Vogogo Inc.

Condensed Interim Consolidated Financial Statements

(in Canadian dollars)

(unaudited)

For the three months ended March 31, 2018 and 2017

	March 31 2018 $	December 31 2017 $
ASSETS		
Current assets:		
Cash and cash equivalents (note 10)	**12,883,732**	12,796,056
Trade and other receivables	**37,704**	26,886
Prepaid expenses and deposits	**87,305**	13,377
Total assets	**13,008,741**	12,836,319
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Trade and other payables (notes 6, and 11(b))	**147,023**	224,823
Total liabilities	**147,023**	224,823
Shareholders' Equity		
Share capital (note 7)	**35,583,735**	35,074,123
Warrants (note 8)	**2,342,721**	2,449,333
Contributed surplus (note 8)	**6,058,639**	6,058,639
Deficit	**(31,123,377)**	(30,970,599)
Total shareholders' equity	**12,861,718**	12,611,496
Total liabilities and shareholders' equity	**13,008,741**	12,836,319

Subsequent events (note 16)

Approved on behalf of the Board

(signed) "*Dale Johnson*"
Chairman and Director

(signed) "*John Kennedy FitzGerald* "
President, Chief Executive Officer and Director

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	March 31 2018 $	March 31 2017 $
EXPENSES		
General and administrative	**199,567**	626,128
Stock-based compensation (note 8)	**-**	128,430
Total Expenses	**199,567**	754,558
OTHER INCOME		
Foreign exchange loss	**(278)**	(5,193)
Interest income, net (note 10)	**47,067**	11,038
Loss and comprehensive loss	**(152,778)**	(748,713)
Loss per share - basic and diluted (note 7)	**(0.00)**	(0.01)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	Share Capital $	Warrants $	Contributed Surplus $	Deficit $	Total $
Balance, December 31, 2016	**31,222,125**	**403,826**	**5,279,312**	**(29,293,110)**	**7,612,153**
Share-based compensation (note 8)	-	-	128,430	-	128,430
Loss for the period	-	-	-	(748,713)	(748,713)
Balance, March 31, 2017	**31,222,125**	**403,826**	**5,407,742**	**(30,041,823)**	**6,991,870**
Balance, December 31, 2017	**35,074,123**	**2,449,333**	**6,058,639**	**(30,970,599)**	**12,611,496**
Exercise of Warrants (note 8)	509,612	(106,612)	-	-	403,000
Loss for the period	-	-	-	(152,778)	(152,778)
Balance, March 31, 2018	**35,583,735**	**2,342,721**	**6,058,639**	**(31,123,377)**	**12,861,718**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

	March 31 2018 $	March 31 2017 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from continuing operations	**(152,778)**	(748,713)
Add back (deduct) items not involving cash:		
Stock-based compensation (note 8)	**-**	128,430
	(152,778)	(620,283)
Changes in non-cash working capital items:		
Trade and other receivables	**(10,818)**	(17,985)
Prepaid expenses and deposits	**(73,928)**	3,669
Trade and other payables	**(77,800)**	295,643
Net cash flows used in operating activities	**(315,324)**	(338,956)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of warrants	**403,000**	-
Net cash flows from financing activities	**403,000**	-
Net increase (decrease) in cash and cash equivalents for the period	**87,676**	(338,956)
Cash and cash equivalents, beginning of the period	**12,796,056**	7,908,963
Cash and cash equivalents, end of the period	**12,883,732**	7,570,007
Cash and cash equivalents consists of the following:		
Cash held in banks	**283,732**	219,682
Cash held in trust (note 16)	**5,000,000**	-
Guaranteed investment certificates (note 10)	**7,600,000**	7,350,325
	12,883,732	7,570,007

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Vogogo Inc. (the "Corporation" or "Vogogo") provided payment processing and related transaction risk services. During 2016, Vogogo discontinued its payment processing and related transaction risk services. Subsequent to March 31, 2018 the Corporation acquired 100% of the shares of a Company engaged in the business of mining for cryptocurrencies for its own account, as a service for third party customers and within mining pools, together with corresponding support services (note 16 (a)). Vogogo Canada Inc. was incorporated under the *Business Corporations Act* (Alberta) on July 26, 2010 and is a wholly-owned subsidiary of the Corporation.

The head office is located at PO Box 34023 Westbrook PO, Calgary, Alberta, Canada, T3C 3W2.

The shares of Vogogo are traded on the Canadian Stock Exchange under the symbol VGO as of January 19, 2018. The shares of Vogogo were previously traded on the TSX Venture Exchange under the symbol VGO.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”), as issued by the IASB. Accordingly, certain financial information and disclosures normally included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been omitted or condensed.

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on May 30, 2018.

(b) Basis of measurement and preparation

The accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements, unless otherwise indicated.

The condensed interim consolidated financial statements have been prepared under the historical cost basis, except as noted.

General and administrative, sales and marketing, and development and operations expenses are presented on a functional basis. Stock-based compensation and amortization are presented on a separate line by their nature. Significant expenses such as personnel expenses are presented by their nature in the notes to the condensed interim consolidated financial statements.

(c) Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and Vogogo Canada Inc.

2. BASIS OF PRESENTATION *(continued)*

(d) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions and balances have been eliminated in these condensed interim consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the condensed interim consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2017. Because the disclosures provided in these condensed interim consolidated financial statements do not conform in all respects with IFRS for annual consolidated financial statements, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2017.

There were no new accounting standards, interpretations or amendments to existing standards adopted during the three months ended March 31, 2018 that have had a significant impact on the Corporation's condensed interim consolidated financial statements. The Corporation has adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers during the period ended March 31, 2018. The adoption of these standards did not have a material impact on these condensed interim consolidated financial statements. There were no new accounting standards, interpretations or amendments issued during the three months ended March 31, 2018 that are applicable to the Corporation in future periods. Further, the Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its condensed interim consolidated financial statements.

(a) Areas of judgment

(i) Business combinations

Determining whether an acquisition should be accounted for as a business combination or represents an asset purchase requires judgment on a case-by-case basis, depending on management's assessment as to whether the acquisition meets the definition of a business.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

(b) Assumptions and critical estimates

(i) Stock-based compensation and warrants

The amounts recorded relating to fair value of stock options and warrants are based on estimates of future volatility in the Corporation's share price, expected lives of options and warrants, the risk-free interest rate, and other relevant assumptions. Volatility is estimated based on the average price volatility of common shares of a comparative group of companies over the preceding period equaling the expected lives of the Corporation's options and warrants.

(ii) Tax assets and liabilities

Provisions for income taxes are made using the best estimate of the amount expected to be paid or recovered based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of each reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management closely monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

5. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(i) Future accounting pronouncements

The accounting pronouncements detailed in this note have been issued but are not yet effective. The Corporation has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

IFRS 16 Leases was issued in January 2016 and will replace IAS 17 Leases. IFRS 16 sets out principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). Lessee accounting will change substantially under this new standard while there is little change for the lessor. IFRS 16 eliminates the classification of leases as either operating leases or financing leases and, instead, introduces a single lessee accounting model. A lessee will be required to recognize assets and liabilities for all leases with a term of more than 12 months (unless the underlying asset is of low value) and will be required to present depreciation of leased assets separately from interest on lease liabilities in the income statement. A lessor will continue to classify its leases as operating leases or financing leases, and to account for those two types of leases separately. IFRS 16 is effective for annual periods beginning on or after January 1, 2019.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the consolidated financial statements.

6. TRADE AND OTHER PAYABLES

	March 31, 2018 $	December 31, 2017 $
Trade accounts payable	**137,278**	199,823
Accrued payables	**7,000**	25,000
Other	**2,745**	-
	147,023	224,823

Trade accounts payable are non-interest bearing and are normally settled on 30 to 60 day terms. As at March 31, 2018, the Corporation has $3,441 (December 31, 2017 - $69,751) in accounts payable beyond 60 days.

7. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	**Share Capital $**
Balance, December 31, 2016	72,495,137	31,222,125
Issue of units on private placement (i)	60,000,000	6,000,000
Warrant component of units issued (i)	-	(2,063,450)
Share issue costs – Legal and other (i)	-	(84,552)
Balance, December 31, 2017	132,495,137	35,074,123
Exercise of warrants (ii)	3,100,000	403,000
Fair value of exercise of warrants (ii)	-	106,612
Balance, March 31, 2018	**135,595,137**	**35,583,735**

(i) On October 31, 2017, the Corporation issued 60,000,000 units at $0.10 per unit for total proceeds of $6,000,000. Each unit comprised one common share and one share purchase warrant for a total issuance of 60,000,000 share purchase warrants. Each share purchase warrant entitles the holder to purchase one common share at an exercise price of $0.13 per common share for up to two years following the issuance date. Fair value of these share purchase warrants were calculated using the Black-Scholes option-pricing model with the following assumptions; an exercise price of $0.13 per common share, a share price of $0.07 per common share, 134% volatility, no dividends, a discount rate of 1.39% and a two-year term. The fair value of these share purchase warrants was determined to be $2,063,450, which was allocated to warrants from share capital.

(ii) During the first quarter of 2018, 3,100,000 warrants were exercised at $0.13 per warrant for total proceeds of $403,000. The value of these warrants of $106,612 was transferred from warrants to share capital on exercise of the warrants.

The weighted average number of common shares outstanding and used to calculate basic and diluted loss per share is 133,071,804 for the three months ended March 31, 2018 (2017 – 72,495,137). The Corporation excluded all stock options and warrants from the calculation of diluted loss per share for the three months ended March 31, 2018 and 2017 as they would be anti-dilutive.

8. CONTRIBUTED SURPLUS AND WARRANTS

The contributed surplus and warrants reserve is used to recognize the fair value of stock options and warrants granted. When options and warrants are subsequently exercised, the fair value of such options in contributed surplus and warrants is credited to share capital. Refer to note 10 for further details on these plans.

Contributed Surplus

	$
Balance, December 31, 2016	5,279,312
Stock-based compensation expense, continuing operations	761,384
Expiry of warrants	17,943
Balance, December 31, 2017 and March 31, 2018	**6,058,639**

Warrants

	$
Balance, December 31, 2016	403,826
Share purchase warrants issued (note 7 (i))	2,063,450
Expiry of warrants	(17,943)
Balance, December 31, 2017	2,449,333
Fair value of warrants exercised (note 7 (ii))	(106,612)
Balance, March 31, 2018	**2,342,721**

9. STOCK-BASED COMPENSATION AND WARRANTS

The Corporation has a stock option plan ("the Plan") under which the Board of Directors of the Corporation may grant to directors, officers, employees and technical consultants to the Corporation non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant. On November 21, 2017, the Board of Directors authorized and approved the immediate vesting of all outstanding options. As such, any unamortized expense relating to these options was recognized during the year ended December 31, 2017.

A summary of the Plan transactions for the three months ended March 31, 2018 and year ended December 31, 2017 are as follows:

	For the three months ended March 31, 2018		**For the year ended December 31, 2017**	
	Number of options	**Weighted average exercise price $**	**Number of options**	**Weighted average exercise price $**
Outstanding at beginning of period	5,890,000	0.23	6,060,000	0.24
Options granted	-	-	60,000	0.38
Options cancelled / forfeited	-	-	(230,000)	0.42
Outstanding at end of period	5,890,000	0.23	5,890,000	0.23

9. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

The following provides a summary of options outstanding and exercisable as at March 31, 2018:

Options outstanding			Options exercisable		
Outstanding at March 31, 2018	**Weighted average remaining contractual life**	**Weighted average exercise price $**	**Number exercisable March 31, 2018**	**Weighted average remaining contractual life**	**Weighted average exercise price $**
5,890,000	3.45 years	0.24	5,890,000	3.45 years	0.24

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	For the three months ended March 31, 2018	**For the year ended December 31, 2017**
Fair value of options	-	**$0.31**
Exercise price	-	**$0.38**
Share price	-	**$0.38**
Dividend yield	-	**0%**
Forfeiture %	-	**0%**
Risk-free interest rate	-	**1.61%**
Expected life of options	-	**5 years**
Expected volatility	-	**123%**

The forfeiture rate has been estimated based on past experience.

The Corporation recorded stock-based compensation expense for options of $Nil (2017 - $128,430) with an offsetting increase to contributed surplus in respect of the stock options granted during the quarter ended March 31, 2018. No stock options were exercised during the three months ended March 31, 2018 or 2017, and as a result $NIL was transferred to share capital from contributed surplus.

On October 31, 2017, the Corporation issued 60,000,000 units at $0.10 per unit for total proceeds of $6,000,000. Each unit comprised one common share and one common share purchase warrant for a total issuance of 60,000,000 share purchase warrants. Each share purchase warrant entitles the holder to purchase one common share at an exercise price of $0.13 per common share for up to two years following the issuance date. 56,900,000 (December 31, 2017 - 60,000,000) of these share purchase warrants were outstanding at March 31, 2018 (note 7(1)).

The Corporation issued 2,275,000 agent warrants as compensation to agents in connection with convertible debenture issuances during the year ended December 31, 2014. Each agent warrant is exercisable for one common share of the Corporation at $0.33 per common share for a period of 5 years from the issuance date. The fair value of the agent warrants was calculated to be $964,709 using the Black-Scholes option pricing model. 758,334 of these warrants were issued to an entity related by common officers and directors. 910,000 of these agent warrants were outstanding at March 31, 2018 and December 31, 2017.

9. STOCK-BASED COMPENSATION AND WARRANTS *(continued)*

A summary of warrant transactions for the three months ended March 31, 2018 and year ended December 31, 2017 is as follows:

		For the three months ended March 31, 2018		**For the year ended December 31, 2017**
	Number of warrants	**Weighted average exercise price $**	**Number of warrants**	**Weighted average exercise price $**
Outstanding at beginning of period	60,910,000	0.13	1,054,231	0.36
Warrants expired	-	-	(144,231)	0.52
Warrants issued	-	-	60,000,000	0.13
Warrants exercised	(3,100,000)	0.13	-	-
Outstanding at end of period	57,810,000	0.13	60,910,000	0.13

The following provides a summary of warrants outstanding as at March 31, 2018:

Warrants outstanding and exercisable		
Outstanding at March 31, 2018	**Weighted average remaining contractual life**	**Weighted average exercise price $**
57,810,000	1.56 years	$0.13

10. INTEREST

Interest income (expense) consists of the following:

	For the three months ended March 31, 2018 $	For the three months ended March 31, 2017 $
Interest income	**47,741**	12,810
Interest and bank charges	**(674)**	(1,772)
	47,067	11,038

Cash and cash equivalents includes redeemable and non-redeemable guaranteed investment certificates of $7,600,000 (December 31, 2017 - $12,616,351) bearing interest at an average rate of 1.7% (December 31, 2017 – 1.5%) and maturing between April and May 2018 (December 31, 2017 – January and February 2018).

11. RELATED PARTY TRANSACTIONS

(a) The Corporation currently considers its key management personnel to be its directors, Chief Executive Officer and Chief Financial Officer. Key management compensation is composed of salary and benefits, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three months ended March 31, 2018, key management compensation amounted to $59,448 (2017 - $155,267), split between general and administrative, sales and marketing, development and operations, and stock-based compensation expenses, based on work performed. Key management compensation of $59,448 (2017 - $39,948) has been included in general and administrative expenses and $Nil (2017 - $115,319) has been included in stock-based compensation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss total $69,450 (2017 - $61,925) for the three months ended March 31, 2018.

(b) As at March 31, 2018, the Corporation had $Nil (December 31, 2017 - $69,751) in trade and other payables owing to former key management personnel.

13. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensuring a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of share capital, warrants, contributed surplus and deficit as equity components. The Corporation strives to maximize the value associated with its capital. In order to maintain or adjust its capital structure, the Corporation may from time to time issue shares and adjust its spending.

	March 31, 2018 **$**	December 31, 2017 $
Share capital	**35,583,735**	35,074,123
Warrants	**2,342,721**	2,449,333
Contributed surplus	**6,058,639**	6,058,639
Deficit	**(31,123,377)**	(30,970,599)
Total capital	**12,861,718**	12,611,496

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management has not changed during the quarter ended March 31, 2018.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks in adherence with established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk and market risk. These risks, and the actions taken to manage them, include:

(a) Fair value

Due to the short-term nature of trade and other receivables, deposits and trade and other payables, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions, trade and other receivables and deposits. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and cash equivalents, cash held in trust, trade and other receivables and deposits.

The Corporation minimizes credit risk associated with its cash balance substantially by dealing with major financial institutions in Canada. Trade and other receivables consist primarily of accrued interest receivable on the guaranteed investment certificates issued by the Corporation's Canadian bank.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they come due. As at March 31, 2018, the Corporation has cash and cash equivalents of $12,883,732 (December 31, 2017 - $12,796,056) and has a positive net working capital position of $12,861,718 (December 31, 2017 - $12,611,496) in order to manage liquidity risk. Trade and other payables are expected to be paid in the next year.

(d) Currency risk

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies, other than the functional currency of the Corporation, will fluctuate due to changes in foreign currency exchange rates. As at March 31, 2018, the Corporation's exposure to currency risk is limited to cash and cash equivalents denominated in US $55,210 (December 31, 2017 - US $77,839). A 1% change in the exchange rate between the Canadian and US dollar would have a trivial impact on the net income and cash flows of the Corporation.

(e) Interest rate risk

Interest rate risk is the risk that the fair value and cash flows associated with the Corporation's interest bearing financial assets and liabilities will fluctuate due to changes in market interest rates. As March 31, 2018, the Corporation is not exposed to interest rate cash flow risk.

15. SEGMENTED INFORMATION

The Corporation has one operating segment serving all geographic locations. Substantially all of the Corporation's revenues are generated in Canada. Substantially all of the Corporation's assets are located in Canada.

16. SUBSEQUENT EVENTS

(a) On April 3, 2018, the Corporation acquired all of the issued and outstanding shares of Crypto 205 Inc. (the "Acquisition"). Crypto 205 Inc. ("Crypto 205") is now a wholly-owned subsidiary of the Corporation which is engaged in the business of mining for cryptocurrencies for its own account, as a service for third party customers and within mining pools, together with corresponding support services. Pursuant to the Acquisition, the Corporation acquired all of the issued and outstanding shares of Crypto 205 from its former shareholders in exchange for an aggregate of 130,000,000 non-voting, convertible series 1 preferred shares in the capital of Vogogo (the "Preferred Shares"). In connection with the Acquisition, the Corporation was also assigned a shareholder loan in exchange for a cash payment of $5 million [(1)].

The terms of the Preferred Shares provide, among other things, that they: (i) are non-voting; (ii) are convertible into common shares of the Corporation ("Common Shares") on a one for one basis, subject to customary adjustments; (iii) are eligible to participate in dividends if and when declared on the Common Shares; (iv) have priority rights on liquidation; and (v) are subject to a restriction that no holder of the Preferred Shares may convert into a number of Common Shares that would result in such holder beneficially owning greater than 9.9% of the Common Shares. The terms of the preferred shares issued by the Corporation to the former shareholders of Crypto 205 Inc. provide that such preferred shares are convertible immediately upon the holder providing sixty-one days prior written notice. The holders of the preferred shares have contractually agreed not to dispose of any underlying common shares issued on conversion of the preferred shares held on closing of the Acquisition (the "Underlying Common Shares") until 3 months after the closing date, at which point they may elect to dispose of up to 25% of the Underlying Common Shares and up to an additional 25% of the Underlying Common Shares after each of October 3, 2018, January 3, 2019 and April 3, 2019.

[(1)] The cash payment of $5 million was transferred in trust to a law firm before March 31, 2018 and has been included in cash and cash equivalents as cash held in trust as at March 31, 2018.

(b) On April 4 and May 7, 2018, the Corporation issued 6,595,951 and 6,000,000 stock options at an exercise price of $0.35 and $0.455 each respectively.

(c) Subsequent to March 31, 2018, 2,400,000 share purchase warrants with an exercise price of $0.13 were exercised for a total of $312,000.

(d) On April 19, 2018, the Corporation announced the signing of a definitive agreement to acquire 14,000 newly installed cryptocurrency mining machines plus supporting infrastructure, in a state of the art facility near Montreal. Upon closing, the Company will also enter into a lease agreement for the facility, which has available power such that the Company can add a further 8,000 mining machines, which would result in a total of 26,125 mining machines being operated by the Corporation.

The purchase price of $46 million CAD is payable as $36 million in cash plus a $10 million promissory note payable to the vendor. The note bears interest at 8% per annum, for a two year term, with monthly interest payments during the term of the loan. Principal is repayable as $5 million on the first anniversary date of the loan and $5 million at maturity. The promissory note is secured by the mining machines and other assets acquired. The transaction is expected to close on or around June 15, 2018.

(e) On May 15, 2018, the Corporation announced that it has filed a preliminary short form prospectus in connection with a fully marketed offering of up to 30,000 units (the "Units") at a price of $1,000 per Unit ("Issue Price") for gross proceeds of up to $30,000,000 (the "Offering"). The Offering is being conducted by Canaccord Genuity Corp. ("Canaccord"). On May 16, 2018, the Corporation amended the agreement to make it fully underwritten, with Canaccord such that Canaccord agreed to act as the lead underwriter and sole bookrunner for the Offering on behalf of a syndicate of underwriters including Beacon Securities Limited (the "Underwriters").

16. SUBSEQUENT EVENTS *(continued)*

Each Unit will be comprised of $1,000 principal amount of senior unsecured extendible non-redeemable convertible debentures ("Convertible Debentures") and 1,000 warrants ("Warrants") of the Corporation.Each Convertible Debenture will entitle the holder to convert the principal amount into 2,000 common shares ("Shares") of the Company at a conversion price of $0.50 per Share. Each Warrant is exercisable for for one Share at a price of $0.70 per Share. In addition, the Corporation has agreed to grant the Underwriters an option (the "Over-Allotment Option") to purchase up to an additional 4,500 Units on the same terms and conditions as the Offering, exercisable any time, in whole or in part, up to 30 days after the Closing Date (as hereinafter defined) of the Offering. If the Over-Allotment Option is exercised in full, the total gross proceeds to Vogogo will be up to $34,500,000.

On May 15, 2018, the Corporation filed its Annual Information Form (“AIF”) and a preliminary short form prospectus for the Offering and on May 16, 2018, the Corporation filed an amended and restated preliminary short form prospectus for the amended Offering. Both are available under the Corporation’s profile on SEDAR at www.sedar.com