

The following Management's Discussion and Analysis ("MD&A") is prepared as at January 28, 2021 in accordance with National Instrument 51-102F1, and should be read together with the condensed interim consolidated financial statements for the three months ended November 30, 2020 and related notes, and the audited consolidated financial statements for the year ended August 31, 2020 and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). These documents, along with additional information about the Company, are available at www.sedar.com.

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of the date of the MD&A, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

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

The Company's Business

Blackchain Solutions Inc. (the "Company") was incorporated pursuant to the Business Corporations Act (British Columbia) on July 10, 2007. On September 21, 2018, the Company changed its name to Trackloop Analytics Corp. The Company was 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. During the year ended August 31, 2019, the Company acquired Chaintrack Technologies Inc. The head office, address and records office of the Company are located at Suite 1000 – 409 Granville Street, Vancouver, BC, Canada, V6C 1T2.

On September 24, 2019, the Company entered into a share purchase agreement with one of the former shareholders of Chaintrack (the "Purchaser"), wherein the Company agreed to sell all of the issued and outstanding shares in the capital of Chaintrack, issue a promissory note in the amount of \$37,500 (paid) in favour of the purchaser and consent to the Purchaser the use of the name Trackloop Analytics Corp.

There was a global outbreak of COVID-19 that has resulted in changes in global supply and demand of certain mineral and energy products. These changes including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined but they could have a prospective material impact to the Company's search for new business opportunities.

On October 29, 2020, the Company entered into a definitive share exchange agreement (the "**Definitive Agreement**") with Kontakt World Technologies Corp. ("**Contact Parentco**"), Kontakt, LLC ("Contact LLC") and the shareholders of Kontakt Parentco as of this date (the "Founding Kontakt Shareholders") to indirectly acquire a 100% interest in Kontakt, LLC, a technology company modernizing the contact tracing process through next-gen data integrations, strategic health partnerships and respect for user privacy to empower and build mutual trust within communities (the "**Acquisition**"). Kontakt Parentco holds 100% of the membership interests in Kontakt, LLC.

On December 3, 2020, the Definitive Agreement was superseded by an amalgamation agreement (the "Amalgamation Agreement") The Amalgamation Agreement provides for, among other things:

- (i) the Founding Kontakt Shareholders exchanging their common shares in Kontakt Parentco for an aggregate of 10,049,659 Subordinate Voting Shares of Tracker and 100,497 Compressed Shares of Tracker;
- (ii) the Non-Founding Kontakt Shareholders exchanging their common shares in Kontakt Parentco for Subordinate Voting Shares of Tracker on a 1:1 basis;
- (iii) common share purchase warrants of Kontakt Parentco being exchanged for warrants of the Company having equivalent terms on a 1:1 basis;
- (iv) the Company issuing 5,500,000 restricted share units ("**RSUs**") on closing to consultants, such RSUs to vest on a quarterly basis over the 21 months following the Transaction;
- (v) the Company issuing the 3,000,000 performance Warrants to Justin Beck pursuant to his employment agreement upon achieving certain milestones described therein; and
- (vi) the Company agreeing to issue the number of performance warrants equal to 5% of the then outstanding share capital to Justin Beck on achievement of a listing on the Nasdaq Capital Markets, the New York Stock Exchange, or the members Exchange.

Completion of the transactions contemplated under the Amalgamation Agreement is subject to the satisfaction of various conditions as are standard for a transaction of this nature, including but not limited to (i) the approval by the shareholders of the Company, (ii) execution of a pooling agreement by the Founding Vendors respecting the quarterly release of 87.5% of the consideration shares over the 21 months following the closing, (iii) the absence of any material adverse change, material litigation, claims, investigations or other matters, including any subsidiaries or related companies of the Company and Contact Parentco; and (iv) receipt of all requisite regulatory, stock exchange, court or governmental authorizations and consents, including the Canadian Securities Exchange. There can be no assurance that the transactions contemplated under the Tracker Amalgamation Agreement will be completed on the terms proposed above or at all.

In connection with the Acquisition, on October 29, 2020, the Company entered into a loan agreement with Kontakt LLC whereby the Company agreed to provide to Contact LLC a credit facility (the "Facility") in the amount of up to \$1,000,000, maturing October 29, 2021 ("Maturity Date"). If the Acquisition is terminated or abandoned before the Maturity Date, amounts due under the Facility will mature and become payable within 90 days of such termination or abandonment, as the case maybe; and if the Acquisition is completed before

the Maturity Date, amounts due under the Facility will become payable on the Maturity Date. As of November 30, 2020, \$547,499 was provided to Kontakt LLC.

The Company is also proposing a reorganization of its share structure to facilitate the completion of the Acquisition.

Kontakt LLC is a technology company modernizing the contact tracing process through next-generation data integrations, strategic health partnerships and respect for user privacy to empower and build mutual trust within communities. The acquisition is expected to close on or before December 31, 2020, subject to customary closing conditions.

Kontakt LLC's unique platform acts as a sole source provider of digital contact tracing and ethical health surveillance for government agencies, institutions, enterprises and small businesses. It meets and exceeds the core needs for digital contact tracing as defined by the Centers for Disease Control and Prevention (CDC), while simultaneously protecting user privacy. Kontakt LLC recently announced its inclusion as a globally competitive contact tracing system in a working group publication by the Public Health Informatics Institute, a division of the Task Force for Global Health, which operates in over 150 countries.

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 consolidated financial statements and related notes.

	Year ended August 31, 2020	Year ended August 31, 2019	Year ended August 31, 2018
Revenue – continuing operations	\$ -	\$ -	\$ -
Net loss and comprehensive loss	\$ 30,187	\$ 2,345,018	\$ 1,379,942
Loss per share	\$ 0.05	\$ 0.76	\$ 0.79
Total assets	\$ 190,242	\$ 157,633	\$ 922,657

The Company incurred a net loss of \$30,187 in 2020 as compared to the net loss of \$2,345,018 for 2019. Current year's figures included a net loss from continuing operation of \$175,626 less net income of \$145,439 from discontinued operations which included a gain on disposal of \$160,528. Prior year's figures include a loss of \$1,232,782 from its discontinued operations of Chaintracks. There was nominal activity for 2020.

The Company incurred a net loss of \$2,345,018 in 2019 which is higher than 2018. The increase in the net loss in 2019 includes an impairment of \$715,032 on the reclassification of Chaintrack's assets as held for sale and \$161,000 in finders fee on the acquisition of Chaintrack. Total assets for 2019 decreased by approximately \$765,000.

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:

	Nov 30, 2020 Q 1	Aug 31, 2020 Q4	May 31, 2020 Q3	Feb 29, 2020 Q2	Nov 30, 2019 Q1	Aug 31, 2019 Q4	May 31, 2019 Q3	Feb 28, 2019 Q2
Revenue - continued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue - discontinued	\$ -	\$ -	\$ -	\$ -	\$ 2,979	\$ 6,796	\$ 38,432	\$ 13,159
Net loss (income) total	\$ 136,830	\$ 105,810	\$ 16,780	\$ 26,127	\$(118,530)	\$795,729	\$313,907	\$545,110
Loss (income) per share	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ (0.04)	\$ 0.25	\$ 0.10	\$ 0.17

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

For the three months ended February 28, 2019, the Company recorded a net loss of \$545,110 as compared to the net loss of \$690,272 for the previous quarter a decrease of approximately \$145,000 which can be attributed to no share-based compensation recorded in this quarter. For the three months ended May 31, 2019 the Company recorded a net loss of \$313,907 as compared to the net loss of \$545,110 for the previous quarter a decrease of approximately \$231,000 which can be attributed to lower consulting fees in the current quarter. For the three months ended August 31, 2019, the Company recorded a net loss of \$795,729 as compared to the net loss of \$313,907 for the previous quarter an increase of approximately \$482,000. The main increase can be attributed to the recording of an impairment on the reclassification of Chaintrack's assets as held for sale, offset by decline in expense due to cash constraints. For the three months ended November 30, 2019, the Company recorded a net income of \$118,530 as compared to the net loss of \$795,729. The income is mainly due to the gain on the disposal of Chaintrack. For the three months ended February 29, 2020, the Company recorded a net loss of \$26,127 as compared to the net income of \$118,530 for the previous quarter. Excluding the gain on disposal of Chaintrack the net loss for February 29, 2020 would be comparable to the previous quarter's net loss. For the three months ended May 31, 2020, the Company recorded a net loss of \$16,780 which is comparable to the net loss of \$26,127 for the previous quarter. For the three months ended August 31, 2020, the Company recorded a net loss of \$105,810 as compared to the net loss of \$16,780 for the previous quarter ended May 31, 2020. The increase can be attributed to the recording of a bad debt and the payment to a director of the Company for reviewing a potential transaction and conducting preliminary due diligence work. For the three months ended November 30, 2020, the Company recorded a net loss of \$136,830 which is comparable to the net loss of \$105,810 for the previous quarter. During the quarter ended November 30, 2020, the Company completed a private placement.

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

During the three months ended November 30, 2020, the Company reported a net loss of \$136,830 as compared to the total net income of \$118,530 for the comparable period ended 2019. Included in the total net income for 2019 was a gain on disposal of Chaintrack of \$160,528 which is included in discontinued operations. Actual net loss from continued operations was \$26,910. Total expenses for the three months ended November 30, 2020 amounted to \$137,017 as compared to \$26,910 for the comparable period in 2019 an increase of approximately \$110,000 that can be attributed to an increase in consulting fees from \$12,000 to \$92,716 in the current period as the Company has engaged third party consultants to assist its Regulation A application in the United States. In addition, professional fees have increase from \$9,200 to \$28,921 in the current period which is attributed to legal counsel engagement in the acquisition of Kontakt Parentco. All other cost are consistent with maintaining its reporting issuer status.

Fourth Quarter

N/A

Liquidity and Capital Resources

The Company's cash position as at November 30, 2020 was \$17,681 (August 31, 2020: \$100,991) with a working capital of \$513,720 (August 31, 2020: working capital of \$108,978). Total assets as at November 30, 2020 was \$606,409 (August 31, 2020: \$190,242).

The Company believes that the current capital resources are not sufficient to pay overhead expenses for the next twelve months and its commitments and will need to seek additional funding to fund its overhead expenses, commitments, its development of its product and future business opportunities. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity (deficit) as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing. There were no changes to the Company's approach to capital management during the quarter ended November 30, 2020.

Going Concern

The condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At November 30, 2020, the Company has not achieved profitable operations, has

accumulated losses of \$8,497,725 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its operations, its ability to attain profitable operations to generate funds, and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

There was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, amongst others, could have a significant impact on the Company's operations.

Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

Related Party Transactions

Key Management Compensation

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

	For the three months ended November 30,	
	2020	2019
	\$	\$
<u>Consulting fees</u>		
CFO and Chief Technology Officer ("CTO")	15,000	-
CEO and a company controlled by him	12,000	12,000
	<u>27,000</u>	<u>12,000</u>

The following summarizes the balances with related parties as at November 30, 2020 and August 31, 2020:

	November 30, 2020	August 31, 2020
	\$	\$
Accounts payable		
Pacrim Capital Corp – company controlled by Zayn Kaylan, CFO and CTO	15,500	-
Harmony Corporate services Ltd. – company controlled by Geoff Balderson, CEO	497	-
	<u>15,997</u>	<u>-</u>

The amounts due to related parties are unsecured, non-interest bearing, with specific terms of repayment.

Proposed Transactions/Subsequent Events

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On December 3, 2020, the Definitive Agreement was superseded by an amalgamation agreement (the "Amalgamation Agreement") The Amalgamation Agreement provides for, among other things:

- (vii) the Founding Kontakt Shareholders exchanging their common shares in Kontakt Parentco for an aggregate of 10,049,659 Subordinate Voting Shares of Tracker and 100,497 Compressed Shares of Tracker;
- (viii) the Non-Founding Kontakt Shareholders exchanging their common shares in Kontakt Parentco for Subordinate Voting Shares of Tracker on a 1:1 basis;
- (ix) common share purchase warrants of Kontakt Parentco being exchanged for warrants of the Company having equivalent terms on a 1:1 basis;
- (x) the Company issuing 5,500,000 restricted share units ("**RSUs**") on closing to consultants, such RSUs to vest on a quarterly basis over the 21 months following the Transaction;
- (xi) the Company issuing the 3,000,000 performance Warrants to Justin Beck pursuant to his employment agreement upon achieving certain milestones described therein; and
- (xii) the Company agreeing to issue the number of performance warrants equal to 5% of the then outstanding share capital to Justin Beck on achievement of a listing on the Nasdaq Capital Markets, the New York Stock Exchange, or the members Exchange.

Completion of the transactions contemplated under the Amalgamation Agreement is subject to the satisfaction of various conditions as are standard for a transaction of this nature, including but not limited to (i) the approval by the shareholders of the Company, (ii) execution of a pooling agreement by the Founding Vendors respecting the quarterly release of 87.5% of the consideration shares over the 21 months following the closing, (iii) the absence of any material adverse change, material litigation, claims, investigations or other matters, including any subsidiaries or related companies of the Company and Contact Parentco; and (iv) receipt of all requisite regulatory, stock exchange, court or governmental authorizations and consents, including the Canadian Securities Exchange. There can be no assurance that the transactions contemplated under the Tracker Amalgamation Agreement will be completed on the terms proposed above or at all.

In connection with the Acquisition, on October 29, 2020, the Company entered into a loan agreement with Kontakt LLC whereby the Company agreed to provide to Contact LLC a credit facility (the "Facility") in the amount of up to \$1,000,000, maturing October 29, 2021 ("Maturity Date"). If the Acquisition is terminated or abandoned before the Maturity Date, amounts due under the Facility will mature and become payable within 90 days of such termination or abandonment, as the case maybe; and if the Acquisition is completed before

the Maturity Date, amounts due under the Facility will become payable on the Maturity Date. As of November 30, 2020, \$547,499 was provided to Kontakt LLC.

The Company is also proposing a reorganization of its share structure to facilitate the completion of the Acquisition.

Outstanding Share Data

The Company's authorized capital consists of:

An unlimited number of common shares without par value.

An unlimited number of preferred shares without par value.

Below is the summary of the Company's share capital as at November 30, 2020 and as of the date of this report:

Security description	As at	
	November 30, 2020	Date of Report
Common shares - issued and outstanding	15,262,632	15,262,634
Options - vested	32,500	32,500
Warrants issued	12,675,000	12,050,000
Agent's warrants	342,166	315,700
Common shares - fully diluted	28,312,298	27,660,834

Critical Accounting Estimates and Judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed in note 4 to the condensed interim consolidated financial statements.

Risk and Uncertainty Factors Risks Related to our Business Limited Operating History:

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.

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.

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 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 is provided in the Company's Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) in its Condensed Interim Consolidated Financial Statements for the three months ended November 30, 2020, which is available on the Company's website or through www.sedar.com.