BLACKCHAIN SOLUTIONS INC.
(FORMERLY BLACKICE ENTERPRISE RISK MANAGEMENT INC.)
Management's Discussion and Analysis
For the year ended August 31, 2017
Dated: December 28, 2017

The following Management's Discussion and Analysis ("MD&A") is prepared as at December 28, 2017 in accordance with National Instrument 51-102F1, and should be read in conjunction with the Company's Audited Financial Statements for the years ended August 31, 2017 and 2016 and accompanying notes. These documents, along with additional information about the Company, are available at www.blackiceinc.com and www.sedar.com.

Blackchain Solutions Inc. (the "Company" or "Blackchain", formerly BlackIce Enterprise Risk Management Inc.) was incorporated pursuant to the Business Corporations Act (British Columbia) on July 10, 2007. The Company is a software sales and consulting company engaged in the business of providing software solutions and consulting services to financial institutions to meet their regulatory obligations. The head office, address and records office of the Company are located at #604 - 207 W Hastings Street, Vancouver, BC, Canada, V6B 1H7.

On December 21, 2017, the Company completed a share consolidation on the basis of 2 old shares for 1 new share. This share consolidation has been retroactively presented in this MD&A and the Company's Audited Financial Statements for the years ended August 31, 2017 and 2016 and all share amounts, including per share amounts, reflect the share consolidation.

Statements included in this MD&A that do not relate to present or historical conditions are forward-looking statements. Forward-looking statements are projections in respect of future events or the Company's future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "intend", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", or "continue", or the negative of these terms or other comparable terminology.

Forward-looking statements in this MD&A include statements with respect to: the ability of the Company to develop its existing or acquire new software solutions; whether any software solutions developed or acquired will be embraced by its potential customers; expected future growth of the risk management and analysis market; and statements regarding estimated capital requirements and use of proceeds. These statements are only predictions and involve known and unknown risks and uncertainties, including the risks in the section entitled "Risk Factors" in this MD&A, and other factors which may cause the Company's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity or performance. Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of such factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

All dollar figures are stated in Canadian dollars unless otherwise indicated.

Business Overview

The Company provides software solutions and consulting services to be marketed to financial institutions to meet their regulatory obligations. The Company currently has two technology based Intellectual Property (IP) applications/solutions to assist financial institutions with compliance with their regulatory obligations - Enterprise Risk Aggregation ("ERA™"); and Governance Compliance Database ("GCD™"). ERA™ provides regulatory capital, economic capital and stress testing capital calculators for wholesale credit risk and retail credit risk. GCD™ solution provides financial institutions with a central repository of all regulatory, country specific regulatory and best practice directives cross-referenced to the relevant Measures of Success and sample artifacts necessary to achieve compliance. Both ERA™ and GCD™ solutions are to be marketed to the financial institution customers and the Company will provide installation and maintenance for an annual charge.

In addition to an enterprise model of solution deployment, the company is also developing a cloud based Software-as-a-Service ("SaaS") solution where it plans to leverage new accounting regulations in the US, by providing advanced data integration in a risk data warehouse supporting sophisticated analytics and comprehensive reporting. In anticipation of the launch of the SaaS Current Expected Credit Loss ("CECL") solution that focuses on US banking industry requirements, the Company launched a new website showcasing the core suite of Blackchain software and services and announced on June 13, 2017 that it has appointed Darren Richarz as the Company's VP of Sales and Marketing to focus on entering the US market. Mr. Richarz brings over 20 years of experience in software sales and marketing across various industries including banking and compliance. Darren has led successful sales engagements to many leading global financial institutions, including Goldman Sachs, Merrill Lynch, BNY Mellon and Morgan Stanley.

In October 2015, the Company announced the sale of its Enterprise Risk Aggregation (ERA™) solution to the Vietnam International Commercial Joint-Stock Bank ("VIB"). The Company completed its implementation of the ERA™ solution at VIB in 2016 to achieve State Bank of Vietnam (SBV) Basel compliance. The Company has implemented a comprehensive version of ERA™ at VIB including regulatory and economic capital calculators, regulatory and management reporting, and stress-testing. The Company has partnered with HPT Vietnam Corporation (HPT), a local systems integrator, and IBM for this project. VIB has received a bundled solution with Blackchain ERA™ and IBM's CognosTM and InfosphereTM products as part of the implementation.

In addition to completing the installation at VIB, the Company continues to develop and market to the Vietnamese market and other markets in Southeast Asia.

ERA™ is considered the new generation in enterprise risk data solutions that leverages the IBM Pure Data System for Analytics (IBM's integrated system that is optimized for Big-Data analysis allowing large complex databases to be analyzed in seconds) and IBM Cognos reporting (Cognos is IBM's line of business intelligence and performance management product). ERA™ provides financial institutions with the capability to provide accurate and complete management and regulatory reporting from a single source to meet the global requirement of the Basel Committee on Banking Supervision ("BCBS" - a committee of Banking supervisory authorities that frames standards and guidelines for banks to adhere to for better governance) demands on Risk Data Aggregation and Risk Reporting.

The ERA™ is built to provide an open solution platform to financial institutions that facilitates the necessary reporting and analytical calculations out-of-the-box for all current regulatory requirements, as well as any future and ad-hoc regulatory requirements. ERA™ is also designed to enable the institutions to enhance or integrate their existing in-house or third-party solutions. IBM Pure Data and Blackchain data models, calculators, and report structures allow execution of enterprise-wide capital calculations and produce reports on a timely basis.

The business requirements supported by the ERA™ solution include, but are not limited to:

- BCBS mandated risk data aggregation principles (2016)
- Full Credit and Trading life cycles
- Basel II/III and Dodd Frank Compliance
- Board & Management – strategic decision making around all risk exposure and alignment with Risk Appetite.
- Global Initiative (GLEI) – awareness that all future financial risk mitigation is dependent on the ability for all global institutions to be able to succinctly identify each other and their cross risk exposures.

The ERA™ Solution architecture outlines the nine tiers of functionality required to meet the necessary business requirements:

1. Data Sources – All potential source systems for data are supported and accommodated.
2. Extraction – Data is extracted from potentially diverse and disparate sources in an efficient and timely manner, ensuring complete auditability and traceability back to original source systems.
3. Enterprise Data Store - The ERA™ data models are a repository that maintains all data at the most granular detail level across the entire enterprise.
4. Transformation and Calculation – The openness of the data warehouse allows the carrying out of various calculations by specialist risk applications (ERA, external vendor or bank developed).
5. Data Marts – The detail level data in the data warehouse facilitates easy aggregation of data for reporting and analysis.
6. Reporting – The ERA™ Solution provides a full suite of 125+ Regulatory and Management reports.

Although IBM provides an excellent opportunity to leverage the Company's products via co-branding, ERA™ is database agnostic and as such it is expected that it can be used on virtually any database platform.

The GCD™ is a unique product that aims to enable regulators and commercial banks to comply with Basel regulations through an efficient and organized approach. The solution is an application that allows financial institutions to assess adherence to Minimum Requirements for Basel, Dodd Frank, and the Volcker Rule (which separates investment banking, private equity and hedge fund trading from banks' consumer lending arms) and for Regulators to assess adherence across financial institutions. GCD™ is intended to facilitate the capture of regulatory compliance information to meet regulatory and Board and senior management responsibilities.

GCD™ is expected to provide financial institutions with a central repository of all country specific regulatory and best practice directives cross-referenced to the relevant Measures of Success and sample Artifacts (e.g., documents, policies, processes, etc.) necessary to achieve compliance. The solution also facilitates the creation and evaluation of a number of risk measurement constructs, with corresponding metrics, necessary to fulfill compliance and governance mandates.

The Company has commenced a new initiative to enhance the Blackchain Enterprise Stress-Testing (BEST™) solution to become the state-of-the-art stress-testing platform that leverages cognitive computing for institutions of all sizes globally. The Company's BEST™ solution will be re-engineered from the ground-up, offering a full end-to-end stress-testing suite, leveraging emerging machine-learning and cognitive computing platforms to automate, learn and enhance the stress-testing process. The aim is to develop a cognitive platform that is able to automate the statistical modeling of credit and default, enabling future applications beyond stress-testing alone.

In January 2017, the Company launched the Blackchain BASEL Solution for Emerging Markets ("BASEL"). BASEL is one of the first solutions, globally, that allow institutions to meet the new revised standardized approach recommended by the BCBS, and is specifically tailored to the needs of institutions in emerging markets. BASEL provides a Basel compliance and risk management solution that leverages the technology within the ERA™ solution, along with the experience the Company has gained at VIB to create a product that meets the immediate goals of financial institutions beginning their capital adequacy initiatives, in addition to supporting their future strategic objectives. BASEL is also specifically designed to provide institutions with a comprehensive foundation to build a strong Basel program where they may have limited Basel risk management experience or resources.

The Company is developing a new SaaS business in the US and has started to build a comprehensive marketing strategy to target small and mid-size institutions in this market. The CECL solution is a SaaS model offering cloud based risk and compliance software to the banking industry with is a monthly recurring revenue subscription model plus additional consulting fees as required. The Company's offering will address a major concern for institutions that may not have the required historic data to comply with CECL, and the Company will be able to leverage its pooled data from institutions of similar profiles as well as 3rd party data vendors to offer such data to its users.

The company is developing a new version of the SaaS ERA™ product as a cloud based platform designed to meet FASB CECL requirements in the US, by deploying the ERA™ solution utilizing blockchain technology.

Market Overview

There is a global market for financial risk analysis, as more countries require their financial institutions to meet regulatory and reporting requirements. In addition, there are international norms and standards for financial institutions which conduct international trade. Today, financial institutions and regulators are under increasing pressure and obligation to understand the complexity of the BCBS and other guidance and to ensure the risk management environment meets not only these expectations but also that of the Board.

In the current global banking environment and considering the complexity of financial institutions, the primary challenge faced by most institutions is their inability to aggregate, link, consolidate and subsequently report all risk exposures across their institution. This complexity affects both Regulatory and Management Reporting across Basel Asset Classes, but also includes other considerations such as stress testing, governance, Global Legal Enterprise Identifier, and concentration risk. The challenge for institutions is to perform this reporting across all business lines and portfolios, ensuring accuracy, integrity, comprehensiveness and completeness of data in a timely manner.

While both the Governance Compliance Database and the Enterprise Risk Aggregation Solution can be implemented in any financial institution, the identification of a target market (i.e., client) is driven by four factors:

1. Complexity of the financial institution's technology;
2. Approximate asset size of the institution;
3. Sophistication / maturity of the financial sector within the country; and
4. Alignment of the institution with the BCBS guidance.

Based on these factors the Company's initial focus is on financial institutions within ASEAN and North Asia as Basel guidance is published by the regulator and implementation time lines are being planned. There are over 450 banks in ASEAN and 1,000 in China that provide immediate opportunities.

There is a demand from banks in developing markets who have a firm obligation to comply with the BCBS regulations on Credit Risk and who can also utilize the analytics from the framework to significantly improve their own financial management of their operations as they grow in their local economies and who may want to expand internationally.

On January 18, 2017, the Company announced it has received confirmation that The State Bank of Vietnam (SBV) has finalized Circular 41 (dated January 4, 2017), that outlines the detailed requirements for the banking industry to comply with BCBS Basel regulations. The finalized guidance is expected to compel institutions to take immediate action to address the Basel requirements through risk management solutions to achieve compliance in a timely manner. As a result, top tier banks in Vietnam are expected to begin implementation initiatives in 2017, with compliance to be met by the end of the year. Lower and mid-tier banks are also expecting to begin Basel planning and are expected to begin procuring solutions towards the end of this year. The Company has already completed its first software solutions installation in Vietnam last fiscal year and so is familiar with the Vietnamese market. This development thus presents an important opportunity for the Company as it believes that several banks will want to move quickly to ensure the implementation process is timely, and gain advantage in a competitive banking environment.

In addition to the opportunities in Vietnam and in other ASEAN and North Asia, there is also a very strong demand from the smaller second and third tier banks operating in other developing markets, especially in Eastern Europe (360 Banks), Central Europe (840 banks) and Russia/Ukraine (1,200 banks). All of these must comply with BCBS regulations by 2019 and they will have to scrutinize their credit risk as they expand, but very few of these banks, have the internal resources or competence to conduct this themselves. The Company provides a packaged solution for this, allowing the banks to concentrate their resources on expanding their business.

The US also provides a significant market opportunity for the Company. There are almost 7,000 banks in the US, most of which are small community based banks. Although the majority of US banks, except for the top tier banks, are not required to comply with BCBS directly, they are required to comply with a version of BCBS as interpreted by the US Federal agencies - namely 'Stress Testing'. These banks face challenges on managing their credit risk, but they lack the internal resources to manage this, so the Company's packaged solutions will also be marketed to these banks in the future. The need for institutions to comply with the BCBS guidance will expedite project identification globally.

Additionally, recent pronouncements from Financial Accounting Standards Board ("FASB") and International Financial Reporting Standards ("IFRS") provide revised guidance on how banks estimate losses in the allowance for loans. Under FASB, the recent Current Expected Credit Loss ("CECL") guidance revisits how banks estimate losses in the allowance for loans, with the new approach requiring institutions to use historical information, current conditions and reasonable forecasts to estimate the expected loss over the life of the loan. Blackchain solutions support the gathering of this credit lifecycle data, all of the necessary analytics and calculations and the resulting reporting, required by these new regulations. Under IFRS, the recent Expected Credit Loss ("ECL") guidance revisits how banks estimate losses in the allowance for loans, with the new approach relying on historical credit risk data. Blackchain solutions support the gathering of this credit lifecycle data, all of the necessary analytics and calculations and the resulting reporting, required by these new regulations. These pronouncements present an immediate opportunity for the Company to further leverage its software solutions to meet this emerging need, especially in the US market.

The Company continues to focus on the Vietnam region, but also anticipates expanding to other emerging markets in the region including Myanmar, Cambodia, Nepal, and eventually African countries. The Company is also aggressively pursuing the US opportunities noted above and has appointed an experienced VP of Sales and Marketing to focus on entering the US market with its leading edge CECL solution quickly and effectively.

Selected Annual Financial Information

The table below sets out certain selected financial information regarding the operations of the Company for the periods indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes:

	Year ended August 31, 2017	Year ended August 31, 2016	Year ended August 31, 2015
Revenue	$ -	$ 282,755	$ -
Net loss and comprehensive loss	$ 1,126,981	$ 744,530	$ 1,388,322
Loss per share	$ 0.02	$ 0.02	$ 0.04
Total assets	$ 58,163	$ 544,652	$ 514,870

The Company did not record any revenues in 2017 and incurred a net loss of $1,126,981, where in 2016, the Company successfully completed its first sale and implementation of its ERA™ solution in Vietnam and recorded $282,755 in sales revenue and a net loss of $744,530. The increased net loss of $382,451 in the current year is largely attributed to a recognition of an impairment of intangible assets, share-based compensation from issuance of share options, and higher consulting fees. Prior to the 2016 fiscal year, the Company was primarily a development stage company and had not recorded any revenues. The decrease in net loss from 2015 to 2016 can be generally related to the revenue generated in 2016 and a large share-based compensation expense recorded in 2015 of $421,175.

The Company's asset base has consisted predominately of intangible assets associated with the Company's intellectual property. Total assets for the current fiscal year decreased to $58,613 after recognition of an expense for $296,899 for impairment of intangible assets and now consist largely of cash and GST receivables. At the end of fiscal 2016, with the sale of its first software solution installation during the year, the Company's assets largely consisted of its unamortized intangible assets and $90,254 in accounts receivable resulting from its sales. Total assets at the end of the 2015 fiscal year was consisted mostly of the Company's intangible assets and GST receivables.

The Company has not declared any dividends since its incorporation, and does not anticipate paying cash dividends in the foreseeable future on its common shares, but intends to retain any future earnings to finance internal growth, acquisitions and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

Selected Quarterly Financial Information

A summary of results for the last eight quarters follows:

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	$ -	$ -	$ -	$ -	$ 42,049	$ 18,051	$ 222,655	$ -
Net loss	$ 484,779	$ 137,680	$ 211,133	$ 293,389	$ 429,676	$ 182,782	$ 27,637	$ 104,435
Loss per share	$ 0.01	$ 0.00	$ 0.00	$ 0.01	$ 0.01	$ 0.00	$ 0.00	$ 0.00

Due to rounding, the figures for the Company's loss per share may not add up to the amount disclosed in the Company's financial statements.

The Company has begun recording revenues since the second quarter of fiscal 2016 with the initial sale and installation of its software solutions. The Company completed implementation of this sale in the last quarter of 2016 and no revenues were recorded in the current year. For the three months ended August 31, 2017, the Company recorded a net loss of $484,779, compared to a net loss of $427,002 in the same period in fiscal 2016. Although the Company recorded an impairment charge of $296,899 against its intangible assets in the current quarter, the loss was offset by a gain on settlement of debt of $100,650 and a gain of $26,843 on the write-off of certain accounts payable.

Quarterly results will continue to fluctuate dependent on activities associated with implementation of the Company's sales of its software solutions, as well as marketing and promotional activities of its product offerings.

Results of Operations

The Company successfully completed its first sale and implementation of its ERA™ solution in Vietnam in 2016 and has continued to intensify its sales and marketing activities in the Southeast Asia region and the US. With the commercialization of its products, the Company also began amortization of its intangible assets in 2016.

As at August 31, 2017 the Company reviewed and determined that an indicator of asset impairment existed under IFRS requirements for the deferral of development expenses, namely the significant decline in sales in the Company's software solution to the banking industry in Southeast Asia. As a result of the delay in the implementation of Basel requirements in the region, significant market uncertainty still exists. This uncertainty impacts the earnings potential of the Company's cash generating unit; therefore, an asset impairment test was performed at August 31, 2017.

Upon completion of the asset impairment testing, the Company concluded that the intangible assets are impaired under IFRS requirements, and an impairment of $296,899 was recognized as a result of the reduction in the anticipated recoverable amount of the capitalized carrying value of the intangible assets.

The impairment charge against intangible assets was made in accordance with IFRS requirements and is by no way an indication that the Company has abandoned its technology. The Company is developing a new SaaS business in the US and has started to build a comprehensive marketing strategy to target small and mid-size institutions in this market. The company has continued the development of deploying its ERA™ and GCD™ solutions in the SaaS, cloud based platform to meet the FASB CECL requirements in the US. The new version of the SaaS ERA™ product will be designed to deploy the ERA™ solution utilizing blockchain technology.

The Company's carrying value of the intangible assets are as follow:

Balance, August 31, 2015	$	475,457
Development costs capitalized:		
Consulting fees		6,000
Amortization		(88,267)
Balance, August 31, 2016		393,190
Amortization		(96,291)
Impairment		(296,899)
Balance, August 31, 2017	$	-

<u>*Three months ended August 31, 2017*</u>

During the current quarter, the Company recorded a net loss of $484,779 ($0.01 net loss per share) compared to $427,002 ($0.01 net loss per share) in the same period in fiscal 2016. The Company did not record any revenues in the current quarter and recorded revenues of $42,029 in the same quarter last year with a negative gross margin of $260,366 from recognition of additional development costs and amortization of intangible assets for the implementation completion of the initial sale of its ERA™ solution to VIB. The Company recorded a gain on settlement of debt of $100,650 (2016 – $5,000) and a gain of $26,843 (2016 – nil) on the write-off of certain accounts payable in the current quarter. The Company did not pay any income taxes in the current quarter while it paid $22,680 in withholding taxes in Vietnam in the same quarter last year.

The Company incurred operating expenses of $612,272 in the current quarter (2016 - $151,630). Operating expenses were $460,642 or 304% higher than in the same period last year. The following is a summary of the Company's operating expenses for the three months ended August 31, 2017 and 2016.

Summary of Operating Expenses:	2017Q4	2016Q4
Advertising	$ -	$ -
Amortization of intangible assets	24,073	-
Bank charges	1,639	619
Consulting fees	183,847	30,000
Depreciation	168	241
Impairment of intangible assets	296,899	-
Investor relations	-	25,300
Listing and filing	6,279	5,006
Management Fees	30,000	45,000
Office and miscellanous	3,268	24,309
Professional fees	22,350	24,646
Promotion and travel	13,746	(3,887)
Rent	12,003	396
Salaries and wages	18,000	-
Share based compensaion	-	-
Total operating expenses	$ 612,272	$ 151,630

The following expenses in the current quarter increased:

- Amortization of intangible assets was $24,073 (2016 – nil) for the quarter. Similar amortization amount was classified as cost of revenue in the prior year's quarter relating to revenues for that period.
- The Company recorded $183,847 (2016 – 30,000) in consulting fees in the current quarter, an increase of $153,847, as a result of settling consultant costs for corporate development activities.
- An impairment charge of $296,899 (2016 – nil) was recorded in the current quarter against intangible assets.
- Listing and filing fees were $6,279 (2016 - $5,006), up by $1,273 due to increased activity as the Company completed a private placement and a share for debt settlement in the current quarter.
- Promotion and travel costs were $13,746 (2016 - $3,887 recovery), an increase of $17,633 for the quarter due to reclassification of some of the travel costs to cost of revenue in the same quarter in the prior year's quarter as Company staff devoted much time overseas in completing the implementation of its sales installations.
- Salaries and wages were $18,000 (2016 – nil), an increase of $18,000 for the quarter for similar reason as the increase in promotion and travel costs above.
- Rent expense was $12,003 (2016 - $396) during the quarter and was $11,607 higher than the same period last year. To conserve cash, the Company sublet its office space during the year to an outside party and utilized a property owned by the CEO for its office operations. In return, the Company has agreed to reimburse the CEO for a portion of this cost for the year and the adjustment was recorded in the current quarter. The annual savings of this arrangement amounted to $4,800 to the Company.

Offsetting the above increased expenses were decreases in the following:

- Investor relation expense was nil (2016 - $25,300) as the company did not partake in any investor relation activities during the quarter.
- Management fees were $30,000 (2016 - $45,000), or $15,000 lower than in the same quarter in 2016 as the previous year included a fee adjustment for a similar amount.
- Office and miscellaneous expenses were $3,268 (2016 - $24,309), down by $21,041 from the same period in 2016 as the company made conscious efforts in reducing overhead.
- Professional fees of $22,350 (2016 - $24,646) for the period was down slightly by $2,296 and remained relatively stable.

Amounts for depreciation, and bank charges and interest, were not material in either the current quarter or the same quarter in 2016.

Year ended August 31, 2017

During the current year ended August 31, 2017, the Company recorded a net loss of $1,126,981 ($0.02 net loss per share) compared to $744,530 ($0.02 net loss per share) in fiscal 2016. The Company did not record any revenues in the 2017 and recorded revenues of $282,755 in the prior year with a gross margin loss of $222,471 from the initial sale of its ERA™ solution to VIB. The Company recorded a gain on settlement of debt of $100,650 (2016 – $7,674) and a gain of $26,843 (2016 – nil) on the write-off of certain accounts payable at the end of current fiscal year. The Company did not pay any income taxes in the current year and paid $22,680 in withholding taxes in Vietnam in the last fiscal year.

The Company incurred operating expenses of $1,254,474 in 2017 (2016 - $507,053). Operating expenses were $747,421 or 147% higher than in the prior year. The following is a summary of the Company's operating expenses for the years ended August 31, 2017 and 2016.

	Year ended Aug 31, 2017	
Summary of Operating Expenses:	2017	2016
Advertising	$ 450	$ -
Amortization of intangible assets	96,291	-
Bank charges	2,877	2,956
Consulting fees	331,977	120,000
Depreciation	673	962
Impairment of intangible assets	296,899	-
Investor relations	80,000	65,550
Listing and filing	31,524	28,263
Management Fees	120,000	135,000
Office and miscellanous	23,920	36,256
Professional fees	45,894	45,842
Promotion and travel	57,689	31,791
Rent	3,080	40,433
Salaries and wages	72,000	-
Share based compensaion	91,200	-
Total operating expenses	$ 1,254,474	$ 507,053

The following expenses in 2017 increased:

- Amortization of intangible assets was $96,291 (2016 – nil) for the year. Similar amortization amount was classified as cost of revenue in the prior year relating to revenues generated for 2016.
- The Company recorded $331,977 (2016 – 120,000) in consulting fees in the current quarter, an increase of $211,977 of which most of it the result of settling consultant costs for corporate development activities.
- An impairment charge of $296,899 (2016 – nil) was recorded in the current year against intangible assets.
- Investor relation expense was 80,000 (2016 - $65,550), an increase of $14,450 where most of that activity was occurred earlier in the year and services were settled by issuance of the Company's common shares.
- Listing and filing fees were $31,524 (2016 - $28,263), up by $3,261 due to increased private placement activities as compared to 2016.
- Professional fees of $45,894 (2016 - $45,842) for the year remained stable to 2016 as it only increased by $52.
- Promotion and travel costs were $57,689 (2016 - $31,791), an increase of $25,898 for the year due to reclassification of some of the travel costs to cost of revenue in the prior year as Company staff devoted much time overseas in completing the implementation of its sales installations in 2016.
- Salaries and wages were $72,000 (2016 – nil), an increase of $72,000 for the year for similar reason as the increase in promotion and travel costs above.
- Share-based compensation expense was $91,000 (2016 – nil), as the increase was the direct result of having granted stock options in 2017, none in 2016.

Offsetting the above increased expenses were decreases in the following:

- Management fees were $120,000 (2016 - $135,000), or $15,000 lower than in 2016 as the previous year included a fee adjustment for a similar amount.
- Office and miscellaneous expenses were $23,920 (2016 - $36,256), down by $12,336 from 2016 as the company made conscious efforts in reducing overhead.
- Rent expense was $3,080 (2016 - $40,433) for 2017 and was $37,353 lower than in 2016. To conserve cash, the Company sublet its office space during the year to an outside party and utilized a property owned by the CEO for its office operations where the arrangement accounted for savings to the Company. The Company also recorded a rent recovery in the first quarter of 2017 associated with collection of rent on sublet of its Vancouver office space from a prior period.

Amounts for depreciation, and bank charges and interest, were not material in 2017 or 2016.

Related Party Transactions and Balances

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board of Directors. Short-term key management compensation consisted of the following:

	Year ended August 31, 2017	2016
Transactions		
Management fees:		
Chief Executive Officer ("CEO") and a company controlled by CEO	$ 120,000	$ 135,000
	$ 120,000	$ 135,000
Costs of revenues, development costs, consulting fees, rent, and salaries and wages:		
Chief Operating Officer ("COO") and Director	$ 30,000	$ 120,000
Chief Technology Officer ("CTO") and a company controlled by CTO	72,000	58,963
	$ 102,000	$ 178,963
Investor relations, rent, and consulting fees:		
CEO	$ 12,000	$ -
Vice President, Corporate Finance ("VPCF") and Director and a company controlled by the VPCF	65,000	60,000
Director	18,000	-
	$ 95,000	$ 60,000
Share-based compensation:		
CEO	$ 9,120	$ -
COO and Director	9,120	-
CTO	9,120	-
VPCF and director and a company controlled by the VPCF	27,360	-
Director	9,120	-
	$ 63,840	$ -
Settlement of debt for shares		
CEO	$ 220,000	$ 250,000
COO	160,000	120,000
CTO	23,000	-
VPCF and director and a company controlled by the VPCF	19,250	50,000
	$ 422,250	$ 420,000

Of the development costs and salaries and wages paid to related parties, $72,000 (2016 - $52,693) is included in cost of revenues and salaries and wages on the statements of comprehensive loss, and $nil (2016 - $6,000) is included in intangible assets. There was no share-based compensation included in intangible assets in 2017 or 2016.

Below is table listing the balances outstanding due to key management personnel.

	As at August 31, 2017	2016
Balances		
Due to related parties		
CEO and a company controlled by the CEO	$ 188,302	$ 378,792
COO and Director	6,000	130,000
CTO and a company controlled by the CTO	36,350	51,150
VPCF and director and a company controlled by the VPCF	-	16,550
Director	18,000	-
	$ 248,652	$ 576,492

Balances are unsecured, non-interest bearing, and payable on demand.

During 2017, the Company issued 5,032,500 (2016 – 4,244,444) common shares in settlement of debt of $503,250 (2016 - $507,674), of which 4,222,500 (2016 – 3,444,444) common shares were issued to related parties in settlement of debt of $422,250 (2016 - $420,000).

Additionally during the current year, the Company entered into consulting agreements with the CEO, CTO and the Vice President, Sales and Marketing for aggregate compensation of $362,000 per annum. As at August 31, 2017, the total remaining commitments under these agreements is $314,395.

Liquidity and Capital Resources

The Company's cash position as at August 31, 2017 was $6,369 with a working capital deficit of $353,742. Total assets as at August 31, 2017 was $58,163.

On December 4, 2015, the Company issued 4,244,444 common shares with total value of $500,000 in settlement of debt of $507,674.

On February 12, 2016, the Company completed a non-brokered private placement of 1,086,500 units at $0.10 per Unit for gross proceeds of $108,650 with a finders fee of $2,240, with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable to purchase one common share at $0.20 per common share until February 12, 2018.

On April 11, 2016, the Company completed a non-brokered private placement of 3,577,500 units at $0.10 per unit for gross proceeds of $357,750. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant is exercisable to acquire an additional common share at $0.20 per common share until April 11, 2018. The Company also incurred net issue costs of $27,586.

Of the two private placements above, $35,250 in proceeds was received by way of services provided as consideration.

On November 8, 2016, the Company completed a private placement by issuing 1,400,000 units at $0.10 per unit for gross proceeds of $140,000 comprising of $90,000 cash and $50,000 in consideration of services provided by a related party. Each unit consisted of one common share of the Company and one-half common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one additional common share at a price of $0.20 cents per common share for a period of two years from the closing date. A finder's fee of $1,000 was paid in connection with the private placement.

On December 15, 2016, the Company completed a private placement by issuing 3,430,000 units at $0.10 per unit for gross proceeds of $343,000 comprising of $328,000 cash and $15,000 in consideration of services provided by an independent party. Each unit consisted of one common share of the Company and one-half non-transferable common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one additional share at a price of $0.20 per common share for a period of two years. Based on the market price of the common shares on the date of announcement, the Company allocated $34,300 to the fair value of the warrants. A finder's fee of $32,800 was paid in connection with the private placement.

On August 10, 2017, the Company completed a non-brokered private placement of 700,000 units at $0.10 per unit for gross proceeds of $70,000. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant is exercisable to acquire an additional common share at $0.20 per common share until August 10, 2019. Based on the market price of the common shares on the date of announcement, the Company allocated $28,000 to the fair value of the warrants.

On August 17, 2017, the Company settled outstanding debts totaling $484,000 by the issuance of 4,840,000 common shares in its capital at a price of $0.08 per share. The Company recorded a gain on settlement of debt of $96,800. In addition, the Company settled outstanding debts totaling $19,250 by the issuance of 192,500 common shares in its capital at a price of $0.08 per share. The Company recorded a gain on settlement of debt of $3,850.

Going Concern

The financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. As at August 31, 2017, the Company had a working capital deficit of $353,742, and for the year then ended, had a net loss of $1,126,981 and had negative cash flows from operations of $541,426. The Company has funded ongoing operations primarily from proceeds of loans and advances from related parties and the issuance of shares.

In the prior fiscal year, the Company announced the initial sale of its ERA™ solution to a bank in Vietnam to enable the bank to comply with Basel reporting requirements and recorded revenues of $282,755. The Company will continue to develop and expand its Vietnamese market and other markets in Southeast Asia, as well as enter into the US market with its new SaaS offering as previously described. In order to meet its business objectives and to settle its liabilities as they become due, the Company expects to require additional financing in 2018. The Company plans to raise further funds by way of equity issuance or related party loans in 2018. The Company's continuing operations and its financial success is dependent upon the extent to which it can successfully raise the capital to implement its future plans and ultimately on generating sufficient revenue to attain profitable operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Share Capital

The Company's authorized capital consists of an unlimited number of common shares without par value. On December 21, 2017, the Company completed a share consolidation on the basis of 2 old shares for 1 new share. This share consolidation has been retroactively presented in this MD&A and all share amounts, including per share amounts, reflect the share consolidation.

Below is the summary of the Company's share capital as at August 31, 2017 and as of the date of this report:

	As at	
Security description	August 31, 2017	Date of Report
Common shares - issued and outstanding	53,002,938	53,002,938
Options - unvested	-	-
Options - vested	2,875,000	2,875,000
Warrants issued in private placements	5,640,250	5,640,250
Common shares - fully diluted	61,518,188	61,518,188

Pursuant to an escrow agreement dated June 2, 2014, 22,000,000 common shares issued are subject to escrow restrictions. 3,300,000 common shares are released from escrow in six-month intervals. As at August 31, 2017, all the shares have been released from escrow.

Subsequent Event

On December 21, 2017, the Company completed a share consolidation on the basis of 2 old shares for 1 new share. This share consolidation has been retroactively presented in this MD&A.

Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the results of operations and financial position. By their nature, these judgments are subject to an inherent degree of uncertainty and are based on historical experience, trends in the industry and information available from outside sources. Management reviews these estimates on an ongoing basis. Different accounting policies, or changes to estimates or assumptions could potentially have a material effect, positive or negative, on the Company's financial position and results of operations. Actual results could differ from those reported.

Intangible assets and research and development costs

The Company is engaged in research and development activities and has internally generated intangible assets. Intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses. Research costs are expensed as incurred. Development costs are capitalized if all of the following can be demonstrated:

- Technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Intention to complete the intangible asset and use or sell it;
- Ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- Availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- Ability to measure reliably the expenditures attributable to the intangible asset during its development.

Intangible assets are amortized over their expected life of five years.

Significant, unanticipated changes to the above assumptions could require a provision for impairment in the future. During the current year, the Company determined that an indicator of asset impairment existed, namely the significant decline in sales in the Company's software solution to the banking industry in Southeast Asia. As a result of the delay in the implementation of Basel requirements, significant market uncertainty still exists. This uncertainty impacts the earnings potential of the Company's cash generating unit; therefore, an asset impairment test was performed at August 31, 2017.

Upon completion of the asset impairment testing, the Company concluded that the intangible assets are impaired and an impairment of $296,900 was recognized as a result of the reduction in the anticipated recoverable amount of the capitalized carrying value of the intangible assets.

Share-based compensation

The fair value of stock options, restricted share units, and broker warrants is estimated using the Black-Scholes option pricing model, which includes underlying assumptions, related to the risk-free interest rate, average expected option life, estimated forfeitures, estimated volatility of the Company's shares and anticipated dividends.

Future Accounting Pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended August 31, 2017, and have not been applied in preparing these financial statements. The following standards and interpretations applicable to the Company have been issued by the IASB and the IFRIC effective for annual periods beginning on or after September 1, 2017.

(a) IFRS 9 – *Financial Instruments*

IFRS 9 includes requirements for recognition and measurement, derecognition and hedge accounting. IFRS 9 was originally issued on November 2009, reissued in October 2010, and then amended in November 2013. The IASB is adding to the standard as it completes the various phases of its comprehensive project on financial instruments, and so it will eventually form a complete replacement for IAS 39 Financial Instruments: Recognition and Measurement.

In July 2014, the IASB published the final version of IFRS 9 bringing together the classification and measurement, impairment and hedge accounting phases of the IASB project to replace IAS 39. This version adds a new expected loss impairment model and limited amendments to classification and measurement of financial assets. IFRS 9 is effective for the Company for periods beginning on or after September 1, 2018.

(b) IFRS 15 Revenue from Contracts with Customers

On May 28, 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers.* The new standard is effective for the Company for annual periods beginning on September 1, 2018. Earlier application is permitted.

IFRS 15 will replace IAS 11 *Construction Contracts*, IAS 18 *Revenue,* IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers*, and SIC 31 *Revenue – Barter Transactions Involving Advertising Services.*

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized.

The new standard applies to contracts with customers. It does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs.

The Company intends to adopt IFRS 15 in its financial statements for the annual period beginning on September 1, 2018.

None of the above standards are expected to affect the existing financial statements but may affect the accounting for future transactions.

Off-balance sheet arrangements

The Company does not currently have any off-balance sheet arrangements.

Risk and Uncertainty Factors

Risks Related to our Business

Limited Operating History:

The Company is a development stage company which has a limited operating history and has only generated revenues derived from operations in the 2016 fiscal year where the Company completed implementation of its initial sale of its ERA™ solution to VIB to achieve SBV Basel compliance.

Significant expenditures have been focused on research and development to create its ERA™ and GCD™ solutions. The Company's near-term focus remains in actively developing reference accounts and building sales, marketing and support capabilities. As a result of these and other factors, the Company may not be able to achieve, sustain or increase profitability on an ongoing basis. The company is developing a new version of the SaaS ERA™ product as a cloud based platform designed to meet FASB CECL requirements in the US, by deploying the ERA™ solution utilizing blockchain technology.

The Company is subject to many risks common to development stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, technology, and market acceptance issues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the Company's early stage of operations.

Problems Resulting from Rapid Growth:

The Company has been pursuing, from the outset, a plan to market its software solutions to banks abroad and in North America and will continue to require capital in order to meet these growth plans and there can be no assurances that the Company’s capital resources will enable he Company to meet these growth needs. The plan will place significant demands upon the Company’s management and resources. Besides attracting and maintaining qualified personnel, employees or contractors, the Company expects to require working capital and other financial resources to meet the needs of its planned growth. No assurance exists that the plans will be successful or that these items will be satisfactorily handled, and this may have material adverse consequence on the business of the Company.

Additional Financing Will be Required:

The Company will need additional financing to continue its operations. Financing may not be available to the Company on commercially reasonable terms, if at all, when needed. There is no assurance that the Company will be successful in raising additional capital or that the proceeds of any future financings will be sufficient to meet its future capital needs.

Impact of Competition:

The technology industry is very dynamic with new technology and services being introduced by a range of players, from larger established companies to start-ups, on a frequent basis. Newer technology may render the Company's technology obsolete which would have a material, adverse effect on its business and results of operations. The Company will be competing with others offering similar products. If the Company's systems and technology fail to achieve or maintain market acceptance, or if new technologies are introduced by competitors that are more favorably received than the Company's technology, or are more cost-effective or provide legal exclusivity through patents or are otherwise able to render the Company's technology obsolete, the Company will experience a decline in demand which will result in lower sales performance and associated reductions in operating profits all of which would negatively affect stock prices for the Company.

Information Technology, Network and Data Security Risks:

The Company faces security risks. Any failure to adequately address these risks could have an adverse effect on the business and reputation of the Company. Computer viruses, break-ins, or other security problems could lead to misappropriation of proprietary information and interruptions, delays, or cessation in service to clients.

Reliance on Third Parties:

The Company relies on certain technology services provided to it by third parties, and there can be no assurance that these third party service providers will be available to the Company in the future on acceptable commercial terms or at all. If the Company were to lose one or more of these service providers, it may not be able to replace them in a cost effective manner, or at all. This could harm the business and results of operations of the Company.

Investment in Technological Innovation:

If the Company fails to invest sufficiently in research and product development, its products could become less attractive to potential clients, which could have a material adverse effect on the results of operations and financial condition of the Company.

New Laws or Regulations:

A number of laws and regulations may be adopted within the banking industry both domestically and internationally. Adoption of any such laws or regulations might impact the ability of the Company to deliver increasing levels of technological innovation and will likely add to the cost of developing its software solutions, which would adversely affect its results of operations.

Retention or Maintenance of Key Personnel:

There is no assurance that the Company can continuously attract, retain or maintain key personnel in a timely manner if the need arises, even though qualified replacements are believed by management to exist. Failure to have adequate personnel may materially harm the ability of the Company to operate. The Company considers the services of Judy Kalyan, CEO, CFO, and CIO, to be key to the operation of the Company. While there can be no assurances as to the continued retention of Ms. Kalyan, the Company believes that she is heavily incentivized through stock ownership, and other compensation, so that the risk of departure is low.

Proprietary Rights Could Be Subject to Suits or Claims:

No assurance exists that the Company or any Company with which it transacts business, can or will be successful in pursuing protection of proprietary rights such as business names, logos, marks, ideas, inventions, and technology which may be acquired over time. In many cases, governmental registrations may not be available or advisable, considering legalities and expense, and even if registrations are obtained, adverse claims or litigation could occur.

Lack of Control in Transactions:

Management of the Company intends to retain other companies to perform various services, but may not be in a position to control or direct the activities of the parties with whom it transacts business. Success of the Company may be subject to, among other things, the success of such other parties, with each being subject to their own risks.

No Guarantee of Success:

The Company, as well as those companies with which it intends to transact business, have significant business purchases, advertising, and operational plans pending and is/are, therefore, subject to various risks and uncertainties as to the outcome of these plans. No guarantee exists that the Company, or any company with which it transacts business, will be successful.

Fluctuations in Operating Results:

The Company's revenues and operating results may fluctuate from quarter to quarter and from year to year due to a combination of factors, including, but not limited to: access to funds for working capital and market acceptance of its services.

Revenues and operating results may also fluctuate based upon the number and extent of potential financing activities in the future. Thus, there can be no assurance that the Company will be able to reach profitability on a quarterly or annual basis.

Financial, Political or Economic Conditions:

The Company may be subject to additional risks associated with doing business in foreign countries.

The Company currently operates within Canada and overseas. As a result, it may face significant additional risks associated with doing business in other countries. In addition to the language barriers, different presentations of financial information, different business practices, and other cultural differences and barriers, ongoing business risks may result from the international political situation, uncertain legal systems and applications of law, prejudice against foreigners, corrupt practices, uncertain economic policies and potential political and economic instability. In doing business in foreign countries, the Company may also be subject to such risks, including, but not limited to, currency fluctuations, regulatory problems, punitive tariffs, unstable local tax policies, trade embargoes, expropriation, corporate and personal liability for violations of local laws, possible difficulties in collecting accounts receivable, increased costs of doing business in countries with limited infrastructure, and cultural and language differences. The Company also may face competition from local companies which have longer operating histories, greater name recognition, and broader customer relationships and industry alliances in their local markets, and it may be difficult to operate profitably in some markets as a result of such competition. Foreign economies may differ favorably or unfavorably from the Canadian economy in growth of gross national product, rate of inflation, market development, rate of savings, and capital investment, resource self-sufficiency and balance of payments positions, and in other respects.

When doing business in foreign countries, the Company may be subject to uncertainties with respect to those countries' legal system and application of laws, which may impact its ability to enforce agreements and may expose it to lawsuits.

Legal systems in many foreign countries are new, unclear, and continually evolving. There can be no certainty as to the application of laws and regulations in particular instances. Many foreign countries do not have a comprehensive system of laws, and the existing regional and local laws are often in conflict and subject to inconsistent interpretation, implementation and enforcement. New laws and changes to existing laws may occur quickly and sometimes unpredictably. These factors may limit the Company's ability to enforce agreements with its current and future clients and vendors. Furthermore, it may expose the Company to lawsuits by its clients and vendors in which it may not be adequately able to protect itself.

When doing business in foreign countries, the Company may be unable to fully comply with local and regional laws which may expose it to financial risk.

When doing business in foreign countries, the Company may be required to comply with informal laws and trade practices imposed by local and regional government administrators. Local taxes and other charges may be levied depending on the local needs to tax revenues, and may not be predictable or evenly applied. These local and regional taxes/charges and governmentally imposed business practices may affect the cost of doing business and may require the Company to constantly modify its business methods to both comply with these local rules and to lessen the financial impact and operational interference of such policies. In addition, it is often extremely burdensome for businesses operating in foreign countries to comply with some of the local and regional laws and regulations. Any failure on the part of the Company to maintain compliance with the local laws may result in fines and fees which may substantially impact its cash flow, cause a substantial decrease in revenues, and may affect its ability to continue operation.

Risks Related to the Company's Intellectual Property

Protection of the Company's Intellectual Property:

The Company's products utilize a variety of proprietary rights that are important to its competitive position and success. To date, the Company has not been granted any definitive patents and because the Intellectual Property associated with the Company's technology is evolving and rapidly changing, current intellectual property rights may not adequately protect the Company. The Company may not be successful in securing or maintaining proprietary or future patent protection for the technology used in its systems or services, and protection that is secured may be challenged and possibly lost. The Company generally enters into confidentiality or license agreements, or has confidentiality provisions in agreements with the Company's employees, consultants, strategic partners and clients and controls access to and distribution of its technology, documentation and other proprietary information. The Company's inability to protect its Intellectual Property adequately for these and other reasons could result in weakened demand for its systems or services, which would result in a decline in its revenues and profitability.

Third Party Intellectual Property Rights:

The Company could become subject to litigation regarding intellectual property rights that could significantly harm its business. The Company's commercial success will also depend in part on its ability to develop and sell its software solutions without infringing on the patents or proprietary rights of third parties. Competitors, many of whom have substantially greater resources than the Company and have made significant investments in competing technologies or products, may seek to apply for and obtain patents that will prevent, limit or interfere with the Company's ability to make or sell the Company's systems or provide the Company's services.

Other Risks

The Company’s Share Price Fluctuations and Speculative Nature of Securities:

The price of the Company Shares could fluctuate substantially and should be considered speculative securities. The price of the Company’s shares may decline, and the price that prevails in the market may be higher or lower than the price investors pay depending on many factors, some of which are beyond the Company's control. In addition, the equity markets in general have experienced extreme price and volume fluctuations historically that have often been unrelated or disproportionate to the operating performance of those companies. These broad market factors may affect the market price of the Company’s Shares adversely, regardless of its operating performance.

Volatility in the Price of the Company Shares:

The market for the Company’s Shares may be characterized by significant price volatility when compared to seasoned issuers, and management expects that the share price will be more volatile than a seasoned issuer for the indefinite future. In the past, plaintiffs have often initiated securities class action litigation against a company following periods of volatility in the market price of its securities. The Company may in the future be a target of similar litigation. Securities litigation could result in substantial costs and liabilities and could divert management's attention from day-to-day operations and consume resources, such as cash.

Operating results may fluctuate as a result of a number of factors, many of which are outside of the control of the Company. The following factors may affect operating results: ability to compete; ability to attract clients; amount and timing of operating costs and capital expenditures related to the maintenance and expansion of the business, operations and infrastructure; general economic conditions and those economic conditions specific to the banking industry; ability to keep web access operational at a reasonable cost and without service interruptions; the success of product expansion; and ability to attract, motivate and retain top-quality employees.

Investor Relations

The Company maintains a website at www.blackiceinc.com, and has not entered into any agreements with any investor relations firms. Additional information on the Company can also be found on www.sedar.com.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and capitalized development costs in intangible assets is provided in the Company's Statements of Comprehensive Loss and note 6 in its annual audited financial statements for the year ended August 31, 2017, which is available on the Company's website or through www.sedar.com.