

PRIME BLOCKCHAIN INC.
(formerly Investissements TSPL Inc.)
Management Discussion and Analysis
For the period ending on February 28, 2019
April 26, 2019

Introduction

The purpose of this MD&A is to help readers understand and evaluate trends and material changes related to Prime Blockchain Inc.'s (formerly Investissements TSPL Inc.) results of operations and financial position ("Prime" or the "Corporation") for the periods ended February 28, 2019 and 2018. This report should be read in conjunction with the Unaudited Condensed Interim Financial Statements for these periods and the notes thereto. The Notes referred to in this MD&A refer back to the Notes in the Unaudited Condensed Interim Financial Statements. The Unaudited Condensed Interim Financial Statements are presented in compliance with the IAS 34 Standards "Quarterly Financial Information" which calls for critical accounting estimates. They also demand of Management the exercise of its judgement in the application of the accounting methods used by Prime Blockchain Inc. Note 4 of the Financial Statements outlines the particularly complex areas where such judgement is required as well as the hypotheses and estimates where such hypotheses and estimates have a major effect on the Consolidated Financial Statements.

For more information, please visit the SEDAR web site at www.sedar.com.

The Financial Statements were not adjusted in regard to the accounting value of Assets and Liabilities, Revenues and Expenses and to the classification used in the preparation of the Cash Flow Statement under the hypothesis of the Corporation's ability to continue as a going concern. These adjustments could be significant.

The financial information presented in this MD&A has been prepared in compliance with International Financial Reporting Standards (IFRS), and amounts are expressed in Canadian dollars, unless otherwise indicated.

In this MD&A, the terms "Officers" and "Management" include Directors, Officers, the Chief Executive Officer and the Chief Financial Officer.

The Condensed Interim Financial Statements of February 28, 2019, were prepared by management and were not audited by the Corporation's auditors Mallette s.e.n.c.r.l.

Forward-looking information

The reporting structure reflects how the Officers manage the Corporation and classifies the Corporation's activities for the purpose of planning and evaluating performance. This MD&A includes statements about the Corporation's objectives, strategies, financial condition, results of operations and activities. These statements are considered "forward looking" because they are based on management's current expectations regarding the Corporation's operations, the markets in which the Corporation operates, and various estimates and assumptions.

These forward-looking statements describe Management's expectations as of April 26, 2019.

-The actual results of the Corporation could differ materially from Management's expectations if known or unknown risks affect the Corporation's business, or if the estimates or assumptions prove to be incorrect. Consequently, Management cannot guarantee that any of its forward-looking statements will be realized.

-Forward-looking statements do not take into account the effect that transactions or non-recurring items announced or occurring after the preparation of the financial statements may have on the Corporation's business.

-Management does not intend, nor does it undertake to update, any of the forward-looking statements, except as required by law, even if new information comes to its attention or knowledge as a result of future events or for any other reason.

-Risks that could cause actual results to differ materially from management's current expectations are discussed in Section 10, "Risks and Uncertainties".

1. ACTIVITIES AND CONTINUITY OF OPERATION

The Corporation is a Québec-based corporation that was duly incorporated on January 13, 2004, under the Canada Business Corporations Act (CBCA) and is located in Verdun, QC. The Corporation has no commercial activities but is busy investigating a number of acquisition possibilities, so it can become active commercially. The Corporation's name has been changed to Prime Blockchain Inc.

The unaudited condensed interim financial statements of the Corporation have been prepared on the basis of accounting principles that apply to an operating business. This assumes that the Corporation will continue to operate for the foreseeable future and will be able to realize its assets and pay its debts in the normal course of business. The Corporation incurred a net loss of \$201,693 during the period ended February 28, 2019 (2018 - \$240,300), accumulated a significant deficit as at February 28, 2019 and generated negative cash flows from operating activities. The Corporation has capital requirements, notably for the payment of its operating debts. In this regard, the Corporation issued shares in settlement of operating debts, and for notes and interest payable during the year, since the year-end it issued shares to pay its operating debts, no notes were issued. The Corporation is seeking additional financing to carry out its future projects and the Corporation's ability to continue as a going concern depends on completing such financing in a timely and satisfactory manner. The financial statements of the Corporation have not been restated if the going concern assumption were unfounded. Management believes that the actions it has taken or plans to take will mitigate the effect of the conditions and facts that cast doubt on the soundness of this assumption.

Historically, the Corporation had failed to comply with legal requirements regarding the filing of its financial statements, Management Discussions and Analysis and annual certificates. Consequently, on January 23, 2013, the "Autorité des marchés financiers" (the "AMF") issued a Cease Trade Order ("CTO") against the Corporation, its securityholders, all brokers and their representatives, as well as any other person, from any activity related to trading in Corporation's securities. In addition, in September 2016, the Corporation's shares were delisted from the NEX market due to non-payment of maintenance fees.

Serge Beausoleil, a shareholder of the Corporation since 2012, undertook in the fall of 2016 to reactivate the Corporation with the consent of the Board of Directors. To this end, he mandated Mallette S.E.N.C.R.L. to prepare the various audited financial statements required, to ask for a lifting of the CTO by the regulatory authorities. Mr. Beausoleil then hired the law firm of Stein Monast S.E.N.C.R.L. so that an application for the lifting of the CTO be filed with the regulators. Mr. Beausoleil and about fifteen people, all Accredited

Investors ("Lenders"), advanced to the Corporation the sums required to obtain the lifting of the CTO and to finance the maintenance of its activities.

The CTO was lifted on August 2, 2017 subject to one condition. TSPL was required to hold a general meeting of shareholders within 90 days of the lifting of the CTO to elect a new board of directors.

During the year the Corporation completed the following private placements:

- (i) On September 15, 2017, the Corporation completed a private placement by issuing 5,502,000 (110,040,000 before consolidation 20:1) common share units for an amount of \$550,200. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 (\$0.01 before consolidation 20:1) per share for a period of two (2) years. The share had a value of \$404,559 and the warrants a value of \$145,641. The Corporation also issued 114,434 (2,288,680 before consolidation 20:1) shares as payment for operating expenses in a value of \$11,443.
- (ii) On September 29, 2017, the Corporation completed a private placement by issuing 734,900 (14,698,000 before consolidation 20:1) common share units for an amount of \$73,490. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 (\$0.01 before consolidation 20:1) per share for a period of two (2) years. The share had a value of \$54,037 and the warrants a value of \$19,453. The Corporation also issued 44,717 (894,336 before consolidation 20:1) shares as payment for operating expenses in a value of \$4,472.
- (iii) On November 28, 2017, the Corporation completed a private placement by issuing 1,393,737 (27,874,738 before consolidation 20:1) common share units for an amount of \$139,374. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 (\$0.01 before consolidation) per share for a period of two (2) years. The share had a value of \$102,481 and the warrants a value of \$36,893. The Corporation also issued 70,135 (1,402,702 before consolidation 20:1) shares as payment for operating expenses in a value of \$7,013.
- (iv) On December 11, 2017, the Corporation proceeded with a share consolidation with a ratio of 20 to 1.
- (v) On January 18, 2018, the Corporation completed a private placement by issuing 1,000,000 common share units for an amount of \$100,000. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 per share for a period of two (2) years. The share had a value of \$73,529 and the warrants a value of \$26,471. The Corporation also issued 78,979 shares as payment for operating expenses in a value of \$7 898.
- (vi) On February 15, 2018, the Corporation completed a private placement by issuing 550,000 common share units for an amount of \$55,000. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 per share for a period of two (2) years. The share had a value of \$40,440 and the warrants a value of \$14,560. The Corporation also issued 327,900 shares as payment for operating expenses in a value of \$32,790.

- (vii) On May 24, 2018, the Corporation completed a private placement by issuing 900,000 common share units for an amount of \$90,000. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 per share for a period of two (2) years. The share had a value of \$66,176 and the warrants a value of \$23,824. The Corporation also issued 120 491 shares as payment for operating expenses in a value of \$12,049.
- (viii) On July 24, 2018, the Corporation completed a private placement by issuing 850,000 common share units for an amount of \$85,000. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 per share for a period of two (2) years. The share had a value of \$62,500 and the warrants a value of \$22,500. The Corporation also issued 313,701 shares as payment for operating expenses in a value of \$31,370.
- (ix) On August 28, 2018, the Corporation completed a private placement by issuing 130,000 common share units for an amount of \$13,000. Each unit consisted in one share and one warrant. Each warrant giving the holder the right to acquire an additional share at a price of \$0.20 per share for a period of two (2) years. The share had a value of \$9,559 and the warrants a value of \$3,441. The Corporation also issued 108 849 shares as payment for operating expenses in a value of \$10,885.
- (x) On November 20, 2018, the Corporation completed a private placement by issuing 2,100,000 common share units for an amount of \$105,000. Each unit consisted in one share and one warrant, each warrant giving the holder the right to acquire an additional share at a price of \$0.20. per share for a period of two years. The shares had a value of \$77,206 and the warrants a value of \$27,794. The Corporation also issued 254,978 shares as payment for operating expenses at a value of \$25,498.
- (xi) On January 17, 2019, the Company completed a private placement by issuing 650,000 common share units for an amount of \$32,500. Each unit consisted in one share and one warrant, each warrant giving the holder the right to acquire an additional share at a price of \$0.20. per share for a period of two years. The shares had a value of \$23,897 and the warrants a value of \$8,603. The Company also issued 94,752 shares as payment for operating expenses at a value of \$9,475

2. FINANCIAL OVERVIEW

-Prime Blockchain incurred costs for the search and analysis of investment projects, during the quarter.

-The Corporation's operations were partly financed via accounts payable. Some of the Corporation's service providers accept that part of their invoices be settled through the issuance of common shares. The Corporation also secured financing through private placement of common share units.

During the six first months of 2019, the Corporation incurred \$10,977 of development expenses which were incurred by Prime in its search for a company with whom to merge with or acquire compared with \$49,378 in 2018.

The Corporation does not have any employees. Any work done by the corporation is done through consultants. Consulting fees were incurred as part of the day-to-day management of its operations as well as hiring certain individuals for project specific purposes. As such it incurred \$130,140 in consulting fees compared to \$131,662 in 2018, when it started looking for projects or acquisition targets. Some of the consulting fees are incurred as part of being a reporting issuer and the various activities and regulatory requirements related to that status. Some of these fees were paid to a related party which is discussed at length in the relevant portion of this MD&A.

The Corporation incurred professional fees of \$47,906 at February 28, 2019 compared to 29,340 for the same period on 2018. The main reasons for these variations were:

The Corporation didn't initiate any activities related to the signing of a potential acquisition agreement during the second quarter, which is reflected by the lower professional fees incurred during the quarter.

3. SUMMARY OF RESULTS

Years ended August 31	2018	2017	2016
	\$	\$	\$
Revenues	-	-	-
Expenses	687 359	320 159	254 329
Gain on debt settlement	14 265	89 349	-
Loss resulting from the holding of an investment	27 909		
Net loss and comprehensive income	(701 003)	(230 810)	(254 329)
Basic and fully diluted net loss per share	(0.070)	(0.030)	(0.002)

The following table sets out selected financial information of the Corporation for the last eight quarters:

In Dollars	Feb. 28, 2019	Nov. 30, 2018	Aug. 31, 2018	May 31, 2018	Feb. 28, 2018	Nov. 30, 2017	Aug. 31, 2017	May 31, 2017
Gain on debt settlement	-	-	14 265	-	-	-	89 349	-
Revenue	-	-	(54 165)	45 520	-	8 645	-	-
Expenses	127 293	74 400	(50 245)	390 705	48 977	297 922	131 862	107 380
Loss resulting from the holding of an investment	-	-	27 909	-	-	-	-	-
Net loss	(127 293)	(74 400)	(17 564)	(345 185)	(48 977)	(289 277)	(42 513)	(107 380)
Basic loss per share	(0.008)	(0.005)	0.07	0.031	0.005	0.003	0.0160	0.0030

4. SUMMARY OF STATEMENTS OF FINANCIAL POSITION

	<u>February 28, 2019</u>	<u>August 31, 2018</u>
Current assets	\$ 3,515	\$19,158
Total Assets	\$ 3,515	\$19,58
Current liabilities	\$ 129,998	\$116,421
Total Liabilities	\$ 129,998	\$116,421

5. SUMMARY OF CASH FLOWS

Period ended February 28,	2019	2018
Operating Activities	(\$159,211)	(\$316,830)
Financing activities	\$162,500	\$314,516
Investing activities	-	-
Net increase (decrease) in cash	\$3,289	(\$2,314)

At February 28, 2019, Prime Blockchain Inc. had a negative working capital amounting to \$126,483, compared to a negative working capital amounting to \$97,263 at August 31, 2018.

6. SUMMARY OF SHAREHOLDERS 'EQUITY

	April 25, 2019	August 31, 2018	August 31, 2017	August 2016
Number of shares outstanding	18,027,752	12,986,408	746,565	745,565
Stock options	1,845,000	1,845,000	23,750	23,750
Warrants	15,510,637	11,060,637	Nil	Nil

The Corporation had adopted a Stock Option Plan, in 2012, under which the Board of Directors could grant to the Directors, Officers, Employees and Consultants stock options that could be exercised for a period of up to five years from the date of grant. This plan came to an end and was replaced by a new plan that was adopted by the shareholders at the meeting on October 31, 2017.

One million eight hundred and forty-five thousand (1,845,000) options were granted in the 2018 giving the holder the right to acquire one Common Share per option at a price of \$0.10 per share. 1,200,000 options expire on January 3, 2023 and 645,000 options expire on August 21, 2023. 1,037,000 options were granted to Directors and Officers, and 808,000 options were granted to consultants to the Corporation.

As at February 28, 2019, the number of issued and outstanding shares was 16,086,138. The number of warrants issued was 13,810,637.

7. OFF-BALANCE SHEET ARRANGEMENTS

The Corporation is not party to any off-balance sheet commitments as at the date of this MD&A

8. RELATED PARTY TRANSACTIONS

Related parties of the Corporation include the Corporation's key management personnel, as well as entities directly or indirectly controlled by key management personnel or entities where key management personnel are directors or officers.

The Corporation considers its directors and executives to be key management personnel. Key management personnel compensation for the years consisted of stock-based compensation and consulting fees, and are as follows:

	Six months ended February 28,	
	2019	2018
Consulting fees*	\$ 60,000	\$ 73,225
Rent	6,000	6,000
Total	\$ 66,000	\$ 79,225

* Consulting fees for a director and officer of the Corporation are paid to a separate management company controlled by this individual.

These transactions were carried out under terms equivalent to those prevailing in the case of arm's length transactions.

9. OUTLOOK

As at February 28, 2019, accounts payable totaled \$104,998 (\$116,421 as at August 31, 2018), a short-term loan of \$25,000 (\$0 as at August 31, 2018) and no notes payables were outstanding.

Management believes that the Corporation's cash position is not sufficient to finance its operating activities.

The Corporation is expected to proceed with some advances and the issuance of equity units by way of private placement in order to complete its restructuring efforts.

10. RISKS AND UNCERTAINTIES

In addition to the credit, liquidity and interest rate risks disclosed in the financial statements in Note 14 - "Financial Instruments", management presents, below, a non-exhaustive list of additional risk factors that a potential investor should take into account regarding the Corporation, namely:

1. The Corporation has limited operations and some assets. It does not have a history of revenues earnings, it does generate income and does not pay dividends.
2. An investment in the common shares of the Corporation is considered highly speculative given the current nature of its business and its current development stage.
3. The Corporation 's Management devote only part of their time to its affairs and some of them are or will be engaged in other projects, companies or companies. As a result, conflicts of interest may arise from time to time.
4. The Management cannot offer guarantees that an active and liquid market for its common shares will develop. As a result, investors may find it difficult, if not impossible, to sell their common shares.
5. The Corporation's shares do not currently trade on a public market. Once trading starts trading in the common shares of the Corporation may be interrupted for various reasons, including the failure by the Corporation to submit documents to the regulators on a timely basis.

11. MAJOR ACCOUNTING METHODS AND ESTIMATES

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the values of assets and liabilities and the presentation of contingent assets and liabilities as of the date of the financial statements. Similarly, income and expenses for the years presented are subject to estimates and assumptions. On a regular basis, the Corporation re-evaluates these estimates and assumptions, including those relating to the provision for credit losses, future income tax assets and certain accrued liabilities. It is therefore possible that actual results differ from these estimates.

Management bases its estimates and assumptions on past experience and on a number of factors that are believed to be reasonable in the circumstances, which are the basis of our judgment of the carrying amount of assets and liabilities that are not apparent in any other way. Actual results may differ from these estimates.

There has been no material change in the accounting policies and estimates of the Corporation since February 28, 2019. A full description of the accounting policies is presented in the corresponding section 4 of the financial statements.

On September 1, 2017, the Corporation applied the following amendments:

IAS 7 - Statement of Cash Flows

In February 2016, IASB issued amendments of limited scope to IAS 7 - Statement of Cash Flows to require that companies provide information concerning changes in their financing liabilities. These amendments lead to the addition of disclosures that have been disclosed in Note 13 of financial statements.

IAS 12 - Income Taxes

In January 2016, IASB issued amendments to IAS 12 - Income Taxes on the accounting of future tax assets relating to unrealized losses. Essentially, these amendments aim to clarify when a future tax asset should be recognized in regard to an unrealized loss. These amendments did not have any significant impact on the Corporation's financial statements.

New standards and interpretations not yet effective

The International Financial Reporting Interpretation Committee and IASB have published new standards whose application will be mandatory for fiscal years beginning after September 1, 2018 or subsequent years. Many of these new accounting policies will have no impact on the comprehensive income (loss) and the statement of the financial position of the Corporation, so they are not discussed below.

IFRS 9 - Financial Instruments

In July 2014, IASB issued IFRS 9 - Financial Instruments to replace IAS 39 on the classification and measurement of financial assets and liabilities, amortization and hedge accounting. This standard is retrospectively applicable to financial statements of fiscal years beginning on or after January 1, 2018. This new standard have no any significant impact on the Corporation's financial statements.

IFRS 15 - Revenue from Contracts with Customers

In May 2014, IASB issued IFRS 15 - Revenue from Contracts with Customers to replace IAS 18 and IAS 11. This new standard provides guidance on the method to be used and when to recognize revenue as per a unique model, except for lease contracts, financial instruments and insurance contracts. This standard is retrospectively applicable from January 1, 2018. The Corporation will assess the impact of this new standard when it will recognize revenues from its ordinary activities.

IFRS 2 - Share-based Payment

In June 2016, IASB issued an amendment to IFRS 2 - Share-based Payment to clarify the measurement for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. This amendment will apply to fiscal years beginning on or after January 1, 2018, with early adoption permitted. This amendment will not have any significant impact on the Company's financial statements

IFRS 16 - Leases

This standard, issued in 2016, sets out the principles for the recognition, measurement, presentation and disclosure of leases. It provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is twelve months or less or the underlying asset has a low value. However, lessor accounting remains largely unchanged in regard to IAS 17 and the distinction between operating and finance leases is retained. This standard will apply to fiscal years beginning on or after January 1, 2019. The Corporation has no the impact of this standard on its financial statements.

IFRIC 23 - Uncertainty over Income Tax Treatments

In June 2017, IASB issued IFRIC 23 - Uncertainty over Income Tax Treatments. IFRIC 23 clarifies the application of recognition and measurement requirements in IAS 12 - Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether a company considers each tax treatment independently or collectively, the assumptions a company makes about the examination of tax treatments by taxation authorities, how a company determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates and how a company considers changes in facts and circumstances. This standard will apply to fiscal years beginning on or after January 1, 2019, with earlier adoption permitted. This standard will not have any significant impact on the Corporation's financial statements.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Credit risk

Credit risk is the risk of financial loss for the Corporation if a counterparty fails to meet its obligations. Credit risk on cash is limited as the contracting party is usually a financial institution with a high credit rating. The maximum credit risk is equal to cash.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet all its cash flow commitments at the appropriate time.

The Corporation monitors its liquidity, which enables it to seek additional liquidity in a timely manner as required. The necessary financing comes from equity capital financings that allow the Corporation to continue its activities.

As at February 28, 2019, the Corporation had current liabilities consisting of operating debts \$ 129,998 (August 31, 2018- \$ 116,421).

Fair Value

The carrying amount of cash and accounts payable represents a reasonable estimate of their fair value due to the short-term maturities of these instruments.

Financial instruments measured at fair value are classified according to a hierarchy that reflects the importance of the inputs used in making the valuations. This hierarchy has three levels:

Level 1 - quoted prices (unadjusted) in active markets for similar assets or liabilities; cash is classified at this level.

Level 2 - Valuation based on observable market data for the asset or liability, either directly or indirectly.

Level 3 - Valuation based on inputs other than observable market inputs for the asset or liability.

During the period ended February 28, 2019 and year ended August 31, 2018, there were no movements between the different levels in the financial asset valuations.

13. SUBSEQUENT EVENTS

Since March 01, 2019, the Company issued 1,700,000 common share units at a price of \$0.05 per unit to complete a \$85,000 private placement. Each unit consisted in one share and one warrant, each warrant giving the holder the right to acquire an additional share at a price of \$0.20 per share for a period of two years. The Company also issued 241,613 shares as payment for operating expenses at a value of \$12,081.

14. OTHER INFORMATION

Additional information about the Corporation is available on SEDAR at www.sedar.com.

(s) Serge Beausoleil

Serge Beausoleil
Director and Chief Financial Officer
April 26, 2019