public stage and arranging and participating in equity and debt financing. Prior thereto, Mr. DeMare was employed as a General Practice Manager with Coopers & Lybrand, Chartered Accountants. Mr. DeMare is currently a director and/or officer of a number of public companies listed on the Toronto Stock Exchange and the TSX Venture Exchange, including American Oil & Gas (AEZ-- AMEX, Market cap of \$630M) and GeoPetro Resources (GPR--AMEX, Market Cap of \$26M).

In addition, and in consultation with X2, the Company anticipates adding additional members to the management team and the board of directors prior to Closing and pursuant to the terms of the Definitive Agreement.

Please visit the following links for more comprehensive information about X2:

- <http://x2.games/>
- <http://x2.games/media/>

### **Disclosure and Caution**

Further details about the Proposed Transaction and the Concurrent Financing will be provided in a comprehensive press release when the parties enter into the Definitive Agreement and in the disclosure document to be prepared and filed in respect of the Proposed Transaction. Investors are cautioned that, except as disclosed in the disclosure document, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon.

All information provided in this press release relating to X2 has been provided by management of X2 and has not been independently verified by management of the Company. As the date of this press release,

the Company has not completed the Definitive Agreement and readers are cautioned that there can be no assurances that the Definitive Agreement will be executed, or that the Proposed Transaction will be completed as proposed or at all.

**ON BEHALF OF THE BOARD**

***“Dylan Sidoo”***

Dylan Sidoo  
Director

*Neither the exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this press release.*