PRIME BLOCKCHAIN INC.
(formerly Investissements TSPL Inc.)
Management Discussion and Analysis
For the period ending on November 30, 2020

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 quarters ended November 30, 2020 and November 30, 2019. This version is dated March 1, 2021, and has been prepared taking into consideration the changes needed following a review of the quarterly financial statement for the period indicated above. This review is needed for the purpose of meeting the rules of the Canadian Securities Exchange as part of the merger transaction between Potbotics and Prime and the related listing of the resulting issuer's shares on this exchange. Some of the information in the Financial Statements and the MD&A takes into consideration events and activities which happened between the filing of the initial MD&A and Financial Statements, on SEDAR, on January 28, 2021, and March 1, 2021.

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 address 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 3 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 Financial Statements.

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

The Financial Statements were not adjusted for 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.

These interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). These interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting. These interim condensed financial statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, they should be read in conjunction with our most recent annual financial statements and the basis of going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

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 November 30, 2020, 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 classify 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 March 1, 2021.

-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 account for 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 concluding a Reverse Takeover (¨RTO¨), with Potbotics Inc. which was initially announced on June 27, 2019 and the subject of other press releases since then. This will transform the Corporation so it can become active commercially.

The financial statements of the Corporation have been prepared according to the 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 $115,118 during the period ended November 30, 2020 (2019 - $110,818), accumulated a significant deficit as at this date 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. Since the year-end it issued shares to pay its operating debts. 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.

In late 2012, 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 and to ask for a revocation 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 revocation 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 revocation of the CTO, to elect a new board of directors, which was held in late October 2017.

During the year ended August 31, 2020, and the three months ended on November 30, 2020, the Corporation completed the following private placements:

(i) On October 2, 2019, the Company completed a private placement by issuing 2,050,000 common share units for an amount of $82,000. 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 five years. The shares had a value of $54,598 and the warrants a value of $27,402. The Company also issued 490,816 common shares as payment for operating expenses at a value of $24,510.

(ii) On December 23, 2019, the Company completed a private placement by issuing 1,650,000 common share units for an amount of $66,000. 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 $0.075 per share for a period of five years. The shares had a value of $40,000 and the warrants a value of $26,000. The Company also issued 292,386 common shares as payment for operating expenses at a value of $14,619.

(iii) On April 6, 2020, the Company completed a private placement by issuing 2,100,000 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 $0.075 per share for a period of five years. The shares had a value of $51,774 and the warrants a value of $33,226. The Company also issued 430,994 common shares as payment for operating expenses at a value of $21,550.

(iv) On August 24, 2020, the Company completed a private placement by issuing 1,755,000 common share units for an amount of $70,200. 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 $0.075 per share for a period of five years. The shares had a value of $42,545 and the warrants a value of $27,655. The Company also issued 3,520,536 common shares as payment for operating expenses at a value of $138,400 and 1,545,000 common shares with warrants as payment for operating expenses, each warrant giving the holder the right to acquire an additional share at a price of $0.075 per share for a period of five years. The shares had a value of $42,210 and the warrants a value of $28,789.

(v) On September 14, 2020, the Company completed a private placement by issuing 2,800,000 common share units for an amount of $112,000. 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 $0.075 per share for a period of five years. The shares had a value of $68,220 and the warrants a value of $43,780.

(vi) As of November 30, 2020, the company had collected an amount of $ 1,447,000, from investors, which were to be converted in December 2020 to 36,175,000 Common Share units at a price of $0.04 per unit. Each unit consists in one share and one warrant, each warrant giving the holder the right to acquire an additional share at a price of $0.075 for a period of five years. The shares had a value of $876,970 and the warrants a value of $570,030.

COVID-19

The Corporation does not have any ongoing operations except to conclude the proposed RTO transaction. This situation does not impose a reduction in its operations or the need to rearrange operations based on the availability or non-availability of employees due to health issues and\or COVID-19.

The current COVID-19 pandemic and the effects this situation has had on the worldwide financial markets has added to the significant doubt to the Company's ability to continue as a going concern if the proposed RTO is not completed. This could render the Corporation's ability to seek and obtain financing, while it's still not listed, more difficult. To date, Prime Blockchain has been able to continue securing funding from investors. To meet its need, it is contacting investors by phone internet and other remote access methods and any interested party can exchange documents with the Corporation through contact-less methods that do not require face-to-face encounters. These methods are slower and slightly more expensive but as effective. This is also the approach followed in its exchange of documents with Potbotics and its management and board of directors.

MERGER WITH POTBOTICS

The current financial crisis has also slowed down the pace at which the proposed merger with PotBotics is progressing. In early September Prime and Potbotics signed the Merger and Plan of Merger Agreement finalizing the conditions under which the merger was going to be concluded.

Under the Merger and Plan of Merger Agreement Prime Blockchain Inc. agreed to take the responsibility of raising the funds required to meet the CSE listing approval conditions which also includes supplying sufficient funds to the resulting issuer so it can meet its operational needs for the first year. In exchange, Potbotics agreed to cancel the requirement to see Prime consolidate its shares and to change the number of subordinate voting shares to be issued in exchange for the Prime shares at the time of the merger.

Prime agreed to finance Potbotics operations and cash needs until the formal merger and the listing of the Company’s shares on the CSE for an amount of CAD2.8 million. Potbotics also allowed Prime to issue a sufficient number of shares so it could meet its own operational needs and financial obligations. The final figure is to be determined by the number of shares issued and outstanding in Prime after completing the financings so it could meet these requirements.

2. FINANCIAL OVERVIEW

Prime Blockchain incurred costs for the advancement of the proposed merger with Potbotics, during the period.

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.

As discussed in **Section 1. Merger with Potbotics** the conditions of the merger were amended and Prime undertook to raise the financing to meet the CSE listing conditions and meet operational needs. As a result of these additional responsibilities the Company found itself at the end of the period with$959,540 in cash compared to $3,179 during the same period in 2019. It had $11,277 in GST receivable compared to none in 2019. A sum of $53,128 was advanced to a Director which was reimbursed in February 2021. This compares to $50,000 at August 31, 2020.

As part of the funds obtained during the period ending on November 30, 2020, the Company advanced $500,000 to Potbotics, under the terms of the Merger and Plan of Merger Agreement. Potbotics issued promissory notes to Prime for these advances that carry an annual interest of 6%. As required under IFRS accounting standards the Company must reflect the accrued interest on these notes resulting in an additional amount of $2,811 shown under Non-Current Assets of $502,811. This compares to none at August 31, 2020, when no such advance existed. Accounts payable totaled $77,643 compared to $50,966 at August 31, 2020. As agreed to, in the Agreement, no accounts payable will exist on the merger date. No amounts were payable to a director, without interest, at the end of the 2020 period while $1,167 was shown at August 31, 2020. Similarly, at August 31, 2020 the sum of $3,165 was owed in GST to the government, this amount was reimbursed as part of the refunds obtained during the year and at the end of the period no such amount was owed to the government.

During the period ended November 30, 2020, the Corporation incurred $1,504 of travel expenses in its search for capital to meet its cash needs and to find the needed capital to qualify for listing, compared with $4,172 in 2019. This reduction in travel expenses was mainly due to the fact that most of the travel since the onset of COVID-19 has been either eliminated or mostly done by car and train, which is less expensive than airplane travel.

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 $76,335 in consulting fees compared to $61,760 in 2019, when it was looking for projects or acquisition targets. This increase in consulting fees was in mostly due to the bonuses paid for completing the RTO. 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 related parties which is discussed at length in the relevant portion of this MD&A.

The Corporation incurred professional fees of $50,187 at August 31, 2020 compared to $105,719 at August 31, 2019. The main reason for this reduction is due to the fact that the Corporation didn't initiate any activities related to the signing of a potential acquisition agreement during the last year, since a merger candidate had been identified.

Office Expenses were $3,639 during the period ($4,820 – 2019). This is mostly due to the Company's reduced activities because of the signing of the merger with Potbotics and COVID-19. Financial fees were $777, during the period vs $192 in 2019, which are mainly due to added banking, fund transfer and related fees. Listing fees came in at $10,434 vs $7,494 during the same period in 2019. This increase was due to added filings with the regulators and the issuance of more news releases. The reduction of Renumeration to Directors from $19,440 during the period in 2019 to $7,350 in 2020 came from the smaller number of options being granted during the period.

3. SUMMARY OF RESULTS

Years ended August 31	**2020**	2019	2018
	$	$	$
Revenues	-	-	-
Expenses	461 252	508 981	687 359
Gain on debt settlement	-	6 417	14 265
Loss resulting from the holding of an investment	-	-	27 909
Net loss and comprehensive income	(461 252)	(502 564)	(701 003)
Basic and fully diluted net loss per share	(0.020)	(0.030)	(0.070)

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

In Dollars	**Nov. 30, 2020**	**Aug. 31, 2020**	**May 31, 2020**	**Feb. 29, 2020**	**Nov. 30, 2019**	**Aug. 31, 2019**	**May 31, 2019**	**Feb. 28, 2019**
Gain on debt settlement	-	-	-	-	-	6 417	-	-
Revenue	2 811	-	-	-	-	-	-	-
Expenses	117 929	219 914	19 747	110 773	110 818	202 987	104 301	127 293
Net loss	(115 118)	(219 914)	(19 747)	(110 773)	(110 818)	(196 570)	(104 301)	(127 293)
Basic loss per share	(0.003)	(0.006)	(0.001)	(0.005)	(0.050)	(0.030)	(0.006)	(0.008)

4. SUMMARY OF STATEMENTS OF FINANCIAL POSITION

	November 30, 2020	**August 31,2020**
Current assets	$1,023,945	$53,179
Non-Current assets	$502,811	-
Total Assets	$1,526,756	$53,179
Current liabilities	$77,643	$55,298
Total Liabilities	$77,643	$55,298

5. SUMMARY OF CASH FLOWS

	November 30, 2020	**November 30,2019**
Operating activities	($98,344)	$(83,358)
Investing activities	($504,295)	-
Financing activities	$1,559,000	$82,000
Net increase (decrease) in cash	$956,361	($1,358)

At November 30, 2020, Prime Blockchain Inc. had a positive working capital amounting to $946,302 compared to a negative working capital amounting to $2,119 at August 31, 2020.

6. SUMMARY OF SHAREHOLDERS' EQUITY

	March 1, 2021	**November 30, 2020**	**August 31, 2020**	**August 31, 2019**
Number of shares outstanding	160,630,360	37,649,633	34,849,633	21,014,901
Stock options	4,800,000	4,800,000	4,500,000	3,900,000
Warrants	151,570,637	29,810,637	27,010,637	17,910,637

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.

During the period ended November 30, 2020, 300,000 options were granted to Directors and Officers.

As at November 30, 2020, the number of issued and outstanding shares was 37,649,633. The number of warrants issued was 29,810,637.

On June 10, 2019, the Board of Directors adopted a resolution by which the various warrants previously issued by the Corporation would benefit from a five (5) year exercise period during which they could be exercised instead of two (2) years as originally issued. This new period started on the date when they were originally issued and will end on the fifth anniversary from said date.

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:

	Period ended November 30, 2020	2019
Consulting fees*	30,000	30,000
Remuneration of directors – stock-based compensation	7,350	19,440
Office expense- rent	-	3,000
Total	$ 37,350	$ 52,440

* Consulting fees for a director 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 November 30, 2020, accounts payable totaled $77,643 ($50,966 as at August 31, 2020) and an amount of $0, payable to a director, without interest ($1,167 as at August 31, 2020).

Management believes that the Corporation's cash position is insufficient 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 the proposed merger and meeting any minimum funding requirements to meet CSE listing conditions which are unknown at this stage. While Prime will endeavour to have as little payables as possible on the merger date it expects that any remaining payable will be covered by the funds in excess of $2.8 million it has raised to date.

10. RISKS AND UNCERTAINTIES

In addition to the credit, liquidity and interest rate risks disclosed in the financial statements in Note 12 - "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 generating revenues, it does not 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 devotes 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 in the common shares of the Corporation resumes it 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.

Management bases its estimates and assumptions on past experiences and 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.

The estimates that have the most significant impact on the amounts recognized in the financial statements are as follows:

- Fair value of shares, warrants and stock options.

There has been no material change in the accounting policies and estimates of the Corporation since August 31, 2020. A full description of the accounting policies is presented in the corresponding section 3 of the financial statements.

New applied accounting standards:

On September 1, 2020, the Company applied the following standards:

Conceptual Framework for Financial Reporting

On March 29, 2018, the International Accounting Standards Board (IASB) published a comprehensive revision of the Conceptual Framework for Financial Reporting. The IASB decided to revise the Conceptual Framework for Financial Reporting because significant issues were not addressed, and some guidance was outdated or unclear. The revised version includes, for example, a new section on evaluation, guidance on the presentation of financial performance and improved definitions of an asset and a liability and guidance to support those definitions. The conceptual framework assists entities in developing their accounting policies when no IFRS applies to a particular situation. This revision did not have any impact on the Company's financial statements.

IAS 1 - Presentation of Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

On October 31, 2018, the IASB published an amendment to IAS 1 - Presentation of Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The amendment, entitled “Definitions of Material”, clarifies the definition of material in IAS 1 and the explanations accompanying that definition, and aligns the definitions used in the various IFRS standards. This amendment did not have any impact on the Company's financial statements.

New standards and interpretations not yet effective

The IASB and the International Financial Reporting Interpretation Committee (IFRIC) have published new standards whose application will be mandatory for fiscal years beginning after September 2021 or subsequent years. Many of these new accounting policies do not apply to the Company, so they are not discussed below.

New future accounting standards

<u>IAS 37 - Provisions, Contingent Liabilities and Contingent Assets</u>

On May <u>14, 2020</u>, the IASB issued Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37), amending the standard regarding costs the Company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. These amendments will apply to financial statements beginning on or after January 1, 2022. The Company has not yet assessed the impact of these amendments on its financial statements.

<u>IAS 1 - Presentation of Financial Statements</u>

The IASB published an amendment to IAS 1 - Presentation of Financial Statements. The amendment concerns the classification of liabilities as current or non-current and only affects the presentation of liabilities in the statement of financial position, and not the amount or timing of recognition of any asset, liability income or expense, or the information that entities disclose about those items. The provisions of this amendment will apply retrospectively to financial statements beginning on or after January 1, 2022. Early adoption is permitted.

On July 15, 2020, the IASB published an amendment to IAS 1 - Presentation of Financial Statements that postpones the effective date to financial statements beginning on or after January 1, 2023. The Company has not yet assessed the impact of this amendment on its financial statements.

<u>12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT</u>

Credit risk

Credit risk is the risk of financial loss for the Company if a counterpart fails to meet its obligations. The maximum credit risk is equal to the Company's cash, advance to a director and other receivables. The credit risk on cash is limited as the contracting party is a financial institution with a high credit rating. The Company does not expect to be exposed to a higher than normal credit risk with respect to the advance to a director. For other receivables, if the transaction mentioned in Note 13 does not materialize, the credit risk will be higher.

Liquidity risk

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

The Company monitors its liquidity, allowing it to seek additional liquidity in a timely manner when necessary. The necessary financing is provided through the issuance of shares that enable the Company to continue as a going concern.

As at November 30, 2020, the Company had current liabilities totaling $77,643 (August 31, 2021 - $55,298).

Fair Value

The carrying amounts of cash, advance to a director, other receivables and accounts payable represent a reasonable estimate of their fair value.

Financial instruments recognized at fair value are classified in a hierarchy that reflects the importance of data used to compile the ratings. This hierarchy includes three levels:

Level 1 - Prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - Evaluation based on data from observable market for the asset or liability, directly or indirectly obtained.

Level 3 - Evaluation based on data other than observable market for the asset or liability.

Cash is classified in Level 1.

During the period ended November 30, 2020 and 2019, there were no transfers in assessments of financial assets between the different levels.

13. SIGNIFICANT EVENTS

On June 17, 2019, the Company concluded the negotiations with PotBotics (¨Potbotics¨) by signing a formal letter of intent (¨LOI¨). On November 12, 2019, the deadline of the formal letter of intent was extended. On September 16, 2020, the Company signed the formal Merger and Plan of Merger Agreement with POTBOTICS, replacing the previously signed LOI. Some of the conditions were changed and they are outlined below. The transaction is structured in the form of a reverse takeover of the Company by POTBOTICS. The Company shall purchase all of the shares and other securities of POTBOTICS. The final transaction is subject to the receipt of legal and fiscal guarantees as well as for securities. The transaction is also conditional upon the reception of a notice of conditional approval of the listing of the resulting company’s shares on the Canadian Securities Exchange (CSE).

As per the signed LOI with PotBotics these changes are to be implemented only upon the merger between the Companies and the listing of the shares being approved by the CSE. These changes are to be acted upon a decision of the current board of Directors of the Corporation.

The Merger and Plan of Merger Agreement calls for Prime to initially lend to POTBOTICS the sum of CA$100,000 which was done on September 16, 2020. Prime has also taken the responsibility of raising the needed capital to qualify for listing on the CSE, which it has mostly raised. Currently this amount is unknown since it will be supplied to the Parties at the time when the Conditional Approval for Listing is received. In addition, the Parties have agreed to NOT ask Prime to consolidate its shares, as was originally required under the LOI. The Company will proceed with the proposed name change and the creation of the two (2) classes of common shares.

14. SUBSEQUENT EVENTS

As stated in the Merger and Plan of Merger Agreement, the parties amended some of the merger conditions. The Company agreed to take the responsibility of raising the funds required to meet the CSE listing approval conditions, which also includes supplying sufficient funds to the resulting issuer so it can meet its operational needs for the first year. In exchange, Potbotics agreed to cancel the requirement to see the Company consolidate its shares and to change the number of subordinate voting shares to be issued in exchange for the Company's shares at the time of the merger.

The Company agreed to finance Potbotics operations and cash needs until the formal merger and the listing of the Company's shares on the CSE. The Company agreed to finance an amount of $2.8 million. Potbotics also allowed the Company to issue a sufficient number of shares so it could meet its operational needs and financial obligations. The final figure is to be determined by the number of shares issued and outstanding in the Company after completing financings so it could meet these requirements.

On December 1, 2020, the Company completed a private placement by issuing 13,166,843 common shares and common share units. Of this amount, the Company raised $500,000 through the issuance of 12,500,000 common share units. 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 $0.075 per share for a period of five years. An additional 666,843 shares were issued in payment for services rendered to the Company by consultants for a value of $26,673. No warrants were issued as part of this compensation.

On December 15, 2020, the Company completed a private placement by issuing 48,000,000 common share units for an amount of $1,920,000. 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 $0.075 per share for a period of five years.

As at November 30, 2020, the Company has cashed an amount of $1,447,000 from the private placements of December 1, 2020 and December 15, 2020, and has consequently recognized shares subscribed but not issued in the amount of $876,970 and warrants subscribed but not issued in the amount of $570,030.

On January 14, 2021, the Company completed a private placement by issuing 41,549,735 common shares and common share units. Of this amount, the Company raised $1,650,400 through the issuance of 41,260,000 common share units. 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 $0.075 per share for a period of five years. An additional 289,735 shares were issued in payment for services rendered to the Company by consultants for a value of $11,589. No warrants were issued as part of this compensation.

On January 25, 2021, the Company completed a private placement by issuing 20,239,148 common shares and common share units. Of this amount, the Company raised $800,000 through the issuance of 20,000,000 common share units. 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 $0.075 per share for a period of five years. An additional 239,148 shares were issued in payment for services rendered to the Company by consultants for a value of $9,565. No warrants were issued as part of this compensation.

14. SUBSEQUENT EVENTS (continued)

From these subscriptions, subscriptions totalling 109,260,000 shares and warrants are conditional to the listing of the Company on the Canadian Securities Exchange. If this condition is not met, the cashed amounts will be reclassified in liabilities.

During the period and following the signature of the Merger and Plan of Merger Agreement, the Company advanced $500,000 to Potbotics. In exchange for receiving these funds, Potbotics issued to the Company promissory notes in same amount. Following the merger, these notes will be cancelled (Note 5).

Since the end of the period, the Company advanced an additional $300,000 to Potbotics under the same conditions and it advanced an amount of $97,100 to Boris Goldstein, Potbotics' chairman, under the same conditions. Following the merger, these notes will be cancelled.

At the end of the period, an amount of $50,000 is shown as having been advanced to M. Beausoleil, the Company's President. This advance was reimbursed by Mr. Beausoleil in February, 2021.

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
March 1, 2021