

*A copy of this preliminary prospectus has been filed with the securities regulatory authority in the province of Ontario, British Columbia and Alberta but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.*

*This preliminary prospectus does not constitute a public offering of any securities. No securities regulatory authority has expressed an opinion about information contained herein and it is an offence to claim otherwise.*

## PRELIMINARY PROSPECTUS

Non-Offering Prospectus

August 14, 2020

### STOWE ONE INVESTMENTS CORP.

#### **No securities are being offered pursuant to this prospectus.**

This non-offering preliminary prospectus (the “**Prospectus**”) is being filed with the securities regulatory authorities in the Provinces of Ontario, British Columbia and Alberta for the purpose of allowing Stowe One Investments Corp. (“**Stowe One**”) to comply with Policy 2 – *Qualifications for Listing* of the Canadian Securities Exchange (“**CSE**” or the “**Exchange**”) in order for Stowe One to meet one of the eligibility requirements for the listing of its common shares (the “**Stowe One Common Shares**”) on the CSE. Stowe One is a reporting issuer in Provinces of British Columbia and Alberta.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by Stowe One from its general working capital.

As at the date of this Prospectus, Stowe One does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.).

Stowe One has made an application for listing on the CSE. Listing is subject to Stowe One fulfilling all of the listing requirements of the CSE, including meeting all minimum listing requirements.

**No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.**

**An investment in the securities of Stowe One is speculative due to various factors. Stowe One does not have an active business. Stowe One must close the Transaction (as defined herein) with Agile Blockchain Corp. (“Agile”) such that the shareholders of Agile become shareholders of Stowe One and the business of Agile becomes the business of Stowe One. The closing of the Transaction is subject to a number of conditions, including that Stowe One receive conditional listing approval of the CSE. The risk factors included in this Prospectus should be reviewed carefully and evaluated by prospective purchasers of securities. See “*Statement Regarding Forward-Looking Information*” and “*Risk Factors*”.**

**Shareholders are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of Stowe One’s securities.**

Stowe One’s head and registered office is located at Suite 650, 1021 West Hastings Street, Vancouver, British Columbia, Canada, V6E 0C3.

Two of the directors of Stowe One reside outside of Canada. The persons named below have appointed the following agent for service of process:

<b>Name of Person or Company</b>	<b>Name and Address of Agent</b>
Walter Coles	Borden Ladner Gervais LLP, 1900, 520 – 3 <sup>rd</sup> Ave S.W., Calgary, Alberta, T2P 0R3
Joseph E. Mullin	Borden Ladner Gervais LLP, 1900, 520 – 3 <sup>rd</sup> Ave S.W., Calgary, Alberta, T2P 0R3

Investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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## GLOSSARY

In this Prospectus, the following capitalized terms have the following meanings, in addition to other terms defined elsewhere in this Prospectus.

“**Affiliate**” means a company that is affiliated with another company as described below:

A company is an “Affiliate” of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is “controlled” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

“**Agile**” means Agile Blockchain Corp., a company formed under the laws of British Columbia which, pursuant to the terms and conditions of the Amalgamation Agreement, will amalgamate with Subco to form Amalco.

“**Agile Common Shares**” means common shares in the capital of Agile, as currently constituted.

“**Agile First Warrants**” means the 9,337,373 common share purchase warrants of Agile issued on March 29, 2018 and May 28, 2018, with each Agile First Warrant entitling the holder thereof to purchase one Agile Common Share at an exercise price of \$0.15 per Agile Common Share for a period of 24 months from the date of issue.

“**Agile Loan**” means an interest-free loan secured by Agile from the Bank of Montreal on April 16, 2020 in the amount of \$40,000.

“**Agile Options**” means the 6,449,166 non-transferable options granted pursuant to the Agile Stock Option Plan entitling holders thereof to purchase Agile Common Shares.

“**Agile Preferred Shares**” means preferred shares in the capital of Agile, as currently constituted.

“**Agile Stock Option Plan**” means the stock option plan of Agile adopted by the Board of Agile on March 2, 2018, as amended from time to time.

“**Agile Second Warrants**” means the 2,250,000 common share purchase warrants of Agile issued on June 21, 2018, with each Agile Second Warrant entitling the holder thereof to purchase one Agile Common Share at an exercise price of \$0.30 per Agile Common Share for a period of 24 months from the date of issue.

“**Agile Tracker**” means a tracker system based on LTE technology.

“**Amalco**” means the amalgamated company following the Amalgamation, which will be a wholly-owned subsidiary of the Resulting Issuer following closing of the Transaction.

“**Amalgamation**” means the three cornered amalgamation pursuant to the provisions of the BCBCA, whereby Subco will amalgamate with Agile, with Amalco surviving as a wholly-owned subsidiary of the Resulting Issuer.

“**Amalgamation Agreement**” means the amalgamation agreement dated effective December 21, 2018, between Stowe One, Agile and Subco, as amended and restated August 14, 2020, a copy of which is available for review under Stowe One’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

“**Anacott**” means Anacott Resources Corp., a company formed under the laws of British Columbia.

“**Anacott Arrangement**” means the plan of arrangement between Anacott, Stowe One and other subsidiaries of Anacott, effective July 28, 2017, which resulted in, among other things, the spin out of Stowe One as a separate reporting issuer.

“**Anacott Arrangement Agreement**” means the agreement between Anacott, Stowe One and other subsidiaries of Anacott dated June 26, 2017, setting out the Anacott Arrangement, a copy of which is available for review under Anacott’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

“**API**” means application programming interface. API is an interface or communication protocol between a client and a server intended to simplify the building of client-side software.

“**Arm’s Length Transaction**” means a transaction which is not a related party transaction as defined under applicable Canadian securities laws. The Transaction described in this Prospectus is an Arm’s Length Transaction.

“**Associate**” when used to indicate a relationship with a Person or company, means:

- (a) an issuer of which the Person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer;
- (b) any partner of the Person or company;
- (c) any trust or estate in which the Person or company has a substantial beneficial interest or in respect of which the Person or company serves as trustee or in a similar capacity; and
- (d) in the case of a Person, a relative of that Person, including:
  - (i) that Person’s spouse or child, or
  - (ii) any relative of that Person or of his spouse who has the same residence as that Person.

“**Audit Committee**” means the audit committee of the Board of Stowe One, Agile or the Resulting Issuer, as applicable.

“**Audit Committee Charter**” means the audit committee charter of Stowe One adopted by the Board of Stowe One on June 16, 2017, as amended from time to time.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), SBC 2002, c 57, as may be amended or re-enacted from time to time, including all regulations promulgated thereunder.

“**BDA**” means blockchain decentralized applications.

“**Board**” means the board of directors of Stowe One, Agile or the Resulting Issuer, as applicable.

“**CEO**” means chief executive officer.

“**CFO**” means chief financial officer.

“**Closing**” means the closing of the Transaction.

“**CMO**” means chief marketing officer.

“**company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Compensation Committee**” means the compensation committee of the Board.

“**Control Person**” means a Person who holds or is one of a combination of Persons that holds a sufficient number of any of the securities of the company so as to materially affect the control of the company, or that holds more than 20% of the outstanding voting securities of the company, except where there is evidence showing that the holder of those securities does not materially affect the control of the company.

“**Convention**” means the Canada-U.S. Income Tax Convention (1980).

“**COVID-19**” means the novel coronavirus.

“**CRA**” means the Canada Revenue Agency.

“**CSE**” means the Canadian Securities Exchange.

“**CSE Approval**” means the final approval of the CSE in respect of the listing of the Resulting Issuer Common Shares on the CSE, as evidenced by the issuance of the final approval bulletin of the CSE in respect thereof.

“**CSE Policies**” means the rules and policies of the CSE in effect as of the date hereof.

“**DApp**” means decentralized applications.

“**DevOps**” means development and operations. DevOps is a set of practice that combines software development and information-technology operations which aim to shorten the system development life cycle and provide continuous delivery with high software quality.

“**DPSP**” means deferred profit sharing plan, as defined under the Tax Act.

“**EDIFACT standard**” means the electronic data exchange standard developed under the United Nations. EDIFACT is the electronic data exchange for administration, commerce and transport.

“**Effective Date**” means the date on which the British Columbia Securities Commission issues a final receipt for this Prospectus.

“**Escrow Agent**” and “**Transfer Agent**” means TSX Trust Company, at its head office located at 100 Adelaide Street West, Toronto, ON.

“**Escrow Agreement**” means the escrow agreement to be dated as of the Listing Date to be entered into pursuant to NP 46-101 among the Resulting Issuer, the Escrow Agent and certain shareholders of the Resulting Issuer.

“**Escrow Securities**” means the Resulting Issuer Common Shares and Resulting Issuer Options, if any, held by certain directors, officers, shareholders and Control Persons of the Resulting Issuer on the Listing Date that will be deposited or voluntarily deposited in escrow or a voluntary pooling arrangement pursuant to an escrow agreement or a voluntary pooling agreement, as applicable.

“**Financing**” means the non-brokered private placement offering of 4,874,699 Agile Common Shares by Agile at a price of \$0.15 per Agile Common Share for aggregate gross proceeds of \$731,205.

“**GPS**” means global positioning system.

“**GSM**” means Global System for Mobile communications developed by the European Telecommunication Standards Institute.

“**IFRS**” means the International Financial Reporting Standards as issued by the International Accounting Standards Board and the interpretations thereof by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

“**Insider**” if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities.

“**issuer**” means a company and its subsidiaries which have any of its securities listed for trading on the CSE and, as the context requires, any applicant company seeking a listing of its securities on the CSE.

“**Letter of Intent**” means the letter of intent dated September 18, 2018 between Stowe One and Agile in respect of the Transaction, which was replaced by the Amalgamation Agreement.

“**Listing Date**” means the date on which the Resulting Issuer Common Shares are listed for trading on the CSE.

“**LTE**” means a standard for high-speed wireless communication for mobile device and data terminals.

“**MD&A**” means management discussion and analysis.

“**MVP**” means minimum viable product. Which is a product with just enough features to satisfy early customers and provide feedback for future product development.

“**NEO**” means “named executive officer”, as such term is defined in NI 51-102.

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*.

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*.

“**Non-Arm’s Length Party**” means in relation to Stowe One or Agile, a Promoter, officer, director, other Insider or Control Person of Stowe One or Agile, respectively, and any Associates or Affiliates of any of such persons. In relation to an individual, Non-Arm’s Length Party means any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person.

“**Non-Resident Shareholder**” means a Shareholder, for purposes of the Tax Act, that is not, and is not deemed to be, resident in Canada.

“**NP 46-101**” means National Policy 46-101 – *Escrow for Initial Public Offerings*.

“**NP 46-101 Escrow**” means an escrow of Resulting Issuer Common Shares pursuant to NP 46-101.



“**Parties**” means the parties to the Amalgamation Agreement, being Stowe One, Agile and Subco; and “**Party**” means any one of them.

“**Promoter**” has the meaning set out in the *Securities Act* (British Columbia).

“**Proposed Amendments**” means all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof.

“**Prospectus**” means this non-offering preliminary prospectus dated August 14, 2020.

“**RDSP**” means registered disability savings plan, as defined under the Tax Act.

“**Registered Plans**” means RRSPs, RRIFs, RESPs, RDSPs, and TFSAs.

“**Resident Shareholder**” means a Shareholder who is resident in Canada.

“**RESP**” means registered education savings plan, as defined under the Tax Act.

“**Restrictive Escrow Agreement**” is a condition to listing on the CSE, whereby certain Resulting Issuer Common Shares will be subject to an escrow agreement to be entered into among the Resulting Issuer, the Escrow Agent and certain shareholders of the Resulting Issuer.

“**Resulting Issuer**” means Stowe One (to be renamed “Solvbl Solutions Inc.” immediacy prior to the Closing) upon completion of the Transaction.

“**Resulting Issuer Common Shares**” means common shares in the capital of the Resulting Issuer, as constituted upon completion of the Transaction.

“**Resulting Issuer Options**” means:

- (a) 6,449,166 options to purchase Resulting Issuer Common Shares to be granted concurrently with the Closing in exchange for the Agile Options, exercisable on the same terms and conditions as the Agile Options; and
- (b) non-transferable options granted pursuant to the Stock Option Plan,

with such Resulting Issuer Options entitling the holders thereof to purchase Resulting Issuer Common Shares.

“**RRIF**” means registered retirement income fund, as defined under the Tax Act.

“**RRSP**” means registered retirement savings plan, as defined under the Tax Act.

“**SaaS**” means software as a service.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**S&M**” means sales and marketing.

“**Shareholder**” means a holder of one or more Stowe One Common Shares, Agile Common Shares or Resulting Issuer Common Shares (as constituted upon completion of the Transaction), as the case may be.

“**Stock Option Plan**” means the stock option plan of Stowe One adopted by the Board of Stowe One on December 31, 2019, which is expected to be affirmed as the stock option plan of the Resulting Issuer at the Resulting Issuer’s first annual general shareholder meeting.

“**Stowe One**” means Stowe One Investments Corp., a company formed under the laws of British Columbia, as constituted on the date of this Prospectus.

“**Stowe One Common Share**” means a common share in the capital of Stowe One.

“**Stowe One Options**” means the nil non-transferable options granted pursuant to the Stock Option Plan entitling holders thereof to purchase Stowe One Common Shares.

“**Subco**” means 1191212 BC Ltd., a company formed under the laws of British Columbia as a wholly-owned subsidiary of Stowe One which, pursuant to the terms and conditions of the Amalgamation Agreement, will amalgamate with Agile to form Amalco.

“**Supply Chain BDA**” means supply chain focused permission based blockchain decentralized applications.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time.

“**Tax Deferred Plans**” means RRSPs, RRIFs, DPSPs, RESPs, RDSPs, and TFSAs.

“**TFSA**” means a tax-free savings account as defined under the Tax Act.

“**Transaction**” means the business combination between Stowe One and Agile by way of a three-cornered amalgamation completed pursuant to the Amalgamation Agreement.

“**TCP**” means Transmission Control Protocol.

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“**US dollars**” or “**US\$**” means the currency of the United States.

## ABOUT THIS PROSPECTUS

An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. Stowe One and Agile have not authorized anyone to provide investors with additional, different or inconsistent information. If anyone provides investors with additional, different or inconsistent information, including information or statements in media articles about Stowe One and/or Agile, investors should not rely on it.

The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus. The business, financial condition, operating results and prospects of Stowe One and/or Agile may have changed since the date of this Prospectus.

Any graphs, tables or other information demonstrating the historical performance or current or historical attributes of Stowe One, Agile or any other entity contained in this Prospectus are intended only to illustrate historical performance or current or historical attributes of Stowe One, Agile or such other entities, as applicable, and are not necessarily indicative of future performance of the Resulting Issuer, Stowe One, Agile or such other entities, as applicable.

This Prospectus includes summary descriptions of certain material agreements of Stowe One and Agile (see “*Information Concerning Stowe One – Material Contracts*” and “*Information Concerning Agile – Material Contracts*”). The summary descriptions disclose provisions that Stowe One and/or Agile consider to be material, but are not complete and are qualified by reference to the terms of the material agreements, which are/will be filed with the Canadian securities regulatory authorities and are/will be available under Stowe One’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Investors are encouraged to read the full text of such material agreements.

## SIGNIFICANT EVENT - COVID-19 PANDEMIC

During March 2020, the outbreak of the novel strain of coronavirus disease referred to as COVID-19 resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business worldwide. The duration and impact of COVID-19 is unknown at this time. It is not possible to reliably estimate the length or severity of these developments and the impact on the financial performance and financial position of Stowe One, Agile or the Resulting Issuer, as applicable, in future periods. Given the impact of the changing circumstances surrounding COVID-19 and the related response from Stowe One and Agile, governments (federal, provincial and municipal), regulatory authorities, businesses and customers, there is inherently more uncertainty associated with the forward-looking information set out herein. These assumptions and related risks include, but are not limited to, management expectations with respect to the factors above as well as general economic conditions, such as the impact of COVID-19 on the economy and financial markets.

## FORWARD LOOKING INFORMATION

This Prospectus contains certain “forward looking statements” or “forward looking information” (collectively, “**forward looking information**”) within the meaning of Canadian securities laws, with respect to Stowe One, Agile and/or the Resulting Issuer. The forward-looking information included in this Prospectus is not based on historical facts, but rather on the expectations of Stowe One and Agile’s management regarding growth, results of operations, performance and business prospects and opportunities. Forward looking information includes statements that use forward looking terminology such as “may”, “could”, “would”, “will”, “should”, “intend”, “target”, “plan”, “expect”, “budget”, “estimate”, “forecast”, “schedule”, “anticipate”, “believe”, “continue”, “potential”, “view” or the negative or grammatical variation thereof or other variations thereof or comparable terminology. Forward looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus including, without limitation: volatility of stock price and market conditions; regulatory risks; unfavourable publicity or consumer perception; difficulty to forecast; the ability to hire and retain key personnel; competition; investment capital and market share; changes in target market; market uncertainty; ability to access additional capital; management of growth; patent infringement; litigation; ability to attract sufficient blockchain program developers; plans regarding compensation policies and practices; plans regarding the future composition of the Board of the

Resulting Issuer; plans regarding social and environmental policies and practices; the effects of COVID-19 as a global pandemic; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements. While Stowe One and Agile consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward looking information. Many assumptions are based on factors and events that are not within the control of Stowe One or Agile and there is no assurance they will prove to be correct.

Furthermore, such forward looking information represents Stowe One's and/or Agile's, as applicable, estimates only as of the date of this Prospectus and should not be relied upon as representing such entities estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward looking information in this Prospectus include, without limitation: (a) execution of existing business plans and growth strategies which may change due to changes in the views of management, or if new information arises which makes it prudent to change such business plans and growth strategies; and (b) the accuracy of current interpretation of research results, since new information or new interpretation of existing information may result in changes in management's expectations. Forward looking information is based on a number of assumptions that may prove to be incorrect including, but not limited to, assumptions about:

- the ability to obtain customer contracts and establish relationships;
- the impact of competition;
- the ability to obtain and maintain existing financing on acceptable terms;
- the ability to retain skilled management and staff;
- the ability to acquire a significant market position in the provision of products and services in its target markets;
- currency, exchange and interest rates;
- the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest;
- the tax horizon of the Resulting Issuer;
- treatment under or changes to governmental regulatory regimes and tax laws;
- the progress and success of product marketing;
- market competition in the blockchain software development;
- the ability to successfully market, and sell, and to create a customer base;
- expectations regarding the level of disruption to the Resulting Issuer and its business as a result of COVID-19; and
- operating in a regulatory environment.

In addition, such forward looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of Stowe One, Agile or the Resulting Issuer, as applicable, to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward looking information. Such risks include, without limitation:

- risks relating to Stowe One's and Agile's, as applicable, limited operating history;
- risk relating to the ability of the Resulting Issuer to obtain additional financing on acceptable terms, or at all;
- Stowe One does not currently generate operating revenue;
- Agile currently generates minimal operating revenue;
- risks relating to Agile's and the Resulting Issuer's, as applicable, ability to develop products and services within the currently anticipated timelines and budgets, or at all;
- market acceptance of Agile and the Resulting Issuers, as applicable, product and service offerings;
- failures of information systems or information security threats can be costly;
- Stowe One, Agile or the Resulting Issuer, as applicable, may be subject to costly legal proceedings;
- Agile and the Resulting Issuer, as applicable, may be negatively impacted by changes to blockchain laws and regulations;

- there is no existing public market for the Stowe One Common Shares;
- dilution from future financings, if any, could negatively impact holders of Stowe One Common Shares and Resulting Issuer Common Shares, as applicable;
- insurance coverage, if any, of Stowe One, Agile or the Resulting Issuer, as applicable, may be inadequate to cover potential losses, including any losses incurred by cyber attacks;
- if successfully listed, the CSE may delist the Resulting Issuer Common Shares from its exchange, which could limit investors' ability to make transactions in the Resulting Issuer's securities and subject the Resulting Issuer to additional trading restrictions;
- Stowe One and the Resulting Issuer, as applicable, are not likely to pay dividends for an extended period of time;
- any public health crises, such as COVID-19, which may adversely impact the business of Agile, Stowe One and/or the Resulting Issuer, as applicable; and
- if securities or industry analysts do not publish research or publish inaccurate or unfavourable research about the Resulting Issuer's anticipated business, the price and trading volume of the Resulting Issuer Common Shares could decline.

Although Stowe One and Agile have attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward looking information, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See "*Risk Factors*" for a discussion of certain factors investors should carefully consider.

Stowe One and Agile caution that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward looking information contained herein. There can be no assurance that forward looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information.

Forward looking information contained herein is made as of the date of this Prospectus and Stowe One and Agile disclaim any obligation to update or revise any forward looking information, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

### **INFORMATION CONCERNING AGILE**

The information contained or referred to in this Prospectus relating to Agile has been furnished by Agile. In preparing this Prospectus, Stowe One has relied upon Agile to ensure that the Prospectus contains full, true and plain disclosure of all material facts relating to Agile. Although Stowe One has no knowledge that would indicate that any statements contained herein concerning Agile are untrue or incomplete, neither Stowe One nor any of its principals assumes any responsibility for the accuracy or completeness of such information or for any failure by Agile to ensure disclosure of events or facts that may have occurred which may affect the significance or accuracy of any such information.

### **PRESENTATION OF FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES**

The financial statements included in this Prospectus are presented in Canadian dollars. The year ended financial statements included in this Prospectus have been prepared in accordance with IFRS and the interim financial statements included in this Prospectus have been prepared in accordance with International Accounting Standard No. 34, *Interim Financial Reporting* and in accordance with IFRS as issued by the International Accounting Standards Board. Certain financial information set out in this Prospectus is derived from such financial statements.

### **CURRENCY**

In this Prospectus, references to "\$" or "dollars" are to the lawful currency of Canada, unless otherwise indicated.

**NOTE REGARDING PRO FORMA SHARE CAPITALIZATION AND FINANCIAL DISCLOSURE**

Unless otherwise indicated, all disclosure herein with respect to the pro forma share capitalization and financial disclosure of the Resulting Issuer is following the completion of the Transaction and Financing.

**DATE OF FORMATION**

Except as otherwise indicated in this Prospectus, all information disclosed in this Prospectus is as of August 14, 2020 and the phrase “as of the date hereof” and equivalent phrases refer to August 14, 2020.

## SUMMARY OF PROSPECTUS

*The following is a summary of information related to Stowe One, Agile and the Resulting Issuer and is qualified in its entirety by, and should be read together with, the more detailed information, financial data and statements and MD&A contained elsewhere in this Prospectus. Please refer to the “Glossary” for a list of defined terms used herein.*

**Parties:** Stowe One is a reporting issuer in Alberta and British Columbia with its head office in Vancouver, British Columbia. Stowe One has made an application for listing on the CSE. See “*Information Concerning Stowe One*” for further information.

Agile is a blockchain technology company with its head office in Toronto, Ontario. Pursuant to the terms and conditions of the Amalgamation Agreement, Agile and Subco intend to amalgamate to form Amalco. See “*Information Concerning Agile*” for further information.

**Stowe One:** Stowe One was incorporated pursuant to the BCBCA on June 16, 2017, under the name Stowe One Investments Corp.

Stowe One has no active business. Following completion of the Transaction, it is anticipated that Stowe One will undertake the business of Agile. See “*Information Concerning Stowe One*” for further information.

**Agile:** Agile was incorporated pursuant to the BCBCA on March 2, 2018, under the name Agile Blockchain Corp. Pursuant to the terms and conditions of the Amalgamation Agreement, Agile and Subco intend to amalgamate to form Amalco, which will continue the business of Agile upon completion of the Transaction. See “*Information Concerning Agile*” for further information.

Agile is a software development company specializing in the development and deployment of asset tracking technology and supply chain optimization technology, both of which utilizes Agile’s proprietary blockchain solutions.

Agile’s business is focused on three key products:

(1) Agile Tracker: A tracking unit is a navigation device normally carried by a moving vehicle, person or animal that uses GPS to track the device’s movements and determine its location. The recorded location data can either be stored within the tracking unit or transmitted to an internet-connected device using a cellular, radio or satellite modem embedded in the unit. This allows the location to be displayed against a map backdrop either in real time or when analysing the track later, using GPS tracking software.

While there are various GSM trackers in the market, the Agile Tracker utilizing LTE technology is one of the few LTE trackers available in the market and, together with the Supply Chain BDA, is one of few end-to-end LTE tracking systems available in the market. Compared to GSM trackers, the Agile Tracker has a better coverage footprint, leading to more consistent, real-time updates. The Agile Tracker provides a high level of security by registering the Agile Tracker profiles on the Supply Chain BDA using a 256-bit hash. The Agile Tracker is expected to be market-ready by February 2021.

(2) Agile’s Supply Chain BDA: Blockchain decentralized applications, or BDA, is a computer application that runs on a distributed computing system. Agile’s Supply Chain BDA is essentially a distributed ledger that allows for low cost, highly-verified content of registration data. The Supply Chain BDA will allow

for the direct communication of relevant information to permissioned parties and operates as a distributed ledger to maintain a registration history of all transactions, including, real-time location data, vibration, shock, and orientation sensors indicate whether the shipment has experienced any form of damage, temperature and humidity sensors provide insight into the shipment's environment. The Supply Chain BDA is expected to be ready for the market by April/May 2021.

(3) Marketplace: Agile is developing a Marketplace, which is a business to business social marketplace with immutable transaction records. The Marketplace will serve as the integration focus for Agile's technology, bringing together cryptographically secure data storage, asset and information tracking and AI-driven search capabilities to enable supply-chain sourcing and fulfillment optimization across industries on a SaaS platform. The Marketplace is expected to be ready for the market by April/May 2021.

Agile does not require any affiliate entities to operate any of the blockchain based products it is currently developing.

**Summary and principle terms of the Transaction:**

Agile, Stowe One and Subco entered into the Amalgamation Agreement which provides, by way of a three cornered amalgamation under the laws of British Columbia, the terms and conditions under which Subco and Agile will amalgamate, with Amalco surviving as a wholly-owned subsidiary of the Resulting Issuer. Concurrently with closing of the Transaction, a share consolidation of the Stowe One Common Shares will occur, using a consolidation ratio of approximately 2.1428571:1. Immediately prior to Closing, Stowe One will change its name to "Solvbl Solutions Inc."

Upon Closing, shareholders of Agile will receive one Resulting Issuer Common Share in exchange for each Agile Common Share held and each outstanding Agile Option will be exchanged on a one to one ratio for Resulting Issuer Options. The Amalgamation Agreement is available for review under Stowe One's SEDAR profile at [www.sedar.com](http://www.sedar.com).

The completion of the Transaction is conditional upon the satisfaction of certain closing conditions, including obtaining conditional approval from the CSE to list the Resulting Issuer Common Shares on the CSE, all as more particularly described in the Amalgamation Agreement.

The completion of the Transaction will be carried out by parties dealing at arm's length to one another and therefore will not be a non-arm's length transaction.

See "*Information Concerning the Transaction*" for further information.

**The Listing:**

Stowe One has made an application to list the Resulting Issuer Common Shares on the CSE. Listing is subject to Stowe One fulfilling all of the listing requirements of the CSE, including meeting all minimum listing requirements.

**Resulting Issuer Common Shares:**

Upon Closing, the Resulting Issuer anticipates having 80,776,257 Resulting Issuer Common Shares issued and outstanding. See "*Information Concerning the Resulting Issuer – Description of the Securities of the Resulting Issuer*."

**Non-Offering Prospectus:**

No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the securities regulatory authorities of Ontario, Alberta and British Columbia for the purpose of allowing Stowe One to satisfy the listing requirements of the CSE and to enable Stowe One to develop an organized market for the Resulting Issuer Common Shares. Since no securities are being offered pursuant to



this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by Stowe One.

**Financing:**

Pursuant to the Amalgamation Agreement, Agile raised \$13,200 on April 1, 2020 and \$718,005 on April 15, 2020, for aggregate gross proceeds of \$731,205, through the non-brokered private placement of Agile Common Shares. See “*Information Concerning Agile – Prior Sales*” and “*Information Concerning the Transaction – the Financing*”.

**Available and Principal Purpose of Funds:**

Upon completion of the Transaction, it is anticipated that the Resulting Issuer will have estimated available funds of \$780,361. These funds will consist mainly of cash, which will be used as set forth below and under “*The Resulting Issuer – Available Funds and Principal Purposes*”.

The principal purpose of such funds, after giving effect to the Transaction and for the 12 months thereafter, will be for, among other things, working capital and capital expenditures, and marketing and further development costs associated with the Resulting Issuer’s blockchain technology. It is anticipated that the Resulting Issuer will use such funds as follows:

<b>Use of Funds</b>	<b>Funds to be Expended (\$)</b>
Staff costs – research and development	\$146,650
Marketing	\$50,000
Listing and public company costs	\$62,000
Accounts payable	\$230,000
General and administrative	\$165,600
Unallocated working capital	\$126,111
<b>Total</b>	<b>\$780,361</b>

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See “*Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*”.

**Directors and Management:**

Following the Transaction, it is anticipated that the persons below will hold the following positions with the Resulting Issuer:

- Raymond Pomroy – CEO
- Khurram Qureshi – CFO
- Musabbir Chowdhury – Director
- Alan Rootenberg – Director
- Brenda Brown – Director
- Vikas Gupta – Director

**Interests of Insiders, Promoters or Control Persons:**

Following the Transaction, it is anticipated that the Insiders, Promoters and Control Persons of the Resulting Issuer, as a group, will hold 13,809,665 Resulting Issuer Common Shares and 1,175,000 Resulting Issuer Options. As at the Listing Date, it is anticipated that 13,809,665 Resulting Issuer Common Shares and 1,175,000 Resulting Issuer Options will be subject to escrow conditions. See “*Information Concerning the Resulting Issuer – Escrowed Securities*”.

**Conflicts of Interest:**

Directors or officers of Stowe One, Agile and the Resulting Issuer, as applicable, may, from time to time, serve as directors or officers of, or participate in ventures with, other companies involved in the blockchain technology industry. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible business opportunities or in generally acting on behalf of Stowe One, Agile and the Resulting Issuer, as applicable, notwithstanding that they will be bound by the provisions of the BCBCA to act at all times in good faith in the interests of Stowe One, Agile and the Resulting Issuer, as applicable, and to disclose such conflicts to Stowe One, Agile and the Resulting Issuer, as applicable, if and when they arise. As of the date of this Prospectus, to the best of their respective knowledge, Stowe One and Agile are not aware of the existence of any conflicts of interest between Stowe One and Agile and any of their respective directors or officers. See *“Information Concerning Stowe One – Conflicts of Interest”*, *“Information Concerning Agile – Conflicts of Interest”* and *“Information Concerning the Resulting Issuer – Conflicts of Interest”* for more information.

For information concerning the director and officer positions held by the directors and officers of Stowe One and Agile, and the proposed directors and officers of the Resulting Issuer, see *“Information Concerning Stowe One – Other Reporting Issuer Experience”*, *“Information Concerning Agile – Other Reporting Issuer Experience”* and *“Information Concerning the Resulting Issuer – Other Reporting Issuer Experience”*.

**Escrow Securities:**

Upon completion of the Transaction, it is expected that the Insiders, Promoters, and Control Persons of the Resulting Issuer, as a group, will hold 13,809,665 Resulting Issuer Common Shares and 1,175,000 Resulting Issuer Options. As at the Listing Date, it is anticipated that 14,920,601 Resulting Issuer Common Shares and 1,175,000 Resulting Issuer Options will be subject to escrow conditions. See *“Information Concerning the Resulting Issuer – Escrowed Securities”*.

**Risk Factors:**

**An investment in Stowe One or the Resulting Issuer, as applicable, involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of Stowe One, Agile and the Resulting Issuer, as applicable.**

The risks, uncertainties and other factors, many of which are beyond the control of Stowe One, Agile or the Resulting Issuer, as applicable, that could influence actual results include, but are not limited to: (a) transaction and general risk factors such as: (i) risks relating to the Resulting Issuer’s additional funding requirements; (ii) market risks; (iii) conflicts of interest between the directors and officers of Stowe One and Agile or the proposed directors and officers Resulting Issuer; (iv) adverse economic or global conditions; and (v) Stowe One or the Resulting Issuer’s ability to pay dividends; (b) industry risks such as: (i) cybersecurity risks, (ii) regulatory risks; (iii) risks relating to market acceptance of Agile’s and the Resulting Issuer’s, as applicable, products and services; (iv) dependence on technological infrastructure and advancements; and (v) transactional recording risks; and (c) risks associated with Agile’s and the Resulting Issuer’s, as applicable, business such as: (i) competitive risks; (ii) product development risks and no assurance of commercialization; (iii) infrastructure risk; (iv) limited protections of patents and proprietary rights; (v) infringement of intellectual property rights; (vi) privacy risks; (vii) risk of obsolescence of products and services; (viii) expansion risks; (ix) risks relating to the limited operating history of Stowe One and Agile; (x) risks relating to the lack of operating cash flow; (xi) Stowe One’s, Agile’s and the Resulting Issuer’s, as applicable, dependence on management and key personnel; and (xii)

risks regarding uninsured losses; and other factors beyond the control of Stowe One, Agile and the Resulting Issuer, as applicable. See “*Risk Factors*”.

**Selected pro forma consolidated financial information:**

Upon completion of the Transaction, it is expected that the Resulting Issuer will have the following securities issued and outstanding:

<b>Designation of Security<sup>(1)</sup></b>	<b>Amount Authorized or to be Authorized</b>	<b>Amount Outstanding upon completion of the Transaction</b>
Resulting Issuer Common Shares	Unlimited	80,776,257
Resulting Issuer Options	10% of Resulting Issuer Common Shares	6,449,166

**Note:**

(1) Certain securities of the Resulting Issuer are subject to escrow. See “*Information Concerning the Resulting Issuer – Escrowed Securities*”.

The following table sets out the number of Resulting Issuer Common Shares and percentage of the Resulting Issuer Common Shares held after giving effect to the Transaction on an undiluted basis:

	<b>Number of Resulting Issuer Common Shares and percentage held after giving effect to the Transaction</b>	
	<b>Shares</b>	<b>% of undiluted total</b>
Stowe One shareholders after giving effect to consolidation	3,366,811	4.17%
Agile shareholders	77,409,446	95.83%
<b>Total</b>	<b>80,776,257</b>	<b>100%</b>

The following table summarizes selected pro forma financial information for the Resulting Issuer as at the period ended March 31, 2020. The information below should be read in conjunction with the Resulting Issuer’s pro forma financial statements and related notes and other financial information included in Appendix “E” in this Prospectus.

<b>Pro-Forma Balance Sheet</b>	<b>Pro-Forma Consolidated</b>
<b>Total Assets</b>	\$1,038,319
Liabilities	\$942,250
Share Capital	\$2,779,890
Contributed Surplus (options reserve)	\$606,846
Warrants	\$56,666
Accumulated Deficit	\$(3,347,333)
<b>Total Shareholders’ Equity and Liabilities</b>	<b>\$1,038,319</b>

See Appendix “E” – “*Financial Statements and MD&A of the Resulting Issuer*”.

## INFORMATION CONCERNING STOWE ONE

### CORPORATE STRUCTURE

#### *Name, Address and Incorporation of Stowe One*

Stowe One Investments Corp. was incorporated under the BCBCA on June 16, 2017. Stowe One's head and registered office is located at Suite 650, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3.

Stowe One was incorporated as a wholly-owned subsidiary of Anacott Resources Corp. ("**Anacott**"). Stowe One entered into an arrangement agreement dated June 26, 2017 among Anacott, Stowe One and other subsidiaries of Anacott (the "**Anacott Arrangement Agreement**") in connection with a plan of arrangement (the "**Anacott Arrangement**"), which was approved by the shareholders of Anacott on July 27, 2017. On July 28, 2017, the Court granted the Final Order approving the Arrangement in accordance with Part 9 of the BCBCA and Stowe One was spun out and became a reporting issuer in Alberta and British Columbia. Pursuant to the Arrangement, among other things, Stowe One issued a total of 5,049,107 Stowe One Common Shares to the shareholders of Anacott on a pro-rata basis. More information about the Anacott Arrangement and a copy of the Anacott Arrangement Agreement is available for review under Stowe One's SEDAR profile at [www.sedar.com](http://www.sedar.com).

#### *Intercorporate Relationships*

Stowe One's only subsidiary is Subco. Subco is a wholly-owned subsidiary of Stowe One which was incorporated under the BCBCA in order to complete the Transaction.

### BUSINESS OF STOWE ONE

Since the completion of the Anacott Arrangement, Stowe One has not carried on any active business other than the identification and evaluation of acquisition opportunities to permit Stowe One to acquire a business or assets in order to conduct commercial operations. Stowe One does not have any business operations or assets other than cash, and does not have written or oral agreements in principle for the acquisition of an asset or business other than the Amalgamation Agreement. It is anticipated that, immediately prior to Closing, Stowe One will change its name to "Solvbl Solutions Inc."

On September 18, 2018, Stowe One entered into the Letter of Intent with Agile, which was amended on November 19, 2018. On December 21, 2018, Stowe One entered into an amalgamation agreement with Agile and Subco, which sets forth the terms and conditions of the Transaction. The Amalgamation Agreement replaced and superseded the Letter of Intent in its entirety. See "*Information Concerning the Transaction.*"

### DESCRIPTION OF THE SECURITIES OF STOWE ONE

Stowe One's authorized share capital consists of an unlimited number of Stowe One Common Shares without par value and, as of the date hereof, 7,214,607 Stowe One Common Shares are issued and outstanding as fully paid and non-assessable. It is anticipated that, concurrently with Closing, Stowe One will complete a share consolidation of the Stowe One Common Shares using a consolidation ratio of approximately 2.1428571:1, which will result in 3,366,811 Stowe One Common Shares being issued and outstanding at the time of the Closing.

#### Stowe One Common Shares

All of the Stowe One Common Shares rank equally as to voting rights, participation in a distribution of the assets of Stowe One on a liquidation, dissolution or winding-up of Stowe One and entitlement to any dividends declared by Stowe One. The holders of the Stowe One Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders of Stowe One. Each Stowe One Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of Stowe One, or any other distribution of the assets of Stowe One among its shareholders for the purpose of winding-up its affairs, the holders of the Stowe One Common Shares are entitled to receive, on a pro rata basis, all of the assets remaining after the payment by Stowe One of all of its liabilities. The

holders of Stowe One Common Shares are entitled to receive dividends as and when declared by the Board of Stowe One in respect of the Stowe One Common Shares on a pro rata basis. The Stowe One Common Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital. For a description of Stowe One’s practice regarding dividends, see “*Information Concerning Stowe One – Dividends*”.

Any alteration of the rights, privileges, restrictions and conditions attaching to the Stowe One Common Shares under Stowe One’s constating documents requires approval by at least two-thirds of the Stowe One Common Shares voted at a meeting of Stowe One’s shareholders.

### Stowe One Options

As of the date hereof, no Stowe One Options or other compensation securities of Stowe One have been granted or issued. See “*Information concerning Stowe One – Options to Purchase Securities*”.

## **DIVIDENDS**

Stowe One has not, since the date of its incorporation, declared or paid any dividends or other distributions on the Stowe One Common Shares, and does not have a policy with respect to the payment of dividends or other distributions. Stowe One is not likely to pay dividends for an extended period of time. The declaration and payment of any dividends in the future is at the discretion of the Board of Stowe One and will depend on a number of factors, including compliance with applicable laws, financial performance, working capital requirements of Stowe One and its subsidiaries and such other factors as its directors consider appropriate. There can be no assurance that Stowe One will pay dividends under any circumstances.

## **SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS**

Attached to this Prospectus as Appendix “C” are the audited financial statements and MD&A of Stowe One for the period from incorporation (June 16, 2017) to December 31, 2017 and the years ended December 31, 2018 and 2019, and unaudited financial statements and MD&A for the interim period ended March 31, 2020. Copies of Stowe One’s financial statements and MD&A are also available on SEDAR under Stowe One’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **CONSOLIDATED CAPITALIZATION**

The following table sets forth the consolidated share capitalization of Stowe One as at the dates noted below. The following table should be read in conjunction with Stowe One’s audited financial statements and related notes thereto, along with the associated MD&A, included in this Prospectus.

<u>Description</u>	<u>Amount Authorized or to be Authorized</u>	<u>Outstanding as at March 31, 2020</u>	<u>Outstanding as at the date of this Prospectus</u>
Stowe One Common Shares	Unlimited	7,214,607	7,214,607

## **OPTIONS TO PURCHASE SECURITIES**

### **Stock Option Plan**

The Board of Stowe One approved the adoption of the Stock Option Plan on December 31, 2019. The Stock Option Plan provides that the Board of Stowe One can, from time to time, in its discretion, and in accordance with applicable

stock exchange requirements, grant to directors, officers, employees and consultants of Stowe One, non-transferable Stowe One Options, provided that the number of Stowe One Common Shares reserved for issuance pursuant to the Stowe One Options will not exceed 10% of the issued and outstanding Stowe One Common Shares. In connection with the foregoing, the number of Stowe One Common Shares reserved for issuance to any one person in any 12 month period will not exceed 5% of the issued and outstanding Stowe One Common Shares unless Stowe One obtained disinterested shareholder approval in accordance with applicable stock exchange policies in respect of such grant and meets applicable stock exchange requirements. In addition: (a) the number of Stowe One Common Shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding Stowe One Common Shares; (b) the number of Stowe One Common Shares reserved for issuance to any one consultant will not exceed 2% of the issued and outstanding Stowe One Common Shares; (c) the number of Stowe One Common Shares reserved for issuance to persons providing investor relations activities will not exceed 2% of the issued and outstanding Stowe One Common Shares; (d) the number of Stowe One Common Shares reserved for issuance to consultants within a one year period will not exceed 2% of the issued and outstanding Stowe One Common Shares on the grant date; and (e) the number of Stowe One Common Shares reserved for issuance to Insiders as a group within a one year period will not exceed 2% of the issued and outstanding Stowe One Common Shares on the grant date.

If issued, any Stowe One Options must be exercised within 90 days following cessation of the optionee's position with Stowe One, provided that (a) if the cessation was by reason of death, the Stowe One Options may be exercised within a maximum period of one year after such death, subject to the expiry date of such Stowe One Options; (b) if the cessation of office, directorship, or consulting arrangement was by reason of termination for cause, the Stowe One Options shall be cancelled as of that date; and (c) if the cessation of office, directorship, or consulting arrangement was due to retirement at the request of his or her employer earlier than the normal retirement date under Stowe One's retirement policy then in force, due to termination by Stowe One other than for cause, or due to voluntary resignation, the option then held by the optionee shall be exercisable at any time up to but not after the earlier of the expiry date and the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the cessation of office, directorship, or consulting arrangement.

The exercise price of the Stowe One Options shall be determined by the Board of Stowe One at the time any Stowe One Option is granted. In no event shall such exercise price be lower than 100% of the fair market value of the Stowe One Common Shares on the date of such grant. Subject to any applicable stock exchange vesting restrictions, the Board of Stowe One may, in its sole discretion, determine the time during which Stowe One Options shall vest and the method of vesting, or that no vesting restriction shall exist.

As of the date hereof, no options have been issued under the Stock Option Plan.

### PRIOR SALES

The following table summarizes the issuances of Stowe One Common Shares since the incorporation of Stowe One to the date of this Prospectus.

<u>Issue Date</u>	<u>Type of Security</u>	<u>Number Issued</u>	<u>Issue Price</u>	<u>Exercise Price</u>	<u>Description of Issuance</u>
June 16, 2017	Stowe One Common Shares	5,080,725	\$0.00001	N/A	Incorporation
July 28, 2017	Stowe One Common Shares	(5,080,725) <sup>(1)</sup>	N/A	N/A	Anacott Arrangement
July 28, 2017	Stowe One Common Shares	5,049,107 <sup>(1)</sup>	N/A	N/A	Anacott Arrangement
February 19, 2018	Stowe One Common Shares	2,165,500	\$0.00001	N/A	Private placement to CEO and Director

**Note:**

- (1) Pursuant to the Anacott Arrangement, 5,080,725 issued and outstanding Stowe One Common Shares were cancelled upon the issuance of 5,049,107 Stowe One Common Shares on July 28, 2017; due to fractional shares being rounded, nine (9) Stowe One Common Shares were not issued.

### ***Trading Price and Volume***

Stowe One is not currently listed or quoted on any stock exchange.

### **ESCROWED SECURITIES**

As of the date hereof, no securities of Stowe One are held in escrow.

### **PRINCIPAL SECURITYHOLDERS**

The following table sets forth the principal securityholders of Stowe One as of the date of this Prospectus:

<u>Name</u>	<u>Number of Stowe One Common Shares</u>	<u>Percentage of Stowe One Common Shares</u>
Delbrook Capital Advisors Inc. <sup>(1)</sup>	2,165,500	30%
Elemental Capital Partners LP <sup>(2)</sup>	2,165,500	30%
Walter Coles <sup>(3)</sup>	2,165,500	30%

**Notes:**

- (1) Matthew Zabloski exercises control, either directly or indirectly, over Delbrook Capital Advisors Inc.
- (2) Fletcher Morgan exercises control, either directly or indirectly, over Elemental Capital Partners LP.
- (3) CEO and director of Stowe One.

### **DIRECTORS AND EXECUTIVE OFFICERS**

The following table sets forth the name of each director and executive officer of Stowe One as at the date of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with Stowe One and the time served in that position(s), their principal occupation(s) during the preceding five years, and the number and percentage of Stowe One Common Shares they beneficially own, or control or direct, directly or indirectly.

<u>Name and Residence</u>	<u>Position</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Officer and/or Director Since</u>	<u>Number and Percentage of Stowe One Common Shares Held</u>
<b>Walter Coles</b> <sup>(1)</sup> New York, United States of America	CEO and Director	President and CEO of Skeena Resources Ltd., a junior mining exploration company, from December 2013 to present; Executive Vice-President of Virginia Energy Resources Inc., a uranium development and exploration company, from September 2012 to present; and President and CEO of Anthem Resources Inc., a uranium exploration company, from October 2010 to July 2015.	June 16, 2017	2,165,500 (30%)
<b>Andrew MacRitchie</b> British Columbia, Canada	CFO	CFO of Skeena Resources Ltd., a junior mining exploration company, from June 2016 to present; and CFO of Winshear Gold Corp. (formerly, Helio Resource Corp.), a junior exploration resource company, from December 2007 to present.	June 16, 2017	Nil.

<u>Name and Residence</u>	<u>Position</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Officer and/or Director Since</u>	<u>Number and Percentage of Stowe One Common Shares Held</u>
<b>Joseph E. Mullin</b> <sup>(1)</sup> New York, United States of America	Director	CEO of Colorado Resource Corp., a junior exploration resource company, from August 2019 to present; CEO of Buckingham Copper Corp. from February 2018 to August 2019; CFO of Bridge Therapeutics Inc. from December 2016 to December 2017; and Director of Joseph E. Mullin LLC from December 2011 to December 2017.	June 16, 2017	Nil.
<b>Barbara Broughton</b> <sup>(1)</sup> British Columbia, Canada	Director	Director and consultant of Thomas, Morgan & Co Ltd. from October 2013 to present.	August 1, 2017	Nil.

**Note:**

(1) Member of the Audit Committee.

***Executive Officer and Director Biographies:***

The following biographies detail the executive officers and directors of Stowe One as of the date of this Prospectus:

Walter Coles, CEO and Director – Walter has served as CEO and President for several TSX Venture Exchange listed junior mining exploration and development companies, throughout the past seven years. Mr. Coles entered the mining business as part of an effort to develop a mineral resource discovered on family farmland in Virginia. He was previously an analyst for Cadence Investment Partners, from 2005 through to 2007. Prior to that, Mr. Coles worked for UBS Investment Bank in New York as a Senior Research Analyst in the bank’s High Yield Group. Mr. Coles started at UBS Investment Bank in 1999 as an Associate reporting to the bank’s Global Head of Fixed Income Strategy. Mr. Coles holds a BA in Economics from the University of Richmond.

Andrew MacRitchie, CFO – Andrew is a Chartered Public Accountant who has held management roles in several TSX Venture Exchange listed mining companies over his 20-year career. During that period, he has assisted those companies in raising more than \$200 million. He began his career with PricewaterhouseCoopers and has since gathered experience working on gold, silver, diamond and base-metals projects in North America, South America, and Africa.

Joseph Mullin, Director – Joseph has more than twenty years of experience in interim management, operational integration, corporate finance, restructuring, and financial analysis. He is currently the CEO of Colorado Resources, Ltd., and is a Partner of Mount Arvon Partners (Joseph E. Mullin LLC). He also has experience in litigation support and investment management. Mr. Mullin’s skills have proven valuable to companies executing a reorganization, preparing for a capital markets transaction or an acquisition. His industry experience includes retail, media, telecom, technology, industrials, and natural resources. Mr. Mullin has served as a Chief Restructuring Officer, Chief Financial Officer, Restructuring Consultant, Trust Advisory Committee Member, and Creditor Committee Member in a number of different situations. Mr. Mullin has participated in a variety of operation and financial turnarounds and has hands on experience with pre-revenue owners of patents to established companies with hundreds of millions in annual revenues. He served as an outside director, and member of the audit committee of several public and private companies.

Barbara Broughton, Director – Barbara is a qualified management consultant specialising in corporate communications and, in a career spanning over 20 years, has held senior positions in agencies and large corporations in the energy, pharmaceutical and telecommunications sectors. She graduated with a BA (Hons) from the University of Western Ontario before joining Merck & Co., Inc. in Toronto. Barbara then moved to New York City and became a Senior Associate with Ogilvy Public Relations - a role she left in 2000 to return home to Vancouver, Canada, becoming Public Relations Manager for BC Hydro and then Director of Public Relations for Telus Corporation. In



2006, Barbara moved to London, UK and joined the Hutchison 3G leadership team following the launch of its “Three” cellphone network in 2003 into a highly competitive space. She qualified as a management consultant in 2007 and joined a London-based boutique management consulting firm providing strategic planning services on behalf of senior UK Government Departments with service providers such as IBM and Deloitte. Barbara returned to Vancouver in 2009 to raise her growing family and operate a private business consulting firm specializing in interim management services. Since 2017, Barbara has held directorships of multiple private and public companies and acted as a trustee of two unit trusts. In September 2019, Barbara was appointed Campaign Director for a Vancouver-based charity.

### ***Corporate Cease Trade Orders***

None of Stowe One’s directors or executive officers are, as at the date hereof, or were within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Stowe One) that: (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (an “**Order**”) that was issued while the director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer of such issuer; or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer.

### ***Bankruptcies***

Except as disclosed below, none of Stowe One’s directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of Stowe One: (a) are, as at the date hereof, or have been within the 10 years before the date hereof, a director or executive officer of any company (including Stowe One) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) have, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

Joseph E. Mullin served as an independent director of KIT Digital, Inc. (“**KIT**”), a NASDAQ listed company, between August 2010 and August 2012. On April 25, 2013, KIT filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code in bankruptcy court, which action is captioned *In re KIT Digital, Inc., Case No. 13-11298 (REG)*. On August 7, 2013, the bankruptcy court approved KIT’s plan of reorganization. Upon reorganization, KIT was renamed Pikel, Inc. and currently operates under that name.

### ***Penalties or Sanctions***

Except as disclosed below, none of Stowe One’s directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of Stowe One, have been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

As a result of serving as an independent director of KIT between August 2010 and August 2012, Joseph E. Mullin was named in the following civil cases: (a) *Marek Vasut vs. Tuzman et al.* (Robin Smyth, Lars Kroijer, Christopher Williams, Daniel W. Hart, Joseph E. Mullin III, Santo Politi, Gavin Champion, Kaleil Isaza Tuzman and Wayne Walker and KIT Digital, Inc. as nominal defendant), which was filed on February 21, 2013 (case: 1:13-cv-01175) in the New York Southern District Court; and (b) Venkata Voruganti, derivatively on behalf of KIT Digital, Inc., Plaintiff, vs. Robin Smyth, Barak Bar-Cohen, Gavin Champion, Kaleil Isaza Tuzman, Daniel W. Hart, Lars Kroijer, Joseph E. Mullin, III, and Wayne Walker, Defendants, and KIT Digital, Inc., Nominal Defendant, which was filed on July 18, 2012 (Index No. 652484/2012) in the Supreme Court of the State of New York. Both of the aforementioned actions

were settled under the terms of Stipulation of Settlement dated July 1, 2014, with a Final Judgement and Order Approving Settlement being issued on November 19, 2014.

### ***Conflicts of Interest***

To the best of Stowe One's knowledge, there are no existing or potential material conflicts of interest between Stowe One and any of its directors or officers as of the date hereof. However, certain of Stowe One's directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or while generally acting on Stowe One's behalf. See "*Risk Factors – Conflicts of Interest*".

Pursuant to the BCBCA, directors and officers of Stowe One were required to act honestly and in good faith with a view to the best interests of Stowe One. As required under the BCBCA and Stowe One's constating documents:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of Stowe One, must promptly disclose the nature and extent of that conflict; and
- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which Stowe One has entered or proposes to enter may generally not vote on any directors' resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board of Stowe One is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, Stowe One will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

## **EXECUTIVE COMPENSATION**

The following section describes the significant elements of Stowe One's executive and director compensation programs, with particular emphasis on the compensation payable to the CEO and CFO of Stowe One.

### ***Executive Compensation Discussion and Analysis***

#### ***Compensation Philosophy and Objectives***

It is the objective of Stowe One's executive compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value, while at the same time keeping in mind that Stowe One has limited financial resources. It is the goal of the Board to endeavor to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Board gives consideration to Stowe One's long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual's performance and achievements. Stowe One's primary compensation policy is to pay for performance and accordingly, the performance of Stowe One and of the executive officers as individuals are both examined by the Board.

When determining compensation, management and the Board review the compensation practices of companies in its selected peer group, each executive's equity ownership of Stowe One, as well as Stowe One's resources to pay. Together with this information, the CEO annually assesses the individual performance and development of each executive officer and recommends to the Board an appropriate salary, annual incentive and long-term incentive for each individual. The Board then reviews those recommendations in conjunction with its own review of Stowe One's performance, executive performance and comparative data and discusses and approves the compensation package.

The Board does not set specific performance objectives in assessing the performance of the CEO and other executive officers; rather the Board uses its experience and judgment in determining an overall compensation package for the CEO and other executive officers. The Board assesses the performance of Stowe One and its executive officers relative to Stowe One's goals and objectives and in relation to the performance of Stowe One's industry peer group.

#### *Elements of Executive Compensation*

The Board considers the following three principal components when determining Stowe One's executive compensation: base salaries, stock option plan, and incentive bonus compensation, each of which are designed to provide compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. Other components of executive compensation could include perquisites and other personal benefits, though none have been granted by Stowe One. Each component of the executive compensation program is addressed separately below. The fixed element of compensation provides a competitive base of secure compensation required to attract and retain executive talent. The variable performance based compensation is designed to encourage both short-term and long-term performance of Stowe One.

#### Base Salaries

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities and the level of skills and experience required to successfully perform his or her role. Stowe One intends to pay base salaries to its executive officers that are competitive with those for similar positions within Stowe One's selected peer group. Since the CEO owns a significant equity stake in Stowe One, he has elected not to draw a base salary. Salaries for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility. Salaries of the executive officers are not determined based on benchmarks or a specific formula. The Board considers, and, if thought appropriate, approves salaries recommended by the CEO for the other executive officers of Stowe One.

#### Incentive Bonus Compensation

In addition to base salaries, Stowe One can award discretionary bonuses to executive officers. The bonus element of Stowe One's executive compensation program is designed to retain top quality talent and reward both corporate and individual performance during Stowe One's last completed financial year. To determine bonus awards for executive officers, including the NEOs, the Board considers the resources of Stowe One and its ability to pay, the executive's personal performance and the performance of Stowe One relative to its peers. NEOs are eligible for discretionary bonus compensation payable should Stowe One reach certain revenue and/or net-income targets. The bonus amounts and targets for executive officers are recommended by the CEO for review, discussion and approval by the Board. No incentive bonus have been granted as of the date of this Prospectus.

#### Stock Option Plan

The Board adopted the Stock Option Plan on December 31, 2019, to have the ability to incentivize the directors, officers, employees, consultants and other personnel of Stowe One or any of its subsidiaries to achieve the long-term objectives of Stowe One; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of Stowe One; and to attract to and retain in the employ of Stowe One or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in Stowe One. See "*Information Concerning Stowe One – Options to Purchase Securities – Stock Option Plan*" for a summary of the Stock Option Plan.

The executive compensation policy of Stowe One is determined with a view to securing the best possible talent to run Stowe One. Options may be awarded to executive officers in lieu of higher salaries and such grant would be designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term and to reward employees for both past and future performance. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his position with and contribution to Stowe One.

Executive officers, along with all of Stowe One's officers, directors, employees, contractors and other service providers, are eligible to participate in the Stock Option Plan. The Stock Option Plan provides a long-term incentive designed to focus and reward eligible participants for enhancing total shareholder return over the long-term both on an absolute and relative basis. Participation in the Stock Option Plan rewards overall corporate performance, as measured through the price of the Stowe One Common Shares. In addition, the Stock Option Plan enables executives to develop and maintain a significant ownership position in Stowe One. This results in a significant portion of executive compensation being "at risk" and directly linked to the achievement of business results and long-term value creation.

The granting of any options under the Stock Option Plan are recommended by management and approved by the Board upon the commencement of an individual's employment with Stowe One based on the level of their respective responsibility within Stowe One. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within Stowe One. In considering additional grants, a number of factors are considered including the number of options held by such individual, the exercise price and implied value of the options, the term remaining on those options and the total number of options Stowe One has available for grant under the Stock Option Plan.

No options have been granted under the Stock Option Plan as of the date hereof.

#### Perquisites and Other Components

Other components of compensation available to Stowe One include perquisites and personal benefits, provided the Board determines such components are consistent with the overall compensation strategy. There is no formula for how perquisites or personal benefits are utilized in the total compensation package. Stowe One does not provide any pension or retirement benefits to its executive officers.

#### *Compensation Benchmarking*

Salaries of Stowe One's executive officers are not determined based on benchmarks or a specific formula.

#### *Managing Compensation Risk*

The oversight and administration of Stowe One's compensation program requires the Board to consider risks associated with Stowe One's compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at meetings of the Board at which compensation related decisions are made. Stowe One's executive compensation policies and practices are intended to align management incentives with the long-term interests of Stowe One and its shareholders. In each case, Stowe One seeks an appropriate balance of risk and reward.

Stowe One does not prohibit its NEOs or directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person. The NEOs and directors have advised Stowe One that they have not entered into any such arrangements. To the extent that they subsequently enter into an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, their economic exposure to Stowe One, Insider reporting laws in Canada provide that they must file a report disclosing the existence and material terms of the agreement, arrangement or understanding within five (5) days of the event.

#### *Share-based and Option-based Awards*

Stowe One does not grant any share-based awards and has not, as of the date hereof, granted any option-based awards.

## ***Compensation Governance***

### ***Responsibilities of the Board***

The Board of Stowe One relies on established compensation policies and practices to assist it in fulfilling its responsibilities pertaining to compensation matters and determining the overall compensation strategy of Stowe One. The Board of Stowe One approves the appointment and remuneration of Stowe One's executive officers, including Stowe One's NEOs identified in the summary compensation table below.

### ***Executive Compensation-Related Fees***

From the date of incorporation of Stowe One until the financial year ended December 31, 2019, no fees were billed to Stowe One by any consultant or advisor, or any of its affiliates, for services related to determining compensation for any of Stowe One's directors and executive officers or for any other similar or related services.

### ***Summary Compensation Table***

The following table contains information about the compensation paid to, or earned by, individuals who were, as at the financial year ended December 31, 2017, December 31, 2018 and December 31, 2019, NEOs. The NEOs of Stowe One as at December 31, 2017, December 31, 2018 and December 31, 2019 were Walter Coles, CEO of Stowe One, and Andrew MacRitchie, CFO of Stowe One.

<b><u>Name and Principal Position</u></b>	<b><u>Year</u></b>	<b><u>Salary</u></b>	<b><u>Bonus</u></b>	<b><u>Committee or meeting fees</u></b>	<b><u>Value of Perquisites</u></b>	<b><u>Value of All Other Compensation</u></b>	<b><u>Total Compensation</u></b>
Walter Coles CEO	2019	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2018	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	2017	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
Andrew MacRitchie <sup>(1)</sup> CFO	2019	\$24,200	Nil.	Nil.	Nil.	Nil.	\$24,200
	2018	\$23,675	Nil.	Nil.	Nil.	Nil.	\$23,675
	2017	\$10,000	Nil.	Nil.	Nil.	Nil.	\$10,000

**Note:**

(1) Fees paid for the services of the CFO were paid to Anacott, a related party.

### ***Director Compensation***

During the financial year ended December 31, 2019, no base annual retainer or fees for attendance at Board or Board committee meetings were awarded to, earned by, paid to, or payable to the directors of Stowe One. As an officer of Stowe One, Walter Coles has not and will not receive compensation for his services as a director.

### ***Termination and Change of Control Benefits***

No termination or change of control benefits have been awarded to any member of staff, nor to any Board member

## **INDEBTEDNESS OF DIRECTORS AND OFFICERS**

None of the directors, executive officers or employees of Stowe One, nor any of their Associates or Affiliates, is or have been indebted to Stowe One since the commencement of the last completed financial year, nor is any such person expected to be indebted to Stowe One or the Resulting Issuer as a result of the Transaction.

## AUDIT COMMITTEE

### *Audit Committee's Charter*

The text of the Stowe One Audit Committee Charter is attached hereto as Appendix "A".

### *Composition of the Audit Committee*

Stowe One's Audit Committee consists of Walter Coles, Joseph E. Mullin and Barbara Broughton. Joseph E. Mullin and Barbara Broughton are "independent" and all members of the Audit Committee are "Financially Literate", as such terms are defined in NI 52-110. Walter Coles, CEO of Stowe One, is not independent by virtue of being a member of Stowe One's management.

### *Relevant Education and Experience*

Walter Coles – Walter has served as CEO and President for several TSX Venture Exchange listed junior mining exploration and development companies, throughout the past seven years. Mr. Coles entered the mining business as part of an effort to develop a mineral resource discovered on family farmland in Virginia. He was previously an analyst for Cadence Investment Partners, from 2005 through to 2007. Prior to that, Mr. Coles worked for UBS Investment Bank in New York as a Senior Research Analyst in the bank's High Yield Group. Mr. Coles started at UBS Investment Bank in 1999 as an Associate reporting to the bank's Global Head of Fixed Income Strategy. Mr. Coles holds a BA in Economics from the University of Richmond.

Joseph E. Mullin – Joseph has more than twenty years of experience in interim management, operational integration, corporate finance, restructuring, and financial analysis. He also has experience in litigation support and investment management. Mr. Mullin's skills have proven valuable to companies executing a reorganization, preparing for a capital markets transaction or an acquisition. His industry experience includes retail, media, telecom, technology, industrials, and natural resources. Mr. Mullin has served as a Chief Restructuring Officer, Chief Financial Officer, Restructuring Consultant, Trust Advisory Committee Member, and Creditor Committee Member in a number of different situations. Mr. Mullin has participated in a variety of operation and financial turnarounds and has hand on experience with pre-revenue owners of patents to established companies with hundreds of millions in annual revenues. He served as an outside director, and on the audit committees of several public and private companies.

Barbara Broughton – Barbara is a qualified management consultant specialising in corporate communications and, in a career spanning over 20 years, has held senior positions in agencies and large corporations in the energy, pharmaceutical and telecommunications sectors. She graduated with a BA (Hons) from the University Of Western Ontario before joining Merck & Co., Inc. in Toronto. Barbara then moved to New York City and became a Senior Associate with Ogilvy Public Relations - a role she left in 2000 to return home to Vancouver, Canada, becoming Public Relations Manager for BC Hydro and then Director of Public Relations for Telus Corporation. In 2006, Barbara moved to London, UK and joined the Hutchison 3G leadership team following the launch of its "Three" cellphone network in 2003 into a highly competitive space. She qualified as a management consultant in 2007 and joined a London-based boutique management consulting firm providing strategic planning services on behalf of senior UK Government Departments with service providers such as IBM and Deloitte. Barbara returned to Vancouver in 2009 to raise her growing family and operate a private business consulting firm specializing in interim management services. Since 2017, Barbara has held directorships of multiple private and public companies and acted as a trustee of two unit trusts. In September 2019, Barbara was appointed Campaign Director for a Vancouver-based charity

### *Audit Committee Oversight*

At no time was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Stowe One.

### ***Pre-Approval Policies and Procedures***

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services but all such services will be subject to the prior approval of the Audit Committee.

### ***External Auditor Service Fees***

Fees billed by Stowe One's external auditor, D&H Group LLP, during the financial years ended December 31, 2018 and December 31, 2019 were as follows:

<b><u>Fiscal Year Ending</u></b>	<b><u>Audit Fees<sup>(1)</sup></u></b>	<b><u>Audit Related Fees<sup>(2)</sup></u></b>	<b><u>Tax Fees<sup>(3)</sup></u></b>	<b><u>All Other Fees<sup>(4)</sup></u></b>
December 31, 2018	\$2,500	\$50	\$500	Nil.
December 31, 2019	\$3,500	\$43	\$500	Nil.

**Notes:**

- (1) Fees for audit services.
- (2) Fees for assurance and related services not included in audit services above.
- (3) Fees for tax compliance, tax advice and tax planning.

### ***Exemption***

Stowe One is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

## **CORPORATE GOVERNANCE**

### ***Board of Directors***

The Board of Stowe One is comprised of three directors, two of which are independent within the meaning of "independent" in NI 52-110. The independent directors are Joseph E. Mullin and Barbara Broughton. Walter Coles, the CEO of Stowe One, is not independent by virtue of being an executive officer of Stowe One.

Certain of Stowe One's directors are directors, officers and/or Promoters of other reporting issuers (or the equivalent) in Canada or foreign jurisdictions, details of which are set out below:

<b><u>Name of Director</u></b>	<b><u>Name of Reporting Issuer</u></b>	<b><u>Name of Trading Market</u></b>	<b><u>Position</u></b>	<b><u>Period</u></b>
Walter Coles	Skeena Resources Limited	TSX Venture Exchange	President, CEO and Director	December 2013 to present
	Industria Metals Inc.	N/A	CEO and Director	June 2017 to February 2020
	Akeley Unit Trust	N/A	CEO and Trustee	June 2017 to April 2020
	Chackmore Unit Trust	N/A	CEO and Trustee	June 2017 to April 2020
	2583262 Ontario Ltd.	N/A	CEO and Director	June 2017 to February 2020

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Name of Trading Market</b>	<b>Position</b>	<b>Period</b>
Joseph E. Mullin	Colorado Resources Ltd.	TSX Venture Exchange	CEO and Director	August 2019 to present
	Industria Metals Inc.	N/A	Director	June 2017 to present
	2583262 Ontario Ltd.	N/A	Director	June 2017 to present
	FireFox Gold Corp.	TSX Venture Exchange	Director	June 2017 to present
	Akeley Unit Trust	N/A	Trustee	April 2020 to present
	Chackmore Unit Trust	N/A	CEO and Trustee	April 2020 to present
Barbara Broughton	Akeley Unit Trust	N/A	Trustee	June 2017 to present
	Chackmore Unit Trust	N/A	Trustee	June 2017 to present
	2583262 Ontario Ltd.	N/A	Director	June 2017 to present
	Anacott Resources Corp.	N/A	Director	September 2019 to present

### ***Orientation and Continuing Education***

Each new director is briefed in respect of the nature of Stowe One's business, its corporate strategy, and issues within Stowe One. New directors are also required to meet with management of Stowe One to discuss and better understand Stowe One's business and are given the opportunity to meet with counsel to Stowe One to discuss their legal obligations as directors of Stowe One.

### ***Ethical Business Conduct***

The Board of Stowe One found that the fiduciary duties placed on individual directors by Stowe One's governing corporate legislation and the common law have been sufficient to ensure that it operates independently of management and in the best interests of Stowe One.

### ***Nomination of Directors***

Directors are responsible for identifying qualified individuals to become new members of the Board of Stowe One and recommending new director nominees for the next annual meeting of the shareholders of Stowe One. New nominees must have a track record in general business management, special expertise in an area of strategic interest to Stowe One, the ability to devote the time required, shown support for Stowe One's mission and strategic objectives, and a willingness to serve.

### ***Compensation***

The Board of Stowe One will conduct compensation reviews with regard to the compensation of directors and the CEO of Stowe One once a year. In making its compensation recommendations, the Board of Stowe One will take into account the types and amount of compensation paid to directors and officers of comparable Canadian companies. During the recently completed financial year, Stowe One has not paid any compensation to the CEO or directors of Stowe One. During the recently completed financial year, Stowe One paid compensation to the CFO indirectly via fees paid to Anacott, primarily to cover the costs of complying with the requirements of being a reporting issuer.



### ***Other Board Committees***

Stowe One currently does not have any Board committees other than the Audit Committee.

### ***Assessments***

The Board of Stowe One has no formal process in place to assess the effectiveness of the Board, its committees and individual members. However, through the regular interaction between members of Board, the Board satisfies itself that the Board, its committees and individual members are performing effectively.

### **NON-ARM'S LENGTH TRANSACTIONS**

Since its incorporation, apart from the provision of services by Anacott, Stowe One has not completed any acquisitions of assets or services or provisions of assets or services from: (i) any director or officer of Stowe One; (ii) an Insider of Stowe One, either before or after giving effect to the Transaction; or (iii) an Associate or Affiliate of any Person described in (i) or (ii). The Transaction is not a Non-Arm's Length Transaction.

### **LEGAL PROCEEDINGS**

There are no legal proceedings or regulatory actions to which Stowe One is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since incorporation, and no such proceedings or actions are known by Stowe One to be contemplated.

There have been no penalties or sanctions imposed against Stowe One by a court or regulatory authority, and Stowe One has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation.

### **INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

No director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Stowe One Common Shares, or any of their respective Associates or Affiliates, has any material interest, direct or indirect, in any transaction since the incorporation of Stowe One which has materially affected or is reasonably expected to materially affect Stowe One or a subsidiary of Stowe One.

### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

Stowe One's auditor is D&H Group LLP, Chartered Professional Accountants, having an address at 10<sup>th</sup> Floor, 1333 West Broadway, Vancouver, BC, V6H 4C1.

The transfer agent and registrar for the Stowe One Common Shares is TSX Trust Corporation, having an office at 650 West Georgia Street, Suite 2700, Vancouver, BC, V6B 4N9.

### **MATERIAL CONTRACTS**

Except for contracts entered into in the ordinary course of business, the only contract entered into by Stowe One in the two years immediately prior to the date hereof that can reasonably be regarded as presently material to Stowe One is the Amalgamation Agreement, which is available on SEDAR under Stowe One's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and may be inspected without charge at Stowe One's registered and records office at Suite 650, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3 during normal business hours.

### **EXPERTS**

No Person or company whose profession or business gives authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or

valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of Stowe One or any Associate or Affiliate of Stowe One.

D&H Group LLP, the auditor of the annual financial statements of Stowe One included in this Prospectus, has advised Stowe One that it is independent of Stowe One in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Certain legal matters related to the Transaction will be passed upon on Stowe One's behalf by Borden Ladner Gervais LLP. To the best of Stowe One's knowledge, after reasonable inquiry, Borden Ladner Gervais LLP (and its partners and associates) each beneficially own, directly or indirectly, in the aggregate, less than 1% of the outstanding Stowe One Common Shares.

## **INFORMATION CONCERNING AGILE**

### **CORPORATE STRUCTURE**

#### *Name, Address and Incorporation of Agile*

Agile Blockchain Corp. was incorporated under the BCBCA on March 2, 2018. Agile's registered and records office is located at 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600 Vancouver, BC V7X 1T2, and Agile's head office is located at Suite 602 - 15 Toronto Street, Toronto, Ontario M5C 2E3. Agile has no subsidiaries.

### **GENERAL DEVELOPMENTS OF AGILE**

Agile was formed to capitalize on the opportunities available in blockchain technology development. Since incorporation Agile has focussed on developing proprietary BDA.

Agile is also developing the Agile Tracker. Cell phone networks based on GSM technology are being phased out and even now GSM towers that develop problems are simply shut down rather than fixed. Long-Term Evolution ("LTE") is a standard (4G technology) for high-speed wireless communication for mobile device and data terminals, which will also operate on the 5G system that will eventually replace current GSM cell tower infrastructure. The Agile Tracker, together with the Supply Chain BDA, allows customers to actively track their assets and optimize their operations by helping transport providers to share details about routes and available capacity which can reduce costs and transport time. This in turn will benefit the customers with reduced costs and shipping times.

Agile is also developing the Supply Chain BDA that will be expanded to accommodate client firms in various supply chain channels with the objective of increasing client operational efficiencies while limiting their costs.

Supply chain management, which involves controlling a product's flow from the sourcing of raw materials to the distribution of the final product to the consumer, can be extremely complex. Some supply chains involve hundreds of processes carried out by several companies in numerous geographic locations. However, despite the rapid growth in this already huge industry, the industry stands to benefit from technological innovation. Manual, paper-based processes are still common in many areas of supply chain distribution and these outdated processes often lead to inefficiencies as the supply chain is slowed down by the number of large and complex network of point-to-point communications. The supply chain industry has outgrown and outpaced its current technology infrastructure.

Despite the development of supply chain management software, many companies still lack visibility and insight into the progress of their products at any given point in time. This is due mainly to the analog gaps that exist between systems and entities across regional boundaries. Although visibility options are available, they are often proprietary and lack interoperability, resulting in the creation of information silos. Printed documents, though they may contain pertinent information, simply cannot contain the level of detailed information necessary for full visibility and traceability.

The Supply Chain BDA, at its core, is inherently transparent and immutable, two features that make it well suited for solving the supply chain industry's current issues. Once the transaction data is recorded on the Supply Chain BDA, the data cannot be manipulated. Every transaction is recorded across multiple copies of the Supply Chain BDA's ledger and verified by multiple nodes. The ledger is not owned by any central authority, making it impossible for any one entity to gain control and manipulate the data written on the blockchain. The end result is a record that is highly transparent, easily traceable and extremely difficult to compromise.

The Supply Chain BDA permissioned ledgers make it possible to track products at every stage of the supply chain, from the raw materials to the final product to be received by the consumer. This information can then be made available and accessible to all relevant parties within minutes. The use of the Supply Chain BDA can help improve inventory management, reduce costly data errors and delays, and shorten resolution time when disputes occur. Sellers using the Supply Chain BDA would also have the ability to accurately track capacity and costs, estimate delivery times for multiple routes, and make smarter decisions overall.

In software supply chain attacks, bad actors get access to a software company's distribution system and replace a legitimate software update with a malicious version of it. Then, when the company's customers update their software, their systems are infected with the attacker's payload, such as a trojan, ransomware or other malware. The attacks are difficult to protect against because the update is for a trusted application with permissions to open network connections and execute downloaded binaries. It's from a legitimate domain that may have been whitelisted. It can even have a valid digital certificate.

By registering the client's Agile Tracker on the Supply Chain BDA, Agile can identify if malware appears on a client's Agile Tracker and remove it before further damage occurs to a customer's operations. Agile has Agile Trackers operational at customer firms at present and the Supply Chain BDA is undergoing continuing development to onboard entities all along a manufacturing supply chain.

### ***Financing***

Agile completed the first tranche of the Financing on April 1, 2020, for gross proceeds of \$13,200, and completed the second tranche of the Financing on April 15, 2020, for gross proceeds of \$718,005. In connection with the closing of the first and second tranches of the Financing, Agile issued an aggregate of 4,874,699 Agile Common Shares, at \$0.15 per Agile Common Share, for aggregate gross proceeds of \$731,205.

The proceeds from the Financing are being used to finance the continued development of Agile's business and for general working capital purposes.

### ***Interest-Free Loans***

Agile secured an interest-free loan from the Bank of Montreal on April 16, 2020 in the amount of \$40,000 (the "**Agile Loan**") pursuant to the Government of Canada's Canada Emergency Business Account, which was available to help Agile cope with the disruption caused by COVID-19. The Agile Loan will be used to help finance the continued development of the business of Agile and for general working capital purposes. Agile or the Resulting Issuer, as applicable, will only be required to repay \$30,000 of the Agile Loan if such repayment is made in full on or before December 31, 2022.

## **BUSINESS OF AGILE**

### ***Development of Blockchain Technology***

Many technologies that are now taken for granted were quiet revolutions in their time. The modern World is in the midst of another quiet revolution: blockchain, a distributed database that maintains a continuously growing list of ordered records, called "blocks", that are linked using cryptography. Each block contains a cryptographic hash of the previous block, a timestamp, and transaction data. By design, a blockchain is resistant to modification of the data.

The first major blockchain innovation was bitcoin, a digital currency experiment. Bitcoin and similar digital currencies utilizing blockchain are now used by millions of people for payments, including a large and growing remittances market.

The second innovation was called blockchain, which was essentially the realization that the underlying technology that operated bitcoin could be separated from the currency and used for all kinds of other interorganizational cooperation. Almost every major financial institution in the world is doing blockchain research at the moment.

The third innovation was called the "smart contract," embodied in a second-generation blockchain system called ethereum, which built little computer programs directly into blockchain that allowed financial instruments, like loans or bonds, to be represented, rather than only the cash-like tokens of the bitcoin.

The fourth major innovation is called "proof of stake." The blockchains are secured by "proof of work," in which the group with the largest total computing power makes the decisions. These groups are called "miners" and operate vast

data centers to provide security, in exchange for cryptocurrency payments. The new systems do away with these data centers, replacing them with complex financial instruments, for a similar or even higher degree of security.

The fifth major innovation is called blockchain scaling. Right now, in the blockchain world, every computer in the network processes every transaction. This is slow. A scaled blockchain accelerates the process, without sacrificing security, by figuring out how many computers are necessary to validate each transaction and dividing up the work efficiently. To manage this without compromising the legendary security and robustness of blockchain is a difficult problem, but not an intractable one. A scaled blockchain is expected to be fast enough to power the internet of things and go head-to-head with the major payment middlemen (VISA and SWIFT) of the banking world.

### ***Principal Business and Stated Business Objectives***

Agile is a software development company specializing in the development and deployment of asset tracking technology and supply chain optimization technology, both of which utilized Agile's proprietary blockchain solutions. Agile intends to establish itself as a strong and growing presence in blockchain technology and innovation. Further, Agile intends to generate an "early mover advantage" as one of a few companies focused on exposing investors to multiple blockchain applications with a fully integrated solution.

Because blockchain is a peer2peer system, it needs a certain critical mass of participants in order to function correctly. Agile's business model and strategy focuses on demonstrating the efficiency gains attainable by using Agile's BDAs and onboarding a critical mass of companies on to Agile's BDAs. Agile utilizes the 'Network Effect' to implement a strategy of quick onboarding and benefits demonstration. Agile plans to onboard companies to Agile's BDA starting in the second quarter of 2020.

See Appendix "D" – "*Financial Statements and MD&A of Agile*" and Appendix "E" – "*Financial Statements and MD&A of the Resulting Issuer*".

Agile's business has been focussed on the Agile Tracker, the Supply Chain BDA and the Marketplace.

### ***The Agile Tracker***

A tracking unit is a navigation device normally carried by a moving vehicle, person or animal that uses GPS to track the device's movements and determine its location. The recorded location data can either be stored within the tracking unit or transmitted to an internet-connected device using a cellular, radio, or satellite modem embedded in the unit. This allows the location to be displayed against a map backdrop either in real time or when analysing the track later, using GPS tracking software.

While there are various GSM trackers in the market, the Agile Tracker utilizing LTE technology is one of the few LTE trackers available in the market and, together with the Supply Chain BDA, is one of few end-to-end LTE tracking systems available in the market. Compared to GSM trackers, the Agile Tracker has a better coverage footprint, leading to more consistent, real-time updates. The Agile Tracker provides a high level of security by registering the Agile Tracker profiles on the Supply Chain BDA using a 256-bit hash. Any change to an Agile Tracker would automatically change the tracker hash and a mismatch of profiles would trigger a shutdown of the Agile Tracker. From a security perspective, a 256-bit hash protocol is one of the most secure protocols available in the market.

### ***Blockchain Decentralized Applications***

Blockchain decentralized applications, or BDA, is a computer application that runs on a distributed computing system. Agile developed and continues to upgrade the Supply Chain BDA. Blockchain software is essentially a distributed ledger that allows for low cost, highly-verified content of registration data. The Supply Chain BDA allows for the direct communication of relevant information to permissioned parties and operates as a distributed ledger to maintain a registration history of all transactions, including, real-time location data, vibration, shock, and orientation sensors indicate whether the shipment has experienced any form of damage, temperature and humidity sensors provide insight into the shipment's environment.

The Supply Chain BDA has the potential to disrupt the current market standard of supply chain management software. The majority of supply chain management software enables a single entity to monitor, measure and manage its inventory and supply management; however, problems may occur when this version of reality conflicts with the version of reality employed by the company's suppliers and customers. This conflict is a regular occurrence that can be alleviated by the use of a single 'channel' that contains the reality as seen by every entity permissioned to see that information. The efficiency gains that could be realized by utilizing the Supply Chain BDA are large and could include the reduction of communications and miscommunication between multiple entities. With the Supply Chain BDA, clients will be able to track their products at every stage of the supply chain, from the raw materials to the final product to be received by the consumer. This information can then be made available and accessible to all relevant parties within minutes. The use of the Supply Chain BDA can help improve inventory management, reduce costly data errors and delays, and shorten resolution time when disputes occur.

Agile operates its blockchain enabled network as Software as a Service ("**SaaS**") and its client firms are able to utilize current soft infrastructure without interruption while API's connect to their currently installed software and provide the 'arguments' in transactions that are deployed on Agile's blockchain. Agile does not intend to replace its client's database or other programs, but rather it conducts and registers transactions of all descriptions, including RFP's, purchase orders, invoices, payments and various other transactions. Registered transactions are then made available to all entities enabled by the client firm, thus increasing required visibility and simultaneously reducing the number of required communications.

### *The Agile Marketplace*

Agile is developing a marketplace (the "**Marketplace**"), which is a business to business social marketplace with immutable transaction records. The Marketplace will serve as the integration focus for Agile's technology, bringing together cryptographically secure data storage, asset and information tracking and AI-driven search capabilities to enable supply-chain sourcing and fulfillment optimization across industries on a SaaS platform. The Marketplace's searchable company directory and product/service offering catalog, combined with a common data model for transactional supply chain data insights, is anticipated to facilitate dynamic intelligent matching of supply and demand within a suite of procurement and fulfillment management tools. It is anticipated that the integration with the IoT/5G sensor cloud will enable real-time visibility into product location and status, and platform contracts (RFPs, purchase orders, invoices and other documents) will record fulfillment status across common types of business activities, incorporating electronic data interchange (EDI) and international classification standards. Agile's blockchain-based data pipeline underlying the platform immutably records input and output flows, increasing confidence in crucial data quality and integrity.

The Marketplace has a number of advantages for business operations and transactions:

- **Speed** - by applying search algorithms to procurement fulfillment data, the Marketplace can improve supplier selection;
- **Efficiency** - by improving supplier selection, the Marketplace can recommend optimized, complex supply chains; and
- **Cost** - by recommending supply chains, the Marketplace can enable dynamic management and reduce business risk.

These Marketplace enhancements are anticipated to enable small and medium sized domestic companies to lower business to business risks and engage the global economy by adopting Agile's platform at lower costs than engaging with large, integrated ERP offerings or connecting with its business social network through Application Programming Interfaces ("**API**"). It is anticipated that the Marketplace platform will create value by ordering business to business transaction data with Agile's unique scoring mechanism, applied through points of contact in information access, business connections, fulfillment monitoring, sensor tracking, ERP integration, record visibility, and sourcing management.

Agile's focus on fulfillment will enable sellers and buyers to emphasize critical operational supply chain factors, including price, quality and lead-time, over marketing and branding. It is anticipated that all of these functionalities will help clients save capital by optimizing business focus on customer value.

The Marketplace will be launched in multiple phases, from the proof of concept to beta testing in specific use cases, before it can be expanded to a massive marketplace in various industries. It is anticipated that the proof of concept will be completed by the third quarter of 2020. Following that, beta testing will start in order to achieve a MVP. After the successful launch of the MVP, Agile will start creating applications for general users in the market with a robust data collection system, supply chain management, and search engine that will create value for Agile's clients. Currently, the Marketplace is undergoing general optimization and is being developed to include more specific modules that would cater to specific use cases in the industries.

### ***Principal Markets***

Since 2017, the blockchain sector has been moving into the implementation stage, creating many opportunities for development and distribution of blockchain-enabled supply chains.

While many of the world's largest banks and retailers are investing hundreds of millions of dollars in researching the utilization of blockchains, it is still an early stage frontier. There is currently a void of usable software applications that fully exploit the power and value inherent in this technology, and Agile intends to develop scalable blockchain channels that fill this void. Agile is focussing on developing revenue generating blockchain applications through a proof of concept approach and Agile plans to launch blockchain channels in an efficient manner.

Numerous opportunities are emerging for blockchain-based supply chain networks world-wide, in a wide variety of other non-financial, but data driven industries. Such industries include, but are not limited to:

- Manufacturing;
- Logistics;
- Enterprise Resource Planning (“ERP”);
- Agriculture;
- Financial Services;
- Financial Exchanges;
- Registered ownership tracking;
- Payment Processing;
- Online shopping;
- Real Estate Transactions; and
- Supply Chain Product Validation.

Industry experts are predicting that almost every application in the future will eventually utilize a blockchain. Agile believes it is well positioned at the ground-level of this digital breakthrough. A key factor to Agile's success is its ability to combine useful blockchain-based supply chain applications with efficient time-to-market methods to ensure a solid first mover advantage and substantial ongoing returns on investments.

### ***Distribution Methods***

Agile will initially focus on developing a network of salaried and commissioned sales staff in various North American locations that have a critical mass of fleet vehicles and fleet management operations. By onboarding fleets to Agile's proprietary tracking system and preparing them for inclusion in the supply chain blockchain, Agile will establish its pipeline of blockchain enabled supply chain customers.

To further establish the brand, Agile established a blog and social media presence that are continuously updated. In addition, it is anticipated that a public relation company and other promotional venues are to be engaged that will further solidify Agile's niche role in the market.

## ***Revenue***

Agile has earned nominal revenue since incorporation. See Appendix “D” attached hereto for Agile’s audited and unaudited consolidated financial statements and related notes thereto, along with the associated MD&A. See also Appendix “E” – “*Financial Statements and MD&A of the Resulting Issuer*”.

## ***Specialized Skill and Knowledge***

Agile has a strong management team with significant blockchain experience, knowledge and skill, which is sufficient to operate the business of Agile.

Mr. Raymond Pomroy, Agile’s CEO, was the Vice President of Personal Care Supply Chain HPC of Unilever NA, a transnational consumer goods company. Mr. Pomroy is a business veteran and has more than 30-years of experience in supply chain management, as well as having successfully led more than 2,000 people. Mr. Pomroy has led large, global teams solving complex supply chain issues and developing operational excellence. Mr. Pomroy’s vast experience in all aspects of supply chain business and his strong track record of leading global teams to elevate operational quality and efficiency make him a valuable leader at Agile, as it continues to evolve supply chain solutions to meet client needs.

Mr. Khurram Qureshi, Agile’s CFO, has been working with various private and publicly listed technology companies as a CFO for many years. During the past several years, Mr. Qureshi has been working for companies involved in artificial intelligence, internet of things and other cutting-edge technologies.

Josh Gale, Agile’s lead business analyst, is a graduate of computer sciences and cognitive science from the University of Toronto and has more than 15 years of technology experience. Mr. Gale is considered a very accomplished and experienced blockchain professional in Canada.

Jonathan Crum, Agile’s lead project management executive, is a computer science graduate and has an MBA from Indiana University. Mr. Crum has approximately 15 years of progressively senior management roles at various technology companies in Canada, US and in Europe.

Agile’s Board members, particularly, Dr. Musabbir Chowdhury and Mr. Alan Rootenberg have been and continue to be involved with blockchain innovation and blockchain companies in Canada, US and Europe. Dr. Musabbir Chowdhury is the director of Pi Lab, a technology innovation centre at Niagara College, Ontario. At Pi Lab, Dr. Chowdhury has been instrumental in leading blockchain research in collaboration with both private and public institutions. Agile’s Board member, Vikas Gupta, a technology industry veteran has introduced Agile and its management to potential joint-venture partners and clients, and his advice in running private and publically listed technology companies has been invaluable to Agile’s management team. Agile’s Board member, Brenda Brown, has brought human resources skills from being the former global head of human resources of Compass Group, the world’s largest contract food services company. Her advice regarding employment and compensation will continue to be essential in Agile’s growth.

Accountability and oversight of Agile rests with the Board of Agile. The Board of Agile is comprised of individuals who collectively constituted the ideal mix of blockchain technology, human resources and capital market expertise so as to drive the value and performance of Agile from a development standpoint.

An expanded management team has been put in place to oversee the business development activities of Agile and perform all core functions.

## ***Competitive Conditions***

There are a number of other companies in the blockchain development space, some examples include Avalanchain Ltd., Bloq, Inc., Guardtime, PeerNova Inc. and SolidX Partners Inc. However, Agile does not intend to focus on applications that other companies are developing as there is the potential for an unlimited number of applications to



develop with blockchain technology. Due to the potential opportunities in the blockchain space, Agile does not initially expect to be in direct competition with any other blockchain company.

The most significant competition for Agile are legacy systems such as existing supply chain management software. Blockchain has the potential to gain momentum towards disrupting many aspects of legacy systems in the coming years without requiring client firms to expunge their current system. Blockchain decentralized applications have the potential to offer low-cost registrant, ownership tracking and verification services across a wide range of industries in addition to the manufacturing industry.

### ***Market Participants***

Other blockchain development companies that may compete with Agile include, but are not limited to:

1) Traceability/Provenance, Anti-Counterfeit and General Support:

- **SAP:** SAP Cloud Platform Blockchain services allow clients to start experimenting with blockchain in the cloud. Our blockchain-as-a-service (“**BaaS**”) offering delivers a low-cost, low-risk way for businesses to explore the technology, integrate it into their SAP landscapes, and capitalize on its potential. The SAPs BaaS has the following features cloud deployment, open blockchain platform, ability to build and customize apps and networks and extend existing applications with blockchain. SAP HANA allows users to connect their external blockchain networks to a powerful in-memory data platform. It allows hybrid deployment, integration of enterprise and blockchain, monitor and analyze blockchain data in real time, build apps on the platform using blockchain data.  
(source: <https://www.sap.com/products/leonardo/blockchain.html#portfolio> )
- **IBM:** IBM Food Trust uses blockchain technology to create unprecedented visibility and accountability in the food supply. It’s the only network of its kind to connect growers, processors, distributors, and retailers through a permissioned, permanent and shared record of food system data.  
(source: <https://www.ibm.com/blockchain/solutions/food-trust> )
- **ShipChain:** “The Logistics Platform of the future.” The ShipChain platform unifies shipment tracking on Ethereum blockchain, using a sidechain to track individual encrypted geographic waypoints across each smart contract. In ShipChain’s system, the meaning of each cryptographic waypoint is only accessible for interpretation by parties involved in the shipment itself. This gives shippers more visibility across their supply chain and allows carriers to communicate with ease.  
(source: <https://shipchain.io/> )
- **Blockfreight:** Blockfreight is building an open source, immutable and distributed end-to-end blockchain solution for secure “bill of lading” access by all entities in the global supply chain. These include banks, insurance providers, freight forwarders, shipping carriers, port operators and regulators. Blockfreight blockchain technology allows business transactions to be validated before they are posted onto the blockchain. The decentralized network makes it impractical to defraud other participants in the supply chain, allowing market participants to reduce costs and end-to-end processing and delivery.  
(source: <https://blockfreight.com/> )
- **CargoX:** CargoX is the independent supplier of blockchain-based Smart Bill of Lading (Smart B/L™) solutions that provide an extremely fast, safe, reliable, and cost-effective way to process Bills of Lading anywhere in the world. CargoX has developed a decentralized platform based on the Ethereum network, and has a pipeline of future products for the supply chain industry.  
(source: <https://cargox.io/> )

SAP and IBM are leaders in the large, enterprise-level client market and thus market their blockchain solutions to large, institutional clients. Agile’s management team does not anticipate direct competition with either SAP or IBM as Agile remains focused on small and medium sized enterprises in Canada, which is expected to expand to the U.S. and Europe in the future.

Agile's smaller competitors, including, ShipChain and CargoX, are both utilizing the Ethereum network as their technological platform, which Agile's management believes has inherent technological limitations, including, among other things, slow transaction speed that cannot support enterprise-level transactions. Blockfreight, a possible competitor to Agile, does not disclose the technological platform they are utilizing.

Agile believes that in order to serve small and medium-scale enterprises now, and large, enterprise-level clients in the future, it requires a robust enterprise-level platform. After considering various blockchain platforms in the market, Agile's management and development team decided to develop the Supply Chain BDA based on IBM's hyperledger fabric platform, which is an open-source platform. Agile anticipates that the Supply Chain BDA will become a trusted, stable and robust supply chain solution.

## 2) Environmental Audit of Shipments:

- Modum: Modum offers digital supply chain monitoring and analytics solutions that are simple to use and easy to integrate for a wide range of applications, including pharma. Modum leverage proven IoT and blockchain technologies to simplify our customers value chain automation and provide trusted data, fulfilling regulatory and internal quality requirements. Products include MODsense, MODlink and MODsight.  
(source: <https://modum.io/> )
- Ambrosus: Ambrosus is a blockchain-powered IoT network for food and pharmaceutical enterprises, enabling secure and frictionless dialogue between sensors, distributed ledgers and databases to optimise supply chain visibility and quality assurance. Offering supply chain optimization, logistics tracking, quality assurance and anti-counterfeiting.  
(source: <https://ambrosus.com/#features> )
- Bext 360: Bext360 provides comprehensive and measurable accountability for critical supply chains. The SaaS platform provides blockchain traceability and quantifiable measurements for sustainability. Configurable solutions for every stakeholder in the supply chain at each step-from origin to customer. APIs enable BEXT360 technology to embed in websites, supply chain management systems, point-of-sale systems and more.  
(source: <https://www.bext360.com/> )

Modum, Ambrosus or Bext 360 are potential competitors to Agile in the area of environmental shipment audits. All three of these potential competitors are very early-stage companies with unproven technological platform. Agile anticipates that the IBM hyperledger fabric platform will allow Agile's BDA to grow rapidly, in a stable environment. In order to attract and maintain clients, Agile intends to assemble a strong sales and marketing team. Together with Agile's BDA and a strong sales and marketing strategy, Agile believes that it can continuously grow its market-share in this segment of the supply chain business.

## 3) Horizontal Platforms

- Eximchain: Eximchain is a protocol for scalable, public blockchain networks with privacy for enterprise supply chain applications. Eximchain enables businesses to connect, transact, and share information more efficiently and securely. The tools to overcome traditional barriers such as access to credit, supplier reliability, data sharing, and supply chain visibility are now within our reach of its customers. Eximchain provides these tools using state-of-the-art blockchain technology that ensures efficiency, transparency, and security.  
(Source: <https://eximchain.com/blockchain-supplychain-solution> )
- Skuchain: Skuchain empowers participants in a global value chain. In the same way the Internet gave birth to e-commerce, blockchain provides the foundation for collaborative commerce, in which enterprises are uniquely able to work together to unlock gains while also expanding their control across the supply chain. Skuchain has built the tools to realize this vision. The core value of enterprise blockchain is empowered collaboration. Their implementation takes the real world needs of buyers and their supply chains and provides fine-grained control in inventory procurement across all partners. We

unlock information in the deep-tier, allowing decision makers an unprecedented level of control across the supply chain while ensuring the privacy of all sensitive information.  
(source: <http://www.skuchain.com/#products> )

- **Hijro:** Fluid custom solutions by Hijro are built for your business and integrate directly into your bespoke ERP and IT platforms. Create flexible tools to improve processes, drive automation, and increase efficiencies in treasury, trade, and supply chain operations.  
(source: <https://hijro.com/solutions.html> )

Eximchain, Skuchain and Hijro each offer their own unique platforms for supply chain applications. While the platforms may be potential competitors to Agile's Supply Chain BDA, Agile, with its Agile Tracker and Supply Chain BDA provide an end-to-end supply chain solution to its potential clients that none of these competitors can offer.

While most of Agile's competitors, all of which offer similar services and products, have essentially focused on potential large multinational clients, Agile's initial focus has been to secure small and medium sized enterprise clients in North America. Once Agile has established itself and its products in North America, it plans to concurrently enter into the large multinational segment of the market and also enter into other geographical regions, including, Europe, Asia and Africa.

### ***Intangible Properties***

It is anticipated that Agile will file process patents and trademarks for the Supply Chain BDA and other products. Initially, Agile plans to file its patents and trademarks in Canada and the U.S.

### ***Cycles***

The products offered by Agile are not considered to be cyclical or seasonal. However, some markets that Agile expects to service, do exhibit cyclicity.

### ***Continuing Evolution of Blockchain Technology***

Agile will be dependent on a continued understanding and movement towards blockchain technology replacing older more costly and labour-intensive registration systems. Blockchain is still a new technology which is not understood by many potential end-users. Blockchain technology has the potential to revolutionize many existing systems replacing many large centralized registries that are currently both highly profitable and large employers. The considerable lower-cost and less-labour intensive advantages of blockchain will need to be accepted by employers, corporations, governments and all stakeholders in order for the significant change it may represent, and will present a need to adjust for the resistance to change within client firms.

### ***Employees***

Agile has 1 contractor and 8 employees on staff or under an offer to begin work, and will expand as required by the demands of the business. Currently, Agile employs 3 back end programmers, 2 experienced business analysts, 2 project managers, and 1 web and UX/UI developer.

Agile's development of the blockchain is separated from the DevOps function, which is anticipated to be retained in-house by Agile. Agile's initial chaincode and channel development will be a joint effort utilizing resources that are not envisaged to be required beyond initial development.

### ***Changes to Contracts***

Agile does not expect any changes to any of the material contracts it has for the current fiscal year. None of Agile's material contracts are up for re-negotiation in the next two fiscal years.

### ***Bankruptcy and Similar Procedures***

There are no bankruptcies, receivership or similar proceedings against Agile nor is Agile aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceedings by Agile since its incorporation.

## **DESCRIPTION OF THE SECURITIES OF AGILE**

Agile's authorized share capital consists of an unlimited number of Agile Common Shares without par value and an unlimited number of Agile Preferred Shares, issuable in series, with nominal or par value. As of the date hereof, 77,409,446 Agile Common Shares are issued and outstanding as fully paid and non-assessable; nil Preferred Shares are issued and outstanding; and 6,449,166 Agile Common Shares are reserved for issuance pursuant to outstanding Agile Options.

### **Agile Common Shares**

All of the Agile Common Shares rank equally as to voting rights, participation in a distribution of the assets of Agile on a liquidation, dissolution or winding-up of Agile and entitlement to any dividends declared by Agile. The holders of the Agile Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Agile Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of Agile, or any other distribution of the assets of Agile among its shareholders for the purpose of winding-up its affairs, the holders of the Agile Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by Agile of all of its liabilities. The holders of Agile Common Shares are entitled to receive dividends as and when declared by the Board of Agile in respect of the Agile Common Shares on a pro rata basis. Agile Common Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital. For a description of Agile's practice regarding dividends, see "*Information Concerning Agile – Dividends*".

### **Agile Preferred Shares**

The Agile Preferred Shares may be issued from time to time in one or more series, each consisting of a number of Preferred Shares as determined by the Board of Agile which also may fix the designations, rights, privileges, restrictions and conditions attaching to the shares of each series of Agile Preferred Shares. The Agile Preferred Shares of each series shall, with respect to payment of dividends and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding-up of Agile or any other distribution of the assets of Agile among its shareholders for the purpose of winding-up its affairs, rank on a parity with the Agile Preferred Shares of every other series and shall be entitled to preference over the Agile Common Shares and the shares of any other class ranking junior to the Agile Preferred Shares. The holders of Agile Preferred Shares are not entitled to receive notice or, attend or vote at any meetings of the shareholder of Agile.

### **Agile First Warrants**

On March 29, 2018, and May 28, 2018, Agile issued the Agile First Warrants entitling the holders thereof to purchase Agile Common Shares at a price of \$0.15 per Agile Common Share for a period of 24 months. 8,287,373 Agile First Warrants expire on March 29, 2020 and 1,050,000 Agile First Warrants expired on May 28, 2020. Nil Agile First Warrants are outstanding as of the date hereof.

### **Agile Second Warrants**

On June 21, 2018, Agile issued the Agile Second Warrants entitling the holders thereof to purchase Agile Common Shares at a price of \$0.30 per Agile Common Share for a period of 24 months. All 2,250,000 Agile Second Warrants expired on June 21, 2020. Nil Agile Second Warrants are outstanding as of the date hereof.

## Agile Stock Options

Agile Stock Options were granted pursuant to the Agile Stock Option Plan to certain of Agile’s officers, directors, employees, advisors and consultants in the financial year ended December 31, 2018, in the 3<sup>rd</sup> quarter of 2019 and in the 2<sup>nd</sup> quarter of 2020. As of the date hereof, 6,449,116 Agile Options are outstanding. For more information on the terms and conditions of the Agile Stock Options, see “*Information concerning Agile – Options to Purchase Securities*”.

## Promissory notes

The following table sets forth the non-convertible and unsecured promissory notes issued by Agile as of the date hereof. The following table should be read in conjunction with Agile’s audited and unaudited consolidated financial statements and related notes thereto, along with the associated MD&A, attached to this Prospectus as Appendix “D”.

<u>Date of Issuance</u>	<u>Principal Amount</u>	<u>Annual Interest Rate</u>	<u>Original Maturity Date</u>	<u>Extended Maturity Date</u>
May 24, 2019	\$51,000	10%	June 30, 2019	June 30, 2021
June 28, 2019	\$33,000	10%	September 28, 2019	September 28, 2021
July 15, 2019	\$22,500	10%	October 15, 2019	October 15, 2021
July 31, 2019	\$33,000	10%	October 31, 2019	October 31, 2021
August 15, 2019	\$15,000	10%	November 15, 2019	November 15, 2021
August 31, 2019	\$12,300	10%	November 30, 2019	November 30, 2021
September 13, 2019	\$19,800	10%	December 15, 2019	December 15, 2021
September 19, 2019	\$12,000	10%	December 19, 2019	December 19, 2021
December 30, 2019	\$7,500	10%	March 31, 2020	March 31, 2022
January 14, 2020	\$21,000	10%	April 14, 2020	April 14, 2022
January 31, 2020	\$22,500	10%	April 30, 2020	April 30, 2022
February 14, 2020	\$19,500	10%	May 14, 2020	May 14, 2022
February 28, 2020	\$30,000	10%	May 28, 2020	May 28, 2022

Pursuant to the Amalgamation Agreement, the above noted Agile promissory notes will become a liability and obligation of the Resulting Issuer immediately upon Closing.

## **DIVIDENDS**

Agile has not, since the date of its incorporation, declared or paid any dividends or other distributions on the Agile Common Shares, and does not currently have a policy with respect to the payment of dividends or other distributions. Agile does not currently pay dividends and is not likely to pay dividends prior to the completion of the Transaction.

## **SELECTED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS**

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of Agile for the year ending December 31, 2019, and the unaudited interim financial statements of Agile for the three months ended March 31, 2020, included in Appendix “D” of this Prospectus, and should be read in conjunction with such financial statements and the related notes thereto, included in Appendix “D” of this Prospectus, along with the related MD&As thereto included in Appendix “D” of this Prospectus. All financial statements of Agile are prepared in accordance with International Financial Reporting Standards.

	Balance as at March 31, 2020	Balance as at December 31, 2019
	\$	\$
Cash	8,801	15,222
Total current assets	288,497	131,424
Property, plant and equipment	10,835	11,714
Right-of-use asset	33,137	40,237
Total non-current assets	43,972	51,951
Total assets	332,469	183,375
Accounts payable and accrued liabilities	416,709	377,191
Lease liability - current	31,854	30,313
Promissory notes - current	30,263	7,502
Total current liabilities	503,781	454,961
Long-term liabilities	199,750	155,701
Total liabilities	703,531	610,662
Total shareholders' equity/deficiency	(371,062)	(427,287)
Net working capital	(215,284)	(323,537)
	Three months Ended March 31, 2020 (\$)	Three months Ended March 31, 2019 (\$)
Cash flow used in operating activities	(99,421)	(267,927)
Cash flow from investing activities	Nil	Nil
Cash flow from (used in) financing activities	93,000	(10,000)

### ***Overall Performance***

During the period ended March 31, 2020, Agile earned \$10,000 in revenue and reported a loss from operations of \$249,312 with basic and diluted loss per share of \$0.00. Losses in the period presented mainly represent business development expenditures, professional fees, financial expenses, management compensation and other general and administrative expenses.

### **CONSOLIDATED CAPITALIZATION**

The following table sets forth the consolidated share capitalization of Agile as at the dates noted below. The following table should be read in conjunction with Agile's audited and unaudited consolidated financial statements and related notes thereto, along with the associated MD&A, attached to this Prospectus as Appendix "D".

Description	Amount Authorized or to be Authorized	Outstanding as at March 31, 2020	Outstanding as at the date of this Prospectus	Outstanding as at the date immediately prior to the Closing
Agile Common Shares	Unlimited	72,534,747	77,409,446	77,409,446
Agile Preferred Shares	Unlimited	Nil	Nil	Nil
Agile First Warrants	N/A	1,050,000	Nil	Nil
Agile Second Warrants	N/A	2,250,000	Nil	Nil
Agile Options	Up to 10% of the issued and outstanding Agile Common Shares	5,802,500	6,449,166	6,449,166

## OPTIONS TO PURCHASE SECURITIES

### *Stock Option Plan*

The Board of Agile approved and adopted the Agile Stock Option Plan on March 2, 2018. The Agile Stock Option Plan is a 10% maximum rolling plan. Agile Options granted under the Agile Stock Option Plan are not exercisable for a period longer than ten (10) years and the exercise price must be paid in full upon exercise of the Agile Option.

The continuation of the Agile Stock Option Plan requires annual shareholder approval at each annual meeting of Agile by ordinary resolution. The Board of Agile is of the view that the Agile Stock Option Plan provides Agile with the flexibility to attract and maintain the services of executives, employees and other service providers in compensation with other companies in the industry.

The Agile Stock Option Plan was established to provide incentive to directors, officers, employees and consultants. As a 10% rolling option plan, the aggregate number of Agile Common Shares issuable as Agile Options under the Agile Stock Option Plan may be up to 10% of Agile's issued and outstanding Agile Common Shares on the date on which an Agile Option is granted, less Agile Common Shares reserved for issuance on exercise of Agile Options then outstanding under the Agile Stock Option Plan. The purpose of the Agile Stock Option Plan is to advance the interests of Agile by encouraging equity participation in Agile through the acquisition of Agile Common Shares. The Agile Stock Option Plan is administered by the Board of Agile and Agile Options are granted at the discretion of the Board of Agile to eligible Agile Optionees.

### Eligible Optionees under the Agile Stock Option Plan

To be eligible to receive a grant of Agile Options under the Agile Stock Option Plan, any eligible Agile Optionee is required to be either a director, officer, employee, consultant or an employee of a company providing management or other services to Agile or a subsidiary at the time the Agile Option is granted. Agile Options may only be granted to an individual eligible, or to a non-individual that is wholly-owned by individuals eligible, for an Agile Option grant. If Agile Options are granted to a non-individual, it will not permit any transfer any of its securities, nor issue further securities, to any individual or other entity as long as the Agile Options remains in effect.

### Restrictions under the Agile Stock Option Plan

The Stock Option Plan is subject to the following restrictions:

- (a) all Agile Options issued pursuant to the Agile Stock Option Plan shall be subject to rules and policies of any stock exchange or quotation system on which the Agile Common Shares are then listed and any other regulatory body having jurisdiction hereinafter;
- (b) Agile Options shall not be granted by the Board of Agile to a single director, employee, consultant, or consultant company in any 12-month period that exceeds 5% of the issued and outstanding Agile Common Shares;
- (c) Agile Options shall not be granted by the Board of Agile if the exercise thereof would result in the issuance of more than 2% of the issued Agile Common Shares in any 12-month period to any one (1) consultant of Agile (or any of its subsidiaries); and
- (d) Agile Options shall not be granted by the Board of Agile if the exercise thereof would result in the issuance of more than 2% of the issued Agile Common Shares in any 12-month period to any persons employed to provide investor relations activities and any Agile Options granted to consultants performing investor relations activities shall contain vesting provisions such that vesting occurs over at least 12-months with no more than 1/4 of the Agile Options vesting in any 3-month period.

## Agile Option Grants

As of the date hereof, 6,449,166 Agile Options are outstanding and an additional 1,291,779 Agile Options are available for issuance under Agile Stock Option Plan.

The following table sets forth the aggregate number of Agile Options which are outstanding as of the date hereof.

<u>Optionee</u>	<u>Number of Agile Common Shares reserved under Option</u>	<u>Exercise Price<sup>(1)</sup></u>	<u>Expiry Date</u>
Agile's NEOs as a group	2,421,666	\$0.10	October 20, 2021 <sup>(1)</sup>
		\$0.10	September 3, 2021 <sup>(1)</sup>
		\$0.15	May 4, 2022 <sup>(1)</sup>
Directors of Agile as a group (who are also not Agile NEOs)	1,540,000	\$0.10	September 25, 2020
Employees of Agile as a group	800,000	\$0.10	November 7, 2020 <sup>(2)</sup>
		\$0.10	April 25, 2021 <sup>(2)</sup>
		\$0.10	September 1, 2021 <sup>(2)</sup>
Consultants of Agile as a group	1,687,500	\$0.10	October 20, 2020 <sup>(3)</sup>
		\$0.10	November 1, 2020 <sup>(3)</sup>
		\$0.10	September 1, 2021 <sup>(3)</sup>
		\$0.10	September 30, 2021 <sup>(3)</sup>
		\$0.10	October 20, 2021 <sup>(3)</sup>
Any other applicable Person or company	Nil		
<b>Total</b>	<b>6,449,166</b>		

### Notes:

- (1) 500,000 Agile Options expire on October 20, 2021; 1,175,000 Agile Options expire on September 3, 2021; 746,666 Agile Options expire on May 4, 2022.
- (2) 50,000 Agile Options expire on November 7, 2020; 100,000 Agile Options expire on April 25, 2021; 650,000 Agile Options expire on September 1, 2021.
- (3) 50,000 Agile Options expire on October 20, 2020; 187,500 Agile Options expire on November 1, 2020; 350,000 Agile Options expire on September 1, 2021; 1,000,000 Agile Options expire on September 30, 2021; 100,000 Agile Options expire on October 20, 2021.

## **PRIOR SALES**

The following table summarizes the issuances of Agile Common Shares and securities that are convertible or exchangeable into Agile Common Shares since the incorporation of Agile to the date of this Prospectus.

<u>Issue Date</u>	<u>Type of Security</u>	<u>Number Issued</u>	<u>Issue Price</u>	<u>Exercise Price</u>	<u>Description of Issuance</u>
March 2, 2018	Agile Common Share	1	\$0.00001	N/A	Incorporator's Common Share
March 19, 2018	Agile Common Share	1 (Cancelled)	-	N/A	(Cancelled)
March 19, 2018	Agile Common Shares	25,333,336	\$0.005	N/A	Private Placement
March 20, 2018	Agile Common Shares	13,666,666	\$0.005	N/A	Debt Settlement
March 23, 2018	Agile Common Shares	6,166,667	\$0.02	N/A	Private Placement
March 23, 2018	Agile Common Shares	2,833,333	\$0.02	N/A	Debt Settlement
March 27, 2018	Agile Common Shares	3,700,000	\$0.02	N/A	Shares for Service



<b>Issue Date</b>	<b>Type of Security</b>	<b>Number Issued</b>	<b>Issue Price</b>	<b>Exercise Price</b>	<b>Description of Issuance</b>
March 29, 2018	Units, made up of 1 Agile Common Share & ½ of an Agile First Warrant	16,574,745	\$0.05	\$0.15	Private placement
May 28, 2018	Units, made up of 1 Agile Common Share & ½ of an Agile First Warrant	2,100,000	\$0.05	\$0.15	Private placement
June 21, 2018	Units, made up of 1 Agile Common Share & 1 Agile Second Warrant	2,250,000	\$0.10	\$0.30	Private placement
Jan. 16, 2019	Agile Common Share	(500,000)	-	N/A	Cancelled
July 12, 2019	Agile Common Share	(1,750,000)	-	N/A	Cancelled
October 4, 2019	Agile Common Share	500,000	\$0.10	N/A	Private placement
October 8, 2019	Agile Common Share	1,660,000	\$0.10	N/A	Private placement
April 1, 2020	Agile Common Share	87,999	\$0.15	N/A	Private placement
April 15, 2020	Agile Common Share	4,786,700	\$0.15	N/A	Private placement

### ***Trading Price and Volume***

Agile is not listed or quoted on any stock exchange.

### **ESCROWED SECURITIES**

As of the date hereof, no securities of Agile are held in escrow.

### **PRINCIPAL SECURITYHOLDERS**

The following table sets forth the principal securityholders of Agile who, as of the date hereof, beneficially own, or control or direct, directly or indirectly, voting securities carrying over 10% of the voting rights attached to any class of voting securities of Agile:

<b>Name</b>	<b>Number of Agile Common Shares</b>	<b>Percentage of Agile Common Shares</b>
1843482 Ontario Inc. <sup>(1)</sup>	7,793,335	10.07%
Maria Conti	9,546,999	12.33%

**Notes:**

(1) Shamim Allani exercises control, either directly or indirectly, over 1843482 Ontario Inc.

### **DIRECTORS AND EXECUTIVE OFFICERS**

#### ***Name, Occupation and Securityholding***

The following table sets forth the name of each director and executive officer of Agile as at the of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with Agile and the time served in that position(s), their principal occupation(s) during the preceding five years, and the number and percentage of Agile Common Shares they beneficially own, or control or direct, directly or indirectly.

<b>Name and Residence</b>	<b>Position</b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Officer and Director Since</b>	<b>Number and Percentage of Agile Common Shares Held<sup>(4)</sup></b>
<b>Raymond Pomroy</b> <sup>(1)(2)(3)</sup> Ontario, Canada	CEO and Director	Consultant in Enr-aid from January 2005 to present.	September 2, 2019 (CEO) September 3, 2019 (Director)	Nil.
<b>Khurram Qureshi</b> Ontario, Canada	CFO	CFO of Lingo Media Corporation from August 2011 to present; CFO of Internet of Things Inc. from April 2015 to present; Director of Pounce Technologies Inc. from July 2017 to present; Director of Majesta Minerals Inc. from August 2018 to present; CFO of Slyce Inc. from July 2014 to June 2016; and CFO of Augustine Ventures Inc. from January 2012 to February 2017.	March 2, 2018	Nil.
<b>Vikas Gupta</b> <sup>(1)</sup> Ontario, Canada	Chairman of the Board, Director	CEO of TransGaming from November 2005 to May 2015.	September 25, 2019	Nil.
<b>Musabbir Chowdhury</b> <sup>(2)(3)</sup> Ontario, Canada	Director	Founding director of Productivity and Innovation lab, Niagara School of Business, from November 2012 to present; professor of business in Niagara College from August 2014 to present.	September 25, 2019	Nil.
<b>Brenda Brown</b> <sup>(2)(3)</sup> Ontario, Canada	Director	JMSB Advisory Board member in Concordia University from July 2015 to present; board director of OTEC Workforce Solutions from September 2015 to present; SVP talent management ESS Global in Campus Group PLC from January 2017 to July 2018.	September 25, 2019	Nil.
<b>Alan Rootenberg</b> <sup>(1)</sup> Toronto, Ontario	Director	CFO of Eco (Atlantic) Oil & Gas Ltd. from May 2012 to present; CFO of Osino Resources Corp from June 2018 to present; CFO of BioHarvest Sciences Inc. (formerly, Canna-V-Cell Science Inc.) from October 2018 to present; and CFO of Empower Clinic Inc. (formerly Adira Energy Ltd.) from February 2016 to May 2018.	September 25, 2019	Nil.

**Notes:**

- (1) Member of the Audit Committee
- (2) Member of the Compensation Committee
- (3) Member of the nominating and corporate governance committee
- (4) As of the date immediately prior to the Closing, Agile's directors and executive officers as a group beneficially owned, or exercised control or direction over, directly or indirectly, securities convertible into 3,961,666 Agile Common Shares, representing approximately 61.4% of the outstanding Agile Options and 4.6% of the outstanding Agile Common Shares on a fully diluted basis.

***Executive Officer and Director Biographies***

The following biographies detail the executive officers and directors of Agile as of the date of this Prospectus:

**Raymond Pomroy, CEO, Director** – Raymond is an international manager who has exceptional experience in business management and supply chain management primarily in the UK, Holland, Canada and the US. Prior to joining Agile, Raymond had been working in a multinational consumer goods company for 30 years, and managed all elements of the supply chain, including USD\$2.8 billion in product supply, six factories in North America, over 2,000 employees. He is experienced in supply chain strategy development, global supply, organizational redesign and implementation

of restructuring, contract negotiations, and cost reduction activities. Raymond holds a Bachelor of Science and Diploma in Industrial Studies from Loughborough University (UK).

Khurram Qureshi (CA & CPA), CFO – Khurram brings over 22 years’ experience in the field of accounting and corporate finance. Khurram qualified as a Chartered Accountant in 1990 and has held senior positions with several small- to medium-sized public companies. He has been a key member on several merger and acquisition teams.

Vikas Gupta, Chairman of the Board and Director – Vikas is a seasoned executive and has a strong track record with private and public companies. He is well versed in gamification, digital distribution, video games, interactive entertainment and content. Additionally, he has also built expertise in financings, the creation of unique revenue models, the monetization of complex technologies, leadership, and overall growth.

Musabbir Chowdhury (PhD), Director – Musabbir is an engineer who is a business, education and technology consultant with over 20 years of IT achievements. Musabbir is a Professor at the Niagara College School of Business. Previously, he was COO for C2H Media Inc., an educational and web technology consulting and service provider for educational institutions and businesses. Musabbir was also Vice President Academic of Portage College in Alberta.

Brenda Brown (MBA, ICD.D), Director – Brenda is the former Senior VP of Global Talent Management at Compass Group PLC and has over twenty-five years of business experience in all aspects of Human Resource management in both union and non-union environments. As a member of the executive management team at Compass Group PLC, Brenda was involved in key strategic business decisions and was responsible for the development of employee programs, corporate culture development and assisting in ensuring the success of the corporate vision.

Alan Rootenberg (CPA), Director – Alan Rootenberg is a chartered professional accountant who has served as the Chief Financial Officer of a number of publicly traded companies listed on the TSX, TSX Venture Exchange, OTCBB and CSE. These companies include mineral exploration, mining, technology and cannabis companies. Alan has a Bachelor of Commerce degree from the University of the Witwatersrand in Johannesburg, South Africa and received his CPA designation in Ontario, Canada.

### ***Corporate Cease Trade Orders***

None of Agile’s directors or executive officers are, as at the date hereof, or were within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Agile) that: (a) was subject to an Order that was issued while the director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer of such issuer; or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer.

### ***Bankruptcies***

None of Agile’s directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of Agile: (a) are, as at the date hereof, or have been within the 10 years before the date hereof, a director or executive officer of any company (including Agile) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) have, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

### ***Penalties or Sanctions***

None of Agile’s directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of Agile, have been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### ***Conflicts of Interest***

To the best of Agile’s knowledge, there are no existing or potential material conflicts of interest between Agile and any of its directors or officers as of the date hereof. However, certain of Agile’s directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on Agile’s behalf. See “*Risk Factors – Conflicts of Interest*”.

Pursuant to the BCBCA, directors and officers of Agile are required to act honestly and in good faith with a view to the best interests of Agile. As required under the BCBCA and Agile’s constating documents:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual’s duty or interest as a director or senior officer of Agile, must promptly disclose the nature and extent of that conflict; and
- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which Agile has entered or proposes to enter may generally not vote on any directors’ resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board of Agile is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, Agile will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

### ***Other Reporting Issuer Experience***

The following table sets out the directors and officers of Agile who are or have been within the last five years, directors, officers and/or Promoters of other reporting issuers:

<b><u>Name of Director</u></b>	<b><u>Name of Reporting Issuer</u></b>	<b><u>Name of Trading Market</u></b>	<b><u>Position</u></b>	<b><u>Period</u></b>
Vikas Gupta	TransGaming Inc.	TSX Venture Exchange	President, CEO & Director	November 2005 – June 2015
Alan Rootenberg	A2Z Technologies Canada Corp.	TSX Venture Exchange	Director	May 2020 – Present
	Cyntar Ventures Inc.	CSE	CFO	December 2019 – Present
	BioHarvest Sciences Inc. (formerly, Canna-V-Cell Science Inc.)	CSE	CFO	October 2018 – Present
	Osino Resources Corp	TSX Venture Exchange	CFO	June 2018 – Present
	Empower Clinic Inc. (formerly Adira Energy Ltd.)	CSE	CFO	February 2016 – May 2018
	Eco (Atlantic) Oil & Gas Ltd.	TSX Venture Exchange	CFO	May 2012 – Present
Khurram Qureshi	Augustine Ventures Inc.	TSX Venture Exchange	CFO	January 2012 – February 2017

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Name of Trading Market</b>	<b>Position</b>	<b>Period</b>
	Lingo Media Corporation	TSX Venture Exchange	CFO	August 2011 – Present
	Internet of Things Inc.	TSX Venture Exchange	CFO	April 2015 – Present
	Majesta Minerals Inc.	TSX Venture Exchange	Director	August 2018 – Present
	Slyce Inc.	TSX Venture Exchange	CFO	July 2014 – June 2016
	Pounce Technologies Inc.	NEX Exchange	Director	July 2017 – Present

## **EXECUTIVE COMPENSATION**

The following section describes the significant elements of Agile’s executive and director compensation programs, with particular emphasis on the compensation payable to the CEO and CFO of Agile.

### ***Executive Compensation Discussion and Analysis***

#### *Compensation Philosophy and Objectives*

It is the objective of Agile’s executive compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value, while at the same time keeping in mind that Agile currently has limited financial resources. It is the goal of the Compensation Committee to endeavour to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Compensation Committee gives consideration to Agile’s long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual’s performance and achievements. Agile’s primary compensation policy is to pay for performance and accordingly, the performance of Agile and of the executive officers as individuals are both examined by the Compensation Committee.

When determining compensation, management and the Compensation Committee review the compensation practices of companies in its selected peer group. Together with this comparative information, the CEO annually assesses the individual performance and development of each executive officer and recommends to the Compensation Committee the appropriate salary, annual incentive and long-term incentive for each individual. The Compensation Committee then reviews those recommendations in conjunction with its own review of Agile’s performance, executive performance and comparative data and discusses and approves the compensation package.

The Compensation Committee does not set specific performance objectives in assessing the performance of the CEO and other executive officers; rather the Compensation Committee uses its experience and judgment in determining an overall compensation package for the CEO and other executive officers. The Compensation Committee assesses the performance of Agile and its executive officers relative to Agile’s goals and objective and in relation to the performance of Agile’s industry peer group.

#### *Elements of Executive Compensation*

Agile’s executive compensation program is comprised of three principal components: base salaries, stock option plan, and incentive bonus compensation which are designed to provide compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. Other components of executive compensation include perquisites and other personal benefits. Each component of the executive compensation program is addressed separately below. The fixed element of compensation provides a competitive base of secure compensation required to attract and retain executive talent. The variable performance-based compensation is designed to encourage both short-term and long-term performance of Agile.

## Base Salaries

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities and the level of skills and experience required to successfully perform his or her role. Agile intends to pay base salaries to its executive officers, including the CEO, that are competitive with those for similar positions within Agile's selected peer group. Salaries for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility. Salaries of the executive officers are not determined based on benchmarks or a specific formula. The Compensation Committee determines the salary of the CEO. The Compensation Committee considers, and, if thought appropriate, approves salaries recommended by the CEO for the other executive officers of Agile.

## Incentive Bonus Compensation

In addition to base salaries, Agile can award discretionary bonuses to executive officers. The bonus element of Agile's executive compensation program is designed to retain top quality talent and reward both corporate and individual performance during Agile's last completed financial year. To determine bonus awards for executive officers, including the NEOs, the Compensation Committee considers both the executive's personal performance and the performance of Agile relative to its peers. NEOs are eligible for discretionary bonus compensation payable should Agile reach certain revenue and/or net-income targets. The proposed bonus amounts and targets for executive officers are recommended by the CEO for review, discussion and approval by the Compensation Committee.

## Stock Option Plan

The Board of Agile adopted the Agile Stock Option Plan to provide an incentive to the directors, officers, employees, consultants and other personnel of Agile or any of its subsidiaries to achieve the long-term objectives of Agile; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of Agile; and to attract to and retain in the employ of Agile or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in Agile. See "*Information Concerning Agile – Options to Purchase Securities*" for a summary of the Agile Stock Option Plan.

The executive compensation policy of Agile is determined with a view to securing the best possible talent to run Agile. Agile Options may be awarded to executive officers in lieu of higher salaries. The grant of Agile Options under the existing Agile Stock Option Plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term and to reward employees for both past and future performance. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his or her position with and contribution to Agile.

Executive officers, along with all of Agile's officers, directors, employees, contractors and other service providers, are eligible to participate in the Agile Stock Option Plan. The Agile Stock Option Plan provides a long-term incentive designed to focus and reward eligible participants for enhancing total shareholder return over the long-term both on an absolute and relative basis. Participation in the Agile Stock Option Plan rewards overall corporate performance, as measured through the price of the Agile Common Shares. In addition, the Agile Stock Option Plan enables executives to develop and maintain a significant ownership position in Agile. This results in a significant portion of executive compensation being "at risk" and directly linked to the achievement of business results and long-term value creation.

The granting of any Agile Options under the Agile Stock Option Plan are recommended by management and approved by the Compensation Committee and Board of Agile upon the commencement of an individual's employment with Agile based on the level of their respective responsibility within Agile. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within Agile. In considering additional grants, a number of factors are considered including the number of options held by such individual, the exercise price and implied value of the options, the term remaining on those options and the total number of options Agile has available for grant under the Agile Stock Option Plan.

## Perquisites and Other Components

Other components of compensation include perquisites and personal benefits as determined by the Compensation Committee that are consistent with the overall compensation strategy. There is no formula for how perquisites or personal benefits are utilized in the total compensation package.

Agile does not provide any pension or retirement benefits to its executive officers.

### *Compensation Benchmarking*

Compensation of the executive officers are not determined based on benchmarks or a specific formula.

### *Managing Compensation Risk*

The oversight and administration of Agile's compensation program requires the Compensation Committee to consider risks associated with Agile's compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at annual meetings of the Compensation Commission at which compensation related recommendations to the Board of Agile are formulated.

Agile's executive compensation policies and practices are intended to align management incentives with the long-term interests of Agile and its shareholders. In each case, Agile seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include: (i) Agile's operating strategy and related compensation philosophy; (ii) the effective balance, in each case, between cash and equity mix, near-term and long-term focus, corporate and individual performance, and financial and non-financial performance; and (iii) a multi-faceted approach to performance evaluation and compensation that does not reward an executive for engaging in risky behavior to achieve one objective to the detriment of other objectives.

Based on this review, the Compensation Committee believes that Agile's total compensation program does not encourage executive officers to take unnecessary or excessive risk.

Agile does not prohibit the NEOs or the directors of Agile from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person. The NEOs and directors of Agile have advised Agile that they have not entered into any such arrangements. To the extent that they subsequently enter into an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, their economic exposure to Agile, Insider reporting laws in Canada provide that they must file a report disclosing the existence and material terms of the agreement, arrangement or understanding within five days of the event.

### *Share-based and Option-based Awards*

Agile does not grant share-based awards. For information on option-based awards, please see "*Information Concerning Agile – Options to Purchase Securities*".

## **Compensation Governance**

### *Responsibilities of the Compensation Committee*

The Board of Agile established the Compensation Committee to assist it in fulfilling its responsibilities pertaining to compensation matters including Agile's compensation policies and practices. The Compensation Committee is responsible for determining the overall compensation strategy of Agile and administering Agile's executive compensation program. As part of its mandate, the Compensation Committee approves the appointment and remuneration of Agile's executive officers, including Agile's NEOs identified in the summary compensation table below. The Compensation Committee is also responsible for reviewing Agile's compensation policies and guidelines generally.

The Compensation Committee is comprised of Brenda Brown (Chair), Musabbir Chowdhury, and Raymond Pomroy. Musabbir Chowdhury and Brenda Brown are independent directors within the meaning of NI 52-110, while Raymond Pomroy is the CEO of Agile and thus not independent. Each of the members of the Compensation Committee has business and other experience which is relevant to their work on the Compensation Committee. By virtue of their differing professional backgrounds, business experience, knowledge of Agile's industry, knowledge of corporate governance practices and, where appropriate, service on compensation committees of other reporting issuers and experience interacting with external consultants and advisors, the members of the Compensation Committee are able to make decisions on the suitability of Agile's compensation policies and practices.

#### *Executive Compensation-Related Fees*

From the date of incorporation of Agile until the financial year ended December 31, 2019, no fees were billed to Agile by any consultant or advisor, or any of its affiliates, for services related to determining compensation for any of Agile's directors and executive officers or for any other services.

#### *Summary Compensation Table*

The following table contains information about the compensation to, or earned by, individuals who were, as at the financial year ended December 31, 2018, being the period from incorporation to the financial year ended December 31, 2018, and December 31, 2019, NEOs of Agile. No compensation was awarded to, earned by, paid to, or payable to Agile's officers during the financial year ended December 31, 2017, as Agile was formed during 2018. The NEOs of Agile as at December 31, 2018, were Miles McDonald, CEO of Agile; Khurram Qureshi, CFO of Agile, and Kirk Fergusson, CMO of Agile, while the NEOs of Agile as at December 31, 2019, were Raymond Pomroy, CEO of Agile; Khurram Qureshi, CFO of Agile.

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary</b>	<b>Bonus</b>	<b>Committee or meeting fees</b>	<b>Value of Perquisites</b>	<b>Value of All Other Compensation<sup>(1)</sup></b>	<b>Total Compensation</b>
Miles McDonald <sup>(2)(4)</sup>	2019	\$2,000	Nil.	Nil.	Nil.	\$41,491	\$43,491
CEO	2018	\$129,875	Nil.	Nil.	Nil.	\$13,504	\$143,379
Raymond Pomroy <sup>(4)</sup>	2019	\$15,206	Nil.	Nil.	Nil.	\$52,112 <sup>(5)</sup>	\$67,318
CEO	2018	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
Khurram Qureshi	2019	\$24,000	Nil.	Nil.	Nil.	\$13,399 <sup>(6)</sup>	\$37,399
CFO	2018	\$12,000	Nil.	Nil.	Nil.	\$7,194	\$19,194
Kirk Fergusson <sup>(3)</sup>	2019	\$73,537	Nil.	Nil.	Nil.	\$21,113	\$94,650
CMO	2018	\$38,959	Nil.	Nil.	Nil.	\$5,668	\$44,627

#### **Notes:**

- (1) Fair value of vested stock options granted
- (2) Miles McDonald resigned as the CEO of Agile on July 12, 2019
- (3) Kirk Fergusson resigned as the CMO of Agile on July 12, 2019
- (4) Raymond Pomroy replaced Miles McDonald as the new CEO of Agile on September 2, 2019
- (5) Raymond Pomroy was awarded 1,175,000 Agile Options at an exercise price of \$0.10 per Agile Common Share
- (6) Khurram Qureshi was awarded 500,000 Agile Options at an exercise price of \$0.10 per Agile Common Share

#### *Option-Based Awards*

The following table contains information about the option-based compensation awarded to individuals who were, as at the financial year ended December 31, 2018, being the period from incorporation to the financial year ended December 31, 2018, and December 31, 2019, NEOs of Agile:



<u>Name and Position</u>	<u>Type of compensation security</u>	<u>Number of compensation securities, number of underlying securities, and percentage of class<sup>(1)</sup></u>	<u>Date of Issue or grant</u>	<u>Issue, conversion or exercise price</u>	<u>Expiry date</u>
Raymond Pomroy <i>CEO</i> <sup>(2)</sup>	Agile Options	1,175,000	September 3, 2019	\$0.10	September 3, 2021
		346,666	May 4, 2020	\$0.15	May 4, 2022
		(23.6% of Agile Options)			
Khurram Qureshi <i>CFO</i>	Agile Options	500,000	October 20, 2018	\$0.10	October 20, 2020
		400,000	May 4, 2020	\$0.15	May 4, 2022
		(14.0% of Agile Options)			

**Notes:**

- (1) Based on 6,449,166 Agile Options at the date of this Prospectus.  
(2) Raymond Pomroy became the CEO of Agile on September 2, 2019.

***Exercise of Compensation Securities by Directors and NEOs***

There have been no securities exercised by directors of Agile or NEOs for the year to the date of the filing of this Prospectus.

***Director Compensation***

During the financial year ended December 31, 2019, no base annual retainer or fees for attendance at Board and Board committee meetings were awarded to, earned by, paid to, or payable to the directors.

As an officer of Agile, Raymond Pomroy has and will not receive compensation for his services as a director and his compensation information is presented in the section relating to executive compensation above.

**INDEBTEDNESS OF DIRECTORS AND OFFICERS**

None of the directors, executive officers or employees of Agile, nor any of their Associates or Affiliates, is or has been indebted to Agile since the commencement of the last completed financial year, nor is any such person expected to be indebted to Agile on the completion of the Transaction.

**AUDIT COMMITTEE AND CORPORATE GOVERNANCE**

As of the date hereof, the Board of Agile is comprised of five directors. Each member of Agile's Board is committed to spending sufficient time to enable them to carry out their duties as a director of Agile. Vikas Gupta, Musabbir Chowdhury, Brenda Brown and Alan Rootenberg are each an independent director within the meaning of NI 52-110, while Raymond Pomroy is the CEO of Agile and thus not independent. The Audit Committee is comprised of Alan Rootenberg (Chair), Vikas Gupta, and Raymond Pomroy. The Compensation Committee is comprised of Brenda Brown (Chair), Musabbir Chowdhury, and Raymond Pomroy.

**NON-ARM'S LENGTH TRANSACTIONS**

Since its incorporation, Agile has not completed any acquisitions of assets or services or provisions of assets or services from: (i) any director or officer of Agile; (ii) an Insider of Agile, either before or after giving effect to the Transaction; or (iii) an Associate or Affiliate of any Person described in (i) or (ii). The Transaction is not a Non-Arm's Length Transaction.

## **LEGAL PROCEEDINGS**

There are no legal proceedings or regulatory actions to which Agile is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since its incorporation, and no such proceedings or actions are known by Agile to be contemplated.

There have been no penalties or sanctions imposed against Agile by a court or regulatory authority, and Agile has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation.

## **INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

No director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Agile Common Shares, or any of their respective Associates or Affiliates, has any material interest, direct or indirect, in any transaction since the incorporation of Agile which has materially affected or is reasonably expected to materially affect Agile.

## **AUDITOR, TRANSFER AGENT AND REGISTRAR**

The auditor of Agile is MNP LLP, Chartered Professional Accountants. Agile does not have a registrar or transfer agent.

## **MATERIAL CONTRACTS**

Except for contracts entered into in the ordinary course of business, the only contract entered into by Agile in the two years immediately prior to the date hereof that can reasonably be regarded as presently material to Agile is the Amalgamation Agreement, which is available on SEDAR under Stowe One's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and may be inspected without charge at Agile's registered and records office at 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600, Vancouver, British Columbia, V7X 1T2 during normal business hours until the Closing and for a period of 30 days thereafter.

## **EXPERTS**

No Person or company whose profession or business gives authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of Agile or any Associate or Affiliate of Agile.

MNP LLP, the auditor of the annual financial statements of Agile included in this Prospectus, has advised Agile that it is independent of Agile in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

Certain legal matters related to the Transaction will be passed upon on Agile's behalf by Borden Ladner Gervais LLP. As of the date hereof, to the best of Agile's knowledge, after reasonable inquiry, Borden Ladner Gervais LLP (and its partners and associates) each beneficially own, directly or indirectly, in the aggregate, less than 1% of the outstanding Agile Common Shares.

## INFORMATION CONCERNING THE TRANSACTION

### THE TRANSACTION

The parties to the Transaction are Stowe One, Subco and Agile. The Transaction is an arm's length transaction as Agile does not have any relationship to Stowe One or its Affiliates and Associates. Subco was incorporated by Stowe One for the sole purpose of completing the Transaction.

Subject to any regulatory or other approvals that may be required, and the satisfaction of other conditions contained in the Amalgamation Agreement, the Transaction will occur through a reverse three cornered amalgamation under the laws of British Columbia, whereby Subco and Agile will amalgamate, with Amalco surviving as a wholly-owned subsidiary of the Resulting Issuer. Immediately prior to the Closing: (i) Stowe One will change its name to "Solvbl Solutions Inc."; and (ii) a share consolidation of the Stowe One Common Shares will occur, using a consolidation ratio of approximately 2.1428571:1.

Concurrently with the Closing, the following securities exchange will occur:

- each outstanding Agile Option will be cancelled and cease to represent a right to acquire an Agile Common Share, and such Agile Option will be replaced with a Resulting Issuer Option, each such Resulting Issuer Option entitling the holder thereof to acquire one Resulting Issuer Common Share on substantially the same terms as forth in the Agile Options;
- each Agile Common Share will be cancelled and replaced by one fully paid and non-assessable Resulting Issuer Common Share;
- each common share in the capital of Subco will be cancelled and replaced by one common share in the capital Amalco; and
- Amalco will issued 77,409,446 common shares in the capital of Amalco to Stowe One.

Immediately after the Closing, the Resulting Issuer, through its wholly owned subsidiary, Amalco, will assume the business of Agile.

### AMALGAMATION AGREEMENT

The acquisition by Stowe One of Agile Common Shares will be effected in accordance with the Amalgamation Agreement, a copy of which is available for review under Stowe One's SEDAR profile at [www.sedar.com](http://www.sedar.com). The Amalgamation Agreement contains certain representations and warranties made by each of Stowe One, Subco and Agile with respect to various corporate matters, financial matters, operational and business matters, and matters relating to the assets, intellectual property, data privacy and security, employment, tax, as applicable, of Stowe One, Subco and Agile, respectively. In addition, each of Stowe One and Agile have provided individual and mutual covenants which govern the conduct of their operations and affairs prior to the completion of the Transaction. The Amalgamation Agreement contains a number of conditions precedent to the obligations of the Parties. Unless all of such conditions are satisfied or waived by the Party or Parties for whose benefit such conditions exist, to the extent they may be capable of waiver, the Transaction will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all.

#### *Representations and Warranties*

The Amalgamation Agreement contains representations and warranties of Stowe One, Subco and Agile relating to certain matters including, among other things: incorporation and qualification to conduct business; validity and enforceability of the Amalgamation Agreement; authority to execute and deliver the Amalgamation Agreement and the performance of obligations thereunder; composition of share capital; rights and obligations to purchase securities; approval and records; public disclosure; financial matters; and various other matters relating to the assets, intellectual property, data privacy and security, employment and tax, as applicable, of Stowe One, Subco and Agile.

The representations and warranties of Stowe One, Subco and Agile in the Amalgamation Agreement are solely for the purposes of the Amalgamation Agreement and will survive the closing of the Transaction, subject to the provisions of the Amalgamation Agreement.

### ***Covenants***

Each of Stowe One and Agile have given to the other usual and customary covenants in respect of the Transaction, including to take all necessary actions in order to enable it to participate in and effect the Transaction and to use all reasonable commercial efforts to obtain all necessary consents and regulatory approvals for the Transaction. Specifically, Stowe One and Agile have covenanted and agreed that until the Closing Date, each shall, among other things, (i) generally conduct its business in the ordinary course consistent with past practice, (ii) maintain payables and liabilities at levels consistent with past practice; (iii) not merge, amalgamate, consolidate or otherwise enter into any other corporate reorganization, (iv) not split, combine, reclassify, redeem, repurchase or otherwise retire its securities, (v) not alter or amend its constituting documents (vi) not enter into, amend, modify, fail to renew or terminate any material agreements, (vii) not enter into or amend any employment or consulting agreement; and (viii) maintain its books, accounts and records in the usual manner.

### ***Conditions to the Transaction***

The respective obligations of Stowe One and Agile to complete the transactions contemplated by the Amalgamation Agreement are subject to a number of conditions which must be satisfied or waived in order for the Transaction to be completed. There is no assurance that these conditions will be satisfied or waived on a timely basis or at all.

The obligation of Stowe One and Subco to complete the transactions contemplated by the Amalgamation Agreement is subject to the fulfillment or waiver of certain additional conditions, as set forth in the Amalgamation Agreement, at or before the effective date of the Amalgamation, including, but not limited to:

- (a) the representations and warranties of Agile contained in or made pursuant to the Amalgamation Agreement shall be true and correct as of the effective date of the Amalgamation with the same force and effect as if such representations and warranties had been made on and as of such date;
- (b) Agile shall, in all material respects to the satisfaction of Stowe One and Subco, have fulfilled or complied with all obligations, covenants and agreements contained in the Amalgamation Agreement to be fulfilled or complied with by it at or prior to the effective date of the Amalgamation;
- (c) between December 21, 2018 and the effective date of the Amalgamation, there will not have occurred any material adverse change with respect to Agile;
- (d) Agile shall have held the Agile shareholder meeting and obtained approval from the Agile shareholders for the Transaction;
- (e) all third party consents, waivers, permits, orders and approvals required in connection with the consummation of the Transaction will have been provided or obtained on terms and conditions acceptable to Stowe One, Subco and Agile, acting reasonably, at or before the effective date of the Amalgamation;
- (f) Agile shall have executed and delivered this Prospectus and any CSE listing documents (as the case may be);
- (g) the Financing shall have closed on or prior to the Amalgamation on terms acceptable to Stowe One, acting reasonably;
- (h) Stowe One shall have received consents from Vikas Gupta, Musabbir Chowdhury, Raymond Pomroy, Alan Rootenberg, and Brenda Brown, or such other proposed directors of the Resulting Issuer that Agile in its sole discretion may determine, to act as directors of Stowe One with effect as of the effective date of the Amalgamation;

- (i) no act, action, suit, legal proceeding, objection or opposition shall have been commenced, pending, threatened, taken, entered or promulgated before or by any government authority or by any other Person, and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been proposed, enacted, promulgated, amended or applied, in any case: (a) to cease trade, enjoin, prohibit or impose material conditions on the Transaction or the transactions contemplated therein or herein; (b) to cease trade, enjoin, prohibit or impose material conditions on the rights of Stowe One to own or exercise full rights of ownership of Amalco, including the rights to vote the Amalco common shares, upon the completion of the Transaction or conduct the business conducted by Agile; (c) to prohibit or restrict the completion of the Transaction in accordance with the terms hereof or otherwise relating to the Transaction; or (d) that would have a material adverse effect, or would materially adversely affect either of Stowe One or Subco; and
- (j) Agile shall have used its commercially reasonable efforts to cause applicable Agile securityholders (as may be required by CSE policies) to have entered into the CSE escrow agreement.

The obligation of Agile to complete the transactions contemplated by the Amalgamation Agreement is subject to the fulfillment or waiver of certain additional conditions, as set forth in the Amalgamation Agreement, at or before the effective date of the Amalgamation, including, but not limited to:

- (a) the representations and warranties of Stowe One and Subco contained in or made pursuant to the Amalgamation Agreement shall be true and correct as of the effective date of the Amalgamation with the same force and effect as if such representations and warranties had been made on and as of such date;
- (b) Stowe One and Subco shall, in all material respects to the satisfaction of Agile, have fulfilled or complied with all obligations, covenants and agreements contained in the Amalgamation Agreement to be fulfilled or complied with by it at or prior to the effective date of the Amalgamation;
- (c) between December 21, 2018 and the effective date of the Amalgamation, there will not have occurred any material adverse change with respect to Stowe One or Subco;
- (d) Stowe One shall have held Stowe One's shareholder meeting and obtained approval from Stowe One's shareholders for the consolidation of the Stowe One Common Shares and the name change of Stowe One;
- (e) all third party consents, waivers, permits, orders and approvals required in connection with the consummation of the Transaction will have been provided or obtained on terms and conditions acceptable to Stowe One, Subco and Agile, acting reasonably, at or before the effective date of the Amalgamation;
- (f) Stowe One shall have executed and delivered this Prospectus and any CSE listing documents (as the case may be);
- (g) no legal proceeding or opposition shall have been commenced, pending, threatened, taken, entered or promulgated before or by any government authority or by any other Person, and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been proposed, enacted, promulgated, amended or applied, in any case: (a) to cease trade, enjoin, prohibit or impose material conditions on the Transaction or the transactions contemplated therein or herein; (b) to cease trade, enjoin, prohibit or impose material conditions on the rights of Stowe One to own or exercise full rights of ownership of the Amalco common shares, including the rights to vote the Amalco common shares, upon the completion of the Transaction or conduct the business conducted by Agile; (c) to prohibit or restrict the completion of the Transaction in accordance with the terms hereof or otherwise relating to the Transaction; or (d) that would have a material adverse effect, or would materially adversely affect Agile;
- (h) Stowe One shall have received written resignations and releases from each director and officer of Stowe One, in each case with effect from the effective time of the Amalgamation, in a form satisfactory to Agile, acting reasonably;

- (i) Stowe One shall have completed the consolidation of the Stowe One Common Shares and the name change of Stowe One;
- (j) Stowe One's costs, fees and expenses paid or incurred in relation to the Transaction (including any legal, financial, printing, shareholder communication and any other costs, fees and expenses and including the costs, fees and expenses of legal counsel for any special independent committee of the board of directors of Stowe One, tax structuring advice, any change of control or termination payments or costs, fees and expenses associated with any fairness opinion) shall not exceed \$50,000;
- (k) the working capital of Stowe One as of the effective date of the Amalgamation shall not be less than a deficit of \$150,000; and
- (l) if required by the CSE, Stowe One and Subco shall have entered into, and shall have used its commercially reasonable efforts to cause applicable shareholders of Stowe One (as may be required by CSE policies) to have entered into the CSE escrow agreement.

### ***Termination of the Amalgamation Agreement***

The Amalgamation Agreement may be terminated by written notice promptly given by Stowe One, Subco or Agile, as the case may be, to the other parties of the Amalgamation Agreement, at any time prior to the effective date of the Amalgamation: (i) by mutual agreement in writing by Stowe One, Subco and Agile; (ii) by any party to the Amalgamation Agreement upon the failure of any other party to satisfy a condition precedent of the Amalgamation Agreement provided that the failure to satisfy the particular condition precedent being relied upon as a basis for termination of the Amalgamation Agreement did not occur as a result of a breach by the party seeking to rely on the condition precedent of any of its covenants or obligations under the Agreement; or (iii) the effective date of the Amalgamation has not occurred by December 31, 2020.

## **FINANCING**

See "*Information concerning Agile – General Developments of Agile – Financing*".

### **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

In the opinion of Borden Ladner Gervais LLP, counsel to Stowe One, the following summary describes the principal Canadian federal income tax considerations that generally apply to a Shareholder as beneficial owner of one or more Common Share and who, at all relevant times, for purposes of the Tax Act: (i) deals at arm's length with Stowe One; (ii) is not affiliated with Stowe One; and (iii) holds the Resulting Issuer Common Shares as capital property. Generally, the Resulting Issuer Common Shares will be capital property to a Shareholder provided the Shareholder does not acquire or hold them in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Shareholders, whose Resulting Issuer Common Shares might not otherwise be capital property, may, in certain circumstances, be entitled to have the Resulting Issuer Common Shares and all other "Canadian securities", as defined in the Tax Act, owned by such Shareholder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. **Shareholders considering making an election should consult with their own advisors.**

This summary does not apply to a Shareholder: (i) that is a "financial institution", "specified financial institution" or an interest in which constitutes a "tax shelter investment", all within the meaning of the Tax Act; (ii) whose "functional currency" for the purpose of the Tax Act is a currency of a country other than Canada; (iii) that is a partnership or trust; (iv) that has entered, or will enter, into a "derivative forward agreement" (as defined in the Tax Act); or (v) that is exempt from tax under Part I of the Tax Act. **Such Shareholders should consult their own tax advisors.**

This summary is based on the current provisions of the Tax Act, and counsel's understanding of the current administrative policies and assessing practices of the CRA made publicly available prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed

Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, administrative or judicial action, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal, business or tax advice to any particular Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. **Accordingly, prospective purchasers of Resulting Issuer Common Shares should consult their own tax advisors having regard to their own particular circumstances.**

### *Shareholders Resident in Canada*

This portion of the summary only applies to a Shareholder who, at all relevant times, for purposes of the Tax Act, is, or is deemed to be, resident in Canada.

### *Dispositions of Resulting Issuer Common Shares*

A Resident Shareholder will be required to include in computing its income for a taxation year any dividends received (or deemed to be received) on the Resulting Issuer Common Shares. In the case of a Resident Shareholder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules that apply to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by Stowe One as “eligible dividends” in accordance with the provisions of the Tax Act. There may be limitations on Stowe One’s ability to designate its dividends on the Resulting Issuer Common Shares as “eligible dividends”.

### *Dividends on Resulting Issuer Common Shares*

A Resident Shareholder will be required to include in computing its income for a taxation year any dividends received (or deemed to be received) on the Resulting Issuer Common Shares. In the case of a Resident Shareholder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules that apply to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by the Resulting Issuer as “eligible dividends” in accordance with the provisions of the Tax Act. There may be limitations on the Resulting Issuer’s ability to designate its dividends on the Resulting Issuer Common Shares as “eligible dividends”.

In the case of a Resident Shareholder that is a corporation, such dividends received or deemed to be received on Resulting Issuer Common Shares held by the Resident Shareholder generally will be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Shareholder that is a corporation as proceeds of disposition or a capital gain.

A Resident Shareholder that is a “private corporation”, for the purposes of Part IV of the Tax Act, or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax of 38½% under Part IV of the Tax Act on dividends received (or deemed to be received) on the Resulting Issuer Common Shares to the extent such dividends are deductible in computing the Resident Shareholder’s taxable income for the taxation year.

A dividend received by a Resident Shareholder who is an individual (other than certain trusts) on the Resulting Issuer Common Shares may give rise to alternative minimum tax under the Tax Act, depending on the individual’s circumstances.

### *Tax Treatment of Capital Gains and Losses*

Generally, a Resident Shareholder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a “**taxable capital gain**”) realized in the year. Subject to and in accordance with the

provisions of the Tax Act, a Resident Shareholder is required to deduct one-half of the amount of any capital loss (an “allowable capital loss”) realized in a taxation year from taxable capital gains realized by the Resident Shareholder in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, subject to the detailed rules in the Tax Act.

The amount of any capital loss realized by a Resident Shareholder that is a corporation on the disposition of a Resulting Issuer Common Share may be reduced by the amount of any dividends received (or deemed to be received) by the Resident Shareholder on such Resulting Issuer Common Share or a share for which the Resulting Issuer Common Share is substituted or exchanged to the extent and under the circumstances described by the Tax Act. Similar rules may apply where a Resulting Issuer Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. **Such Resident Shareholders should consult their own advisors.**

Capital gains realized by a Resident Shareholder who is an individual (other than certain trusts) may give rise to a liability for alternative minimum tax under the Tax Act.

If the Resident Shareholder is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act), the Resident Shareholder may also be liable to pay a refundable tax on its “aggregate investment income”, which is defined in the Tax Act to include taxable capital gains.

### ***Shareholders Not Resident in Canada***

This portion of the summary only applies to a Shareholder who, at all relevant times, for purposes of the Tax Act, is not, and is not deemed to be, resident in Canada. Special rules, which are not discussed in this summary, may apply to a non-Canadian Shareholder that is an insurer that carries on an insurance business in Canada and elsewhere.

### ***Dividends on Resulting Issuer Common Shares***

Dividends paid or credited on the Resulting Issuer Common Shares or deemed to be paid or credited on the Resulting Issuer Common Shares to a Non-Resident Shareholder will be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the Non-Resident Shareholder is entitled under any applicable income tax convention. For example, under the Convention, as amended, where dividends on the Resulting Issuer Common Shares are considered to be paid to or derived by a Non-Resident Shareholder that is the beneficial owner of the dividends and is a United States resident for the purposes of, and is entitled to full benefits in accordance with, the provisions of the Convention, the applicable rate of Canadian withholding tax is generally reduced to 15%.

### ***Dispositions of Resulting Issuer Common Shares***

A Non-Resident Shareholder will not be subject to tax under the Tax Act on any capital gain realized on a disposition or deemed disposition of Resulting Issuer Common Shares (other than to the Resulting Issuer, unless purchased by the Resulting Issuer in the open market in the manner in which shares are normally purchased by any member of the public in the open market, in which case other considerations may arise), unless the Resulting Issuer Common Shares are “taxable Canadian property” of the Non-Resident Shareholder for purposes of the Tax Act and the Non-Resident Shareholder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Shareholder is resident.

Generally, the Resulting Issuer Common Shares will not constitute “taxable Canadian property” of a Non-Resident Shareholder at a particular time provided that the Resulting Issuer Common Shares are listed at that time on a “designated stock exchange” for purposes of the Tax Act (which currently includes the CSE), unless at any particular time during the 60-month period that ends at that time: both: (i) (A) the Non-Resident Shareholder, (B) persons with whom the Non-Resident Shareholder does not deal with at arm’s length, (C) partnerships in which the Non-Resident Shareholder or a person described in (B) holds an interest directly or indirectly through one or more partnerships or (D) any combination of (A) to (C), owned 25% or more of the issued shares of any class or series of the capital stock of Stowe One; and (ii) more than 50% of the fair market value of the Resulting Issuer Common Shares was derived directly or indirectly from one of or any combination of: (a) real or immovable properties situated in Canada, (b)



“Canadian resource properties” (as defined in the Tax Act), (c) “timber resource properties” (as defined in the Tax Act), and (d) options in respect of, or interests in, or for civil law rights in, property in any of the foregoing whether or not the property exists. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, Resulting Issuer Common Shares may be deemed to be taxable Canadian property. **Non-Resident Shareholders whose Resulting Issuer Common Shares may constitute taxable Canadian property should consult their own tax advisors.**

### **ELIGIBILITY FOR INVESTMENT**

Based on the provisions of the Tax Act, and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided the Resulting Issuer Common Shares are listed on a “designated stock exchange” in Canada, as defined in the Tax Act (which currently includes the CSE), the Resulting Issuer Common Shares will be “qualified investments” at the particular time for trusts governed by a Tax Deferred Plan under the Tax Act.

**The Resulting Issuer Common Shares are not currently listed on a “designated stock exchange” in Canada. Stowe One has applied to list the Resulting Issuer Common Shares on the CSE, which is a “designated stock exchange” in Canada. If the Resulting Issuer Common Shares are not listed on the CSE, then the Resulting Issuer Common Shares will not be “qualified investments” for a Tax Deferred Plan. Significant penalties will be applicable if Resulting Issuer Common Shares are acquired by a Tax Deferred Plan at a time that such Resulting Issuer Common Shares are not “qualified investments” for the Tax Deferred Plan.**

**Shareholders that intend to transfer Resulting Issuer Common Shares to a Tax Deferred Plan after listing on the CSE should consult their own tax advisor about the applicable tax consequences with respect to such a transfer as, for example, income tax and penalties may be payable as a result of the transfer.**

Notwithstanding that the Resulting Issuer Common Shares may be qualified investments for a Tax Deferred Plan, the holder, subscriber, or annuitant of a Registered Plan, as the case may be, will be subject to a penalty tax in respect of Resulting Issuer Common Shares held in the Registered Plan if such Resulting Issuer Common Shares are a “prohibited investment” under the Tax Act for the Registered Plan. The Resulting Issuer Common Shares will generally not be a prohibited investment for a Registered Plan if the holder, subscriber, or annuitant, as the case may be, (a) deals at arm’s length with Stowe One for the purposes of the Tax Act, and (b) does not have a “significant interest” (as defined in the Tax Act) in Stowe One. Holders, subscribers, or annuitants of Registered Plans, as the case may be, will generally have a “significant interest” in Stowe One if such person, together with related and other non-arm’s length persons, owns 10% or more of any class or series of issued shares of Stowe One.

**Holders, subscribers, or annuitants, of Registered Plans, as the case may be, should consult their own tax advisors to ensure that the Resulting Issuer Common Shares would not be a prohibited investment for a trust governed by a Registered Plan in their particular circumstances.**

**INFORMATION CONCERNING THE RESULTING ISSUER**

*Information contained in this part assumes that the Closing has occurred.*

**CORPORATE STRUCTURE**

The Transaction will result in the amalgamation of Agile and Subco, with Amalco becoming a wholly-owned subsidiary of the Resulting Issuer. Immediately prior to the Closing, Stowe One will change its name to “Solvbl Solutions Inc.”.

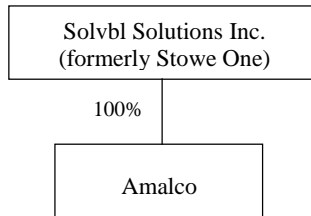
The Resulting Issuer’s registered and records office will be located at 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600 Vancouver, BC V7X 1T2, and the head office of the Resulting Issuer will be located at Suite 602 - 15 Toronto Street, Toronto, Ontario M5C 2E3.

***Intercorporate relationships***

The following chart shows the organizational structure of Stowe One and Agile prior to the Closing:



Pursuant to the Amalgamation Agreement, Agile will be amalgamated with Subco to create Amalco, which will be a wholly-owned subsidiary of the Resulting Issuer governed by the BCBCA. The following chart shows the anticipated organizational structure of the Resulting Issuer:



All of the property and assets of Agile and Subco will become the property and assets of Amalco and Amalco will be liable for all of the liabilities and obligations of Agile and Subco. Amalco will be a wholly-owned subsidiary of the Resulting Issuer. The Resulting Issuer will carry on the business formerly carried on by Agile through its subsidiary, Amalco.

**BUSINESS OF THE RESULTING ISSUER**

Upon completion of the Transaction, the Resulting Issuer, through its wholly owned subsidiary, Amalco, will undertake the business plan of Agile, as described in “*Information Concerning Agile – Business of Agile*”. See also Appendix “D” – “*Financial Statements and MD&A of Agile*” and Appendix “E” – “*Financial Statements and MD&A of the Resulting Issuer*”.

## ***Business Objectives and Milestones***

The anticipated milestones to be achieved in connection with the operations of the Resulting Issuer and their estimated timelines and cost are set forth below:

<b>Business Objective</b>	<b>Milestones that must occur for the Business Objective to be Accomplished</b>	<b>Anticipated timing to achieve Business Objectives</b>	<b>Estimated cost incurred as of the date hereof (\$)</b>	<b>Estimated Additional Cost (\$)</b>
Agile Tracker Launch	Tracker Proof of Concept Developed <sup>(1)</sup>	September 2020	\$200,000	\$20,000
	Tracker Beta Launched <sup>(2)</sup>	October 2020	\$60,000	\$30,000
	Service Level Agreement Developed <sup>(3)</sup>	February 2021	\$20,000	\$50,000
	Tracker Launch <sup>(4)</sup>	March 2021	Nil.	Nil.
Supply Chain BDA and Marketplace Launch	Supply Chain BDA Proof of Concept Developed <sup>(5)</sup>	November 2020	\$150,000	\$100,000
	Supply Chain BDA and Marketplace Beta Launch <sup>(6)</sup>	March 2021	\$180,000	\$100,000
	Service Level Agreement Developed <sup>(7)</sup>	April 2021	\$40,000	\$50,000
	Launch <sup>(8)</sup>	May/June 2021	Nil.	Nil.
<b>Total:</b>			<b>\$650,000</b>	<b>\$350,000</b>

### **Notes:**

- (1) Tracker Proof of Concept Developed: this includes the research on feasible tracking solutions to be adopted, concept to be proved, and potential client to be on boarded for eta testing.
- (2) Tracker Beta Launched: the launch of the tracking solutions, together with LTE trackers, to target clients for beta testing and data collections.
- (3) Service Level Agreement Developed: the stage in which the Resulting Issuer can sign commercial agreements with clients and provide related service.
- (4) Tracker Launch: Official tracking service launched with LTE trackers provided to clients.
- (5) Supply Chain BDA Proof of Concept Developed: these include proof of concept for blockchain application, the Marketplace, and the combination of the two.
- (6) Supply Chain BDA Beta Launch: the launch of the blockchain-based marketplace with selected companies on specific services including accounts receivable, accounts payable, invoicing, and inventory management.
- (7) Service Level Agreement Developed: the stage in which the Resulting Issuer on boards more clients in multiple industries and signs agreements that provide optimized services containing more than the four mentioned in the beta testing stage.
- (8) Launch: The official launch of the blockchain enables Marketplace service.

### **Anticipated Changes in the Current Financial Year**

It is anticipated that, in the 12 months following listing of the Resulting Issuer Common Shares on the CSE, the Resulting Issuer will develop its software and products in the following three steps:

#### ***Step 1: The Resulting Issuer's Minimum Viable Tracker Product will be commercialized***

It is anticipated that the Resulting Issuer will develop the Agile Tracker profile, TCP server, database architecture and front end to serve the needs of small truck fleet owners. The differential feature of this tracker system will be in its use of the LTE (4G) network. Currently most available trackers use the GSM network and this network is scheduled for shutdown by Rogers Communications Inc. and Bell Canada by the end of 2020. The LTE network is also useable on the 5G network contemplated by the large carriers. Each fleet profile will be evaluated based on its business merits and applicability to decentralized blockchain applications. It is anticipated that, once the Resulting Issuer's development team has evaluated the potential feasibility of a fleet profile, the S&M team will begin a presale marketing program.

Prior to the MVP stage, the Resulting Issuer anticipates conducting research on feasible tracking solutions to be adopted, concept to be proved, and potential clients to be on boarded for beta testing. Agile has initiated this research process and the proof of concept is scheduled to be completed by September 2020. The Resulting Issuer anticipates that the beta testing will be conducted by experimental testing based on target clients in specific industries found in the research stage, and results, including data and related information, will be analyzed by the Resulting Issuer tracker team to continue optimizing solutions and services to be provided to future clients.

In the MVP stage, it is anticipated that the Resulting Issuer's development team will review various results with its blockchain marketing team and gather input for iterating the tracker offering that will be released publicly. During the early stage, public awareness of the Resulting Issuer tracker application coming to the market will begin but no specific details will be provided. Further refinement to application functionality, operating rules and the marketing campaign will take place during this period.

#### *Step 2: MVP and Supply Chain BDA development*

Concurrently with the implementation of the MVP step, Agile has been working Supply Chain BDA and Marketplace developments throughout the first half of 2020. A testing website has been established to satisfy the required functions in the implementation of the Supply Chain BDA and Marketplace. The website is designed with the capacity and compliance to ISO-based industry standards and has the potential to go further to the EDIFACT standard.

If and when the proof of concept is completed, the Resulting Issuer anticipates launching beta testing with target clients with services including accounts receivable, accounts payable, invoicing, and inventory management; and, at the same time, the Resulting Issuer will collect data from these clients and build a database for the Marketplace to further optimize services to be provided in the future.

It is anticipated that the MVP step includes further testing of the Supply Chain BDA software for several specific use cases. Real-time input from the blockchain and end-user community will contain the necessary feedback on how the blockchain application should be developed, managed, costed, and revenue retained by the Resulting Issuer, as well as inputs on the potential demand, reach, frequency of use, competition and user types. The analysis of information collected will be the key to determining how a particular blockchain user channel should be developed in line with community expectations.

#### *Step 3: The Resulting Issuer blockchain on-going upgrades*

It is anticipated that, once the Resulting Issuer MVP blockchain software is developed, it will be iterated and operated independently by the Resulting Issuer DevOps team. The Resulting Issuer expects to continue to develop and offer guidance and other services and, over time, the ability of the Resulting Issuer to realize revenue from transactions as well as from transmission time will be activated.

### **DESCRIPTION OF THE SECURITIES OF THE RESULTING ISSUER**

The Resulting Issuer will be authorized to issue an unlimited number of Resulting Issuer Common Shares without nominal or par value of which, as at the date hereof, it is expected that there will be 80,776,257 Resulting Issuer Common Shares issued and outstanding as fully paid and non-assessable upon Closing.

#### Resulting Issuer Common Shares

All of the Resulting Issuer Common Shares shall rank equally as to voting rights, participation in a distribution of the assets of the Resulting Issuer on a liquidation, dissolution or winding-up of the Resulting Issuer and entitlement to any dividends declared by the Resulting Issuer. The holders of the Resulting Issuer Common Shares will be entitled to receive notice of, and to attend and vote at, all meetings of shareholders. Each Resulting Issuer Common Share will carry the right to one vote. In the event of the liquidation, dissolution or winding-up of the Resulting Issuer, or any other distribution of the assets of the Resulting Issuer among its shareholders for the purpose of winding-up its affairs, the holders of the Resulting Issuer Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Resulting Issuer of all of its liabilities. The holders of Resulting Issuer Common

Shares will be entitled to receive dividends as and when declared by the Board of the Resulting Issuer in respect of the Resulting Issuer Common Shares on a pro rata basis. The Resulting Issuer Common Shares will not have preemptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There will be no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital. For a description of the Resulting Issuer's anticipated practice regarding dividends, see *"Information Concerning the Resulting Issuer – Dividends"*.

Any alteration of the rights, privileges, restrictions and conditions attaching to the Resulting Issuer Common Shares under the Resulting Issuer's constituting documents must be approved by at least two-thirds of the Resulting Issuer Common Shares voted at a meeting of the Resulting Issuer's shareholders.

#### Resulting Issuer Options

Agile Stock Options were granted pursuant to the Agile Stock Option Plan to certain of Agile's officers, directors, employees, advisors and consultants in the financial year ended December 31, 2018, in the 3<sup>rd</sup> quarter of 2019 and in the 2<sup>nd</sup> quarter of 2020. Concurrently with the Closing, each outstanding Agile Option will be cancelled and cease to represent a right to acquire an Agile Common Share, and such Agile Option will be replaced with a Resulting Issuer Option, each such Resulting Issuer Option entitling the holder thereof to acquire one Resulting Issuer Common Share on substantially the same terms as forth in the Agile Options. It is expected that, upon completion of the Transaction, 6,449,166 outstanding and unexercised Resulting Issuer Options will be exercisable for Resulting Issuer Common Shares in accordance with their terms. See *"Information concerning the Resulting Issuer – Options to Purchase Securities"*.

#### Promissory notes

Between May 24, 2019 and February 28, 2020, Agile issued non-convertible and unsecured promissory notes in the aggregate principal amount of \$299,100. Concurrently with the Closing, the issued and outstanding Agile promissory notes will become obligations of the Resulting Issuer. See *"Information Concerning Agile – Description of the Securities of Agile – Promissory Notes"* for more information on the Agile promissory notes.

### **DIVIDENDS**

It is not expected that the Resulting Issuer will declare any dividends for the foreseeable future. The Resulting Issuer will have no restrictions on paying dividends, but if the Resulting Issuer generates earnings in the foreseeable future, it is expected that such earnings will be retained to finance growth, if any. The Board of the Resulting Issuer will determine if and when dividends should be declared and paid in the future based upon the Resulting Issuer's financial position at the relevant time. Holders of Resulting Issuer Common Shares will be entitled to an equal share in any dividends declared and paid on the Resulting Issuer Common Shares.

### **SELECTED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS**

Attached to this Prospectus as Appendix "E" are the pro forma financial statements of the Resulting Issuer after giving effect to the Transaction for the year ended December 31, 2019 and for the interim period ended March 31, 2020.

#### **PRO FORMA CONSOLIDATED CAPITALIZATION**

The following table sets forth: (i) Stowe One's capitalization immediately prior to the Transaction (after giving effect to the consolidation of Stowe One Common Shares); (ii) Agile's capitalization immediately prior to the Transaction; and (iii) the anticipated share capitalization of the Resulting upon completion of the Transaction, as more particularly set out in the pro forma financial statements of the Resulting Issuer attached hereto as Appendix "E":

<u>Securities</u>	<u>Stow One's capitalization immediately prior to the Transaction</u>	<u>Agile's capitalization immediately prior to the Transaction</u>	<u>Resulting Issuer's capitalization immediately after giving effect to the Transaction</u>
Common shares	3,366,811	77,409,446	80,776,257
Options	Nil	6,449,166	6,449,166
First Warrants	N/A	Nil	Nil
Second Warrants	N/A	Nil	Nil

### ***Fully Diluted Share Capital***

It is anticipated that the fully-diluted share capital of the Resulting Issuer, after completion of the Transaction, will consist of the securities set forth in the table below.

<u>Categories of Securities</u>	<u>Number of Resulting Issuer Common Shares</u>	<u>Percentage of total diluted Resulting Issuer Common Share Capital</u>
Resulting Issuer Common Shares	80,776,257	92.6%
Resulting Issuer Common Shares reserved for issuance upon the exercise of the Resulting Issuer Options	6,449,166	7.4%
<b>TOTAL</b>	<b>87,225,423</b>	<b>100%</b>

**Note:**

- (1) In light of COVID-19, the landlord of Agile's office space, OCI Inc., and Agile entered into a shares for rent agreement dated June 12, 2020, whereby OCI Inc. has agreed to accept Resulting Issuer Common Shares to be issued in June 2021 in lieu of cash payments of \$36,000 for the next 12 months of rent for the Resulting Issuer's office space. The number of Resulting Issuer Common Shares to be issued to OCI Inc. in June 2021 will be valued at \$36,000 using the volume-weighted average trading price of the Resulting Issuer Common Shares on the CSE for the five-day period ending May 31, 2021.

### **AVAILABLE FUNDS AND PRINCIPAL PURPOSES**

#### ***Available Funds and Use of Available Funds***

It is anticipated that the Resulting Issuer will have approximately \$780,361 available upon completion of the Transaction. The proposed management of the Resulting Issuer anticipates applying the available funds in the following manner over the next 12 months:

<u>Use of Funds</u>	<u>Funds to be Expended (\$)</u>
Staff costs – research and development	\$146,650
Marketing	\$50,000
Listing and public company costs	\$62,000
Accounts payable	\$230,000
General and administrative	\$165,600
Unallocated working capital	\$126,111
<b>Total</b>	<b>\$780,361</b>

The Resulting Issuer intends to spend the available funds as stated in this Prospectus. However, there may be situations where, due to change of circumstance, outlook, research results and or business judgment, a re-allocation of funds at the discretion of the Board of the Resulting Issuer or management may be necessary in order for the Resulting Issuer to achieve its overall business objectives. There can be no assurance that additional funding required by the Resulting

Issuer will be available if required. However, it is anticipated that the available funds will be sufficient to satisfy the Resulting Issuer's objectives over the next 12 months.

### ***General and Administrative Expenses***

The Resulting Issuer's working capital available to fund ongoing operations will be sufficient to fund its business milestones, objectives and administrative costs for the next 12 months. Estimated general and administrative expenditures during this period are comprised of the following:

<b>Use of Funds</b>	<b>Funds to be Expended (\$)</b>
Executive and administrative salaries	Nil.
Legal and audit fees	\$31,200
Professional and consulting fees	\$120,000
Office expenses	\$14,400
<b>Total:</b>	<b>\$165,600</b>

### ***Allocation of Available Funds to Accomplish the Business Objectives and Milestones***

In order to achieve the business objectives and milestones, the Resulting Issuer has allocated \$350,000 over the next 12 months as follows:

<b>Use of Funds</b>	<b>Funds to be Expended (\$)</b>
Staff Costs – research and development	\$146,650
Professional and consulting fees	\$120,000
Marketing	\$50,000
Legal	\$18,950
Office expenses	\$14,400
<b>Total:</b>	<b>\$350,000</b>

## **OPTIONS TO PURCHASE SECURITIES**

### ***Stock Option Plan***

Subject to the CSE policy regarding granting of incentive stock options and the allowable exercise price of the incentive stock options, it is anticipated that the Resulting Issuer will adopt the Stowe One Stock Option Plan, the material terms of which are described above at "*Information Concerning Stowe One – Options to Purchase Securities*".

There are currently nil Stowe One Common Shares reserved for issuance pursuant to the Stock Option Plan and 6,449,166 Agile Common Shares reserved for issuance pursuant to the Agile Option Plan and upon exercise of the Agile Options. No grants under the Stowe One Stock Option Plan nor any further grants of Agile Options under the Agile Option Plan are planned prior to Closing. Concurrently with the Closing, each outstanding Agile Option will be cancelled and cease to represent a right to acquire an Agile Common Share, and such Agile Option will be replaced with a Resulting Issuer Option, each such Resulting Issuer Option entitling the holder thereof to acquire one Resulting Issuer Common Share on substantially the same terms as forth in the Agile Options. It is anticipated that, upon completion of the Transaction, 6,449,166 Resulting Issuer Options will be issued and outstanding entitling the holders thereof to acquire Resulting Issuer Common Shares. The below table indicates the groups who hold Resulting Issuer Options:

<u>Optionee</u>	<u>Number of Resulting Issuer Common Shares reserved under Option</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
The Resulting Issuer's NEOs, as a group	2,421,666	\$0.10	October 20, 2021 <sup>(1)</sup>
		\$0.10	September 3, 2021 <sup>(1)</sup>
		\$0.15	April 15, 2022 <sup>(1)</sup>
Directors of the Resulting Issuer, as a group (who are also not Resulting Issuer NEOs)	1,540,000	\$0.10	September 25, 2020
Employees of the Resulting Issuer, as a group	800,000	\$0.10	November 7, 2020 <sup>(2)</sup>
		\$0.10	April 25, 2021 <sup>(2)</sup>
		\$0.10	September 1, 2021 <sup>(2)</sup>
Consultants of the Resulting Issuer, as a group	1,687,500	\$0.10	October 20, 2020 <sup>(3)</sup>
		\$0.10	November 1, 2020 <sup>(3)</sup>
		\$0.10	September 1, 2021 <sup>(3)</sup>
		\$0.10	September 30, 2021 <sup>(3)</sup>
		\$0.10	October 20, 2021 <sup>(3)</sup>
Any other applicable Person or company	Nil		
<b>Total</b>	<b>6,449,166</b>		

**Notes:**

- (1) 500,000 Resulting Issuer Options expire on October 20, 2021; 1,175,000 Resulting Issuer Options expire on September 3, 2021; 746,666 Resulting Issuer Options expire on April 15, 2022.
- (2) 50,000 Resulting Issuer Options expire on November 7, 2020; 100,000 Resulting Issuer Options expire on April 25, 2021; 550,000 Resulting Issuer Options expire on September 1, 2021.
- (3) 50,000 Resulting Issuer Options expire on October 20, 2020; 187,500 Resulting Issuer Options expire on November 1, 2020; 350,000 Resulting Issuer Options expire on September 1, 2021; 1,000,000 Resulting Issuer Options expire on September 30, 2021; 100,000 Resulting Issuer Options expire on October 20, 2021.

## **ESCROWED SECURITIES**

### **NP 46-201 Escrow**

NP 46-201 requires that securities held by a “principal” of an issuer be held in escrow. A “principal” of an issuer is: (i) a person or company who acted as a promoter of the issuer within two years before the date of the prospectus; (ii) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the prospectus; (iii) a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering; and (iv) a person or company that holds securities carrying more than 10% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering and who has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

In accordance with NP 46-201 and pursuant to the Escrow Agreement to be entered into among the Escrowed Shareholders, the Resulting Issuer and the Escrow Agent, a total of 13,809,665 Resulting Issuer Common Shares and 1,175,000 Resulting Issuer Options will be deposited into escrow with the Escrow Agent prior to the Listing Date. The following table discloses the Escrow Securities of the Resulting Issuer which will be held in escrow pursuant to the Escrow Agreement:



Designation of Class	Total Number of Securities that are Expected to be Held in Escrow
Resulting Issuer Common Shares	13,809,665 <sup>(1)</sup>
Options to purchase Resulting Issuer Common Shares	1,175,000

Note:

- (1) The Resulting Issuer Common Shares held in escrow will be 15.83% of the total issued and outstanding Resulting Issuer Common Shares at the time of Listing.

The following Resulting Issuer Common Shares will be held in escrow pursuant to the Escrow Agreement:

Name of Beneficial Securityholder	Designation of Class	Number of Securities Held in Escrow
Maria Conti	Resulting Issuer Common Share	9,546,999
Rahim Allani	Resulting Issuer Common Share	1,595,000 <sup>(1)</sup>
OCI Inc.	Resulting Issuer Common Share	2,667,666
<b>Total:</b>	<b>Resulting Issuer Common Share</b>	<b>13,809,665</b>

Note:

- (1) 93,019 of Rahim Allani's Resulting Issuer Common Shares will also be subject to the Restrictive Escrow Agreement, as set out hereafter.

The following Resulting Issuer Options will be held in escrow pursuant to the Escrow Agreement:

Name of Beneficial Securityholder	Designation of Class	Number of Securities Held in Escrow
Raymond Pomroy	Resulting Issuer Options	1,175,000

An escrow restricts the ability of certain holders to deal with their escrow securities while they are in escrow. The Escrow Agreement sets out these restrictions and provides that, except to the extent permitted thereunder, the principals cannot sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with their escrowed securities or the related share certificates or other evidence of the escrowed securities. A private company, controlled by one or more principals, that holds escrowed securities, may not participate in a transaction that results in a change of its control or a change in the economic exposure of the principals to the risks of holding the escrowed securities.

As the Resulting Issuer is an "emerging issuer" as such term is defined in NP 46-201, the Resulting Issuer Shares in the table above table may be released as follows:

On the Listing Date	1/10 of the Escrow Securities
6 months after the Listing Date	1/6 of the remaining Escrow Securities
12 months after the Listing Date	1/5 of the remaining Escrow Securities
18 months after the Listing Date	1/4 of the remaining Escrow Securities
24 months after the Listing Date	1/3 of the remaining Escrow Securities
30 months after the Listing Date	1/2 of the remaining Escrow Securities

36 months after the Listing Date	The remaining Escrow Securities
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### **Restrictive Escrow**

As a condition of listing 1,110,936 Resulting Issuer Common Shares listed in the table below will be subject to an escrow, with release terms as follows: one-third will be released on the date which is twelve months following the Listing Date; one-third of the remaining securities will be released on the date which is twenty-four months following the Listing Date; and the remaining securities will be released on the date which is 36 months following the Listing Date, with all releases being subject to three Resulting Issuer Common Shares being issued by the Issuer following the Listing Date for each escrowed share to be released (the “**Restrictive Escrow Agreement**”).

As of the date hereof, it is expected that, upon the Listing Date the following securities will be subject to the Restrictive Escrow Agreement:

Designation of Class	Total Number of Securities that are Expected to be Held in Escrow	Percentage of Class at the date of this Prospectus
Resulting Issuer Common Shares	1,110,936	1.27%

The following Resulting Issuer Common Shares will be held in escrow pursuant to the Restrictive Escrow Agreement:

Name of Beneficial Securityholder	Designation of Class	Number of Securities Held in Escrow
Mohammad Ali Akbar	Resulting Issuer Common Share	473,506
Marshall Morris	Resulting Issuer Common Share	237,955
Rahim Allani	Resulting Issuer Common Share	93,019
Farah Dattoo	Resulting Issuer Common Share	147,820
Karim Allani	Resulting Issuer Common Share	158,636
<b>Total Escrowed Shares</b>	<b>Resulting Issuer Common Share</b>	<b>1,110,936</b>

### **PRINCIPAL SECURITY HOLDERS**

The following table sets forth the anticipated principal securityholder of the Resulting Issuer who, upon completion of the Transaction, are expected to beneficially own, or control or direct, directly or indirectly, voting securities carrying over 10% of the voting rights attached to any class of voting securities of the Resulting Issuer:

Name	Number of Resulting Issuer Common Shares	Percentage of Resulting Issuer Common Shares
Maria Conti	9,546,999	11.82%

### **DIRECTORS AND EXECUTIVE OFFICERS**

#### ***Name, Occupation and Securityholdings***

The term of office of each of the proposed directors and officers of the Resulting Issuer will commence upon completion of the Transaction. Each director elected or appointed will hold office until the next annual general meeting of the Resulting Issuer or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the articles of the Resulting Issuer or with the provisions of the BCBCA.

The following table sets forth the name of each proposed director and executive officer of the Resulting Issuer, their province or state and country of residence, their position(s) and office(s) held with the Resulting Issuer, their principal occupation(s) during the preceding five years, and the number and percentage of Resulting Issuer Common Shares they beneficially own, or control or direct, directly or indirectly.

<b>Name and Residence</b>	<b>Position</b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Officer and Director Since<sup>(5)</sup></b>	<b>Number and Percentage of Resulting Issuer Common Shares Held<sup>(4)</sup></b>
<b>Raymond Pomroy</b> Ontario, Canada	CEO	CEO of Agile from September 2, 2019 until August Present; and consultant in Enr-aid from January 2005 to present.	N/A	Nil.
<b>Khurram Qureshi</b> Ontario, Canada	CFO	CFO of Agile from March 3, 2018 to Present; CFO of Lingo Media Corporation from August 2011 to present; CFO of Internet of Things Inc. from April 2015 to present; Director of Pounce Technologies Inc. from July 2017 to present; Director of Majesta Minerals Inc. from August 2018 to present; CFO of Slyce Inc. from July 2014 to June 2016; and CFO of Augustine Ventures Inc. from January 2012 to February 2017.	N/A	Nil.
<b>Vikas Gupta</b> <sup>(1)(2)(3)</sup> Ontario, Canada	Director	CEO of TransGaming from November 2005 to May 2015.	N/A	Nil.
<b>Musabbir Chowdhury</b> <sup>(1)(2)(3)</sup> Ontario, Canada	Director	Founding director of Productivity and Innovation lab, Niagara School of Business, from November 2012 to present; professor of business in Niagara College from August 2014 to present.	N/A	Nil.
<b>Brenda Brown</b> <sup>(2)(3)</sup> Ontario, Canada	Director	JMSB Advisory Board member in Concordia University from July 2015 to present; board director of OTEC Workforce Solutions from September 2015 to present; SVP talent management ESS Global in Campus Group PLC from January 2017 to July 2018.	N/A	Nil.
<b>Alan Rootenberg</b> <sup>(1)</sup> Ontario, Canada	Director	CFO of Eco (Atlantic) Oil & Gas Ltd. from May 2012 to present; CFO of Osino Resources Corp from June 2018 to present; CFO of BioHarvest Sciences Inc. (formerly, Canna-V-Cell Science Inc.) from October 2018 to present; CFO of Cyntrar Ventures Inc. from December 2019 to present; and CFO of Empower Clinic Inc. (formerly Adira Energy Ltd.) from February 2016 to May 2018.	N/A	Nil.

**Notes:**

- (1) Proposed member of the Audit Committee.
- (2) Proposed member of the Compensation Committee.
- (3) Proposed member of the nominating and corporate governance committee.
- (4) Upon completion of the Transaction, it is anticipated that the Resulting Issuer's directors and executive officers as a group beneficially own, or exercise control or direction over, directly or indirectly, securities convertible into 3,961,666 Resulting Issuer Common Shares, representing approximately 61.4% of the outstanding Resulting Issuer Options and 4.6% of the outstanding Resulting Issuer Common Shares on a fully diluted basis.
- (5) It is anticipated that such individuals will become officers and directors of the Resulting Issuer (as applicable) concurrently with Closing.

***Executive Officer and Director Biographies***

**Raymond Pomroy, proposed CEO** – Raymond is an international manager who has exceptional experience in business management and supply chain management primarily in the UK, Holland, Canada and the US. Prior to joining Agile, Raymond had been working in a multinational consumer goods company for 30 years, and managed all elements of the supply chain, including USD\$2.8 billion in product supply, six factories in North America, over 2,000 employees.

He is experienced in supply chain strategy development, global supply, organizational redesign and implementation of restructuring, contract negotiations, and cost reduction activities. Raymond holds a Bachelor of Science and Diploma in Industrial Studies from Loughborough University (UK).

Khurram Qureshi (CA & CPA), proposed CFO – Khurram brings over 22 years' experience in the field of accounting and corporate finance. Khurram qualified as a Chartered Accountant in 1990 and has held senior positions with several small- to medium-sized public companies. He has been a key member on several merger and acquisition teams.

Vikas Gupta, proposed Director – Vikas is a seasoned executive and has a strong track record with private and public companies. He is well versed in gamification, digital distribution, video games, interactive entertainment and content. Additionally, he has also built expertise in financings, the creation of unique revenue models, the monetization of complex technologies, leadership, and overall growth.

Musabbir Chowdhury (PhD), proposed Director – Musabbir is an engineer who is a business, education and technology consultant with over 20 years of IT achievements. Musabbir is a Professor at the Niagara College School of Business. Previously, he was COO for C2H Media Inc., an educational and web technology consulting and service provider for educational institutions and businesses. Musabbir was also Vice President Academic of Portage College in Alberta.

Brenda Brown (MBA, ICD.D), proposed Director – Brenda is the former Senior VP of Global Talent Management at Compass Group PLC and has over twenty-five years of business experience in all aspects of Human Resource management in both union and non-union environments. As a member of the executive management team at Compass Group PLC, Brenda was involved in key strategic business decisions and was responsible for the development of employee programs, corporate culture development and assisting in ensuring the success of the corporate vision.

Alan Rootenberg (CPA), proposed Director – Alan Rootenberg is a chartered professional accountant who has served as the Chief Financial Officer of a number of publicly traded companies listed on the TSX, TSX Venture Exchange, OTCBB and CSE. These companies include mineral exploration, mining, technology and cannabis companies. Alan has a Bachelor of Commerce degree from the University of the Witwatersrand in Johannesburg, South Africa and received his CPA designation in Ontario, Canada.

### ***Corporate Cease Trade Orders***

None of the Resulting Issuer's proposed directors or executive officers are, as at the date hereof, or were within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Stowe One and Agile) that: (a) was subject to an Order that was issued while the proposed director or executive officer was acting in the capacity of director, chief executive officer or chief financial officer of such issuer; or (b) was subject to an Order that was issued after the proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer.

### ***Bankruptcies***

None of the Resulting Issuer's proposed directors or executive officers, nor, to its knowledge, any expected shareholder holding a sufficient number of its securities to affect materially the control of the Resulting Issuer: (a) are, as at the date hereof, or have been within the 10 years before the date hereof, a director or executive officer of any company (including Stowe One and Agile) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) have, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

### ***Penalties or Sanctions***

None of the Resulting Issuer's proposed directors or executive officers, nor, to its knowledge, any expected shareholder holding a sufficient number of its securities to affect materially the control of the Resulting Issuer, have been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### ***Conflicts of Interest***

To the best of Stowe One and Agile's knowledge, there are no existing or potential material conflicts of interest between the Resulting Issuer and any of its proposed directors or officers as of the date hereof. However, certain of the Resulting Issuer's proposed directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on the Resulting Issuer's behalf.

Pursuant to the BCBCA, the proposed directors and officers of the Resulting Issuer are required to act honestly and in good faith with a view to the best interests of the Resulting Issuer. As required under the BCBCA and the Resulting Issuer's proposed constating documents:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of the Resulting Issuer, must promptly disclose the nature and extent of that conflict; and
- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which the Resulting Issuer has entered or proposes to enter may generally not vote on any directors' resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Resulting Issuer will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict. See also: "*Risk Factors – Conflicts of Interest*".

### ***Other Reporting Issuer Experience***

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer who are, or have been within the last five years, directors, officers and/or Promoters of other reporting issuers:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Name of Trading Market</b>	<b>Position</b>	<b>Period</b>
Vikas Gupta	TransGaming Inc.	TSX Venture Exchange	President, CEO & Director	November 2005 – June 2015

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Name of Trading Market</b>	<b>Position</b>	<b>Period</b>
Alan Rootenberg	A2Z Technologies Canada Corp.	TSX Venture Exchange	Director	May 2020 – Present
	Cyntar Ventures Inc.	CSE	CFO	December 2019 – Present
	BioHarvest Sciences Inc. (formerly, Canna-V-Cell Science Inc.)	CSE	CFO	October 2018 – Present
	Osino Resources Corp	TSX Venture Exchange	CFO	June 2018 – Present
	Empower Clinic Inc. (formerly Adira Energy Ltd.)	CSE	CFO	February 2016 – May 2018
	Eco (Atlantic) Oil & Gas Ltd.	TSX Venture Exchange	CFO	May 2012 – Present
Khurram Qureshi	Augustine Ventures Inc.	TSX Venture Exchange	CFO	January 2012 – February 2017
	Lingo Media Corporation	TSX Venture Exchange	CFO	August 2011 – Present
	Internet of Things Inc.	TSX Venture Exchange	CFO	April 2015 – Present
	Majesta Minerals Inc.	TSX Venture Exchange	Director	August 2018 – Present
	Slyce Inc.	TSX Venture Exchange	CFO	July 2014 – June 2016
	Pounce Technologies Inc.	NEX Exchange	Director	July 2017 – Present

## **EXECUTIVE COMPENSATION**

Upon completion of the Transaction, it is anticipated that the Resulting Issuer will adopt the executive compensation program of Agile as disclosed above at “*Information Concerning Agile – Executive Compensation*”.

### ***Compensation Governance***

The proposed Compensation Committee of the Resulting Issuer is comprised of Brenda Brown (Chair), Musabbir Chowdhury, and Vikas Gupta. Musabbir Chowdhury, Brenda Brown and Vikas Gupta will be independent directors within the meaning of NI 52-110. Each of the proposed members of the Compensation Committee has business and other experience which is relevant to their work on the Compensation Committee. By virtue of their differing professional backgrounds, business experience, knowledge of the Resulting Issuer’s industry, knowledge of corporate governance practices and, where appropriate, service on compensation committees of other reporting issuers and experience interacting with external consultants and advisors, the proposed members of the Compensation Committee will be able to make decisions on the suitability of Resulting Issuer’s compensation policies and practices.

### ***Executive Officer Compensation***

The following table contains a summary of the anticipated compensation for each of the Resulting Issuer’s CEO and CFO for the 12 month period after giving effect to the Transaction, to the extent known:

<b>Name and Principal Position</b>	<b>Period</b>	<b>Salary</b>	<b>Bonus</b>	<b>Committee or meeting fees</b>	<b>Value of Perquisites</b>	<b>Value of All Other Compensation</b>	<b>Total Compensation</b>
Raymond Pomroy <i>CEO</i>	12 months following Transaction	Nil	Nil	Nil.	Nil.	\$169,500 <sup>(1)</sup>	\$169,500
Khurram Qureshi	12 months following Transaction	Nil	Nil	Nil.	Nil.	\$110,000 <sup>(2)</sup>	\$110,000

<b>Name and Principal Position</b>	<b>Period</b>	<b>Salary</b>	<b>Bonus</b>	<b>Committee or meeting fees</b>	<b>Value of Perquisites</b>	<b>Value of All Other Compensation</b>	<b>Total Compensation</b>
CFO							

**Notes:**

- (1) Mr. Pomroy was previously awarded 1,175,000 Agile Options at an exercise price of \$0.10 per Agile Common Share and 346,666 Agile Options at an exercise price of \$0.15 per Agile Common Share which, concurrently with the Closing, such Agile Options were cancelled and replaced with 1,521,666 Resulting Issuer Options exercisable on the same terms as the Agile Options.
- (2) Mr. Qureshi was previously awarded 500,000 Agile Options at an exercise price of \$0.10 per Agile Common Share and 400,000 Agile Options at an exercise price of \$0.15 per Agile Common Share which, concurrently with the Closing, such Agile Options were cancelled and replaced with 900,000 Resulting Issuer Options exercisable on the same terms as the Agile Options.

***Stock option plans and other incentive plans***

See “*Information Concerning the Resulting Issuer – Options to Purchase Securities*”.

***Option-Based Awards***

The following table contains information about the anticipated option-based compensation awarded to individuals who are proposed to be NEOs of the Resulting Issuer:

<b>Name and Position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class<sup>(1)</sup></b>	<b>Date of Issue or grant</b>	<b>Issue, conversion or exercise price</b>	<b>Expiry date</b>
Raymond Pomroy <i>CEO</i> <sup>(2)</sup>	Resulting Issuer Options	1,175,000	September 3, 2019	\$0.10	September 3, 2021
		346,666 (24.0% of Resulting Issuer Options)	May 4, 2020	\$0.15	April 15, 2022
Khurram Qureshi <i>CFO</i>	Resulting Issuer Options	500,000	October 20, 2018	\$0.10	October 20, 2020
		400,000 (14.2% of Resulting Issuer Options)	May 4, 2020	\$0.15	April 15, 2022

**Notes:**

- (1) Based on 6,449,166 anticipated outstanding Resulting Issuer Options upon completion of the Transaction.
- (2) Raymond Pomroy became the CEO of Agile on September 2, 2019.

***Employment, consulting and management agreements***

The Resulting Issuer does not expect to enter into any new agreements or arrangements under which compensation is provided to any NEOs or directors or any persons providing services typically provided by a director or NEO.

***Oversight and Description of Director and Named Executive Officer Compensation***

Upon completion of the Transaction, it is anticipated that the Resulting Issuer will adopt Agile’s approach to executive compensation, as described above at “*Information Concerning Agile – Executive Compensation*”.

***Pension Disclosure***

The Resulting Issuer does not expect to have any pension or retirement plan which is applicable to the NEOs or directors.

## INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the directors, executive officers or employees of Stowe One or Agile, or proposed directors or executive officers of the Resulting Issuer, nor any of their Associates or Affiliates, is, has been or is expected to be indebted to Stowe One or Agile, as applicable, since the commencement of the last completed financial year, nor is any such person expected to be indebted to the Resulting Issuer on the completion of the Transaction.

## AUDIT COMMITTEE

The Audit Committee will provide assistance to the Board of the Resulting Issuer in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Resulting Issuer. The proposed external auditors of the Resulting Issuer will report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities will include: (i) reviewing and reporting to the Board of the Resulting Issuer on the annual audited financial statements (including the auditor's report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Resulting Issuer's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Resulting Issuer's external auditor, overseeing the Resulting Issuer's internal auditor, and pre-approving any non-audit services to the Resulting Issuer; (iv) reviewing and discussing with management the appointment of key financial executives and recommending qualified candidates to the Board of the Resulting Issuer; (v) reviewing with management and the Resulting Issuer's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (vi) reviewing management reports related to legal or compliance matters that may have a material impact on the Resulting Issuer and the effectiveness of the Resulting Issuer's compliance policies; and (vii) establishing whistleblowing procedures and investigating any complaints or concerns it deems necessary.

### *The Audit Committee's Charter*

It is expected that the shareholders of the Resulting Issuer will affirm the Audit Committee Charter originally adopted by Stowe One at the Resulting Issuer's first annual general meeting of shareholders, the full text of which is attached to this Prospectus as Appendix "A".

### *Composition of the Audit Committee*

The proposed members of the Audit Committee of the Resulting Issuer consist of Alan Rootenberg (Chair), Vikas Gupta and Musabbir Chowdhury. Alan Rootenberg (Chair), Vikas Gupta and Musabbir Chowdhury will be independent directors and are financially literate, in each case within the meaning of NI 52-110.

### *Relevant Education and Experience*

The proposed members of the Audit Committee have extensive education and experience relevant to the performance of their responsibilities as members of the Audit Committee.

Alan Rootenberg – Mr. Rootenberg has experience in understanding, reading, and preparing financial statements. He is a chartered professional accountant who has served as the Chief Financial Officer of publicly traded companies listed on the TSX, TSX Venture Exchange and the CSE. He also has ample experience in mining and technology, and is also an investor in an early-stage blockchain company.

Vikas Gupta – Mr. Gupta has considerable experience in reading and understanding financial statements both as a CEO in public and private companies, as well as his rich experience in media and entertainment industries. He also has very strong experience in finance, and helps companies create unique business models.



Musabbir Chowdhury – Mr. Chowdhury has experience in understanding, reading, and preparing financial statements. He has a MBA from Ivey Business School, runs his own consulting company and is a professor and operates the innovation centre at Niagara College School of Business.

Please see “*Information Concerning the Resulting Issuer – Directors and Executive Officers – Executive Officer and Director Biographies*” for additional information.

### ***Pre-Approval Policies and Procedures***

The Audit Committee Charter requires that the Audit Committee pre-approve any retainer of the auditor of the Resulting Issuer to perform any non-audit services to the Resulting Issuer that it deems advisable in accordance with applicable legal and regulatory requirements and policies and procedures of the Board. The Audit Committee is permitted to delegate pre-approval authority to one of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

## **CORPORATE GOVERNANCE**

Set forth below is a description of the Resulting Issuer’s proposed corporate governance practices, which disclosure is provided pursuant to Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*. The Resulting Issuer will implement and adopt a continuous disclosure policy and an Insider trading policy no later than the date on which the Resulting Issuer’s first set of financial statements must be filed following Closing.

The Resulting Issuer and its proposed Board recognize the importance of corporate governance to the effective management of the Resulting Issuer and to the protection of its employees and shareholders. The Resulting Issuer’s expected approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Resulting Issuer are effectively managed so as to enhance shareholder value. The Board will fulfill its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Resulting Issuer’s affairs and in light of opportunities or risks which the Resulting Issuer faces. The proposed directors are kept informed of the Resulting Issuer’s business and affairs at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

The proposed nominating and corporate governance committee of the Board (the “**Nominating Committee**”) of the Resulting Issuer, on behalf of the Board, is responsible for identifying individuals qualified to become Board members, consistent with criteria approved by the Board, and recommending that the Board select the director nominees for election at each annual meeting of shareholders. The Nominating Committee is also responsible for developing and recommending to the Board a set of corporate governance guidelines applicable to the Resulting Issuer, periodically reviewing such guidelines and recommending any changes thereto, and overseeing the evaluation of the Board and management. The proposed members of the Nominating Committee consist of Musabbir Chowdhury (Chair), Brenda Brown, and Vikas Gupta. Musabbir Chowdhury, Brenda Brown and Vikas Gupta will be independent directors.

### ***Board of Directors***

The Board of the Resulting Issuer consists of four directors, each of whom are independent based upon the test for director independence set out in NI 52-110. For greater certainty, Vikas Gupta (Chair), Musabbir Chowdhury, Brenda Brown and Alan Rootenberg will be independent directors of the Resulting Issuer.

### **Directorships**

Some of the proposed directors of the Resulting Issuer serve on boards of directors of other reporting issuers (or the equivalent) in Canada or foreign jurisdictions. See “*Information Concerning the Resulting Issuer – Other Reporting Issuer Experience*”

### ***Orientation and Continuing Education***

New members of the Board of the Resulting Issuer will be provided with: (i) information respecting the functioning of the Board and its committees and a copy of the Resulting Issuer's corporate governance documents; (ii) access to all documents of the Resulting Issuer, including those that are confidential; and (iii) access to management.

Each new director will participate in the Resulting Issuer's initial orientation program and each director will participate in the Resulting Issuer's continuing director development programs, both of which will be reviewed annually by the Board of the Resulting Issuer.

Resulting Issuer Board members will be encouraged to: (i) communicate with management and auditors; (ii) keep themselves current with industry trends and developments and changes in legislation with management's assistance; (iii) attend related industry seminars; and (iv) visit the Resulting Issuer's operations.

### ***Ethical Business Conduct***

The proposed Board of the Resulting Issuer will rely on the fiduciary duties placed on individual directors by the Resulting Issuer's governing corporate legislation and the common law to ensure that it operates independently of management and in the best interests of the Resulting Issuer.

### ***Nomination of Directors***

The proposed Board of the Resulting Issuer will be responsible for identifying qualified individuals to become new members of the Board and recommending new director nominees for the next annual meeting of the shareholders of the Resulting Issuer. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Resulting Issuer, the ability to devote the time required, shown support for the Resulting Issuer's mission and strategic objectives, and a willingness to serve.

### ***Compensation***

The proposed Board of the Resulting Issuer will conduct compensation reviews with regard to the compensation of directors and the chief executive officers of the Resulting Issuer once a year. In making its compensation recommendations, the Board will take into account the types and amount of compensation paid to directors and chief executive officers of comparable Canadian companies.

### ***Compensation Committee***

The proposed Board will establish the compensation committee, comprised of Brenda Brown (Chair), Musabbir Chowdhury and Vikas Gupta, each of whom will be independent directors.

The compensation committee is responsible for determining the overall compensation strategy of the Resulting Issuer and administering the Resulting Issuer's executive compensation program. As part of its mandate, the compensation committee will approve the appointment and remuneration of the Resulting Issuer's executive officers, including the Resulting Issuer's NEOs. The compensation committee is also responsible for reviewing the Resulting Issuer's compensation policies and guidelines generally.

Please see "*Information Concerning the Resulting Issuer – Executive Compensation*" above, which summarizes, among other things, the process by which the compensation committee and Board determines the compensation for the Resulting Issuer's directors and officers.

### ***Audit Committee***

See "*Information Concerning the Resulting Issuer – Audit Committee*" for further details.

### *Assessment*

The proposed Board of the Resulting Issuer will be responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board as a whole, the individual committees of the Board, and the individual members of the Board and such committees with a view of ensuring that they are fulfilling their respective responsibilities and duties. In connection with such evaluations, each director is required to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors, annually. Such evaluations take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant facts.

### **PROMOTERS**

Upon completion of the Transaction, Raymond Pomroy may be considered a Promoter of the Resulting Issuer in that he took the initiative of substantially reorganizing the business of the Resulting Issuer. The following table sets out the number and percentage of each class of voting securities and equity securities of the Resulting Issuer beneficially owned, or controlled or directed, directly or indirectly by Raymond Pomroy as of the date hereof.

<u>Name</u>	<u>Designation of Class</u>	<u>Number of Securities<sup>(1)</sup></u>	<u>Percentage of Class<sup>(1)</sup></u>
Raymond Pomroy	Resulting Issuer Common Shares	Nil.	Nil.

**Notes:**

- (1) Upon completion of the Transaction, Raymond Pomroy beneficially owns, or exercises control or direction over, directly or indirectly, securities convertible into 1,521,666 Resulting Issuer Common Shares, representing approximately 23.6% of the outstanding Resulting Issuer Options and 1.7% of the outstanding Resulting Issuer Common Shares on a fully diluted basis.

### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

The auditor of the Resulting Issuer is expected to be MNP LLP, Chartered Professional Accountants.

The transfer agent and registrar of the Resulting Issuer is expected to be TSX Trust Company.

## **RISK FACTORS**

An investment in Stowe One or the Resulting Issuer, as applicable, is speculative and involves high degree of risk. The following are certain risk factors relating to the business of the Resulting Issuer (assuming completion of the Transaction), which factors investors should carefully consider when making an investment decision concerning Stowe One or the Resulting Issuer. These risks and uncertainties are not the only risks facing Stowe One, Agile or the Resulting Issuer, as applicable. Additional risks and uncertainties not currently known to Stowe One or Agile, or that Stowe One or Agile currently deems immaterial, may also impair the operations of the Resulting Issuer. The markets in which the Resulting Issuer proposes to compete are very competitive and change rapidly. New risks may emerge from time to time. If any such risks actually occur, the financial condition, liquidity and results of operations of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

### **Risk Factors Associated with the Resulting Issuer's Business**

#### ***Investment in the Resulting Issuer Common Shares are highly speculative***

The Resulting Issuer Common Shares should be considered highly speculative due to the high degree of risk associated the Resulting Issuer's business (emerging blockchain technology market) and the early stages of its new business model development. In evaluating the Resulting Issuer and its business, investors should carefully consider all information contained in this Prospectus. The list is not exhaustive and investors should carefully consider all the risks and uncertainties that are not known to the Resulting Issuer or considered immaterial at this time, which may later have adverse effect on the Resulting Issuer's business, financial condition, operating results or prospects. The purchase of the Resulting Issuer Common Shares should only be undertaken by investors who have the financial resources to undertake such high degree of risks and are prepared to lose their entire investment. In addition, it is recommended that the investment in the Resulting Issuer should not constitute a major portion of an investor's portfolio due to the speculative nature of the Resulting Issuer Common Shares.

#### ***Limited Operating History***

The Resulting Issuer has a limited operating history. The Resulting Issuer and its business prospects must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets such as the blockchain market. There is no certainty that the Resulting Issuer will operate profitably.

#### ***Disruptive Innovation Risk***

The Resulting Issuer believes it is capitalizing on disruptive innovation and developing technologies to displace older technologies or create new markets but it may not in fact do so. If the Resulting Issuer develops a novel technology it may not be able to capitalize on the technology. If the Resulting Issuer develops disruptive technologies it may face political or legal attacks from competitors, industry groups or local and national governments.

#### ***Cyber Security Risk***

Cyber security risk is the risk of harm, loss and liability resulting from a failure or breach of an organization's information technology systems. In general, cyber security risk can result from deliberate attacks or unintentional events, and may arise from external or internal sources. Cyber attacks include gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber security risk has the ability to negatively impact the Resulting Issuer and its shareholders by, among other things, disrupting and impacting business operations, interfering with the Resulting Issuer's ability to operate and develop its technology. While the Resulting Issuer has established business continuity plans and risk management systems to address cyber security risk, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been

identified. Furthermore, although the Resulting Issuer has vendor oversight policies and procedures, the Resulting Issuer cannot control the cyber security plans and systems put in place by its service providers or any other third party whose operations may affect the Resulting Issuer or its shareholders. While the Resulting Issuer has adequate insurance against various losses, its insurance coverage may not adequately cover for a catastrophic cyber attack. The Resulting Issuer and its shareholders could be negatively impacted as a result.

### ***Distributed Ledger Technology Risk***

The Resulting Issuer is actively engaged in distributed ledger technology and may be subject to the following risks:

- *New Technology Risk.* The mechanics of using distributed ledger technology to transact in other types of assets, such as securities or derivatives, is less clear. There is no assurance that widespread adoption will occur. A lack of expansion in the usage of distributed ledger technology could adversely affect the Resulting Issuer.
- *Theft, Loss or Destruction Risk.* Transacting on a distributed ledger depends, in part, specifically on the use of cryptographic keys that are required to access a user's account (or "wallet"). The theft, loss or destruction of these keys impairs the value of ownership claims users have over the relevant assets being represented by the ledger (whether "smart contracts", securities, currency or other digital assets). The theft, loss or destruction of private or public keys needed to transact on a distributed ledger could also adversely affect a company's business or operations if it were dependent on the ledger.
- *Competing Platforms and Technologies Risk.* The development and acceptance of competing platforms or technologies may cause consumers or investors to use an alternative to certain distributed ledgers.
- *Cyber Security Incidents Risk.* Cyber security incidents may compromise the Resulting Issuer, its operations or its business. Cyber security incidents may also specifically target a user's transaction history, digital assets, or identity, thereby leading to privacy concerns. In addition, certain features of distributed ledger technology, such as decentralization, open source protocol, and reliance on peer-to-peer connectivity, may increase the risk of fraud or cyber-attack by potentially reducing the likelihood of a coordinated response.
- *Developmental Risk.* Distributed ledger technology may never develop optimized transactional processes that lead to realized economic returns for the Resulting Issuer. The Resulting Issuer may not in fact do so or may not be able to capitalize on distributed ledger technologies. The development of new or competing platforms may cause consumers and investors to use alternatives to certain distributed ledgers.
- *Intellectual Property Claims Risk.* A proliferation of recent startups attempting to apply distributed ledger technology in different contexts means the possibility of conflicting intellectual property claims could be a risk to the Resulting Issuer, its operations or its business. This could also pose a risk to distributed ledger platforms that permit transactions in digital securities. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the viability of distributed ledger technology may adversely affect the Resulting Issuer.
- *Lack of Regulation Risk.* Digital assets and their associated platforms are largely unregulated, and the regulatory environment is rapidly evolving. Because distributed ledger technology works by having every transaction build on every other transaction, participants can self-police any corruption, which can mitigate the need to depend on the current level of legal or government safeguards to monitor and control the flow of business transactions. As a result, companies engaged in such activities may be exposed to adverse regulatory action, fraudulent activity or even failure.
- *Third Party Product Risk.* Where distributed ledgers are built using third party products, those products may contain technical defects or vulnerabilities beyond a company's control. Open-source technologies that are used to build a distributed ledger technology application may also introduce defects and vulnerabilities.

- *Reliance on the Internet Risk.* Distributed ledger technology functionality relies on the internet. A significant disruption of internet connectivity affecting large numbers of users or geographic areas could impede the functionality of distributed ledger technology and adversely affect the Resulting Issuer.
- *Internet Company Risk.* Many internet-related companies have incurred large losses since their inception and may continue to incur large losses in the hope of capturing market share and generating future revenues. Accordingly, many such companies expect to incur significant operating losses for the foreseeable future, and may never be profitable. The markets in which many internet companies compete face rapidly evolving industry standards, frequent new service and product announcements, introductions and enhancements, and changing customer demands. The failure of an internet company to adapt to such changes could have a material adverse effect on the company's business. Additionally, the widespread adoption of new internet, networking, telecommunications technologies, or other technological changes could require substantial expenditures by an internet company to modify or adapt its services or infrastructure, which could have a material adverse effect on an internet company's business.
- *Software Industry Risk.* The software industry can be significantly affected by intense competition, aggressive pricing, technological innovations, and product obsolescence. Companies in the software industry are subject to significant competitive pressures, such as aggressive pricing, new market entrants, competition for market share, short product cycles due to an accelerated rate of technological developments and the potential for limited earnings and/or falling profit margins. These companies also face the risks that new services, equipment or technologies will not be accepted by consumers and businesses or will become rapidly obsolete. These factors can affect the profitability of these companies and, as a result, the value of their securities. Also, patent protection is integral to the success of many companies in this industry, and profitability can be affected materially by, among other things, the cost of obtaining (or failing to obtain) patent approvals, the cost of litigating patent infringement and the loss of patent protection for products (which significantly increases pricing pressures and can materially reduce profitability with respect to such products). In addition, many software companies have limited operating histories. Prices of these companies' securities historically have been more volatile than other securities, especially over the short term technologies.

### ***Additional Requirements for Capital***

Substantial additional financing may be required if the Resulting Issuer is to successfully develop its blockchain business. No assurances can be given that the Resulting Issuer will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Resulting Issuer, if at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

### ***Negative Operating Cash Flow***

The Resulting Issuer does not generate operating revenue and has negative cash flow from operating activities. It is anticipated that the Resulting Issuer will continue to have negative cash flow in the foreseeable future. Continued losses may have the following consequences:

- (a) increasing the Resulting Issuer's vulnerability to general adverse economic and industry conditions;
- (b) limiting the Resulting Issuer's ability to obtain additional financing to fund future working capital, capital expenditures, operating costs and other general corporate requirements; and
- (c) limiting the Resulting Issuer's flexibility in planning for, or reacting to, changes in its business and industry.

### ***Expenses May Not Align With Revenues***

Unexpected events may materially harm the Resulting Issuer's ability to align incurred expenses with recognized revenues. The Resulting Issuer will incur operating expenses based upon anticipated revenue trends. Since a high percentage of these expenses may be relatively fixed, a delay in recognizing revenues from transactions related to these expenses (such a delay may be due to the factors described elsewhere in this risk factor section or it may be due to other factors) could cause significant variations in operating results from quarter to quarter, and such a delay could materially reduce operating income. If these expenses are not subsequently matched by revenues, the Resulting Issuer's business, financial condition, or results of operations could be materially and adversely affected.

### ***Market Acceptance***

The Resulting Issuer develops DApps; if the Resulting Issuer is not able to develop DApps within the currently anticipated timeframes or budgets, or at all, or if its DApps do not gain market acceptance, the Resulting Issuer's operating results will be negatively affected. If the markets for the Resulting Issuer's software products and services fail to develop, develop more slowly than expected or become subject to increased competition, its business may suffer. As a result, the Resulting Issuer may be unable to: (i) successfully market its DApps; (ii) develop new DApps; or (iii) complete software products and services currently under development. If the Resulting Issuer's DApps are not accepted by its customers or by other businesses in the marketplace, the Resulting Issuer's business, operating results and financial condition will be materially affected.

### ***Epidemics and other Public Health Crises***

The Resulting Issuer is vulnerable to the general economic effects of epidemics and other public health crises such as COVID-19, which emerged in December 2019 and spread around the world causing significant business and social disruption. The speed and extent of the spread of COVID-19, and the duration and intensity of resulting business disruption and related financial and social impact, are uncertain. Such adverse effects related to COVID-19 and other public health crises may be material to the Resulting Issuer. The impact of COVID-19 and efforts to slow the spread of COVID-19 could severely impact the Resulting Issuer's business. To date, a number of governments, including the Canadian federal government and the provincial governments of British Columbia, Alberta and Ontario, have implemented restrictive measures such as travel bans, quarantine and self-isolation. If the Resulting Issuer's business is disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Resulting Issuer's financial position

COVID-19 and efforts to contain it may have broad impacts on the Resulting Issuer's supply chain or the global economy, which could have a material adverse effect on the Resulting Issuer's financial position. While governmental agencies and private sector participants are seeking to mitigate the adverse effects of COVID-19, and the medical community is seeking to develop vaccines and other treatment options, the efficacy and timing of such measures is uncertain.

The Resulting Issuer's business could be significantly adversely affected by the effects of a widespread global outbreak of contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Resulting Issuer cannot accurately predict the impact that COVID-19 will have on third parties' ability to meet their obligations with the Resulting Issuer, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries.

In response to COVID-19, development of the Resulting Issuer's business may be impacted by provincial and federal government restrictions on the Resulting Issuer's operations. Potential stoppages of development activities could result in additional costs, milestone delays and cost overruns. The total amount of funds that the Resulting Issuer needs to carry out the proposed product development may increase from these and other consequences of COVID-19.

In addition, the current outbreak of COVID-19, and any future emergence and spread of similar pathogens, could have a material adverse impact on global economic conditions, which may adversely impact: the market price of the Resulting Issuer Common Shares upon listing on the CSE, the Resulting Issuer's operations, the Resulting Issuer's

ability to raise debt or equity financing for the purposes of its business, and the operations of the Resulting Issuer's suppliers, contractors and service providers.

### ***Ability to Attract or Maintain Critical Mass whether as a Result of Competition or Other Factors***

If the Resulting Issuer is unable to attract or maintain a critical mass of consumers and suppliers, whether as a result of competition or other factors, its blockchain and marketplace offerings will become less appealing to users, and the Resulting Issuer's financial results would be adversely impacted.

The number of parties using the Resulting Issuer's blockchain or marketplace may decline materially or fluctuate as a result of many factors, including, among other things, dissatisfaction with the operation of the Resulting Issuer's offerings, pricing, negative publicity related to our brand, including as a result of perceived political or geopolitical affiliations, a pandemic or an outbreak of disease or similar public health concern, such as the recent COVID-19 outbreak, or fear of such an event, dissatisfaction with changes we make to our products and offerings, or dissatisfaction with our products and offerings in general.

### ***Intellectual Property Rights***

The only significant intellectual property rights are certain domain names and copyrights which the Resulting Issuer owns. The loss of, or infringement upon, the Resulting Issuer's intellectual property rights could harm its business, results of operations and its financial condition. Although the Resulting Issuer is not aware of violating commercial and other proprietary rights of third parties, there can be no assurance that its products do not violate proprietary rights of third parties or that third parties will not assert or claim that such violation has occurred. Although no legal disputes in this respect or perceptible detrimental effects on the Resulting Issuer's business have arisen to date, any such claims and disputes arising may result in liability for substantial damages which in turn could harm the Resulting Issuer's business, results of operations and financial condition.

When blockchain DApps are released, the intellectual property of the software becomes open source and available to anyone. However, technology/programming in development remains the intellectual property of the developing company. As such, the Resulting Issuer owns significant intellectual property at any given time. Ownership of the in-development software is protected in any staff employment agreements or staff contracts.

### ***Recording of Transactions***

It is feasible that blockchain validators will cease to record transactions in solved transaction blocks. In particular, transactions that do not include the payment of transaction fees will not be recorded on the blockchain until a transaction block is solved by validators who are not required to pay such transaction fees. Any widespread delays in the recording of transactions could result in a loss of confidence in the blockchain network which could adversely affect an investment in the Resulting Issuer.

### ***Competition***

The market for blockchain technology and DApps may become highly competitive on both a local and a national level. The Resulting Issuer believes that the primary competitive factors in this market are:

- product features, functionality and ease of use;
- ongoing product enhancements;
- price;
- quality service and support; and
- reputation and stability of the vendor.

Blockchain programming industry is at a very early stage. There is currently more demand for blockchain products than there are providers to create all of the blockchain products in demand. However, there are no assurances that established competitors, which may have greater financial, technical, and marketing resources than the Resulting Issuer does, will not choose to directly compete with Agile DApps. The Resulting Issuer's competitors may also have a larger installed base of users, longer operating histories or greater name recognition than the Resulting Issuer will.



There can be no assurance that the Resulting Issuer will successfully differentiate its DApps from the products of its competitors, or that the marketplace will consider the Issuer's DApps to be superior to competing products.

### ***Dependence on Third Party Relationships***

The Resulting Issuer will be highly dependent on a number of third-party relationships to conduct its business and implement expansion plans. It cannot be assured that all of these partnerships will turn out to be as advantageous as currently anticipated or that other partnerships would not have proven to be more advantageous. In addition, it is impossible to assure that all associated partners will perform their obligations as agreed or that any strategy agreement will be specifically enforceable by the Resulting Issuer.

### ***Key Personnel***

The future success of the Resulting Issuer will depend, in large part, upon its ability to retain its key management personnel and to attract and retain additional qualified marketing, sales and operational personnel to form part of its technical and customer services support center. The Resulting Issuer may not be able to enlist, train, retain, motivate and manage the required personnel. Competition for these types of personnel is intense. Failure to attract and retain personnel, particularly marketing, sales and operational personnel as well as consultants, could make it difficult for the Issuer to manage its business and meet its objectives.

Failure to manage growth successfully may adversely impact the Resulting Issuer's operating results. The growth of the Resulting Issuer's operations places a strain on managerial, financial and human resources. The Resulting Issuer's ability to manage future growth will depend in large part upon a number of factors, including the ability to rapidly:

- (a) build and train development, sales and marketing staff to create an expanding presence in the evolving marketplace for the Resulting Issuer's products;
- (b) attract and retain qualified technical personnel in order to administer technical support required for customers located in Canada, the United States and other countries around the World;
- (c) develop customer support capacity as sales increase, so that customer support can be provided without diverting resources from product sales efforts; and
- (d) expand internal management and financial controls significantly, so that control can be maintained over operations as the number of personnel and size of the Issuer increases.

Inability to achieve any of these objectives could harm the business and operating results of the Resulting Issuer.

### ***Management of Growth***

The Resulting Issuer may be subject to growth-related risks including pressure on its internal systems and controls. The Resulting Issuer's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems. The inability of the Resulting Issuer to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Resulting Issuer may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Resulting Issuer's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Resulting Issuer will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate and manage its employees. There can be no assurance that the Resulting Issuer will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Resulting Issuer's operations or that the Resulting Issuer will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

## **Transaction and General Risk Factors**

### ***Completion of the Transaction***

There are risks associated with the Transaction including (i) market reaction to the Transaction and the future trading prices of the Resulting Issuer Common Shares cannot be predicted; (ii) uncertainty as to whether the Transaction will have a positive impact on the entities involved in the Transaction; and (iii) there is no assurance that required approvals will be received or conditions precedent satisfied.

Stowe One is proposing to complete the Transaction to strengthen its market position and to create the opportunity to realize certain benefits including, among other things, those set forth in this Prospectus. Achieving the benefits of the Transaction depends in part on the ability of the Resulting Issuer to effectively capitalize on its assets, to profitably sequence the growth prospects of its asset base and to maximize the potential of its improved growth opportunities and capital funding opportunities as a result of acquisition of Agile. A variety of factors, including those risk factors set forth in this Prospectus, may adversely affect the ability to achieve the anticipated benefits of the Transaction.

The completion of the Transaction is subject to several conditions some of which are outside the control of the Corporation. See “*Information Concerning the Transaction– Amalgamation Agreement – Conditions to the Transaction*”. In the event that any of those conditions are not satisfied or waived, the Transaction may not be completed. There can be no certainty, nor can Stowe One provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

Additionally, each of Stowe One and Agile have the right to terminate the Amalgamation Agreement in certain circumstances. Accordingly, there is no certainty that the Amalgamation Agreement will not be terminated by either Stowe One or Agile before the completion of the Transaction.

### ***Conflicts of Interest***

Certain of the directors and officers of the Resulting Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including technology companies) and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA. To the proposed management of the Resulting Issuer’s knowledge, as at the date hereof there are no existing or potential material conflicts of interest between the Resulting Issuer and a proposed director or officer of the Resulting Issuer except as otherwise disclosed herein.

### ***Market for Securities***

Currently there is no public market for the Resulting Issuer Common Shares, and there can be no assurance that an active market for the Common Shares will develop or be sustained.

### ***Volatility of Stock Price and Market Conditions***

The market price of the Resulting Issuer Common Shares may be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions and other factors. Market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may adversely affect the market price of the Resulting Issuer Common Shares, even if the Resulting Issuer is successful in achieving positive revenues, cash flows or earnings.

### ***Dividends***

To date, Stowe One and Agile have not paid any dividends on its outstanding shares. It is not contemplated that any dividends will be paid on the Resulting Issuer Common Shares in the immediate or foreseeable future. It is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business. Any decision to pay dividends on the Resulting Issuer Common Shares will be made by its Board on the basis of the Resulting Issuer's earnings, financial requirements and other conditions.

### ***Global Financial Developments***

Stress in the global financial system may adversely affect the Resulting Issuer's finances and operations in ways that may be hard to predict or to defend against. Financial developments seemingly unrelated to the Resulting Issuer or to its industry may adversely affect the Resulting Issuer over the course of time. For example, material increases in any applicable interest rate benchmarks may increase the debt payment costs for the Resulting Issuer's credit facilities. Credit contraction in financial markets may hurt its ability to access credit in the event that the Resulting Issuer identifies an acquisition opportunity or require significant access to credit for other reasons. A reduction in credit, combined with reduced economic activity, may adversely affect business. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Resulting Issuer's business, operating results, and financial condition.

### ***Currency Risk***

To the extent that the Resulting Issuer expands its business into the United States and Europe, the Resulting Issuer will be exposed to foreign currency fluctuations to the extent that certain operations are located in the United States and Europe and therefore certain expenditures and obligations are denominated in US dollars and Euros, yet the Resulting Issuer is headquartered in Canada, has applied to list its Resulting Issuer Common Shares on a Canadian stock exchange (being the CSE) and typically raises funds in Canadian dollars. As such, the Resulting Issuer's results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Resulting Issuer.

### ***Litigation***

Stowe One, Agile and/or the Resulting Issuer may become involved in litigation that may materially adversely affect the Resulting Issuer. From time to time in the ordinary course business, the Resulting Issuer may become involved in various legal proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Resulting Issuer to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on Reporting Issuer's business, operating results or financial condition.

### ***Tax***

Shareholders of Stowe One, Agile and the Resulting Issuer (upon completion of the Transaction) are urged to consult their own tax advisors with respect to the specific tax consequences to them. No advance income tax ruling has been applied for or received with respect to the income tax consequences described in this Prospectus.

There can be no assurance that Canadian federal income tax laws or the judicial interpretation thereof or the administrative or assessing practices of the CRA respecting the treatment of corporations will not be changed in a manner that adversely affects shareholders of Stowe One, Agile or the Resulting Issuer (upon completion of the Transaction), or fundamentally alters the income tax consequences of investing in, holding or disposing of the Stowe One Common Shares, Agile Common Shares or Resulting Issuer Common Shares (upon completion of the Transaction). There is also a risk that CRA may reassess the returns of shareholders of Stowe One, Agile or the Resulting Issuer (upon completion of the Transaction) relating to their investments in the Stowe One Common Shares, Agile Common Shares or Resulting Issuer Common Shares (upon completion of the Transaction).

The taxation of corporations is complex. In the ordinary course of business, the Resulting Issuer (upon completion of the Transaction) may be subject to ongoing audits by tax authorities in Canada and elsewhere. In addition, tax legislation changes periodically.

While Stowe One and Agile believe that their respective tax filing positions are appropriate and supportable, it is possible that tax matters, including the calculation and determination of revenue, expenditures, deductions, credits and other tax attributes, taxable income and taxes payable, may be reviewed and challenged by the tax authorities of Canada and other jurisdictions. If such challenge were to succeed, it could have a material adverse effect on Stowe One's, Agile's or the Resulting Issuer's (upon completion of the Transaction) tax position. Further, the interpretation of and changes in tax laws, whether by legislative or judicial action or decision, and the administrative policies and assessing practices of taxation authorities, could materially adversely affect Stowe One's, Agile's or the Resulting Issuer's (upon completion of the Transaction) tax position. Therefore, Stowe One and Agile are unable to predict with certainty the effect of the foregoing on their respective effective tax rate and earnings.

## **FINANCIAL STATEMENTS**

Attached to and forming a part of this Prospectus are the following financial statements:

- Audited financial statements of Stowe One for the period from incorporation (June 16, 2017) to December 31, 2017 and the years ended December 31, 2018 and 2019, and the unaudited financial statements for the interim period ended March 31, 2019 and 2020.
- Audited financial statements of Agile for the period from incorporation (March 2, 2018) to December 31, 2018 and the year ended December 31, 2019, and the unaudited financial statements for the interim period ended March 31, 2019 and 2020.
- Pro forma financial statements for the Resulting Issuer after giving effect to the Transaction as at March 31, 2020.

**APPENDIX “A”  
AUDIT COMMITTEE CHARTER**

**1. Mandate**

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) of Stowe One Investments Corp. (the “**Company**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to:

- (a) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- (b) review and appraise the performance of the Company’s external auditor;
- (c) provide an open avenue of communication among the Company’s auditor, financial and senior management and the Board; and
- (d) report regularly to the Board the results of its activities.

**2. Composition**

The Committee shall be comprised of a minimum three directors as determined by the Board, a majority of whom shall not be officers or employees of the Company or any of its affiliates. If the Company ceases to be a “venture issuer” (as that term is defined in Multilateral Instrument 52 - 110 – *Audit Committees*), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a venture issuer then all members of the Committee shall also have accounting or related financial management expertise. All members of the Committee should have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting or until their successors are duly elected. Unless a chairperson (“**Chair**”) is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

**3. Meetings**

The Committee shall meet at least once quarterly, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer of the Company and the external auditor of the Company in separate sessions.

**4. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

**A. Documents/Reports Review**

- (a) review and update this Audit Committee Charter annually;
- (b) review the Company’s financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor; and

- (c) review regular summary reports of directors and officers expense account claims at least annually, establish and review approval policies for expense reports and, as required, request audits of expense claims and policies for expense approval and reimbursements. The Chair of the Committee will be responsible for approving the expense reports of the President and the Chief Executive Officer of the Company, and the Chief Executive Officer of the Company will be responsible for approving the expense reports of the directors and officers of the Company.

B. External Auditor

- (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of the external auditor setting forth all relationships between the external auditor and the Company;
- (c) review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;
- (d) take, or recommend that the Board, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
- (f) recommend to the Board the compensation to be paid to the external auditor;
- (g) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (i) review with management and the external auditor the audit plan for the year-end financial statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided,
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

C. Financial Reporting Processes

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (l) on at least an annual basis, review with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or government agencies.

D. Authority

- (a) The Committee will have the authority to:
  - i. review any related-party transactions;
  - ii. engage independent counsel and other advisors as it determines necessary to carry out its duties;
  - iii. set and pay compensation for any independent counsel and other advisors employed by the Committee;
  - iv. communicate directly with the auditors; and
  - v. conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation.



**APPENDIX “B”**  
**INDEX TO FINANCIAL STATEMENTS AND MD&A**

The following financial statements and MD&A, as applicable, for Stowe One, Agile and the Resulting Issuer are included in this Prospectus:

1. Audited financial statements and MD&A of Stowe One for the period from incorporation (June 16, 2017) to December 31, 2017 and the years ended December 31, 2018 and 2019, and the unaudited financial statements and MD&A for the interim period ended March 31, 2019 and 2020.
2. Audited financial statements and MD&A of Agile for the period from incorporation (March 2, 2018) to December 31, 2018 and the year ended December 31, 2019, and the unaudited financial statements and MD&A for the interim period ended March 31, 2019 and 2020.
3. Pro forma financial statements of the Resulting Issuer after giving effect to the Transaction as at March 31, 2020.

**APPENDIX “C”  
FINANCIAL STATEMENTS AND MD&A OF STOWE ONE**

Find attached the audited financial statements and MD&A of Stowe One for the period from incorporation (June 16, 2017) to December 31, 2017 and the years ended December 31, 2018 and 2019, and the unaudited financial statements and MD&A for the interim period ended March 31, 2019 and 2020.

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**Stowe One Investments Corp.**  
**Consolidated Financial Statements**  
**For the year ended December 31, 2018 and the period**  
**from incorporation on June 16, 2017 to December 31, 2017**  
**(Expressed in Canadian dollars)**

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## Independent Auditor's Report

To the Shareholders of Stowe One Investments Corp.

### Opinion

We have audited the consolidated financial statements of Stowe One Investments Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and December 31, 2017, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended December 31, 2018 and for the period from incorporation on June 16, 2017 to December 31, 2017, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and December 31, 2017, and its financial performance and its cash flows for the year ended December 31, 2018 and for the period from incorporation on June 16, 2017 to December 31, 2017 in accordance with International Financial Reporting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has a working capital deficit of \$124,867 as at December 31, 2018 and that the Company will require additional financing in order to continue operations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.



### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Gordon Cummings.

Vancouver, B.C.  
April 26, 2019

***"D&H Group LLP"***  
**Chartered Professional Accountants**

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# Stowe One Investments Corp.

## Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

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	December 31, 2018	December 31, 2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 7,627	\$ -
Amounts receivable	5,916	3,201
	\$ 13,543	\$ 3,201
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 31,317	\$ 4,910
Due to related party (Note 8)	82,093	64,819
Deposit (Note 9)	25,000	-
	138,410	69,729
<b>SHAREHOLDERS' DEFICIENCY</b>		
Share capital (Note 6)	268	51
Deficit	(125,135)	(66,579)
	(124,867)	(66,528)
	\$ 13,543	\$ 3,201

Nature of operations and going concern (Note 1)

*The accompanying notes are an integral part of these consolidated financial statements.*

These consolidated financial statements were approved for issue by the Board of Directors on April 26, 2019 and are signed on its behalf by:

\_\_\_\_\_  
"Walter Coles", Director \_\_\_\_\_  
"Barbara Broughton", Director

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# Stowe One Investments Corp.

## Consolidated Statements of Loss and Comprehensive Loss

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

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	Year ended December 31, 2018	Period ended December 31, 2017
<b>EXPENSES</b>		
Accounting and corporate secretarial fees	26,981	12,000
Audit fees	4,050	4,964
Legal fees	20,720	45,000
Shareholder communications	-	835
Bank fees	73	-
Regulatory and transfer agent fees	6,732	3,780
<b>Net and comprehensive loss for the period</b>	<b>\$ 58,556</b>	<b>\$ 66,579</b>
<b>Basic and diluted loss per share</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>
<b>Weighted average number of shares outstanding</b>	<b>6,923,896</b>	<b>5,049,107</b>

*The accompanying notes are an integral part of these financial statements*



# Stowe One Investments Corp.

## Consolidated Statements of Changes in Equity

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

	<u>Deficit</u>	<u>Number of shares</u>	<u>Share capital Amount \$</u>	<u>Shareholders' equity \$</u>
<b>Balance at June 16, 2017</b>		-	-	-
Issuance of common shares	-	5,080,725	51	51
Adjustment on spinout transaction	-	(31,618)	-	-
Net loss and comprehensive loss for the period	(66,579)	-	-	(66,579)
<b>Balance at December 31, 2017</b>	<b>(66,579)</b>	<b>5,049,107</b>	<b>51</b>	<b>(66,528)</b>
Issuance of common shares	-	2,165,500	217	217
Net loss and comprehensive loss for the year	(58,556)	-	-	(58,556)
<b>Balance at December 31, 2018</b>	<b>(125,135)</b>	<b>7,214,607</b>	<b>268</b>	<b>(124,867)</b>

*The accompanying notes are an integral part of these consolidated financial statements.*

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# Stowe One Investments Corp.

## Consolidated Statements of Cash Flows

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

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	Year ended December 31, 2018	Period ended December 31, 2017
<b>Cash provided by (used for):</b>		
<b>Operating activities</b>		
Net loss	\$ (58,556)	\$ (66,579)
Change in non-cash working capital:		
Amounts receivable	(2,715)	(3,201)
Accounts payable and accrued liabilities	26,407	4,910
Due to related party	17,274	64,819
Deposit	25,000	-
	7,410	(51)
<b>Financing activities</b>		
Issuance of common shares	217	51
	217	51
<b>Change in cash during the period</b>	7,627	-
<b>Cash, beginning of the period</b>	-	-
<b>Cash, end of the period</b>	\$ 7,627	\$ -

*The accompanying notes are an integral part of these financial statements*

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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### 1. Nature of operations and going concern

Stowe One Investments Corp. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on June 16, 2017, and its principal business activity is searching for a project to acquire, while complying with the requirements of being a public company. The Company’s registered place of business is located at 650 - 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3, Canada. The Company is in the startup stage of operations, and does not yet have any revenue-generating activity.

The Company was a wholly-owned subsidiary of Anacott Resources Corp. (“Anacott”) until a plan of arrangement was completed on July 28, 2017 under which the Company’s common shares were distributed to shareholders of Anacott on a pro-rata basis.

The consolidated financial statements were prepared on a going concern basis with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has a working capital deficit of \$124,867 (2017 – \$66,528), has incurred significant operating losses and debts to finance operations, and will require additional financing in order to continue operations. There is no assurance that such funding will be available. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern. 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 Company is dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of accounts receivable and, ultimately, the Company’s ability to continue as a going concern, is dependent upon the Company’s ability to raise financing to complete the acquisition of a project, the realization of which is uncertain. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

### 2. Basis of presentation

#### Basis of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and they are consistent with interpretations of the IFRS Interpretations Committee (“IFRIC”). The accounting policies adopted in these consolidated financial statements are based on IFRS’s in effect at December 31, 2018.

#### Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

#### Details of the group

In addition to the Company, the consolidated financial statements include a subsidiary. Subsidiaries are corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date when control by the Company ceases.

As at December 31, 2018, the Company’s subsidiary is as follows:

- 11921212 BC Ltd., British Columbia – 100% owned

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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### 3. Significant accounting estimates and judgements

The preparation of these consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates and judgments, which, by their nature, are uncertain. The impact of estimates and judgments is pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates, or changes to judgments, are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Significant assumptions that management has made about current unknowns, the future, and other sources of estimated uncertainty, could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made. Such significant assumptions include, but are not limited to, the following areas:

#### *Critical accounting estimates*

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year and include, but are not limited to, the following:

- Recovery of receivables

The Company estimates the collectability and timing of collection of its receivables, classifying them as current assets or long-term assets, and applies provisions for collectability when necessary.

#### *Critical accounting judgments*

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

- Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned project-acquisitions, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

### 4. Summary of significant accounting policies

#### **Income taxes**

Deferred income taxes are provided in full, using the liability method, on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income taxes are determined using income tax rates and income tax laws that have been enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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### 4. Summary of significant accounting policies (continued)

#### Financial instruments

##### *Financial assets*

##### *(i) Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

##### *(ii) Measurement*

Financial assets and liabilities at amortized cost. Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL. Financial assets and liabilities carried at FVTPL are initially recorded at fair value. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets and liabilities at FVTOCI. Financial assets and liabilities carried at FVTOCI are initially recorded at fair value. Unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are included in other comprehensive income or loss in the period in which they arise. On recognition, communicative gains and losses of financial assets in other comprehensive income or loss are reclassified to profit or loss.

##### *(iii) Impairment of Financial Assets at Amortized Cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. Regardless of whether credit risk has increased significantly, the loss allowance for trade receivables without a significant financing component classified at amortized cost, are measured using the lifetime expected credit loss approach. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

##### *(iv) Derecognition*

Financial assets. The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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#### 4. Summary of significant accounting policies (continued)

##### **Share capital**

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

##### **New standards and interpretations not yet adopted**

The following new standards, and amendments to standards and interpretations, were not yet effective and have not been applied in preparing these consolidated financial statements.

##### **Accounting standards issued and effective January 1, 2019**

###### *IFRS 16 Leases*

A finalized version of IFRS 16 *Leases* replaces IAS 17 *Leases*. The new standard includes most leases on the statements of financial position for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The Company is in the process of determining the impact of IFRS 16 on its consolidated financial statements.

##### **Accounting standards issued and effective January 1, 2018**

Several amendments to existing accounting standards became effective January 1, 2018 and were first adopted by the Company during the year ended December 31, 2018:

###### *IAS 12 Income Taxes- Recognition of Deferred Tax Assets for Unrealized Losses*

The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. As the Company has no debt instruments measured at fair value, this change had no impact on the consolidated financial statements.

###### *IFRS 15 Revenue from Contracts with Customers*

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. As the Company does not have any revenue from customers, this change had no impact on the consolidated financial statements.

###### *IFRS 9 Financial Instruments*

The Company adopted all of the requirements of IFRS 9 Financial Instruments as of January 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward looking “expected loss” impairment model. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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#### 4. Summary of significant accounting policies (continued)

*IFRS 9 Financial Instruments (continued)*

As at January 1, 2018, the impact from the adoption of IFRS 9 is as follows:

	Under IAS 39		Under IFRS 9	
	Classification	Carrying amount	Classification	Carrying amount
Cash	FVTPL	\$ -	FVTPL	\$ -
Amounts receivable	loans and receivables	\$ 3,201	Amortized cost	\$ 3,201
Accounts payable and accrued liabilities	other financial liabilities	\$ 4,910	Amortized cost	\$ 4,910
Due to related party	other financial liabilities	\$ 64,819	Amortized cost	\$ 64,819

As the standard permits on transition to IFRS 9, the Company has not restated prior periods with respect to the new amortized cost measurement for financial assets and impairment requirements.

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit.

#### 5. Risk management and financial Instruments

Financial instruments are agreements between two parties that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company classifies its financial instruments as follows: cash is classified as FVTPL; accounts receivable are classified as amortized cost; and accounts payable and accrued liabilities and due to related party, as amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

##### **Credit risk**

Credit losses are measured using a present value and probability-weighted model that considers all reasonable and supportable information available without undue cost or effort along with the information available concerning past defaults, current conditions and forecasts at the reporting date. IFRS 9 requires the recognition of 12 month expected credit losses (the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date) if credit risk has not significantly increased since initial recognition (stage 1), and lifetime expected credit losses for financial instruments for which the credit risk has increased significantly since initial recognition (stage 2) or which are credit impaired (stage 3). There are no expected credit losses with respect to the Company's financial instruments held at amortized cost.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

##### **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of interest rate risk, foreign currency risk and other price risk. As at December 31, 2018, the Company is not exposed to significant market risk.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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### 5. Risk management and financial Instruments (continued)

#### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to attempt to ensure that it will have sufficient cash or credit available to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities, and by maintaining its lending arrangement with a related party. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of December 31, 2018, and are anticipated to be paid for by a related party.

### 6. Share capital

#### (a) Authorized

The Company's authorized share capital consists of an unlimited number of common shares without par value.

#### (b) Reconciliation of changes in share capital

During the period ended December 31, 2017, the Company issued 5,080,725 common shares for cash of \$51. The Company was a wholly-owned subsidiary of Anacott Resources Corp. ("Anacott") until a plan of arrangement was completed on July 28, 2017 under which the Company's common shares were distributed to shareholders of Anacott on a pro-rata basis. As part of the plan of arrangement, the Company's share capital was decreased by 31,618 shares.

During the year ended December 31, 2018, the Company issued 2,165,500 common shares for \$217 cash.

### 7. Financial instruments

#### Categories of financial assets and financial liabilities

Financial instruments are classified into one of the following three categories: FVTPL; FVTOCI; and amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial instrument	Category		December 31, 2018		December 31, 2017
Cash	FVTPL	\$	7,627	\$	-
Amounts receivable	Amortized Cost	\$	5,916	\$	3,201
Accounts payable and accrued liabilities	Amortized Cost	\$	31,317	\$	4,910
Due to related party	Amortized Cost	\$	82,093	\$	64,819



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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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### 8. Related party disclosures

#### *Key management compensation*

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the periods is as follows:

	Year ended		Period ended	
	December 31,		December 31,	
	2018		2017	
Director remuneration <sup>1</sup>	\$	-	\$	-
Officer remuneration <sup>1</sup>	\$	26,675	\$	12,000
Share-based payments	\$	-	\$	-

<sup>1</sup> Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Included in accounting and corporate secretarial fees is \$26,675 (2017 - \$12,000) owed to Anacott, a corporation with common directors or officers, for the provision of key management services.

Due to related party at December 31, 2018 is comprised of \$82,093 (2017 - \$64,819) due to Anacott. These amounts relate primarily to the costs of incorporation and the plan of arrangement, as well as the provision of key management services as described above.

### 9. Amalgamation Agreement

On December 21, 2018, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with Agile Blockchain Corp. ("Agile"). Under the terms of the Amalgamation Agreement, the Company and Agile (collectively the "Parties") propose to combine the business and assets of Agile and the Company through an amalgamation (the "Transaction").

Pursuant to the Amalgamation Agreement, Agile shall raise minimum gross proceeds of \$5,000,000, through a non-brokered private placement at a price of \$0.25 per common share, prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of the Company's common shares shall occur, using a consolidation ratio of approximately 5.48:1. The Company will change its name to Agile Blockchain Corp., or an agreed upon name.

As consideration for entering into the Amalgamation Agreement, Agile paid the Company (1) \$25,000 upon the execution of the Amalgamation Agreement (paid), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of the Company. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Year ended December 31, 2018 and period from incorporation on June 16, 2017 to December 31, 2017

(Expressed in Canadian dollars)

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### 10. Income Taxes

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27.00% to income before income taxes. The reasons for the differences are as follows:

	<b>2018</b>	<b>2017</b>
Loss for the year	\$ (58,556)	\$ (66,579)
Statutory income tax rate	27.00%	26.00%
Expected income tax recovery	(15,810)	(17,311)
Effect of the income tax rate change	(666)	-
Unrecognized benefit of deferred tax assets	16,476	17,311
Income tax expense	\$ -	\$ -

The Company recognizes a deferred tax asset on unused tax losses or other deductible amounts only when the Company expects to have future taxable profit against which the amounts could be utilized. The Company's deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following unrecognized asset amounts:

	<b>2018</b>	<b>2017</b>
Eligible capital property	16,840	11,541
Non-capital losses carried forward	16,947	5,770
Unrecognized deductible temporary differences	\$ 33,787	\$ 17,311

The Company has non-capital losses of approximately \$62,765 (2017 - \$22,192). The non-capital losses carried forward will begin to expire in 2037 if unused.

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**Stowe One Investments Corp.**  
**Management Discussion and Analysis**  
**For the period from June 16, 2017 to December 31, 2017**  
**(Expressed in Canadian dollars)**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**PERIOD ENDED DECEMBER 31, 2017**

**INTRODUCTION**

The Management Discussion & Analysis has been prepared by management and reviewed and approved by the Board of Directors on April 30, 2018. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited financial statements and the related notes thereto for the period ended December 31, 2017. The information provided herein supplements but does not form part of the financial statements. This discussion covers the period ended December 31, 2017 and the subsequent period up to April 30, 2018, the date of issue of this MD&A. Monetary amounts in the following discussion are in Canadian dollars unless otherwise noted.

Additional information regarding the Corporation can be found on the Corporation's page at [www.sedar.com](http://www.sedar.com).

This MD&A contains Forward Looking Information.  
Please read the Cautionary Statements on page 3 carefully.

## **FORWARD LOOKING STATEMENTS**

*This MD&A contains certain forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws. All statements and information, other than statements of historical fact, included in or incorporated by reference into this MD&A are forward-looking statements and forward-looking information, including, without limitation, statements regarding activities, events or developments that we expect or anticipate may occur in the future. Such forward-looking statements and information can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which such forward-looking statements and information are based will occur or, even if they do occur, will result in the performance, events or results expected.*

*The forward-looking statements and forward-looking information reflect the current beliefs of the Corporation, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed in or implied by the forward-looking statements. This forward-looking information includes estimates, forecasts, plans, priorities, strategies and statements as to the Corporation's current expectations and assumptions concerning, among other things, ability to access sufficient funds to carry on operations, compliance with current or future regulatory regimes, particularly in the case of ambiguities, financial and operational performance and prospects, collection of receivables, anticipated conclusions of negotiations to acquire projects or investments, our ability to attract and retain skilled staff, expectations of market prices and costs, expansion plans and objectives, requirements for additional capital, the availability of financing, and the future development and costs and outcomes of the Corporation's projects or investments. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to vary materially.*

*We caution readers of this MD&A not to place undue reliance on forward-looking statements and information contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements and information. These factors include: unanticipated future operational difficulties (including cost escalation, unavailability of materials and equipment, industrial disturbances or other job action and unanticipated events related to health, safety and environmental matters); social unrest; failure of counterparties to perform their contractual obligations; changes in priorities, plans, strategies and prospects; general economic, industry, business and market conditions; disruptions or changes in the credit or securities markets; changes in law, regulation, or application and interpretation of the same; the ability to implement business plans and strategies, and to pursue business opportunities; rulings by courts or arbitrators, proceedings and investigations; inflationary pressures; and various other events, conditions or circumstances that could disrupt the Corporation's priorities, plans, strategies and prospects including those detailed from time to time in the Corporation's reports and public filings with the Canadian securities administrators, filed on [SEDAR](#).*

*This information speaks only as of the date of this MD&A. The Corporation undertakes no obligation to revise or update forward-looking information after the date of this document, nor to make revisions to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws or the policies of the TSX-V exchange.*

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
 December 31, 2017

**THE CORPORATION**

Stowe One Investments Corp. (“Stowe One” or “the Corporation”) was incorporated under the Business Corporations Act (British Columbia) on June 16, 2017. The Corporation is a reporting issuer in British Columbia, and Alberta, but does not trade on a stock exchange.

The Corporation’s current business is to comply with all reporting requirements while endeavoring to find, acquire and finance a suitable business or project.

**RECENT EVENTS**

***Plan of arrangement***

The Corporation was a wholly-owned subsidiary of Anacott Resources Corp. (“Anacott”) until a plan of arrangement was completed on July 28, 2017 under which the Corporation’s common shares were distributed to shareholders of Anacott on a pro-rata basis.

**SUMMARY OF QUARTERLY RESULTS**

The Corporation was incorporated under the Business Corporations Act (British Columbia) on June 16, 2017, and its principal business activity is searching for a project to acquire, while complying with the requirements of being a public company. As such, it has been in existence for only three of the past eight quarters.

<b>Quarter ended</b>	<b>31-Dec-17</b>	<b>30-Sep-17</b>	<b>30-Jun-17</b>	<b>31-Mar-17</b>
Revenue <sup>(1)</sup>	-	-	-	-
Loss for the quarter	\$ (7,768)	\$ (58,811)	\$ -	\$ N/A
Loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ N/A

<b>Quarter ended</b>	<b>31-Dec-16</b>	<b>30-Sep-16</b>	<b>30-Jun-16</b>	<b>31-Mar-16</b>
Revenue <sup>(1)</sup>	-	-	-	-
Loss for the quarter	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Loss per share	\$ N/A	\$ N/A	\$ N/A	\$ N/A

<sup>(1)</sup> this being a Corporation without a revenue-generating business, there are no revenues from operations or investments;

***Loss for the quarter ended December 31, 2017***

Losses of \$7,768 in the three months ended December 31, 2017 (“Q417”) are not comparable to a prior year, quarter as the Corporation was established in 2017. Losses of \$58,811 in the three months ended September 30, 2017 (“Q317”) were significantly higher than Q417, incurred in order to establish the Corporation and to draft and enact the plan of arrangement, through which the Corporation was distributed from Anacott’s ownership to the shareholders of Anacott. The largest cost in Q317 was for legal expenses at \$45,000, with no legal costs in Q417. The largest cost in Q417 was for ongoing accounting costs to comply with regulatory requirements.

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
December 31, 2017

***Loss for the period from establishment on June 16, 2017 to December 31, 2017***

Losses of \$66,579 in the period from establishment on June 16, 2017 to December 31, 2017 (“F17”) are not comparable to a prior-period as the Corporation began operations in 2017. The largest cost in F17 was legal costs, incurred in order to establish the Corporation and to draft and enact the plan of arrangement, through which the Corporation was distributed from Anacott’s ownership to the shareholders of Anacott. Accounting costs were also significant in F17 for ongoing accounting costs to comply with regulatory requirements.

***Cash flows for the period from June 16, 2017 to December 31, 2017***

The Corporation’s operating activities were cashflow neutral, as the Corporation does not have cash to pay its payables. Any expenses cause an increase in payables. A small amount of cash was raised through the sale of common shares, and was used to reduce payables.

**LIQUIDITY AND CAPITAL RESOURCES**

The Corporation had a working capital<sup>1</sup> deficit of \$66,528 as of December 31, 2017. The Corporation does not have revenues from operations, and relies on outside funding for its continuing financial liquidity. The Corporation will need additional financing in order to continue operations.

Management cautions that the Corporation’s ability to raise additional funding is not certain. Additional funds will be required in order to pursue the Corporation’s current business plans. An inability to raise additional funds would adversely impact the future assessment of the Corporation as a going concern.

**SIGNIFICANT ACCOUNTING JUDGMENTS AND USE OF ESTIMATES**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The Corporation’s significant judgments and estimates are disclosed in Note 3 of the audited annual financial statements for the period ended December 31, 2017.

**CHANGES IN ACCOUNTING POLICIES**

Accounting policies used in the period, and changes anticipated in future periods, are as set out in the Corporation’s audited annual financial statements for the period ended December 31, 2017 (Note 4).

**Changes in Internal Controls over Financial Reporting**

There have been no changes in the Corporation's internal control over financial reporting during the period ended December 31, 2017, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

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<sup>1</sup> Working capital, a non-GAAP-measure is defined as current assets net of current liabilities.

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
December 31, 2017

**FINANCIAL INSTRUMENTS**

The Corporation's financial instruments consist of cash, receivables, accounts payable and accrued liabilities. It is management's opinion that the Corporation is not exposed to significant interest risk arising from the financial instruments. The Corporation is exposed to credit risk in relation to the receivables balances, however, most receivables are in relation to sales tax due from the Canadian government. Credit risk is managed for receivables by seeking prompt payment, monitoring the age of receivables, and making follow up inquiries when receivables are not paid in a timely manner. The Corporation does not engage in any hedging activities. Financial instruments do not generally expose the Corporation to risk that is significant enough to warrant reducing via purchasing specific insurance or offsetting financial instruments. Further discussion of these risks is presented in Note 5 of the Corporation's audited financial statements, for the period ended December 31, 2017.

**RELATED PARTY TRANSACTIONS**

*Key management compensation*

Key management personnel at the Corporation are the directors and officers of the Corporation. The remuneration of key management personnel during the periods is as follows:

	<b>Period ended</b>	
	<b>December 31, 2017</b>	
Director remuneration <sup>1</sup>	\$	-
Officer remuneration <sup>1</sup>	\$	12,000
Share-based payments	\$	-

<sup>1</sup> Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments granted to key management personnel during the period ended December 31, 2017.

In accordance with Item 1.9 of Part 2 of Form 51-102.F1 the Corporation has no ongoing contractual commitments with related parties, apart from those established under the employee-employer or service-provider relationship. Amounts are recorded at the exchange amount agreed between the parties. Remuneration was owing to Anacott (\$12,000) for services of the Chief Financial Officer.

*Accounts payable and accrued liabilities*

Included in accounts payable and accrued liabilities at December 31, 2017 is \$64,819 due to Anacott, a company with a common officer. These amounts are owed in relation to key management compensation as well as costs paid to third parties on the Corporation's behalf.

*Plan of arrangement*

The Corporation was a wholly-owned subsidiary of Anacott Resources Corp. ("Anacott") until a plan of arrangement was completed on July 28, 2017 under which the Corporation's common shares were distributed to shareholders of Anacott on a pro-rata basis.



## **RISK FACTORS AND MANAGEMENT'S RESPONSIBILITY OVER FINANCIAL REPORTING**

### ***Risk Factors***

Early-stage entities face a variety of risks and, while unable to eliminate all of them, the Corporation aims to manage and reducing such risks as much as possible. The Corporation's ability to mitigate risk, without any cash at its disposal, is, however, extremely limited.

Selecting investments is a competitive process. The Corporation seeks to maintain an appropriate balance by carefully considering risks to ensure an investment's level of risk is commensurate with the Corporation's assessment of the project's potential.

The Corporation has a limited history of existence. There can be no assurance that it will be successful in its quest to find, acquire and finance a suitable business or project. Equity or debt financing will be required to complete the implementation of its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. **The securities of the Corporation should be considered a highly speculative investment.**

The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

- a) the Corporation has had no profitable business activity and has not acquired any material assets since its incorporation other than cash;
- b) the Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;
- c) the Corporation has only limited funds with which to continue supporting the New Entities, or alternatively with which to identify and evaluate other potential opportunities and there can be no assurance that the Corporation will be able to realize either of these goals;
- d) the business or project may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;
- e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares; and
- f) if the Corporation fails to complete the acquisition of a suitable business or project, an interim cease trade order may be issued against the Corporation's securities by an applicable securities commission.

### **OFF BALANCE SHEET ARRANGEMENTS**

The Corporation has not entered into any off-balance sheet arrangements.

### **OUTSTANDING COMMON SHARES DATA**

The following section updates the outstanding common share data provided in the audited financial statements for the period ended December 31, 2017.

Common shares:

Common shares outstanding at December 31, 2017	
and April 30, 2018	5,049,107

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**Stowe One Investments Corp.**  
**Consolidated Financial Statements**  
For the years ended December 31, 2019 and 2018  
(Expressed in Canadian dollars)

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## Independent Auditor's Report

To the Shareholders of Stowe One Investments Corp.

### Opinion

We have audited the consolidated financial statements of Stowe One Investments Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2019 and December 31, 2018, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and December 31, 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has a working capital deficit of \$ 187,088 as at December 31, 2019 and that the Company will require additional financing in order to continue operations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.



### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Gordon Cummings.

Vancouver, B.C.  
April 29, 2020

***"D&H Group LLP"***

**Chartered Professional Accountants**

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# Stowe One Investments Corp.

## Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

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	December 31 2019	December 31 2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 2,192	\$ 7,627
Amounts receivable	8,820	5,916
	<b>\$ 11,012</b>	<b>\$ 13,543</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 40,127	\$ 31,317
Due to related party (Note 8)	82,973	82,093
Deposit (Note 9)	75,000	25,000
	<b>198,100</b>	<b>138,410</b>
<b>SHAREHOLDERS' DEFICIENCY</b>		
Share capital (Note 6)	268	268
Deficit	(187,356)	(125,135)
	<b>(187,088)</b>	<b>(124,867)</b>
	<b>\$ 11,012</b>	<b>\$ 13,543</b>

Nature of operations and going concern (Note 1)

*The accompanying notes are an integral part of these consolidated financial statements.*

These consolidated financial statements were approved for issue by the Board of Directors on April 28, 2020 and are signed on its behalf by:

\_\_\_\_\_  
*"Walter Coles"*, Director \_\_\_\_\_  
*"Barbara Broughton"*, Director

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# Stowe One Investments Corp.

## Consolidated Statements of Loss and Comprehensive Loss

Years ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

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	Year ended December 31 2019	Year ended December 31 2018
<b>EXPENSES</b>		
Accounting and corporate secretarial fees (Note 8)	\$ 37,792	\$ 26,981
Audit fees	6,043	4,050
Consulting fees (Note 8)	6,300	-
Legal fees	6,856	20,720
Office expenses	420	-
Bank fees	701	73
Regulatory and transfer agent fees	3,735	6,732
Travel	374	-
<b>Net and comprehensive loss for the period</b>	<b>\$ 62,221</b>	<b>\$ 58,556</b>
<b>Basic and diluted loss per share</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>
<b>Weighted average number of shares outstanding</b>	<b>7,214,607</b>	<b>6,923,896</b>

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*The accompanying notes are an integral part of these consolidated financial statements*

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## Stowe One Investments Corp.

### Consolidated Statements of Changes in Equity

Years ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

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	Number of shares	Share capital amount	Deficit	Shareholders' (deficiency)
Balance at December 31, 2017	5,049,107	\$ 51	\$ (66,579)	\$ (66,528)
Issuance of common shares	2,165,500	217	-	217
Net loss and comprehensive loss for the year	-	-	(58,556)	(58,556)
Balance at December 31, 2018	7,214,607	268	(125,135)	(124,867)
Net loss and comprehensive loss for the year	-	-	(62,221)	(62,221)
Balance at December 31, 2019	7,214,607	\$ 268	\$ (187,356)	\$ (187,088)

*The accompanying notes are an integral part of these consolidated financial statements.*



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# Stowe One Investments Corp.

## Consolidated Statements of Cash Flows

Years ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

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	Year ended December 31 2019	Year ended December 31 2018
<b>Cash provided by (used for):</b>		
<b>Operating activities</b>		
Net loss	\$ (62,221)	\$ (58,556)
Change in non-cash working capital:		
Amounts receivable	(2,904)	(2,715)
Accounts payable and accrued liabilities	8,810	26,407
Due to related party	880	17,274
Deposit	50,000	25,000
	(5,435)	7,410
<b>Financing activities</b>		
Issuance of common shares	-	217
	-	217
<b>Change in cash during the period</b>	<b>(5,435)</b>	<b>7,627</b>
<b>Cash, beginning of the period</b>	<b>7,627</b>	<b>-</b>
<b>Cash, end of the period</b>	<b>\$ 2,192</b>	<b>\$ 7,627</b>

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*The accompanying notes are an integral part of these consolidated financial statements*

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

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### 1. Nature of operations and going concern

Stowe One Investments Corp. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on June 16, 2017, and its principal business activity is searching for a project to acquire, while complying with the requirements of being a public company. The Company’s registered place of business is located at 650 - 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3, Canada. The Company is in the startup stage of operations, and does not yet have any revenue-generating activity.

The Company was a wholly-owned subsidiary of Anacott Resources Corp. (“Anacott”) until a plan of arrangement was completed on July 28, 2017 under which the Company’s common shares were distributed to shareholders of Anacott on a pro-rata basis.

The consolidated financial statements were prepared on a going concern basis with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has a working capital deficit of \$187,088 (2018 – \$124,867), has incurred significant operating losses and debts to finance operations, and will require additional financing in order to continue operations. There is no assurance that such funding will be available. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern. 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 Company is dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of accounts receivable and, ultimately, the Company’s ability to continue as a going concern, is dependent upon the Company’s ability to raise financing to complete the acquisition of a project, the realization of which is uncertain. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

### 2. Basis of presentation

#### Basis of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and they are consistent with interpretations of the IFRS Interpretations Committee (“IFRIC”). The accounting policies adopted in these consolidated financial statements are based on IFRS’s in effect at December 31, 2019.

#### Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

#### Details of the group

In addition to the Company, the consolidated financial statements include a subsidiary. Subsidiaries are corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date when control by the Company ceases.

As at December 31, 2019, the Company’s subsidiary is as follows:

- 11921212 BC Ltd., British Columbia – 100% owned

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

### Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

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#### 3. Significant accounting estimates and judgements

The preparation of these consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates and judgments, which, by their nature, are uncertain. The impact of estimates and judgments is pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates, or changes to judgments, are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Significant assumptions that management has made about current unknowns, the future, and other sources of estimated uncertainty, could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made. Such significant assumptions include, but are not limited to, the following areas:

##### *Critical accounting estimates*

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year and include, but are not limited to, the following:

- Recovery of receivables

The Company estimates the collectability and timing of collection of its receivables, classifying them as current assets or long-term assets, and applies provisions for collectability when necessary.

##### *Critical accounting judgments*

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

- Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned project-acquisitions, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

#### 4. Summary of significant accounting policies

##### **Income taxes**

Deferred income taxes are provided in full, using the liability method, on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income taxes are determined using income tax rates and income tax laws that have been enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

### Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

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#### 4. Summary of significant accounting policies (continued)

##### Financial instruments

###### *Financial assets*

###### *(i) Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

###### *(ii) Measurement*

###### Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

###### Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

###### Financial assets and liabilities at FVTOCI

Financial assets and liabilities carried at FVTOCI are initially recorded at fair value. Unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are included in other comprehensive income or loss in the period in which they arise. On recognition, communicative gains and losses of financial assets in other comprehensive income or loss are reclassified to profit or loss.

###### *(iii) Impairment of Financial Assets at Amortized Cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. Regardless of whether credit risk has increased significantly, the loss allowance for trade receivables without a significant financing component classified at amortized cost, are measured using the lifetime expected credit loss approach. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

### Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

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#### 4. Summary of significant accounting policies (continued)

##### (iv) Derecognition

Financial assets. The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss.

##### Share capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

##### New standards and interpretations not yet adopted

Several amendments to existing accounting standards will become effective January 1, 2020. There are no amendments or new standards which are anticipated to have an impact on the Company's financial statements.

##### Accounting standards issued and effective January 1, 2019

###### *IFRS 16 Leases*

A finalized version of IFRS 16 *Leases* replaces IAS 17 *Leases*. The new standard includes most leases on the statements of financial position for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The Company currently does not have any lease agreements in place, so there was no material impact when this standard was adopted on January 1, 2019.

#### 5. Risk management and financial Instruments

Financial instruments are agreements between two parties that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company classifies its financial instruments as follows: cash is classified as FVTPL; accounts receivable are classified as amortized cost; and accounts payable and accrued liabilities and due to related party, as amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

##### Credit risk

Credit losses are measured using a present value and probability-weighted model that considers all reasonable and supportable information available without undue cost or effort along with the information available concerning past defaults, current conditions and forecasts at the reporting date. IFRS 9 requires the recognition of 12 month expected credit losses (the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date) if credit risk has not significantly increased since initial recognition (stage 1), and lifetime expected credit losses for financial instruments for which the credit risk has increased significantly since initial recognition (stage 2) or which are credit impaired (stage 3). There are no expected credit losses with respect to the Company's financial instruments held at amortized cost.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

### Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

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#### 5. Risk management and financial Instruments (continued)

##### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of interest rate risk, foreign currency risk and other price risk. As at December 31, 2019, the Company is not exposed to significant market risk.

##### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to attempt to ensure that it will have sufficient cash or credit available to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities, and by maintaining its lending arrangement with a related party. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of December 31, 2019, and are anticipated to be paid for by a related party.

#### 6. Share capital

##### (a) Authorized

The Company's authorized share capital consists of an unlimited number of common shares without par value.

##### (b) Reconciliation of changes in share capital

During the year ended December 31, 2018, the Company issued 2,165,500 common shares for \$217.

During the year ended December 31, 2019, the Company did not issue any common shares.

#### 7. Financial instruments

##### Categories of financial assets and financial liabilities

Financial instruments are classified into one of the following three categories: FVTPL; FVTOCI; and amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial instrument	Category	December 31 2019	December 31 2018
Cash	FVTPL	\$ 2,192	\$ 7,627
Accounts receivable	Amortized Cost	\$ 8,820	\$ 5,916
Accounts payable and accrued liabilities	Amortized Cost	\$ 40,127	\$ 31,317
Due to related party	Amortized Cost	\$ 82,973	\$ 82,093

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# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

### Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

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#### 8. Related party disclosures

##### *Key management compensation*

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the periods is as follows:

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	Year ended December 31 2019	Year ended December 31 2018
Director remuneration <sup>1</sup>	\$ -	\$ -
Officer remuneration <sup>1</sup>	\$ 29,636	\$ 26,675
Share-based payments	\$ -	\$ -

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<sup>1</sup>Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Included in accounting and corporate secretarial fees is \$37,786 (2018 - \$26,675) owed to Anacott, a corporation with common directors or officers, for the provision of key management services. Of this amount, \$29,636 (2018 - \$26,675) pertained to officer remuneration, while \$8,150 (2018 - \$306) pertained to accounting services.

Included in consulting fees is \$6,300 (2018 - \$Nil) owed to Anacott, a corporation with common directors or officers, for consulting services related to the Amalgamation Agreement.

Due to related party at December 31, 2019 is comprised of \$82,973 (2018 - \$82,093) due to Anacott. These amounts relate primarily to the costs of incorporation and the plan of arrangement, as well as the provision of key management services as described above. These amounts are non-interest bearing and due on demand.

#### 9. Amalgamation Agreement

On December 21, 2018, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with Agile Blockchain Corp. ("Agile"). Under the terms of the Amalgamation Agreement, the Company and Agile (collectively the "Parties") propose to combine the business and assets of Agile and the Company through an amalgamation (the "Transaction").

Pursuant to the Amalgamation Agreement, Agile shall raise minimum gross proceeds of \$5,000,000, through a non-brokered private placement at a price of \$0.25 per common share, prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of the Company's common shares shall occur, using a consolidation ratio of approximately 5.48:1. The Company will change its name to Agile Blockchain Corp., or an agreed upon name.

# Stowe One Investments Corp.

## Notes to the Consolidated Financial Statements

### Years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

#### 9. Amalgamation Agreement (continued)

As consideration for entering into the Amalgamation Agreement, Agile paid the Company (1) \$25,000 upon the execution of the Amalgamation Agreement (paid), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. During the year ended December 31, 2019, the Company received payments of \$50,000 from Agile. Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of the Company. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

#### 10. Income Taxes

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27.00% to income before income taxes. The reasons for the differences are as follows:

	2019	2018
Loss for the year	\$ 62,221	\$ (58,556)
Statutory income tax rate	27.00%	27.00%
Expected income tax recovery	(16,800)	(15,810)
Effect of the income tax rate change	-	(666)
Changes in estimates	-	-
Unrecognized benefit of deferred tax assets	16,800	16,476
Income tax expense	\$ -	\$ -

The Company recognizes a deferred tax asset on unused tax losses or other deductible amounts only when the Company expects to have future taxable profit against which the amounts could be utilized. The Company's deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following unrecognized asset amounts:

	2019	2018
Eligible capital property	16,130	16,840
Non-capital losses carried forward	34,455	16,947
Unrecognized deductible temporary differences	\$ 50,585	\$ 33,787

The Company has non-capital losses of approximately \$127,612 (2018 - \$62,765). The non-capital losses carried forward will begin to expire in 2038 if unused.



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**Stowe One Investments Corp.**  
**Management Discussion and Analysis**  
**For the year ended December 31, 2018 and period**  
**from formation on June 16, 2017 to December 31, 2017**  
**(Expressed in Canadian dollars)**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**YEAR ENDED DECEMBER 31, 2018**

**INTRODUCTION**

The Management Discussion & Analysis has been prepared by management and reviewed and approved by the Board of Directors on April 26, 2019. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited financial statements and the related notes thereto for the year ended December 31, 2018. The information provided herein supplements but does not form part of the financial statements. This discussion covers the year ended December 31, 2018 and the subsequent period up to April 26, 2019, the date of issue of this MD&A. Monetary amounts in the following discussion are in Canadian dollars unless otherwise noted.

Additional information regarding the Corporation can be found on the Corporation's page at [www.sedar.com](http://www.sedar.com).

This MD&A contains Forward Looking Information.  
Please read the Cautionary Statements on page 3 carefully.

## **FORWARD LOOKING STATEMENTS**

*This MD&A contains certain forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws. All statements and information, other than statements of historical fact, included in or incorporated by reference into this MD&A are forward-looking statements and forward-looking information, including, without limitation, statements regarding activities, events or developments that we expect or anticipate may occur in the future. Such forward-looking statements and information can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which such forward-looking statements and information are based will occur or, even if they do occur, will result in the performance, events or results expected.*

*The forward-looking statements and forward-looking information reflect the current beliefs of the Corporation, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed in or implied by the forward-looking statements. This forward-looking information includes estimates, forecasts, plans, priorities, strategies and statements as to the Corporation's current expectations and assumptions concerning, among other things, ability to access sufficient funds to carry on operations, compliance with current or future regulatory regimes, particularly in the case of ambiguities, financial and operational performance and prospects, collection of receivables, anticipated conclusions of negotiations to acquire projects or investments, our ability to attract and retain skilled staff and consultants, expectations of market prices and costs, expansion plans and objectives, requirements for additional capital, the availability of financing, and the future development and costs and outcomes of the Corporation's projects or investments. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to vary materially.*

*We caution readers of this MD&A not to place undue reliance on forward-looking statements and information contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements and information. These factors include: unanticipated future operational difficulties (including cost escalation, unavailability of materials and equipment, industrial disturbances or other job action and unanticipated events related to health, safety and environmental matters); social unrest; failure of counterparties to perform their contractual obligations; changes in priorities, plans, strategies and prospects; general economic, industry, business and market conditions; disruptions or changes in the credit or securities markets; changes in law, regulation, or application and interpretation of the same; the ability to implement business plans and strategies, and to pursue business opportunities; rulings by courts or arbitrators, proceedings and investigations; inflationary pressures; and various other events, conditions or circumstances that could disrupt the Corporation's priorities, plans, strategies and prospects including those detailed from time to time in the Corporation's reports and public filings with the Canadian securities administrators, filed on [SEDAR](#).*

*This information speaks only as of the date of this MD&A. The Corporation undertakes no obligation to revise or update forward-looking information after the date of this document, nor to make revisions to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws or the policies of the TSX-V exchange.*

## **THE CORPORATION**

Stowe One Investments Corp. (“Stowe One” or “the Corporation”) was incorporated under the Business Corporations Act (British Columbia) on June 16, 2017. The Corporation is a reporting issuer in British Columbia, and Alberta, but does not trade on a stock exchange.

The Corporation’s current business is to comply with all reporting requirements while endeavoring to find, acquire and finance a suitable business or project, or consider options resulting in the Corporation being acquired by a third party. The Corporation has entered into an Amalgamation Agreement (see Amalgamation Agreement section below) that will result Corporation being acquired, subject to certain conditions being met.

## **RECENT EVENTS**

### ***Plan of arrangement***

The Corporation was a wholly-owned subsidiary of Anacott Resources Corp. (“Anacott”) until a plan of arrangement was completed on July 28, 2017 under which the Corporation’s common shares were distributed to shareholders of Anacott on a pro-rata basis.

### ***Amalgamation Agreement***

On December 21, 2018, the Corporation entered into an amalgamation agreement (the “Amalgamation Agreement”) with Agile Blockchain Corp. (“Agile”). Under the terms of the Amalgamation Agreement, the Corporation and Agile (collectively the “Parties”) propose to combine the business and assets of Agile and the Corporation through an amalgamation (the “Transaction”).

Pursuant to the Amalgamation Agreement, Agile shall raise minimum gross of proceeds of \$5,000,000, through a non-brokered private placement at a price of \$0.25 per common share, prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of the Corporation’s common shares shall occur, using a consolidation ratio of approximately 5.48:1. The Corporation will change its name to Agile Blockchain Corp., or an agreed upon name.

As consideration for entering into the Amalgamation Agreement, Agile paid the Corporation (1) \$25,000 upon the execution of the Amalgamation Agreement (received), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of the Corporation. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

**SUMMARY OF QUARTERLY RESULTS**

The Corporation was incorporated under the Business Corporations Act (British Columbia) on June 16, 2017. As such, it has been in existence for only seven of the past eight quarters.

<b>Quarter ended</b>	<b>31-Dec-18</b>		<b>30-Sep-18</b>		<b>30-Jun-18</b>		<b>31-Mar-18</b>	
Revenue <sup>(1)</sup>		-		-		-		-
Loss for the quarter	\$	(31,890)	\$	(8,575)	\$	(8,125)	\$	(9,966)
Loss per share	\$	(0.00)	\$	(0.00)	\$	(0.00)	\$	(0.00)

<b>Quarter ended</b>	<b>31-Dec-17</b>		<b>30-Sep-17</b>		<b>30-Jun-17</b>		<b>31-Mar-17</b>	
Revenue <sup>(1)</sup>		-		-		-		-
Loss for the quarter	\$	(7,768)	\$	(58,811)	\$	-	\$	N/A
Loss per share	\$	(0.00)	\$	(0.00)	\$	(0.00)	\$	N/A

<sup>(1)</sup> this being a corporation without a revenue-generating business, there are no revenues from operations or investments;

***Loss for the quarter ended December 31, 2018***

Losses of \$31,890 in the three months ended December 31, 2018 (“Q418”) consist primarily of legal fees of \$20,720 in connection to the Amalgamation Agreement, compared to \$nil legal fees in the three months ended December 31, 2017 (“Q417”). The remaining loss items in Q418 total \$11,170, and represent an increase in operating expenses compared to Q417 losses of \$7,768 due to increased business activity relating to the Amalgamation Agreement. With the exception of increased losses in Q418 related to the Amalgamation Agreement, losses for each three month period of the year ended December 31, 2018 are comparable, and consist primarily of stable operating expenses. Losses of \$58,811 in the three months ended September 30, 2017 (“Q317”) were significantly higher than Q417, incurred in order to establish the Corporation and to draft and enact the plan of arrangement, through which the Corporation was distributed from Anacott’s ownership to the shareholders of Anacott. The largest cost in Q317 was for legal expenses at \$45,000, with legal costs in Q418 totalling \$20,720.

**SELECTED ANNUAL INFORMATION**

The Corporation was established under the Business Corporations Act (British Columbia) on June 16, 2017. As such, it has been in existence for only part of 2017 and all of 2018.

<b>Year ended</b>	<b>2018</b>		<b>2017<sup>(1)</sup></b>		<b>2016</b>
Loss	\$	(58,556)	\$	(66,579)	N/A
Basic & loss per share	\$	(0.01)	\$	(0.01)	N/A
Total assets	\$	13,543	\$	3,201	N/A
Non-current financial liabilities	\$	-	\$	-	N/A
Cash dividends paid	\$	-	\$	-	N/A

<sup>(1)</sup> The Corporation was incorporated on June 16, 2017, and therefore the 2017 comparable period is for the period from formation June 16, 2017 to December 31, 2017.

***Loss for the year ended December 31, 2018***

Losses of \$58,556 in the year ended December 31, 2018 (“F18”) have decreased from losses of \$66,579 for the period from formation on June 16, 2017 to December 31, 2017 (“F17”). General operating expenses (besides legal fees) remained steady throughout F18 and consisted primarily of accounting and corporate secretarial fees of \$26,981 (F17 - \$12,000), and other operating expenses. The largest cost in F18 was legal costs of \$20,720, incurred in connection to the Amalgamation Agreement. The largest cost in F17 was legal costs of \$45,000, incurred in order to establish the Corporation and to draft and enact the plan of arrangement, through which the Corporation was distributed from Anacott’s ownership to the shareholders of Anacott. Accounting and corporate secretarial fees and other operating expenses were less in F17, as the Corporation was formed roughly half of the way through the year.

***Cash flows for the year ended December 31, 2018***

During F18, the Corporation received \$25,000 cash in relation to the Amalgamation Agreement, and a small amount of cash from the issuance of common shares. From these cash inflows, \$17,500, was used to decrease payables balances. During F17 the Corporation’s operating activities were cashflow neutral, as the Corporation did not have cash to pay its payables. Any expenses cause an increase in payables. A small amount of cash was raised through the sale of common shares, and was used to reduce payables.

**LIQUIDITY AND CAPITAL RESOURCES**

The Corporation had a working capital<sup>1</sup> deficit of \$124,867 (2017 - \$66,528) as of December 31, 2018. The Corporation does not have revenues from operations, and relies on outside funding for its continuing financial liquidity. The Corporation will need additional financing in order to continue operations.

Management cautions that the Corporation’s ability to raise additional funding is not certain. Additional funds will be required in order to pursue the Corporation’s current business plans. An inability to raise additional funds would adversely impact the future assessment of the Corporation as a going concern.

<sup>1</sup> Working capital, a non-GAAP-measure is defined as current assets net of current liabilities.

## **SIGNIFICANT ACCOUNTING JUDGMENTS AND USE OF ESTIMATES**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The Corporation's significant judgments and estimates are disclosed in Note 3 of the audited annual financial statements for the year ended December 31, 2018.

## **CHANGES IN ACCOUNTING POLICIES**

Accounting policies used in the year, and changes anticipated in future periods, are as set out in the Corporation's audited annual financial statements for the year ended December 31, 2018 (Note 4).

## **Changes in Internal Controls over Financial Reporting**

There have been no changes in the Corporation's internal control over financial reporting during the year ended December 31, 2018, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

## **FINANCIAL INSTRUMENTS**

The Corporation's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and a deposit. It is management's opinion that the Corporation is not exposed to significant interest risk arising from the financial instruments. The Corporation is exposed to credit risk in relation to the receivables balances, however, most receivables are in relation to sales tax due from the Canadian government. Credit risk is managed for receivables by seeking prompt payment, monitoring the age of receivables, and making follow up inquiries when receivables are not paid in a timely manner. The Corporation does not engage in any hedging activities. Financial instruments do not generally expose the Corporation to risk that is significant enough to warrant reducing via purchasing specific insurance or offsetting financial instruments. Further discussion of these risks is presented in Note 5 of the Corporation's audited financial statements, for the year ended December 31, 2018.

**Stowe One Investments Corp.**  
*Management Discussion and Analysis*  
December 31, 2018

**RELATED PARTY DISCLOSURES**

*Key management compensation*

Key management personnel at the Corporation are the directors and officers of the Corporation. The remuneration of key management personnel during the periods is as follows:

	<b>Year ended December 31, 2018</b>	<b>Period ended December 31, 2017</b>
Director remuneration <sup>1</sup>	\$ -	\$ -
Officer remuneration <sup>1</sup>	\$ 26,675	\$ 12,000
Share-based payments	\$ -	\$ -

<sup>1</sup> Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments granted to key management personnel during the year ended December 31, 2018 or period from formation on June 16, 2017 to December 31, 2017.

In accordance with Item 1.9 of Part 2 of Form 51-102.F1 the Corporation has no ongoing contractual commitments with related parties, apart from those established under the employee-employer or service-provider relationship. Amounts are recorded at the exchange amount agreed between the parties. Remuneration was owing to Anacott of \$26,675 (2017 - \$12,000) for services of the Chief Financial Officer.

*Accounts payable and accrued liabilities*

Due to related party at December 31, 2018 is comprised of \$82,093 (2017 - \$64,819) due to Anacott. These amounts relate primarily to the costs of incorporation and the plan of arrangement, as well as the provision of key management services as described above.

*Plan of arrangement*

The Corporation was a wholly-owned subsidiary of Anacott Resources Corp. ("Anacott") until a plan of arrangement was completed on July 28, 2017 under which the Corporation's common shares were distributed to shareholders of Anacott on a pro-rata basis.



## **RISK FACTORS AND MANAGEMENT'S RESPONSIBILITY OVER FINANCIAL REPORTING**

### ***Risk Factors***

Early-stage entities face a variety of risks and, while unable to eliminate all of them, the Corporation aims to manage and reduce such risks as much as possible. The Corporation's ability to mitigate risk, without any cash at its disposal, is, however, extremely limited.

Selecting investments is a competitive process. The Corporation seeks to maintain an appropriate balance by carefully considering risks to ensure an investment's level of risk is commensurate with the Corporation's assessment of the project's potential.

The Corporation has a limited history of existence. There can be no assurance that it will be successful in its quest to find, acquire and finance a suitable business or project. Equity or debt financing will be required to complete the implementation of its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. **The securities of the Corporation should be considered a highly speculative investment.**

The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

- a) the Corporation has had no profitable business activity;
- b) the Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;
- c) the Corporation has only limited funds with which to continue supporting operations, or alternatively with which to identify and evaluate other potential opportunities and there can be no assurance that the Corporation will be able to realize either of these goals;
- d) the business or project may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;
- e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares; and
- f) if the Corporation fails to complete the acquisition of a suitable business or project, an interim cease trade order may be issued against the Corporation's securities by an applicable securities commission.

### **OFF BALANCE SHEET ARRANGEMENTS**

The Corporation has not entered into any off-balance sheet arrangements.

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**Stowe One Investments Corp.**  
**Management Discussion and Analysis**  
**For the years ended December 31, 2019 and 2018**  
**(Expressed in Canadian dollars)**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**YEAR ENDED DECEMBER 31, 2019**

**INTRODUCTION**

The Management Discussion & Analysis has been prepared by management and reviewed and approved by the Board of Directors on April 28, 2020. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited financial statements and the related notes thereto for the year ended December 31, 2019. The information provided herein supplements but does not form part of the financial statements. This discussion covers the year ended December 31, 2019 and the subsequent period up to April 28, 2020, the date of issue of this MD&A. Monetary amounts in the following discussion are in Canadian dollars unless otherwise noted.

Additional information regarding the Company can be found on the Company's page at [www.sedar.com](http://www.sedar.com).

This MD&A contains Forward Looking Information.  
Please read the Cautionary Statements on page 3 carefully.

## **FORWARD LOOKING STATEMENTS**

*This MD&A contains certain forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws. All statements and information, other than statements of historical fact, included in or incorporated by reference into this MD&A are forward-looking statements and forward-looking information, including, without limitation, statements regarding activities, events or developments that we expect or anticipate may occur in the future. Such forward-looking statements and information can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which such forward-looking statements and information are based will occur or, even if they do occur, will result in the performance, events or results expected.*

*The forward-looking statements and forward-looking information reflect the current beliefs of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by the forward-looking statements. This forward-looking information includes estimates, forecasts, plans, priorities, strategies and statements as to the Company's current expectations and assumptions concerning, among other things, ability to access sufficient funds to carry on operations, compliance with current or future regulatory regimes, particularly in the case of ambiguities, financial and operational performance and prospects, collection of receivables, anticipated conclusions of negotiations to acquire projects or investments, our ability to attract and retain skilled staff and consultants, expectations of market prices and costs, expansion plans and objectives, requirements for additional capital, the availability of financing, and the future development and costs and outcomes of the Company's projects or investments. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to vary materially.*

*We caution readers of this MD&A not to place undue reliance on forward-looking statements and information contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements and information. These factors include: unanticipated future operational difficulties (including cost escalation, unavailability of materials and equipment, industrial disturbances or other job action and unanticipated events related to health, safety and environmental matters); social unrest; failure of counterparties to perform their contractual obligations; changes in priorities, plans, strategies and prospects; general economic, industry, business and market conditions; disruptions or changes in the credit or securities markets; changes in law, regulation, or application and interpretation of the same; the ability to implement business plans and strategies, and to pursue business opportunities; rulings by courts or arbitrators, proceedings and investigations; inflationary pressures; and various other events, conditions or circumstances that could disrupt the Company's priorities, plans, strategies and prospects including those detailed from time to time in the Company's reports and public filings with the Canadian securities administrators, filed on [SEDAR](#).*

*This information speaks only as of the date of this MD&A. The Company undertakes no obligation to revise or update forward-looking information after the date of this document, nor to make revisions to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws or the policies of the TSX-V exchange.*

## **THE COMPANY**

Stowe One Investments Corp. (“Stowe One” or “the Company”) was incorporated under the Business Corporations Act (British Columbia) on June 16, 2017. The Company is a reporting issuer in British Columbia, and Alberta, but does not trade on a stock exchange.

The Company’s current business is to comply with all reporting requirements while endeavoring to find, acquire and finance a suitable business or project, or consider options resulting in the Company being acquired by a third party. The Company has entered into an Amalgamation Agreement (see Amalgamation Agreement section below) that will result Company being acquired, subject to certain conditions being met.

## **RECENT EVENTS**

### ***Plan of arrangement***

The Company was a wholly-owned subsidiary of Anacott Resources Corp. (“Anacott”) until a plan of arrangement was completed on July 28, 2017 under which the Company’s common shares were distributed to shareholders of Anacott on a pro-rata basis.

### ***Amalgamation Agreement***

On December 21, 2018, the Company entered into an amalgamation agreement (the “Amalgamation Agreement”) with Agile Blockchain Corp. (“Agile”). Under the terms of the Amalgamation Agreement, the Company and Agile (collectively the “Parties”) propose to combine the business and assets of Agile and the Company through an amalgamation (the “Transaction”).

Pursuant to the original Amalgamation Agreement, Agile was to raise minimum gross of proceeds of \$5,000,000, through a non-brokered private placement at a price of \$0.25 per common share, prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of the Company’s common shares shall occur, using a consolidation ratio of approximately 5.48:1. The Company will change its name to Agile Blockchain Corp., or an agreed upon name. Due to the impacts of the novel Corona virus, COVID-19, and other factors, the Company understands that Agile may be unable to raise the minimum gross proceeds.

As consideration for entering into the Amalgamation Agreement, Agile paid the Company (1) \$25,000 upon the execution of the Amalgamation Agreement (received), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. During the year ended December 31, 2019, the Company received payments of \$50,000 from Agile, following which Agile and the Company agreed that Agile could cease making payments. Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of the Company. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

**SUMMARY OF QUARTERLY RESULTS**

<b>Quarter ended</b>	<b>31-Dec-19</b>	<b>30-Sep-19</b>	<b>30-Jun-19</b>	<b>31-Mar-19</b>
Revenue <sup>(1)</sup>	-	-	-	-
Gain / (loss) for the quarter	\$ 6,006	\$ (43,400)	\$ (15,942)	\$ (8,885)
Loss per share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.00)

<b>Quarter ended</b>	<b>31-Dec-18</b>	<b>30-Sep-18</b>	<b>30-Jun-18</b>	<b>31-Mar-18</b>
Revenue <sup>(1)</sup>	-	-	-	-
Loss for the quarter	\$ (31,890)	\$ (8,575)	\$ (8,125)	\$ (9,966)
Loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

<sup>(1)</sup> this being a corporation without a revenue-generating business, there are no revenues from operations or investments;

***Loss for the quarter ended December 31, 2019***

Gains of \$6,006 in the three months ended December 31, 2019 (“Q419”) is due to recovery of legal fees expensed in the previous quarter of \$27,975 (three months ended December 31, 2018 (“Q418”) - \$Nil) as a result of costs incurred on behalf of Agile in relation to the Amalgamation Agreement. This recovery is offset primarily by accounting and corporate secretarial fees of \$18,649, compared to accounting and corporate secretarial fees of \$8,981 in Q418. The quarter over quarter decrease is largely due to the recovery of legal fees of \$27,975 in Q419 compared to expenses of \$20,720 in Q418. Losses of \$43,400 in the three months ended September 30, 2019 (“Q319”) consist primarily of legal fees of \$28,546 compared to legal fees of \$Nil in the three months ended September 30, 2018 (“Q318”) and consulting fees of \$6,300 compared to \$Nil in Q318. The loss for the three-month period ended June 30, 2019 (“Q219”) is \$7,817 higher than the three months ended June 30, 2018 (“Q218”) primarily due to legal fees of \$6,285 incurred during Q219 (\$Q218 - \$Nil). The loss for the three-month period ended March 31, 2019 (“Q119”) is comparable to the three-month period ended March 31, 2018 (“Q118”) and is comprised primarily of accounting and corporate secretarial fees.

**SELECTED ANNUAL INFORMATION**

The Company was established under the Business Corporations Act (British Columbia) on June 16, 2017. As such, it has been in existence for only part of 2017 and all of 2018 and 2019.

<b>Year ended</b>	<b>2019</b>		<b>2018</b>		<b>2017<sup>(1)</sup></b>
Loss	\$	(62,221)	\$	(58,556)	\$ (66,579)
Basic & loss per share	\$	(0.01)	\$	(0.01)	\$ (0.01)
Total assets	\$	11,012	\$	13,543	\$ 3,201
Non-current financial liabilities	\$	-	\$	-	\$ -
Cash dividends paid	\$	-	\$	-	\$ -

<sup>(1)</sup> The Company was incorporated on June 16, 2017, and therefore the 2017 comparable period is for the period from formation June 16, 2017 to December 31, 2017.

***Loss for the year ended December 31, 2019***

Losses of \$62,221 in the year ended December 31, 2019 (“F19”) have increased from losses of \$58,556 for the year ended December 31, 2018 (“F18”). General operating expenses (besides legal fees) remained steady throughout F19 and consisted primarily of accounting and corporate secretarial fees of \$37,792 (F18 - \$26,981), and other operating expenses. The largest cost in F19 and F18 was accounting and corporate secretarial fees. The largest cost in F17 was legal costs of \$45,000, incurred in order to establish the Company and to draft and enact the plan of arrangement, through which the Company was distributed from Anacott’s ownership to the shareholders of Anacott. Accounting and corporate secretarial fees and other operating expenses were less in F17, as the Company was formed roughly half of the way through the year.

***Cash flows for the year ended December 31, 2019***

During F19, the Company received \$50,000 (F18 - \$25,000) cash in relation to the Amalgamation Agreement, and \$Nil (F18 - \$217) from the issuance of common shares. From these cash inflows and opening cash reserves, \$55,435 (F18 - \$17,590) was used to support the Company’s working capital requirements.

**LIQUIDITY AND CAPITAL RESOURCES**

The Company had a working capital<sup>1</sup> deficit of \$187,088 (2018 - \$124,867) as of December 31, 2019. The Company does not have revenues from operations, and relies on outside funding for its continuing financial liquidity. The Company will need additional financing in order to continue operations.

Management cautions that the Company’s ability to raise additional funding is not certain. Additional funds will be required in order to pursue the Company’s current business plans. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern.

<sup>1</sup> Working capital, a non-GAAP-measure is defined as current assets net of current liabilities.

## **SIGNIFICANT ACCOUNTING JUDGMENTS AND USE OF ESTIMATES**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The Company's significant judgments and estimates are disclosed in Note 3 of the audited annual financial statements for the year ended December 31, 2019.

## **CHANGES IN ACCOUNTING POLICIES**

Accounting policies used in the year, and changes anticipated in future periods, are as set out in the Company's audited annual financial statements for the year ended December 31, 2019 (Note 4).

## **Changes in Internal Controls over Financial Reporting**

There have been no changes in the Company's internal controls over financial reporting during the year ended December 31, 2019, that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

## **FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and a deposit. It is management's opinion that the Company is not exposed to significant interest risk arising from the financial instruments. The Company is exposed to credit risk in relation to the receivables balances, however, most receivables are in relation to sales tax due from the Canadian government. Credit risk is managed for receivables by seeking prompt payment, monitoring the age of receivables, and making follow up inquiries when receivables are not paid in a timely manner. The Company does not engage in any hedging activities. Financial instruments do not generally expose the Company to risk that is significant enough to warrant reducing via purchasing specific insurance or offsetting financial instruments. Further discussion of these risks is presented in Note 5 of the Company's audited financial statements, for the year ended December 31, 2019.



## **RELATED PARTY DISCLOSURES**

### *Key management compensation*

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the periods is as follows:

	<b>Year ended December 31 2019</b>	<b>Year ended December 31 2018</b>
Director remuneration <sup>1</sup>	\$ -	\$ -
Officer remuneration <sup>1</sup>	\$ 29,636	\$ 26,675
Share-based payments	\$ -	\$ -

<sup>1</sup>Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments granted to key management personnel during the year ended December 31, 2019 or 2018

In accordance with Item 1.9 of Part 2 of Form 51-102.F1 the Company has no ongoing contractual commitments with related parties, apart from those established under the employee-employer or service-provider relationship. Amounts are recorded at the exchange amount agreed between the parties. Remuneration was owing to Anacott of \$29,636 (2018 - \$26,675) for services of the Chief Financial Officer while \$8,150 (2018 - \$306) was owing to Anacott for accounting services.

### *Accounts payable and accrued liabilities*

Due to related party at December 31, 2019 is comprised of \$82,973 (2018 - \$82,093) due to Anacott. These amounts relate primarily to the costs of incorporation and the plan of arrangement, as well as the provision of key management services as described above.

### *Plan of arrangement*

The Company was a wholly-owned subsidiary of Anacott Resources Corp. ("Anacott") until a plan of arrangement was completed on July 28, 2017 under which the Company's common shares were distributed to shareholders of Anacott on a pro-rata basis.

## **RISK FACTORS AND MANAGEMENT'S RESPONSIBILITY OVER FINANCIAL REPORTING**

### ***Risk Factors - General***

Early-stage entities face a variety of risks and, while unable to eliminate all of them, the Company aims to manage and reduce such risks as much as possible. The Company's ability to mitigate risk, without any cash at its disposal, is, however, extremely limited.

Selecting investments is a competitive process. The Company seeks to maintain an appropriate balance by carefully considering risks to ensure an investment's level of risk is commensurate with the Company's assessment of the project's potential.

The Company has a limited history of existence. There can be no assurance that it will be successful in its quest to find, acquire and finance a suitable business or project. Equity or debt financing will be required to complete the implementation of its business plan. There can be no assurance that the Company will be able to obtain adequate financing to continue. **The securities of the Company should be considered a highly speculative investment.**

The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

- a) the Company has had no profitable business activity;
- b) the Company does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;
- c) the Company has only limited funds with which to continue supporting operations, or alternatively with which to identify and evaluate other potential opportunities and there can be no assurance that the Company will be able to realize either of these goals;
- d) the business or project may be financed in all or part by the issuance of additional securities by the Company and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Company;
- e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares; and
- f) if the Company fails to complete the acquisition of a suitable business or project, an interim cease trade order may be issued against the Company's securities by an applicable securities commission.

### ***COVID-19***

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on and the Company's vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Company's financial condition or results of operations is uncertain.

**Stowe One Investments Corp.**  
*Management Discussion and Analysis*  
December 31, 2019

**OFF BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any off-balance sheet arrangements.

**OUTSTANDING COMMON SHARES DATA**

The following section updates the outstanding share data provided in the audited financial statements for the year ended December 31, 2019.

Common Shares:

Common Shares outstanding at December 31, 2019 and April 28, 2020	7,214,607
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**Stowe One Investments Corp.**  
*Management Discussion and Analysis*  
December 31, 2018

**OUTSTANDING COMMON SHARES DATA**

The following section updates the outstanding share data provided in the audited financial statements for the year ended December 31, 2018.

Common Shares:

Common Shares outstanding at December 31, 2018 and April 26, 2019	7,214,607
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**Stowe One Investments Corp.**  
**Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2020 and 2019**  
**(Expressed in Canadian dollars)**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying condensed consolidated interim financial statements of Stowe One Investments Corp. are the responsibility of the Company's management and are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded, and financial information is reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal controls through an audit committee, which is comprised primarily of non-management directors. The Audit Committee reviews the financial statements prior to their submission to the Board of Directors for approval.

*"Walter Coles Jr."*

Walter Coles Jr.  
Chief Executive Officer

*"Andrew MacRitchie"*

Andrew MacRitchie  
Chief Financial Officer

Vancouver, British Columbia  
June 1, 2020



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# Stowe One Investments Corp.

## Condensed Consolidated Interim Statement of Loss and Comprehensive Loss

(Unaudited - expressed in Canadian Dollars)

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	For the three months ended	
	March 31	
	2020	2019
<b>EXPENSES</b>		
Accounting and corporate secretarial fees (Note 5)	\$ 12,700	\$ 7,136
Audit fees	1,250	1,250
Office expenses	96	-
Bank fees	39	43
Regulatory and transfer agent fees	901	456
<b>Net and comprehensive loss for the period</b>	<b>\$ 14,986</b>	<b>\$ 8,885</b>
<b>Basic and diluted loss per share</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
<b>Weighted average number of shares outstanding</b>	<b>7,214,607</b>	<b>7,214,607</b>

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



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## Stowe One Investments Corp.

### Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited - expressed in Canadian Dollars)

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	Number of Shares	Share Capital	Deficit	Shareholders' equity (deficiency)
<b>Balance at December 31, 2018</b>	7,214,607	\$ 268	\$ (125,135)	\$ (124,867)
Net and comprehensive loss for the period	-	-	(8,885)	(8,885)
<b>Balance at March 31, 2019</b>	7,214,607	\$ 268	\$ (134,020)	\$ (133,752)
<b>Balance at December 31, 2019</b>	7,214,607	\$ 268	\$ (187,356)	\$ (187,088)
Net and comprehensive loss for the period	-	-	(14,986)	(14,986)
<b>Balance at March 31, 2020</b>	7,214,607	\$ 268	\$ (202,342)	\$ (202,074)

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

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# Stowe One Investments Corp.

## Condensed Consolidated Interim Statement of Cash Flows

(Unaudited - expressed in Canadian Dollars)

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	Period ended March 31, 2020	Period ended March 31, 2019
<b>Cash provided by (used for):</b>		
<b>Operating activities</b>		
Net loss	\$ (14,986)	\$ (8,885)
Change in non-cash working capital:		
Amounts receivable	(672)	(5,380)
Accounts payable and accrued liabilities	2,173	(3,055)
Due to related party	11,446	2,263
Deposit	-	15,000
	(2,039)	(57)
<b>Change in cash during the period</b>	(2,039)	(57)
<b>Cash, beginning of the period</b>	2,192	7,627
<b>Cash, end of the period</b>	\$ 153	\$ 7,570

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*The accompanying notes are an integral part of these condensed consolidated interim financial statements*

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# Stowe One Investments Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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### 1. Nature of operations and going concern

Stowe One Investments Corp. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on June 16, 2017, and its principal business activity is searching for a project to acquire, while complying with the requirements of being a public company. The Company’s registered place of business is located at 650 - 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3, Canada. The Company is in the startup stage of operations, and does not yet have any revenue-generating activity.

The Company was a wholly-owned subsidiary of Anacott Resources Corp. (“Anacott”) until a plan of arrangement was completed on July 28, 2017 under which the Company’s common shares were distributed to shareholders of Anacott on a pro-rata basis.

The consolidated financial statements were prepared on a going concern basis with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has a working capital deficit of \$202,074 (December 31, 2019 – \$187,088), has incurred significant operating losses and debts to finance operations, and will require additional financing in order to continue operations. There is no assurance that such funding will be available. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern. 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 Company is dependent upon its ability to finance its operations through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of accounts receivable and, ultimately, the Company’s ability to continue as a going concern, is dependent upon the Company’s ability to raise financing to complete the acquisition of a project, the realization of which is uncertain. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. These adjustments could be material.

### 2. Summary of significant accounting policies

#### Basis of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting, are in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and are consistent with interpretations by the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed consolidated interim financial statements have been prepared using the accounting policies as set out in the audited annual financial statements for the year ended December 31, 2019, with the adoption of updated policies described later in Note 2. The disclosures which follow do not include all disclosures required for the annual financial statements. These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements and notes thereon for the year ended December 31, 2019.

#### Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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# Stowe One Investments Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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### 2. Summary of significant accounting policies (continued)

#### Details of the group

In addition to the Company, the consolidated financial statements include the accounts of its sole, 100% owned subsidiary: 1191212 BC Ltd., a British Columbia corporation.

Subsidiaries are corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date when control by the Company ceases.

#### Significant accounting estimates and judgments

The preparation of these condensed consolidated interim financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses and recoveries during the reporting periods. Actual outcomes could differ from these estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

#### New standards, amendments and interpretations

These condensed interim financial statements have been prepared following the same accounting policies as disclosed in Note 4 of the annual audited financial statements for the year ended December 31, 2019.

### 3. Risk management and financial instruments

Financial instruments are agreements between two parties that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company classifies its financial instruments as follows: cash is classified as FVTPL; amounts receivable are classified as amortized cost; and accounts payable and accrued liabilities and due to related party, as amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

#### Credit risk

Credit losses are measured using a present value and probability-weighted model that considers all reasonable and supportable information available without undue cost or effort along with the information available concerning past defaults, current conditions and forecasts at the reporting date. IFRS 9 requires the recognition of 12 month expected credit losses (the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date) if credit risk has not significantly increased since initial recognition (stage 1), and lifetime expected credit losses for financial instruments for which the credit risk has increased significantly since initial recognition (stage 2) or which are credit impaired (stage 3). There are no expected credit losses with respect to the Company's financial instruments held at amortized cost.

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# Stowe One Investments Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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### 3. Risk management and financial instruments (continued)

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of interest rate risk, foreign currency risk and other price risk. As at March 31, 2020, the Company is not exposed to significant market risk.

#### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to attempt to ensure that it will have sufficient cash or credit available to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities, and by maintaining its lending arrangement with a related party. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of March 31, 2020.

#### Other risks

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. On March 11, 2020, the World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." pandemic. The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions designed to stabilize economic conditions. To date the Company's operations have not been materially negatively affected by these events. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration of the impact, nor the severity of the consequences, as well as their impact, if any, on the financial position and results of the Company for future periods.

### 4. Share Capital

#### (a) Authorized

The Company's authorized share capital consists of an unlimited number of common shares without par value.

#### (b) Reconciliation of changes in share capital

During the period ended March 31, 2020 and the year ended December 31, 2019, the Company did not issue any common shares.

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# Stowe One Investments Corp.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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### 5. Related party disclosures

#### *Key management compensation*

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the periods is as follows:

	Period ended		Period ended	
	March 31,		March 31,	
	2020		2019	
Director remuneration <sup>1</sup>	\$	-	\$	-
Officer remuneration <sup>1</sup>	\$	12,700	\$	3,200
Share-based payments	\$	-	\$	-

<sup>1</sup> Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments granted to key management personnel during the periods ended March 31, 2020 and 2019.

Included in accounting and corporate secretarial fees is \$12,700 (Period ended March 31, 2019 – \$7,136) owed to Anacott, a corporation with common directors or officers, \$12,700 (Period ended March 31, 2019 - \$3,200) of which relates to the provision of key management services.

Due to related party at March 31, 2020 is comprised of \$94,419 (December 31, 2019 - \$82,973) due to Anacott. These amounts relate primarily to the costs of incorporation and the plan of arrangement, as well as the provision of key management services as described above.

### 6. Amalgamation Agreement

On December 21, 2018, the Company entered into an amalgamation agreement (the “Amalgamation Agreement”) with Agile Blockchain Corp. (“Agile”). Under the terms of the Amalgamation Agreement, the Company and Agile (collectively the “Parties”) propose to combine the business and assets of Agile and the Company through an amalgamation (the “Transaction”).

Pursuant to the Amalgamation Agreement, Agile shall raise minimum gross proceeds of \$731,205, through a non-brokered private placement at a price of \$0.15 per common share, prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of the Company’s common shares shall occur, using a consolidation ratio of approximately 2.85:1. The Company will change its name to Agile Blockchain Corp., or an agreed upon name.

As consideration for entering into the Amalgamation Agreement, Agile paid the Company (1) \$25,000 upon the execution of the Amalgamation Agreement (paid), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. During the period ended March 31, 2020, the Company received payments of \$Nil from Agile. During the year ended December 31, 2019, the Company received payments of \$50,000 from Agile. Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of the Company. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

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**Stowe One Investments Corp.**  
**Management Discussion and Analysis**  
**For the three-month periods ended March 31, 2020 and 2019**  
**(Expressed in Canadian dollars)**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**QUARTER ENDED MARCH 31, 2020**

**INTRODUCTION**

The Management Discussion & Analysis has been prepared by management and reviewed and approved by the Board of Directors on June 1, 2020. The following discussion of performance, financial condition and future prospects should be read in conjunction with the unaudited condensed interim consolidated financial statements and the related notes thereto for the quarters ended March 31, 2020 and March 31, 2019, and in conjunction with the audited annual financial statements and the related notes thereto for the years ended December 31, 2019 and 2018. The information provided herein supplements but does not form part of the condensed interim consolidated financial statements. This discussion covers the period ended March 31, 2020 and the subsequent period up to June 1, 2020, the date of issue of this MD&A. Monetary amounts in the following discussion are in Canadian dollars unless otherwise noted.

Additional information regarding the Company can be found on the Company's page at [www.sedar.com](http://www.sedar.com).

This MD&A contains Forward Looking Information.  
Please read the Cautionary Statements on page 3 carefully.



## **FORWARD LOOKING STATEMENTS**

*This MD&A contains certain forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws. All statements and information, other than statements of historical fact, included in or incorporated by reference into this MD&A are forward-looking statements and forward-looking information, including, without limitation, statements regarding activities, events or developments that we expect or anticipate may occur in the future. Such forward-looking statements and information can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which such forward-looking statements and information are based will occur or, even if they do occur, will result in the performance, events or results expected.*

*The forward-looking statements and forward-looking information reflect the current beliefs of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by the forward-looking statements. This forward-looking information includes estimates, forecasts, plans, priorities, strategies and statements as to the Company's current expectations and assumptions concerning, among other things, ability to access sufficient funds to carry on operations, compliance with current or future regulatory regimes, particularly in the case of ambiguities, financial and operational performance and prospects, collection of receivables, anticipated conclusions of negotiations to acquire projects or investments, our ability to attract and retain skilled staff, expectations of market prices and costs, expansion plans and objectives, requirements for additional capital, the availability of financing, and the future development and costs and outcomes of the Company's projects or investments. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to vary materially.*

*We caution readers of this MD&A not to place undue reliance on forward-looking statements and information contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements and information. These factors include: unanticipated future operational difficulties (including cost escalation, unavailability of materials and equipment, industrial disturbances or other job action and unanticipated events related to health, safety and environmental matters); social unrest; failure of counterparties to perform their contractual obligations; changes in priorities, plans, strategies and prospects; general economic, industry, business and market conditions; disruptions or changes in the credit or securities markets; changes in law, regulation, or application and interpretation of the same; the ability to implement business plans and strategies, and to pursue business opportunities; rulings by courts or arbitrators, proceedings and investigations; inflationary pressures; and various other events, conditions or circumstances that could disrupt the Company's priorities, plans, strategies and prospects including those detailed from time to time in the Company's reports and public filings with the Canadian securities administrators, filed on [SEDAR](#).*

*This information speaks only as of the date of this MD&A. The Company undertakes no obligation to revise or update forward-looking information after the date of this document, nor to make revisions to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws or the policies of the TSX-V exchange.*

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
March 31, 2020

**THE COMPANY**

Stowe One Investments Corp. (“Stowe One” or “the Company”) was incorporated under the Business Corporations Act (British Columbia) on June 16, 2017. The Company is a reporting issuer in British Columbia, and Alberta, but does not trade on a stock exchange.

The Company’s current business is to comply with all reporting requirements while endeavoring to find, acquire and finance a suitable business or project, or consider options resulting in the Company being acquired by a third party. The Company has entered into an Amalgamation Agreement (see Amalgamation Agreement section below) that will result Company being acquired, subject to certain conditions being met.

**RECENT EVENTS**

***Financing activities***

During the period ended March 31, 2020 and the year ended December 31, 2019, the Company did not issue any common shares.

***Amalgamation Agreement***

On December 21, 2018, the Company entered into an amalgamation agreement (the “Amalgamation Agreement”) with Agile Blockchain Corp. (“Agile”). Under the terms of the Amalgamation Agreement, the Company and Agile (collectively the “Parties”) propose to combine the business and assets of Agile and the Company through an amalgamation (the “Transaction”).

Pursuant to the Amalgamation Agreement’s initial terms, Agile was to raise a certain minimum gross proceeds through a non-brokered private placement at a price of \$0.25 per common share, prior to the completion of the Transaction. In addition, immediately prior to the closing of the Transaction, a share consolidation of the Company’s common shares shall occur. Due to the COVID-19 pandemic, Stowe agreed to allow Agile to close the financing at \$0.15 for a reduced proceeds amount of \$730,205, and to reduce the consolidation ratio from 5.48:1 to approximately 2.857:1. The Company will change its name to Agile Blockchain Corp., or to another agreed upon name.

As consideration for entering into the Amalgamation Agreement, Agile paid the Company (1) \$25,000 upon the execution of the Amalgamation Agreement (paid), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. During the period ended March 31, 2020, the Company received payments of \$Nil from Agile. During the year ended December 31, 2019, the Company received payments of \$50,000 from Agile. Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of the Company. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
 March 31, 2020

**SUMMARY OF QUARTERLY RESULTS**

<b>Quarter ended</b>	<b>31-Mar-20</b>	<b>31-Dec-19</b>	<b>30-Sep-19</b>	<b>30-Jun-19</b>
Revenue <sup>(1)</sup>	-	-	-	-
Gain / (loss) for the quarter	\$ (14,986)	\$ 6,006	\$ (43,400)	\$ (15,942)
Loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

<b>Quarter ended</b>	<b>31-Mar-19</b>	<b>31-Dec-18</b>	<b>30-Sep-18</b>	<b>30-Jun-18</b>
Revenue <sup>(1)</sup>	-	-	-	-
Loss for the quarter	\$ (8,885)	\$ (31,890)	\$ (8,575)	\$ (8,125)
Loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

<sup>(1)</sup> this being a Company without operations or investments, there are no revenues from operations or investments;

***Loss for the quarter ended March 31, 2020***

Losses for the three months ended March 31, 2020 (“Q120”) of \$14,986 are higher than losses of \$8,885 during the three months ended March 31, 2019 (“Q119”) and consist primarily of stable operating expenses. The increase is due to additional accounting fees incurred during Q120. The gain of \$6,006 in the three months ended December 31, 2019 (“Q419”) is due to recovery of legal fees expensed in the previous quarter of \$27,975 (three months ended December 31, 2018 (“Q418”) - \$Nil). During Q418, the Company incurred legal fees of \$20,720 in connection with the Amalgamation Agreement. Losses of \$43,400 in the three months ended September 30, 2019 (“Q319”) consist primarily of legal fees of \$28,546 compared to legal fees of \$Nil in the three months ended September 30, 2019 (“Q318”) and consulting fees of \$6,300 compared to \$Nil in Q318. The loss for the three month period ended June 30, 2019 (“Q219”) is \$7,817 higher than the three months ended June 30, 2018 (“Q218”) primarily due to legal fees of \$6,285 incurred during Q219 (Q218 - \$Nil).

***Cash flows for the quarter ended March 31, 2020***

During the quarter ended March 31, 2020, the Company used \$2,039 of cash reserves in operations and did not generate any cash flow. During the quarter ended March 31, 2019, the Company remained cashflow neutral as \$10,000 in cash collected in relation to the amalgamation agreement was applied to operating expenses, for a minimal overall decrease in cash of \$57 during Q119.

## **LIQUIDITY AND CAPITAL RESOURCES**

The Company had a working capital<sup>1</sup> deficit of \$202,074 as of March 31, 2020 (December 31, 2019: deficit of \$187,088). The Company does not have revenues from operations, and relies on outside funding for its continuing financial liquidity. The Company will need additional financing in order to continue operations.

Management cautions that the Company's ability to raise additional funding is not certain. Additional funds will be required in order to pursue the Company's current business plans. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern.

## **CHANGES IN ACCOUNTING POLICIES**

Accounting policies used in the quarter are as set out in the Company's audited annual financial statements for the year ended December 31, 2019, with the adoption of updated policies to comply with evolving International Financial Reporting Standards, which are described in Note 2 of the condensed interim consolidated financial statements for the quarter ended March 31, 2020.

## **FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest risk arising from the financial instruments. The Company is exposed to credit risk in relation to the receivables balances, however, most receivables are in relation to sales tax due from the Canadian government. Credit risk is managed for receivables by seeking prompt payment, monitoring the age of receivables, and making follow up inquiries when receivables are not paid in a timely manner. The Company does not engage in any hedging activities. Financial instruments do not generally expose the Company to risk that is significant enough to warrant reducing via purchasing specific insurance or offsetting financial instruments. Further discussion of these risks is presented in Note 3 of the Company's condensed interim consolidated financial statements, for the period ended March 31, 2020.

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<sup>1</sup> Working capital, a non-GAAP-measure is defined as current assets net of current liabilities.

**RELATED PARTY TRANSACTIONS**

*Key management compensation*

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the periods is as follows:

	<b>Period ended March 31, 2020</b>	<b>Period ended March 31, 2019</b>
Director remuneration <sup>1</sup>	\$ -	\$ -
Officer remuneration <sup>1</sup>	\$ 12,700	\$ 3,200
Share-based payments	\$ -	\$ -

<sup>1</sup> Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel.

Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments granted to key management personnel during the periods ended March 31, 2020 and 2019.

Included in accounting and corporate secretarial fees is \$12,700 (Period ended March 31, 2019 – \$7,136) owed to Anacott, a corporation with common directors or officers, \$12,700 (Period ended March 31, 2019 -\$3,200) of which related to the provision of key management services.

Due to related party at March 31, 2019 is comprised of \$94,419 (December 31, 2019 - \$82,973) due to Anacott. These amounts relate primarily to the costs of incorporation and the plan of arrangement, as well as the provision of key management services as described above.

**RISK FACTORS AND MANAGEMENT’S RESPONSIBILITY OVER FINANCIAL REPORTING**

***Risk Factors***

Early-stage entities face a variety of risks and, while unable to eliminate all of them, the Company aims to manage and reduce such risks as much as possible. The Company’s ability to mitigate risk, without any cash at its disposal, is, however, extremely limited.

Selecting investments is a competitive process. The Company seeks to maintain an appropriate balance by carefully considering risks to ensure an investment’s level of risk is commensurate with the Company's assessment of the project’s potential.

The Company has a limited history of existence. There can be no assurance that it will be successful in its quest to find, acquire and finance a suitable business or project. Equity or debt financing will be required to complete the implementation of its business plan. There can be no assurance that the Company will be able to obtain adequate financing to continue. **The securities of the Company should be considered a highly speculative investment.**

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
March 31, 2020

The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

- a) the Company has had no profitable business activity;
- b) the Company does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;
- c) the Company has only limited funds with which to continue supporting operations, or alternatively with which to identify and evaluate other potential opportunities and there can be no assurance that the Company will be able to realize either of these goals;
- d) the business or project may be financed in all or part by the issuance of additional securities by the Company and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Company;
- e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares; and
- f) if the Company fails to complete the acquisition of a suitable business or project, an interim cease trade order may be issued against the Company's securities by an applicable securities commission.

**COVID-19**

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. On March 11, 2020, the World Health Organization declared the outbreak to constitute a pandemic. The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions designed to stabilize economic conditions. To date the Company's operations have not been materially negatively affected by these events. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration of the impact, nor the severity of the consequences, as well as their impact, if any, on the financial position and results of the Company for future periods.

**OFF BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any off-balance sheet arrangements.

**STOWE ONE INVESTMENTS CORP.**  
*Management Discussion and Analysis*  
March 31, 2020

**OUTSTANDING COMMON SHARE DATA**

The following section updates the outstanding common share information provided in the unaudited condensed interim consolidated financial statements for the quarter ended March 31, 2020.

Common Shares:

Shares outstanding at March 31, 2020 and June 1, 2020	7,214,607
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**APPENDIX “D”**  
**FINANCIAL STATEMENTS AND MD&A OF AGILE**

Find attached the audited financial statements and MD&A of Agile for the period from incorporation (March 2, 2018) to December 31, 2018 and the year ended December 31, 2019, and the unaudited financial statements and MD&A for the interim period ended March 31, 2019 and 2020.



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FINANCIAL STATEMENTS

**AGILE BLOCKCHAIN CORP.**

Year Ended December 31, 2019 and Period from March 02,  
2018 to December 31, 2018  
(Expressed in Canadian Dollars)

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# Agile Blockchain Corp.

## FINANCIAL STATEMENTS

Year Ended December 31, 2019 and Period from March 02, 2018 to December 31, 2018  
(Expressed in Canadian Dollars)

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# Independent Auditor's Report

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To the Shareholders of Agile Blockchain Corp.:

## Opinion

We have audited the financial statements of Agile Blockchain Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2019 and December 31, 2018, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the year ended December 31, 2019 and for the period from March 2, 2018 (date of incorporation) to December 31, 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and December 31, 2018, and its financial performance and its cash flows for the year ended December 31, 2019 and for the period from March 2, 2018 to December 31, 2018 in accordance with International Financial Reporting Standards.

## Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had an accumulated deficit of \$2,590,772 and current liabilities that exceeded current assets by \$323,537 as at December 31, 2019. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Burlington, Ontario

May 22, 2020

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

**MNP**

# Agile Blockchain Corp.

## STATEMENTS OF FINANCIAL POSITION

As at December 31

	Notes	2019	2018
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents		\$ 15,222	\$ 387,308
Cash held in trust		202	30,202
Prepaid expenses and sundry assets		83,150	27,385
Tax receivables		27,371	46,656
Other receivables		5,479	-
		131,424	491,551
<b>Non-current assets:</b>			
Equipment	5	11,714	12,333
Right-of-use asset	6	40,237	-
		51,951	12,333
<b>Total assets</b>		<b>\$ 183,375</b>	<b>\$ 503,884</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities	7	\$ 377,191	\$ 143,874
Deferred subscription receipt	8	15,000	-
Deferred revenue		24,955	-
Lease liability - current	9	30,313	-
Promissory notes payable - current	10	7,502	-
		454,961	143,874
<b>Long-term liabilities:</b>			
Lease liability - long-term	9	14,516	-
Promissory notes payable - long-term	10	141,185	-
		155,701	-
<b>Total liabilities</b>		<b>610,662</b>	<b>143,874</b>
<b>Shareholders' (deficiency) equity</b>			
Share capital	11,12	1,543,663	1,372,705
Warrants reserve	13	263,970	263,970
Stock option reserve	14	315,020	35,808
Contributed surplus	15	40,832	-
Deficit		(2,590,772)	(1,312,473)
<b>Total shareholders' (deficiency) equity</b>		<b>(427,287)</b>	<b>360,010</b>
<b>Total liabilities and equity</b>		<b>\$ 183,375</b>	<b>\$ 503,884</b>

The accompanying notes are an integral part of these financial statements.

Subsequent events - Note 21

**“Raymond Pomroy”**

Director

**“Alan Rootenberg”**

Director

# Agile Blockchain Corp.

## STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

Year ended December 31, 2019 and period from March 02, 2018  
to December 31, 2018

	Notes	2019	2018
<b>Expenses:</b>			
Development costs		\$ 121,915	\$ 218,572
Management fees		17,206	125,000
Professional and consulting fees		279,092	148,971
Salaries and benefits		493,297	105,706
General and administrative expenses		60,976	134,538
Marketing		34,019	62,791
Corporate financing expenses	11,16	-	479,000
Share-based compensation		285,044	35,808
Amortization expenses		32,103	5,285
<b>Loss from operations</b>		<b>(1,323,652)</b>	<b>(1,315,671)</b>
<b>Other (income) expense</b>			
Interest income		(129)	(3,198)
Gain on debt restructuring	10	(64,275)	-
Interest expenses	9,10	18,002	-
		<b>(46,402)</b>	<b>(3,198)</b>
<b>Loss before income tax expense</b>		<b>(1,277,250)</b>	<b>(1,312,473)</b>
Income tax expense	19	-	-
<b>Loss and comprehensive loss</b>		<b>\$ (1,277,250)</b>	<b>\$ (1,312,473)</b>

The accompanying notes are an integral part of these financial statements.

## Agile Blockchain Corp.

### STATEMENTS OF CHANGES IN SHAREHOLDERS' (DEFICIENCY) EQUITY

(Expressed in Canadian Dollars)

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

	Notes	Number of Shares	Share Capital	Special Warrants	Warrants	Stock option reserve	Contributed Surplus	Deficit	Total
<b>Balance, March 2, 2018</b>		-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Share issuance	11,12	51,700,002	479,000	-	-	-	-	-	479,000
Special warrants issuance	11,12	-	-	894,651	264,087	-	-	-	1,158,738
Shares/warrant issuance cost	11,12,13	-	(182)	(764)	(117)	-	-	-	(1,063)
Conversion of Special Warrants		20,924,745	893,887	(893,887)	-	-	-	-	-
Stock based compensation		-	-	-	-	35,808	-	-	35,808
Net loss for the period		-	-	-	-	-	-	(1,312,473)	(1,312,473)
<b>Balance, December 31, 2018</b>		<b>72,624,747</b>	<b>\$ 1,372,705</b>	<b>\$ -</b>	<b>\$ 263,970</b>	<b>\$ 35,808</b>	<b>\$ -</b>	<b>\$ (1,312,473)</b>	<b>\$ 360,010</b>
<i>Adopting IFRS 16 Lease</i>									
2018 interest expense	4	-	-	-	-	-	-	\$ (1,049)	\$ (1,049)
<b>Adjusted balance, January 1, 2019</b>		<b>72,624,747</b>	<b>1,372,705</b>	<b>-</b>	<b>263,970</b>	<b>35,808</b>	<b>-</b>	<b>(1,313,522)</b>	<b>358,961</b>
Recall shares issued for service	11	(2,250,000)	(45,000)	-	-	-	35,000	-	(10,000)
Performance warrants issuance	11	-	-	-	5,832	-	-	-	5,832
Exercise of performance warrants	11,14,15	2,160,000	216,000	-	(5,832)	-	5,832	-	216,000
Share issuance costs	11	-	(42)	-	-	-	-	-	(42)
Stock based compensation	14	-	-	-	-	279,212	-	-	279,212
Net loss for the year		-	-	-	-	-	-	(1,277,250)	(1,277,250)
<b>Balance, December 31, 2019</b>		<b>72,534,747</b>	<b>\$ 1,543,663</b>	<b>\$ -</b>	<b>\$ 263,970</b>	<b>\$ 315,020</b>	<b>\$ 40,832</b>	<b>\$ (2,590,772)</b>	<b>\$ (427,287)</b>

The accompanying notes are an integral part of these financial statements.

# Agile Blockchain Corp.

## STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

Year and inception period ended December 31,	2019	2018
<b>Cash flow used in operating activities</b>		
Net loss for the period	\$ (1,277,250)	\$ (1,312,473)
Adjustments to net loss for non-cash items:		
Stock options issued as compensation	279,212	35,808
Performance warrants	5,832	-
Shares issued for services	-	74,000
Shares issued for settlement of debt	-	125,000
Interest accrued on promissory notes	6,862	-
Gains on debt restructuring	(64,275)	-
Amortization - corporate property lease	28,403	-
Amortization - equipment	3,700	5,285
	(1,017,516)	(1,072,380)
Changes in non-cash working capital:		
Increase in prepaids and other receivables	(61,244)	-
Decrease (Increase) in tax receivables	19,285	(74,041)
Increase in accounts payables and accrued liabilities <sup>a)</sup>	208,457	143,874
Increase in deferred subscription receipt	15,000	-
Increase in deferred revenue	24,955	-
	(811,063)	(1,002,547)
<b>Cash flow used in investing activity</b>		
Purchase of equipment	(3,081)	(17,618)
	(3,081)	(17,618)
<b>Cash flow from financing activities</b>		
Proceeds from common shares issuance	216,000	280,000
Proceeds from promissory notes issuance	206,100	-
Cancellation of common shares issued	(10,000)	-
Proceeds from special warrants issuance	-	1,158,738
Shares and warrant issuance cost	(42)	(1,063)
	412,058	1,437,675
<b>Increase (decrease) in cash</b>	<b>(402,086)</b>	<b>417,510</b>
<b>Cash, beginning of period</b>	<b>417,510</b>	<b>-</b>
<b>Cash, end of period</b>	<b>\$ 15,424</b>	<b>\$ 417,510</b>
Cash and cash equivalents	\$ 15,222	\$ 387,308
Cash held in trust	202	30,202
	\$ 15,424	\$ 417,510

The accompanying notes are an integral part of these financial statements.

Supplemental cash flow information:

<sup>a)</sup> Unpaid portion of lease liability included in accounts payables and accrued liabilities

\$ 24,859 -



# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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### 1. Nature of Operations

Agile Blockchain Corp. (“Agile” or the “Company”) was incorporated on March 2, 2018 in the Province of British Columbia, Canada. The Company is a software company developing software that would help different companies address their supply chain issues within their respective businesses using blockchain backed software solutions. Agile is a privately-held corporation with no subsidiaries or any other affiliated companies. The current Head Office of Agile is located at 15 Toronto Street, Suite 602, Toronto, Ontario, M5C 2E3.

#### Amalgamation

On December 21, 2018, the Company signed an Amalgamation Agreement with Stowe One Investments Corp. a BC company (“Stowe One”) and 1191212 BC Ltd. (“1191212”), a wholly-owned subsidiary of Stowe One. Under the terms of the Amalgamation Agreement, Agile agreed to amalgamate with 1191212 and propose to combine the business and assets of Stowe One and Agile through the amalgamation, among other things, this would result in the Stowe One shares having a deemed value of \$0.07 per share. As of the date of the Amalgamation Agreement, Stowe One had a total of 7,214,607 shares outstanding.

#### Going Concern

The Company has accumulated deficit amounting to \$2,590,772 as at December 31, 2019 (December 31, 2018: \$1,312,473). As at December 31, 2019, the Company had current liabilities exceed current assets of \$323,537 (December 31, 2018: current assets exceed current liabilities of \$347,677). The ability of the Company to continue as a going concern is dependent upon generating profitable operations from its developed products, the continuing financial support of shareholders or other investors, or obtaining new financing on commercial terms acceptable to the Company. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on Company’s ability to continue as a going concern.

The accompanying financial statements of the Company have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The financial statements do not include any adjustments to reflect any events since December 31, 2019 or the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from this uncertainty.

### 2. Basis of preparation

#### a) Statement of Compliance:

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”).

These financial statements were approved by the Board of Directors for issue on May 22, 2020.

#### b) Functional and Presentation Currency:

These financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value.

The functional currency of the Company is the Canadian Dollar, which is also the presentation currency of these financial statements.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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c) Accounting estimates and judgements

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual results could differ from the estimates used under different assumptions and conditions.

*The most significant judgments applying to the Company's financial statements include:*

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty. These financial statements have been prepared based on the going concern assumption, which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The assessment is based upon planned actions that may or may not occur for several reasons including the Company's own resources and external market conditions;
- Impairment of non-financial assets - Non-financial assets include property and equipment, and the right of use assets. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate and cash flow projections;
- Leases renewal terms and incremental borrowing rate - Judgement is required at the inception of a lease as to whether payments associated with future renewal options are included or excluded from the calculation of the lease liability. Management must assess the likelihood of such options being exercised based on factors such as lease rates, improvements made and cost associate with exiting. Additionally, the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company Union estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific risk adjustments.
- Revenue recognition - Judgement is required in identifying the contract with the customer, identifying the performance obligations, determining the individual transaction price and allocating said price to the individual performance obligations making up the contract. Revenue is recognized only when it is probable that the economic benefits associated with a

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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transaction will flow to the Company, and when the amount of revenue can be reliably measured.

- Provisions - Provisions are accrued for liabilities with uncertain timing or amounts, if, in the opinion of management, it is both likely that a future event will confirm that a liability had been incurred at the date of the financial statements of financial position and the amount can be reasonably estimated. In cases where it is not possible to determine whether such a liability has occurred, or to reasonably estimate the amount of loss until the performance of some future event, no accrual is made until that time. In the ordinary course of business, the Company may be party to legal proceedings which include claims for monetary damages asserted against the Company. The adequacy of provisions is regularly assessed as new information becomes available.

### Significant estimates or key sources of estimation uncertainty include:

- Current and deferred income taxes - Current income taxes require significant estimation in their calculation including the consideration of allowable deductions and tax rates. In assessing the probability of realizing deferred tax assets, management makes estimates related to the expectation of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax positions taken will be sustained upon examination by applicable tax authorities.
- Allowance for expected credit losses - Management determines expected credit loss by evaluating individual receivable balances and considering customers' financial condition, customer creditworthiness, current economic trends and experience. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. All receivables are expected to be collected within one year of the year ended.
- Useful lives of non-financial assets - The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property and equipment are based on internal technical evaluations and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets;
- Share-based payment transactions and warrants - The Company measures the cost of equity-settled transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions require determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield of the share option and forfeiture rate. Similar calculations are made in order to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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### 3. Significant Accounting Policies

#### a) Financial Instruments

##### *Classification*

The Company classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value through profit or loss (FVTPL); ii) those to be measured subsequently at fair value through other comprehensive income (FVOCI); and iii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

##### *Amortized cost*

This category includes financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the solely principal and interest ("SPPI") criterion. Financial asset classified in this category are measured at amortized cost using the effective interest method.

##### *Fair value through profit or loss*

This category includes derivative instruments as well as quoted equity instruments which the Company has not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Financial assets in this category are recorded at fair value with changes recognized in profit or loss. Financial assets at fair value through other comprehensive income Equity instruments that are not held-for-trading can be irrevocably designated to have their change in fair value recognized through other comprehensive income instead of through profit or loss. This election can be made on individual instruments and is not required to be made for the entire class of instruments. Attributable transaction costs are included in the carrying value of the instruments. Financial assets at fair value through other comprehensive income are initially measured at fair value and changes therein are recognized in other comprehensive income.

##### *Measurement*

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in other comprehensive income.

Summary of the Company's classification and measurements of financial assets and liabilities under IFRS 9: Financial Instruments:

	<b>Classification</b>	<b>Measurement</b>
Cash and cash in trust	Amortized cost	Amortized cost
Other receivables	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Other payables	Amortized cost	Amortized cost
Promissory notes payable	Amortized cost	Amortized cost

### *Impairment of financial assets*

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company applies the simplified approach for accounts receivables. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

- b) Cash and cash equivalents – Cash and cash equivalents include cash on account and demand deposits with original maturities of three months or less.
- c) Income taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in deficiency in assets or other comprehensive loss.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in loss and comprehensive loss or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At the end of each reporting period, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

### d) Equipment

Equipment is recorded at cost less accumulated amortization. The Company provides for amortization using the following methods at rates designed to amortize the cost of the equipment over their estimated useful lives. The annual amortization rates and methods are as follows:

Blockchain hardware	30%	Declining balance
Computer equipment	30%	Declining balance

The estimated residual value and useful lives of assets are reviewed by management annually at each reporting date and adjusted if necessary.

### e) Provisions and contingencies

Provisions are recognized when a legal contractual or constructive obligation exists, as a result of past events, and it is probable that a future outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate. The increase in the provision due to passage of time is recognized as interest expense. When a contingency substantiated by confirming events can be reliably measured and is likely to result in an economic outflow, a liability is recognized as the best estimate required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the financial statements.

### f) Impairment of long-lived assets

At each reporting date the Company assesses whether there is any indication that an asset may be impaired. Where an indication of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value (less costs to sell) and value-in-use. It is determined for an individual asset, unless the asset's value-in-use cannot be estimated to be close to its fair value (less costs to sell) and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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g) Shareholders equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

h) Share-based compensation

The Company uses the fair value method whereby the Company recognizes compensation costs for the granting of all stock options and direct awards of stock-based compensation on their fair value over the period of vesting using the Black-Scholes option pricing model. Any consideration paid by the option holders to purchase shares is credited to common shares.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity settled share-based payment transactions and measured at the fair value of goods or services received. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

i) Special warrants

The Company issues special warrants to raise operating funds. The issued special warrants are automatically converted to common shares and the common share purchase warrants of the Company according to predetermined terms when the pre-defined subscribing conditions are met. They are evaluated and classified under IAS 32 Financial Instruments: Presentation. Equity classification applies to instruments where a fixed amount of cash (or liability) denominated in the issuer's functional currency is exchanged for a fixed number of shares (often referred to as the "fixed-for-fixed" criteria).

The Company measures the fair value of issued special warrants using the Black-Scholes option pricing model.

j) Warrants, performance warrants

Financing warrants and performance warrants have been issued in combination with common shares as part of a financing exercise or separately. Per IAS 32 Financial Instruments: Presentation, the number of shares issued by the Company upon the exercise of the warrant is fixed, the warrants therefore meet the "fixed-for-fixed" criteria for equity classification. Warrants classified as equity are valued using the Black-Scholes Model. When the warrants are exercised, the fair value of the warrants is transferred to share capital from the warrant reserve. If a warrant expires, the value of the warrant remains in warrant reserve.

k) Promissory notes payable

Promissory notes payables are classified as financial liabilities and are measured at fair value at initial recognition and subsequently at amortized cost. Transactions costs, if any, are deferred and amortized over the term of the liability.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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### l) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operation results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers being the executive management team.

The operations of the Company represent one operating segment under IAS 8 Operating Segments. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial report

### m) Revenue

The Company recognizes blockchain software revenue when a contractual exchange agreement has been entered into, the software development obligations have been performed, and the customers accept of the software products delivered, in an amount that reflects the consideration the Company expects to receive in exchange for the software products delivery

The Company generates revenue through the sale of services for the Blockchain software products.

Primary products and services include:

- Supply-chain ecosystem which enables a single entity to monitor, measure and manage its inventory and supply management
- Tracking system that provides a level of security by registering tracker profiles on the ledger using a 256-bit hash.

Revenue is measured based on the gross consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

The Company follows the following steps to recognize revenues:

1. Software (SW) Development
2. Training
3. Maintenance
4. Warranty provision

The Company recognizes blockchain software revenue when a contractual exchange agreement has been entered into, the software development obligations have been performed, and the customers accept of the software products delivered, in an amount that reflects the consideration the Company expects to receive in exchange for the software products delivered.



# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

### 4. Adoption of new accounting standard

#### Leases

The Company adopted IFRS 16 – Leases on January 1, 2019. IFRS 16 - Leases was issued by the IASB in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting, however, remains largely unchanged and the distinction between operating and finance leases is retained. Under IFRS 16, a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly, and the liability accrues interest. This will typically produce a front-loaded expense profile (whereas operating leases under IAS 17 would typically have had straight-line expenses) as an assumed linear depreciation of the right-of-use asset and the decreasing interest on the liability will lead to an overall decrease of expense over the reporting period.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate. As with IFRS 16's predecessor, IAS 17, lessors classify leases as operating or finance in nature. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise a lease is classified as an operating lease.

As there was only one lease agreement that met the IFRS 16 lease definition as at transition date, the Company has elected to apply the modified retrospective application in measuring the Right-of-use asset and Lease liability on January 1, 2019.

The following table summarize the impacts of adopting IFRS 16 on the balance sheet as December 31, 2018 and the statement of loss and comprehensive loss for the period then ended for each of the line items affected. There was no material impact on the statement of cash flows for the period ended December 31, 2018:

	December 31, 2018	Adjustments	January 1, 2019 - IFRS 16
<b>Assets</b>			
Right-of-use asset, net	- \$	68,640	\$ 68,640
<b>Liability</b>			
Lease liabilities - current	- \$	24,859	\$ 24,859
Lease liabilities - long-term	- \$	44,830	\$ 44,830
<b>Equity</b>			
Deficit	\$ (1,312,473)	\$ (1,049)	\$ (1,313,522)

On transition to IFRS 16, the Company recognized a right-of-use asset and lease liability of \$68,640. The recognition of the right-of-use asset is considered non-cash items within the statement of cash flows. When measuring operating lease commitments, the Company used an incremental borrowing rate of 20%. The right-of-use asset is amortized over the useful life of the underline asset which equals to the total lease period of twenty-nine months.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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Operating lease commitments as at December 31, 2018	\$ 87,000
Effect of discounting using the incremental borrowing rate	(17,311)
<hr/>	
Lease liability recognized on January 1, 2019	\$ 69,689

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### **Standards and interpretations issued in the current period but not yet effective**

The Company has not yet applied the following new standard, interpretations and amendments to standards that have been issued as at December 2019 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

#### IFRS 3 Business combinations

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Under the new standard the Company expects a more likely probability that future transactions will be accounted for as asset acquisitions.

#### IAS 1 Presentation of financial statements

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The Company does not expect these amendments to have a material impact on its financial statements.

#### IAS 8 Accounting policies, changes in accounting estimates and errors

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The Company does not expect these amendments to have a material impact on its financial statements.

# Agile Blockchain Corp.

Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

## 5. Equipment

	Blockchain Hardware	Computer Equipment	Total
<b><u>Cost</u></b>			
Balance, March 2, 2018	\$ -	\$ -	\$ -
Additions	908	16,710	17,618
<b>Balance, December 31, 2018</b>	<b>908</b>	<b>16,710</b>	<b>17,618</b>
Additions	3,081	-	3,081
<b>Balance, December 31, 2019</b>	<b>\$ 3,989</b>	<b>\$ 16,710</b>	<b>\$ 20,699</b>
<b><u>Accumulated depreciation</u></b>			
Balance, March 2, 2018	\$ -	\$ -	\$ -
Additions	(272)	(5,013)	(5,285)
<b>Balance, December 31, 2018</b>	<b>(272)</b>	<b>(5,013)</b>	<b>(5,285)</b>
Additions	(191)	(3,509)	(3,700)
<b>Balance, December 31, 2019</b>	<b>(\$ 463)</b>	<b>(\$ 8,522)</b>	<b>(\$ 8,985)</b>
<b><u>Net book value, December 31, 2018</u></b>	<b>\$ 636</b>	<b>\$ 11,697</b>	<b>\$ 12,333</b>
<b><u>Net book value, December 31, 2019</u></b>	<b>\$ 3,526</b>	<b>\$ 8,188</b>	<b>\$ 11,714</b>

## 6. Right-of-use asset

	<u>Corporate property lease</u>
<b><u>Cost</u></b>	
Balance, December 31, 2018	\$ -
Opening balance adjustment for adopting IFRS 16	73,373
<b>Balance, January 1 and December 31, 2019</b>	<b>\$ 73,373</b>
<b><u>Accumulated depreciation</u></b>	
Balance, December 31, 2018	\$ -
Opening balance adjustment for adopting IFRS 16	(4,733)
<b>Balance, January 1, 2019</b>	<b>(4,733)</b>
Additions	(28,403)
<b>Balance, December 31, 2019</b>	<b>(\$ 33,136)</b>
<b><u>Net book value, December 31, 2018</u></b>	<b>\$ -</b>
<b><u>Net book value, Adjusted January 1, 2019</u></b>	<b>\$ 68,640</b>
<b><u>Net book value, December 31, 2019</u></b>	<b>\$ 40,237</b>

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

### 7. Accounts payable and accrued liabilities

	As at December 31,	
	2019	2018
Accounts payable	\$ 191,029	\$ 56,802
Accrued liabilities	86,000	54,000
Payroll deductions payable	100,162	33,072
	<b>\$ 377,191</b>	<b>\$ 143,874</b>

### 8. Other payables

As at December 31, 2019 the Company has a balance of \$15,000 subscription proceeds received from an investor for a financing campaign pending to close.

### 9. Lease liability

	Lease liability
<b>Balance, December 31, 2018</b>	\$ -
Opening balance adjustment for adopting IFRS 16	73,373
Rent payable	(6,000)
Interest	2,315
<b>Balance, January 1, 2019, adjusted for adopting IFRS 16</b>	<b>\$ 69,688</b>
Rent payable	(36,000)
Interest	11,141
<b>Balance, December 31, 2019</b>	<b>\$ 44,829</b>
Current	30,313
Long-term	14,516
	<b>\$ 44,829</b>

(See Note 4 – First time adoption of new accounting policy)

### 10. Promissory notes payable

	Promissory notes
<b>Balance, January 1, 2019</b>	\$ -
Principal	206,100
Interest accrued	6,862
Debt restructuring gain	(64,275)
<b>Balance, December 31, 2019</b>	<b>\$ 148,687</b>
Current	7,502
Long-term	141,185
	<b>\$ 148,687</b>

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

1) 2019 Q2 issuance:

On May 24, 2019 and June 28, 2019, the Company issued promissory notes of \$84,000 in total, with interest rate of 10% per annum, for the purpose of maintenance of the Company's operating fund.

On June 30, 2019, the Company and the promissory notes holders agreed to extend the maturity periods of these promissory notes of 24 months each. Pursuant which the Company extinguished the previous promissory notes with \$26,852 gains of debt restructuring gain recognized.

2) 2019 Q3 issuance:

From July 15, 2019 to September 19, 2019, the Company further issued total of \$114,600 promissory notes with interest rate of 10% per annum.

On September 25, 2019, the Company and the promissory notes holders agreed to extend the maturity period of the above promissory notes of 24 months each. Pursuant which the Company extinguished the previous promissory notes issued between July 15, 2019 and September 19, 2019, with further \$37,423 gains of debt restructuring gain recognized.

3) 2019 Q4 issuance:

On December 30, 2019, the Company further issued promissory notes of \$7,500 in total, with interest rate of 10% per annum, and expiry date on March 31, 2020, for the purpose of maintenance of the Company's operating fund.

A summary of the Company's promissory notes issuance is as below:

Date of issuance	Notes payable	Gain	Interest	Balance as at December 31, 2019	Original expiry date	Extended expiry date
<b><u>2019 Q2 issuance:</u></b>						
May 24, 2019	\$ 51,000	(\$ 15,742)	\$ 2,334	\$ 37,592	June 30, 2019	June 30, 2021
June 28, 2019	33,000	(11,111)	1,136	23,025	September 28, 2019	September 28, 2021
	<u>84,000</u>	<u>(26,853)</u>	<u>3,470</u>	<u>60,617</u>		
<b><u>2019 Q3 issuance:</u></b>						
July 15, 2019	22,500	(7,170)	868	16,198	October 15, 2019	October 15, 2021
July 31, 2019	33,000	(10,653)	1,119	23,466	October 31, 2019	October 31, 2021
August 15, 2019	15,000	(4,900)	443	10,543	November 15, 2019	November 15, 2021
August 31, 2019	12,300	(4,063)	307	8,544	November 30, 2019	November 30, 2021
September 13, 2019	19,800	(6,617)	419	13,602	December 15, 2019	December 15, 2021
September 19, 2019	12,000	(4,019)	234	8,215	December 19, 2019	December 19, 2021
	<u>114,600</u>	<u>(37,422)</u>	<u>3,390</u>	<u>80,568</u>		
<b><u>2019 Q4 issuance:</u></b>						
December 30, 2019	7,500	-	2	7,502	March 31, 2020	
	<u>\$ 206,100</u>	<u>(\$64,275)</u>	<u>\$ 6,862</u>	<u>\$ 148,687</u>		

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

### 11. Share Capital

#### Authorized

Unlimited common shares

	Note	Number of Shares	Amount
<b>Balance as at March 2, 2018</b>		-	\$ -
Shares for proceeds	a)	31,500,003	280,000
Shares for settlement of debt	b)	16,499,999	125,000
Shares for services	c)	3,700,000	74,000
Share issuance cost			(182)
Conversion of special warrants	d)	20,924,745	893,887
<b>Balance as at December 31, 2018</b>		<b>72,624,747</b>	<b>\$ 1,372,705</b>
Recall shares issued for services	e), f)	(2,250,000)	(45,000)
Shares for proceeds	g)	2,160,000	216,000
Share issuance cost			(42)
<b>Balance as at December 31, 2019</b>		<b>72,534,747</b>	<b>\$ 1,543,663</b>

a) On March 19, 2018, the Company closed 1) a private placement equity financing of \$116,667 and issued 23,333,336 common shares for net proceeds of \$280,000; 2) On March 23, 2018, the Company closed a private placement equity financing of \$163,333 and issued 8,166,667 common shares.

b) On March 20, 2018, the Company entered into debt settlement agreements and issued 13,666,666 common shares in settlement of \$68,333 of accounts payable.

On March 23, 2018, the Company entered into debt settlement agreements and issued 2,833,333 common shares in settlement of \$56,667 of accounts payable.

c) On March 27, 2018, the Company closed a private placement equity financing of \$74,000 and issued 3,700,000 common shares. \$74,000 were used in exchange for services for a net value of \$74,000. The transaction was measured based on the fair value of the shares issued which is determined by the most recent share transaction price.

d) As the Company has not completed any activities of listing or business combination within one hundred and eighty days following the issuance date of the above three tranches Special Warrants, the Special Warrants issued on March 29, 2018, May 28, 2018 and June 15, 2018 were automatically converted into Common Shares following the issuance dates for each tranche on May 25, 2019, November 24, 2019 and December 18, 2019, respectively and increased in total of 20,947,745 Common Shares.

e) On January 16, 2019, the Company incurred \$10,000 to recall 500,000 common shares that were issued for services to a former service provider upon termination of the service agreement.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

- f) On July 12, 2019, the Company cancelled 1,750,000 unreleased common shares issued at a price of \$0.02 per share to the former management personnel of the Company in accordance with consulting agreement entered during the year ended December 31, 2018.
- g) On October 2, 2019, The Company issued 500,000 common shares through same numbers of performance warrants (“P-warrants”) granted and exercised with net proceeds of \$50,000 received and \$1,350 fair value warrants expenses recognized. On October 8, 2019 The Company issued 1,660,000 common shares through same numbers of performance warrants (“P-warrants”) granted and exercised with net proceeds of \$165,958 received and \$4,482 fair value warrants expenses recognized.

### 12. Special Warrants

	Note	Number of Special Warrants	Amount
<b>Balance as at March 2, 2018</b>		-	-
Private Placement (March 29, 2018)	a)	16,574,745	\$ 621,433
Private Placement (May 28, 2018)	b)	2,100,000	78,981
Private Placement (June 21, 2018)	c)	2,250,000	194,237
		<u>20,924,745</u>	<u>894,651</u>
Special warrant issuance cost			(764)
		<u>20,924,745</u>	<u>893,887</u>
Conversion to common shares	d)	<u>(20,924,745)</u>	<u>(893,887)</u>
<b>Balance as at December 31, 2019 and 2018</b>		<u>-</u>	<u>\$ -</u>

- a) On March 29, 2018 the Company closed a private placement equity financing and issued 16,574,745 Special Warrant Units (“SPU”) at a price of \$0.05 per Unit. Each “SPU” consists of one special warrant of the Company and one-half of one common share purchase warrant (each whole warrant a “Warrant”). Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.15 for a period expiring 24 months after the Closing Date. The fair value of special warrants and the common share purchase warrants attached to the “SPU” was estimated to be \$621,433 and \$207,304 specifically, with reference to the Black-Scholes option pricing model with the following assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free rate of 1.780%; (iv) unit price of \$0.05; (v) forfeiture rate of 0; (vi) expected life of two years. Out of the total 16,574,745 “SPU” issued, 2,300,000 “SPU” were issued for exchanging of services.

The Special Warrants would be converted to Common Shares and Warrants automatically earlier of: (i) the listing of the Company’s Common Shares on a Recognized Stock Exchange; and (ii) either (A) the receipt of a passport decision evidencing a receipt on behalf of each of the applicable securities commissions or other regulatory authorities for a final prospectus prepared by the Company qualifying the distribution of the Common Shares, Warrants and Warrant Shares underlying the Special Warrants; or (B) a merger, combination, reverse take-over, amalgamation, plan or arrangement, qualifying transaction or other form of business combination with or into any other person, the securities of which are listed on a Recognized Stock Exchange which results in the Special Warrants (and the underlying securities) issued to be freely tradeable securities of the Company; (iii) one hundred and eighty (180) days following the issuance date of the Special Warrants.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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- b) On May 28, 2018 the Company closed a private placement equity financing and issued 2,100,000 Special Warrant Units (“SPU”) at a price of \$0.05 per Unit. Each “SPU” consists of one special warrant of the Company and one-half of one common share purchase warrant (each whole warrant a “Warrant”). Each Warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.15 for a period expiring 24 months after the Closing Date. The fair value of special warrants and the common share purchase warrants attached to the “SPU” was estimated to be \$78,981 and \$26,019 specifically, with reference to the Black-Scholes option pricing model with the following assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free rate of 1.880%; (iv) unit price of \$0.05; (v) forfeiture rate of 0; (vi) expected life of two years.

The Special Warrants would be converted to Common Shares and Warrants automatically earlier of: (i) the listing of the Company’s Common Shares on a Recognized Stock Exchange; and (ii) either (A) the receipt of a passed decision evidencing a receipt on behalf of each of the applicable securities commissions or other regulatory authorities for a final prospectus prepared by the Company qualifying the distribution of the Common Shares, Warrants and Warrant Shares underlying the Special Warrants; or (B) a merger, combination, reverse take-over, amalgamation, plan or arrangement, qualifying transaction or other form of business combination with or into any other person, the securities of which are listed on a Recognized Stock Exchange which results in the Special Warrants (and the underlying securities) issued to be freely tradeable securities of the Company; (iii) one hundred and eighty (180) days following the issuance date of the Special Warrants.

- c) On June 21, 2018 the Company closed a private placement equity financing and issued 2,250,000 Special Warrant Units (“SPU”) at a price of \$0.10 per Unit. Each “SPU” consists of one special warrant of the Company and one common share purchase warrant (each whole warrant a “Warrant”). Each Warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.30 for a period expiring 12 months after the Closing Date. The fair value of special warrants and the common share purchase warrants attached to the “SPU” was estimated to be \$193,473 and \$30,647 specifically, after deduction of \$881 share issuance cost, with reference to the Black-Scholes option pricing model with the following assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free rate of 1.880%; (iv) unit price of \$0.10; (v) forfeiture rate of 0; (vi) expected life of one year.

The Special Warrants would be converted to Common Shares and Warrants automatically earlier of: (i) the listing of the Company’s Common Shares on a Recognized Stock Exchange; and (ii) either (A) the receipt of a passed decision evidencing a receipt on behalf of each of the applicable securities commissions or other regulatory authorities for a final prospectus prepared by the Company qualifying the distribution of the Common Shares, Warrants and Warrant Shares underlying the Special Warrants; or (B) a merger, combination, reverse take-over, amalgamation, plan or arrangement, qualifying transaction or other form of business combination with or into any other person, the securities of which are listed on a Recognized Stock Exchange which results in the Special Warrants (and the underlying securities) issued to be freely tradeable securities of the Company; (iii) one hundred and eighty (180) days following the issuance date of the Special Warrants.



# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

- d) As the Company has not completed any activities of listing or business combination within one hundred and eighty days following the issuance date of the above three tranches Special Warrants, the Special Warrants issued on March 29, 2018, May 28, 2018 and June 21, 2018 were automatically converted into Common Shares following the issuance dates for each tranche on May 25, 2018, November 24, 2018 and December 18, 2018, respectively and issuance a total of 20,947,745 Common Shares.

### 13. Warrants Reserve

	Note	Number of Warrants	Balance
<b>Balance as at March 2, 2018</b>		-	-
Private Placement (March 29, 2018)	12a	8,287,373	\$ 207,304
Private Placement (May 28, 2018)	12b	1,050,000	26,019
Private Placement (June 21, 2018)	12c	2,250,000	30,764
		<b>11,587,373</b>	<b>264,087</b>
Warrant issuance cost			(117)
<b>Balance as at December 31, 2018</b>		<b>11,587,373</b>	<b>\$ 263,970</b>
Performance warrants issuance	11g	2,160,000	5,832
Performance warrants exercise	11g	(2,160,000)	(5,832)
<b>Balance as at December 31, 2019</b>		<b>11,587,373</b>	<b>\$ 263,970</b>

The fair value of the warrants outstanding at December 31, 2019 is estimated using the Black-Scholes option pricing model at the issuance date with the following weighted average inputs and assumptions as the following:

Issue Date	Warrants outstanding	Exercise price	Expiry date	Fair value at issue date
March 29, 2018	8,287,373	\$0.15	March 29, 2020	\$ 207,304
May 28, 2018	1,050,000	\$0.15	May 29, 2019	26,019
June 21, 2018	2,250,000	\$0.30	June 21, 2020	30,764
				<b>\$ 264,087</b>
Warrant issuance cost				(117)
	<b>11,587,373</b>			<b>\$ 263,970</b>

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

### 14. Stock option reserve

#### Stock option reserve:

The Company issued stock options when necessary to its employees and contractors according to its stock option plan as part of compensation in exchange of services. As at December 31, 2019, the Company had outstanding stock options as following:

Grant Date	Options Outstanding	Exercise Price	Fair Value (per option)	Expiry Date	Total value
October 20, 2018	600,000	\$0.10	\$0.0596	October 20, 2021	\$ 35,760
October 20, 2018	50,000	\$0.10	\$0.0505	October 20, 2020	2,525
November 1, 2018	187,500	\$0.10	\$0.1582	November 1, 2020	29,654
November 7, 2018	50,000	\$0.10	\$0.0505	November 7, 2020	2,525
February 1, 2019	50,000	\$0.10	\$0.0360	February 1, 2020	1,800
March 1, 2019	50,000	\$0.10	\$0.0360	March 1, 2020	1,800
April 1, 2019	50,000	\$0.10	\$0.0360	April 1, 2020	1,800
April 25, 2019	100,000	\$0.10	\$0.0502	April 25, 2021	5,020
May 1, 2019	50,000	\$0.10	\$0.0360	May 1, 2020	1,800
September 1, 2019	900,000	\$0.10	\$0.0501	September 1, 2021	45,090
September 3, 2019	1,175,000	\$0.10	\$0.0505	September 3, 2021	59,338
September 25, 2019	1,540,000	\$0.10	\$0.0502	September 25, 2021	77,308
September 30, 2019	1,000,000	\$0.10	\$0.0506	September 30, 2021	50,600
	<b>5,802,500</b>				<b>\$ 315,020</b>

- On October 4, 2018, the Company granted 30,000 stock options to employees. Each option is exercisable into one common share of the Company at an exercise price of \$0.20, with an expiring period of two years from the date the options were granted. The stock options will be vested in six quarters from the grant date. These stock options were cancelled in July 2019.
- On October 20, 2018, the Company granted 1,650,000 stock options to employees and consultants. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 with an expiring period of two to three years from the date the options were granted. 150,000 options vested immediately upon grant date; 1,000,000 options will be vesting over 24 months on quarterly basis; 500,000 options will be vesting over 18 months on quarterly basis. 1,000,000 of the total 1,650,000 stock options were cancelled in July 2019.
- On November 1, 2018, the Company granted 500,000 stock options to an employee. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 with an expiring period of two years from the date the options were granted and the options will be vesting over 24 months on quarterly basis. 312,500 of the total 500,000 stock options were cancelled in July 2019.
- On November 7, 2018, the Company granted 50,000 stock options to employees and consultants. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 with an expiring period of two years from the date the options were granted. The stock options will be vested over six quarters starting from the grant date.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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- e) The Company granted 175,000 stock options on February 1, 2019, March 1, 2019, April 1, 2019 and May 1, 2019, respectively, to two officers. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of one year from the date of granted. All 700,000 stock options were vested immediately on grant date. 125,000 of the 175,000 stock options of each granted tranche above were cancelled in July 2019, total cancellation of stock options 500,000.
- f) On April 25, 2019, the Company granted 100,000 stock options to an employee. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of two years from the date of the options were granted. The stock options will be vested over four quarters starting from the grant date.
- g) On July 12, 2019, the Company cancelled 1,842,500 stock options granted to the former management personnel of the Company in accordance with consulting agreement entered during the year ended December 31, 2018.
- h) On September 1, 2019 and September 30, 2019, the Company granted 900,000 and 1,000,000 stock options to employees, respectively. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of two years from the date of the options were granted. The stock options will be vested in batches on various basis pursuant agreement between the employees and the Company.
- i) On September 3, 2019 and September 25, 2019, the Company granted 1,175,000 and 1,540,000 stock options to its CEO and Directors of the Board. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of two years from the date of the options were granted. The stock options will be vested in batches on various basis pursuant agreement between the stock option holders and the Company.

The summary of stock options grant for the period from March 2, 2018 to December 31, 2019 is presented below:

<b>Outstanding, March 2, 2018</b>	-
Granted	2,230,000
Vested	(150,000)
<b>Outstanding, unvested December 31, 2018</b>	<u>2,080,000</u>
Granted	5,415,000
Vested	(3,087,500)
Cancelled	(1,842,500)
<b>Outstanding unvested, December 31, 2019</b>	<u><u>2,565,000</u></u>

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

Range of Exercise Prices	Options Outstanding		Options Exercisable	
	Options Outstanding	Weighted Average Remaining Contractual Life	Options Exercisable	Weighted Average Exercise Price
\$0.10	5,802,500	1.62	3,237,500	\$0.10

The weighted-average grant-date fair value of option granted during the period from date of inception (March 2, 2018) to December 31, 2018 and the year ended December 31, 2019 are \$0.059 and \$0.10 respectively. The total compensation expense recognized during the period from inception date (March 2, 2018) to December 31, 2018 and the year ended December 31, 2019 are \$35,808 and \$285,044, respectively. The expense is included as stock-based compensation in the Company's statements of operations. Key assumptions used in the valuation for stock options issued in the year ended December 31, 2019 including forfeitures are accounted for on an individual basis: average risk-free rate – 1.611%; expected dividend yield – 0%; weighted average expected terms: 1.62 years; volatility – 120% and underlying stock price: \$0.10, (period from inception date (March 2, 2018 to December 31, 2018: average risk-free rate – 2.268%; expected dividend yield – 0%; weighted average expected terms: 2.52 years; volatility – 120% and underlying stock price: \$0.0864).

### 15. Contributed Surplus

	Note	Balance
<b>Balance, December 31, 2018</b>		\$ -
Recall shares issued for services	11(f)	35,000
Exercise of performance warrants	11(g)	5,832
<b>Balance, December 31, 2019</b>		<b>\$ 40,832</b>

### 16. Corporate financing expenses

The Company incurred the following financial expenses in the year ended December 31, 2019 and period from date of inception (March 2, 2018) to December 31, 2018, for consulting services relate to general corporate financing:

		Year ended December 31, 2019	Period ended December 31, 2018
Shares issued for services	a)	\$ -	\$ 74,000
Consulting fees		-	405,000
		<b>\$ -</b>	<b>\$ 479,000</b>

- a) During the period ended December 31, 2018, the Company issued 3,700,000 common shares equal to \$74,000 to third party consultants in structuring its financing activities (See Note 11).

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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### 17. Related Party Transactions

The Company's key management includes CEO, CFO, CMO, Directors of the Board. Transactions with related parties include salaries and service fees; shares and stock options issued for services, etc.

The Company had \$24,000 due to officers as at December 31, 2019; (\$14,947 as at December 31, 2018).

For the year ended December 31, 2019 and period from date of inception (March 2, 2018) to December 31, 2018, the Company paid \$90,742 and \$37,500 salaries and service fees to its key management. \$24,000 service fee due to key management was accrued in the year ended December 31, 2019.

Nil common shares issued to the Company's related parties in the year ended December 31, 2019 (period from date of inception (March 2, 2018) to December 31, 2018: 3,000,000 common shares issued to the Company's related parties, out of which 1,750,000 unreleased common shares were cancelled in July 2019).

In the year ended December 31, 2019, 3,415,000 stock options were granted to the Company's related parties as compensation for services, Total \$185,519 of fair value vested for stock options granted to related parties were recorded in the year ended December 31, 2019. In the period from date of inception (March 2, 2018) to December 31, 2018, the Company had issued 2,000,000 stock options issued to the Company's related parties as compensation for services, \$26,367 of the fair value vested and recorded in the period.

500,000 stock options out of the total 3,415,000 granted stock options granted in 2019 were cancelled in July 2019 and 1,312,500 of the total 2,000,000 stock options granted in 2018 were cancelled in July 2019.

### 18. Financial Instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

#### (a) Fair value

Financial instruments included in the statement of the financial position as at December 31, 2019 consist of cash, accounts payable and accrued liabilities and promissory notes payable with year-end carrying amount which approximates their respective fair values.

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises the following types of risk: credit risk, foreign exchange risk, liquidity risk and cash flow risk.

#### (c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to the liquidity of its cash and receivable balance. As at December 31, 2019, the Company carried \$Nil trade receivable.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

### (d) Foreign exchange risk

The Company is not exposed to any significant foreign exchange risk. The Company did not have any hedges or any other transactions related to foreign currency clearance at the time that these financial statements were issued. In the opinion of management, the foreign exchange risk exposure to the Company is low.

### (e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company actively manages its liquidity risk through cash and equity management strategies. Such strategies include continuously monitoring forecasted and actual cash flows from operating, financing and investing activities.

The Company's cash flow is generated from debt financing or equity raises.

The Company monitors cash on a regular basis and reviews expenses to ensure costs and commitments are being paid in a timely manner. Management has worked with and negotiated with vendors to ensure payment arrangements are satisfactory to all parties and that monthly cash commitments are managed within the Company's operating cash flow capabilities.

As at December 31, 2019, the Company has cash balance of \$15,424. The following table summaries amount and maturity dates of the Company's contractual obligations as of December 31, 2019:

	Within 1 year	1-3 year	Total
Accounts payable and accrued liabilities	\$ 377,191	\$ -	\$ 377,191
Deferred subscription receipt	15,000	-	15,000
Promissory notes payable	7,502	141,185	148,687
	<b>\$ 399,693</b>	<b>\$ 141,185</b>	<b>\$ 540,878</b>

### (f) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount, such as a debt instrument held with a floating interest rate. In the opinion of management, the cash flow risk exposure to the Company is low.

## 19. Income Taxes

Income tax expense varies from the amount that would be computed by applying the basic federal and provincial tax rates to income (loss) from operations before income taxes, shown as follows:

Expiry Year	Amount
2038	\$ 792,475
2039	1,079,506
	<b>\$ 1,871,981</b>

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

Deferred income taxes reflect the impact of loss carry forwards and of temporary differences between amounts of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws. The following deferred tax assets and liabilities have been recognized for accounting purposes:

	<b>Dec 31, 2019</b>	<b>Dec 31, 2018</b>
Deferred tax asset	\$ 11,452	\$ -
Deferred tax liability	(11,451)	-
<b>Net deferred tax liability</b>	<b>\$ -</b>	<b>\$ -</b>

A reconciliation of income taxes at statutory rates is as follows:

	<b>December 31, 2019</b>	<b>December 31, 2018</b>
Net income (loss) before recovery of income taxes	\$ (1,277,250)	\$ (1,312,473)
Effective tax rate	26.50%	26.50%
Effectuated income tax (recovery)	(338,471)	(347,805)
Tax effects of:		
Non-deductible expenses and other deductions	75,928	9,767
Change in tax benefits not recognized	262,543	338,038
Income tax (recovery) expense	<b>\$ -</b>	<b>\$ -</b>

## 20. Capital Management

The Company includes equity, comprised of share capital, special warrants, warrant, stock option reserve, contributed surplus and deficit, in the definition of capital. The Company's objectives when managing capital are as follows:

- (i) To safeguard the Company's assets and ensure the Company's ability to continue as a going concern; and
- (ii) To raise sufficient capital to achieve the ongoing business objectives including funding of future growth opportunities and meeting its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it, based on general economic conditions, the Company's short-term working capital requirements, and its planned capital requirements and strategic growth initiatives.

The Company's principal source of capital is from the issuance of common shares or special warrants. In order to achieve its objectives, the Company expects to spend its working capital, when applicable, and raise additional funds as required.

The Company does not have any externally imposed capital requirements.

# Agile Blockchain Corp.

## Notes to the Financial Statements

Year ended December 31, 2019 and period from March 02, 2018 to December 31, 2018

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### 21. Subsequent Events

#### Promissory notes issuance

On January 14, 2020, January 31, 2020, February 14, 2020 and February 28, 2020 the Company has issued further promissory notes in total of \$21,000, \$22,500, \$19,500 and \$30,000 for purpose of maintenance of the Company's operating fund. All promissory notes issued with interest rate of 10% per annum and due in three months from the date of issuance according to the promissory notes agreement.

#### Promissory notes extension

Subsequent to December 31, 2019, the Company has extended maturing date of \$70,500 promissory notes to twenty-four months since their original expiry date:

<b>Date of issuance</b>	<b>Notes issued</b>	<b>Original expiry date</b>	<b>Extended expiry date</b>
December 30, 2019	\$ 7,500	March 31, 2020	March 31, 2022
January 14, 2020	21,000	April 14, 2020	April 14, 2022
January 31, 2020	22,500	April 30, 2020	April 30, 2022
February 14, 2020	19,500	May 14, 2020	May 14, 2022
	<b>\$ 70,500</b>		

#### Closing of private placements

On April 1, 2020, the Company closed a private placement equity financing and issued 87,999 Common Shares of the Company, at a price of \$0.15 per share, with gross proceeds \$13,200 raised and received.

On April 15, 2020, the Company closed a private placement equity financing and issued 4,786,700 Common Shares of the Company, at a price of \$0.15 per share, with gross proceeds \$718,005 raised and received.

#### COVID-19

Subsequent to year-end, in March 2020, global financial markets have experienced a disruption as a result of the novel corona virus (COVID-19) pandemic. The impact on the Company is not currently determinable. Management is actively monitoring and responding to these developments in financial market



**Agile Blockchain Corp.**



**Management’s Discussion and Analysis  
Quarterly Highlights for Venture Issuers**

For the period ended December 31, 2018

Prepared as of March 21, 2019

1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600,  
Vancouver, British Columbia, V7X 1T2.

**GENERAL**

The following Management Discussion and Analysis (“MD&A”) presents an analysis of the financial conditions of Agile Blockchain Corp. (referred to as “Agile” or the “Company”) as at and for the period ended December 31, 2018. The financial information presented in this MD&A is derived from the Company’s audited financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). There are no non-IFRS financial measures included in this MD&A. As this is the first year of operation for the Company, no comparison financial information is applicable for this MD&A.

This MD&A is the responsibility of management. Prior to its release, the Company’s Board of Directors (the “Board”) approved this MD&A on the Audit Committee’s recommendation. The Company presents its financial statements in Canadian dollars. Amounts in this MD&A are stated in Canadian Dollars unless otherwise indicated.

Unless otherwise noted or the context indicates otherwise, “we”, “us”, “our”, the “Company” or “Agile” refer to Agile Blockchain Corp.

Additional information with respect to the Company, including interim filings, audited financial statements and annual information form can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

## CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain information included in this MD&A may constitute forward-looking statements. Statements in this MD&A 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. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption, goal, guidance, objective, outlook, project, strategy, target* and other similar expressions or future or conditional verbs such as *aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive, and will*. In this MD&A, forward-looking statements include such statements as:

- that the Company will be raising sufficient capital to achieve its immediate goals and to continue to build out its technology platforms;
- the Company believes that there will be significant demand for the Company's new products in the market, and these products will significantly increase revenue for the Company, and the Company is optimistic that this will be reflected in future results;
- the Company believes in its ability to generate new revenue from the news tracking services line, promotions and consumer fees for premium features, and data analytics services;
- the Company believes that the technologies and blockchain-related features make it well positioned for market opportunities when there is a resurgence in activity and adoption of blockchain;
- that the Company will continue to review and prioritize its expenditures to best use its cash resources that its expectation that cash expenses will be further streamlined in the near term;
- that the Company is exploring licensing opportunities for its technology into geographies and verticals in which it currently does not have a presence;
- the Company believes in its ability to raise additional capital needed to fund operations.

Readers are cautioned not to put undue reliance on forward-looking statements. Unless otherwise indicated by us, forward-looking statements in this MD&A describe our expectations as at December 31, 2018 and, accordingly, are subject to change after that date. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in, or implied by, such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statements will materialize and we caution you against relying on any of these forward-looking statements. Forward-looking statements are presented in this MD&A, for the purpose of assisting investors and others in understanding our objectives, strategic priorities and business outlook as well as our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes. The forward-looking statements in this MD&A are based on, among other things, the following assumptions:

- the Company will be able to achieve its business objectives;

- the Company will be able to develop proprietary software to implement its plans;
- the Company will be successful in obtaining and retaining clients and licensees for its software;
- the blockchain platform will continue to develop and grow in utilization and adoption in the world;
- the Company will be able to expand its operations successfully in new geographic markets and industries;

The forward-looking statements in this MD&A are subject to, among other things, the following risks:

- the Company's operations are dependent on key technical personnel, and the loss of such personnel could have a significant impact on the Company's ability to conduct its activities;
- competition;
- currency fluctuations and exchange rates;
- the Company's ability to continue as a going concern;
- the Company may not be able to obtain all necessary funding for its operations, on terms satisfactory to the Company or at all;
- credit risk;
- the Company's dependence on information technology systems;
- risks that the Company's software and applications may contain security problems, security vulnerabilities, or defects in design or manufacture, including "bugs" and other problems that could interfere with the intended operation of its software;
- risks related to the volatility of customer demand for Agile's products;
- risks associated with cyber security and privacy violations, in particular given the Company's operations are highly dependent on online technologies and the Company obtains a significant amount of personal information in the course of operations;
- risks associated with having customers in the cannabis industry, which remain illegal in certain jurisdictions;
- risks associated with the adoption and development of blockchain platforms;
- the Company may not be able to successfully expand its operations beyond the Canadian marketplace or into industries other than the Company's current industry focus;

We have made certain economic, market and operational assumptions in preparing the forward-looking statements contained in this MD&A. If our assumptions turn out to be inaccurate, our actual results could be materially different from what we expect.

Important risk factors including, without limitation, competitive, regulatory, economic, financial, operational, technological and other risks that could cause actual results or events to differ materially from those expressed in, or implied by, the previously-mentioned forward-looking statements.

We caution readers that the risks described in this MD&A are not the only ones that could affect us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our financial position, financial performance, cash flows, business or reputation.

Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any special items or of any dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after March 21, 2019. The financial impact of these transactions and special items can be complex and depends on facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way, or in the same way we present known risks affecting our business.

## SELECTED FINANCIAL INFORMATION

The following is a breakdown of Company overall operational highlights for the period from date of inception (March 2, 2018 to December 31, 2018):

	<b>Period ended December 31, 2018</b>
	\$
Sales	-
Business development	218,572
Management fees	125,000
Professional and consulting fees	148,971
Salaries and benefits	105,706
General and administrative expenses	134,538
Marketing	62,791
Financial expenses	479,000
Share-based compensation	35,808
Total operating Expenses	(1,315,671)
Net loss	(1,312,473)
Loss per share	(0.02)
Weighted average shares outstanding	54,059,783

## SELECTED QUARTERLY FINANCIAL INFORMATION

The following table shows selected financial information related to the Company for the periods indicated. The information contained in this table should be read in conjunction with the Company's financial statements. An analysis of the information contained in this table is set out below under "Liquidity and Capital Resources" and "Results of Operations"

Three Months Ended	Revenues	Net Loss		Total Assets	Long-term Liabilities
		Total	Per Share		
30-Jun-17	Nil	Nil	Nil	Nil	Nil
30-Sep-17	Nil	Nil	Nil	Nil	Nil
31-Dec-17	Nil	Nil	Nil	Nil	Nil
31-Mar-18	Nil	(\$199,000)	(\$0.01)	\$1,108,527	Nil
30-Jun-18	Nil	(\$340,128)	(\$0.01)	\$1,106,963	Nil
30-Sep-18	Nil	(\$320,487)	(\$0.02)	\$799,240	Nil
31-Dec-18	Nil	(\$452,858)	(\$0.01)	\$503,884	Nil

## LIQUIDITY AND CAPITAL RESOURCES

	As At December 31, 2018
	\$
Cash and cash held in trust	417,510
Property, plant and equipment	12,333
Total assets	503,884
Accounts payable and accrued liabilities	143,874
Total liabilities	143,874
Total shareholders' equity	360,010
Net working capital	347,677
	Period Ended December 31, 2018
Cash used in operating activities	(1,002,547)
Cash flow used in investing activities	(17,618)
Cash flow from financing activities	1,437,675

As at December 31, 2018, the Company had a working capital of \$347,677 which included cash and cash equivalents of \$417,510.

Agile had raised net proceeds of \$1,437,675 in private placements through issuance of common shares and special warrants in March, May and June 2018.

Agile has access to working capital through equity financings or debt financings, if required to finance its growth plans and expansion into new international markets. The Company has been successful in raising sufficient working capital since the inception of its operation.

## **COMPANY OVERVIEW**

Agile was formed to capitalize on the opportunities available in blockchain technology development. Since incorporation, Agile has begun development work on its first proprietary blockchain decentralized applications (“**BDA**”). The first of these is a supply chain focused permission based blockchain that will be expanded to accommodate client firms in various supply chain channels with the objective of increasing client operational efficiencies while limiting their costs. The second BDA is a tracker system based on LTE technology. Cell phone networks based on GSM technology are being phased out and even now GSM towers that develop problems are simply shut down rather than fixed. Long-Term Evolution (“**LTE**”) is a 4G technology that will also operate on the 5G system that will eventually replace current infrastructure. Agile’s proprietary tracking system allows customers to actively track their assets and optimize their operations. By registering the trackers on Agile’s supply chain blockchain, Agile can become immediately aware if malware appears on a tracker and shut it down before further damage occurs to a customer’s operations. Agile has trackers operational at customer firms at present and our supply chain blockchain is undergoing continuing development to onboard entities all along a manufacturing supply chain.

### **Business of Agile**

Agile is a software development company specializing in the development and deployment of asset tracking technology and supply chain optimization utilizing a proprietary blockchain solution. Agile intends to establish itself as a strong and growing presence in blockchain technology and innovation. Its goal is to generate “early mover advantage” as one of the very few public companies focused on exposing investors to multiple blockchain applications with a fully integrated solution.

Agile’s business model and strategy are based on demonstrating the efficiency gains attainable using blockchain technology and onboard a critical mass of companies who have various intertwined relationships. Agile intends to utilize the ‘Network Effect’ and implement a strategy of quick onboarding and benefits demonstration.

### ***Blockchain Decentralized Applications***

Agile has developed and continues to upgrade its own proprietary supply chain focused blockchain. Blockchain software is essentially a distributed ledger that allows for low cost, highly-verified content of registration data, which Agile’s supply chain focus will allow the direct communication of relevant information to permissioned parties. This distributed ledger will also maintain a registration history of all transactions.

Agile's supply chain ecosystem allows for the disruption of supply chain management software. Supply chain management software enables a single entity to monitor, measure and manage its inventory and supply management. The problems occur when this version of reality conflicts with the version of reality employed at the company's suppliers and customers. This conflict is a regular occurrence that can be alleviated by the use of a single 'channel' that contains the reality as seen by every entity permissioned to see that information. The efficiency gains realized by the Agile enabled system are large and include the reduction of communications and miscommunication between multiple entities.

Agile intends to operate its blockchain enabled network as Software as a Service ("SaaS"). Agile's client firms will be able to utilize their current software infrastructure without interruption while APIs connect to their currently installed software and provide the 'arguments' in transactions that are deployed on our blockchain. Agile will not replace client's database or other programs, but rather conducts and registers transactions of all descriptions; RFP's, purchase orders, invoices, payments and many other transactions. These transactions are registered in this way and are made available to all entities that are enabled by the client firm, thus increasing required visibility and simultaneously reducing the number of required communications.

Agile's proprietary tracking system provides a level of security by registering tracker profiles on the ledger using a 256-bit hash. Any changes to a tracker, as has occurred in the recent past, will automatically change the tracker hash. A mismatch of profiles will trigger a shutdown of the tracker.

Funds raised through the Financing, traditional equity markets and consulting fees will be used to cover development and marketing costs incurred by Agile directly or on behalf of clients. Blockchains built by Agile will earn recurring 'by use' revenue as the developer and operator of the supply chain network and tracker system.

### ***Distribution Methods***

Agile's initial focus will be on developing a network of salaried and commissioned sales staff in various North American locations that have a critical mass of fleet vehicles and fleet management operations. By onboarding fleets to Agile's proprietary tracking system and preparing them for inclusion in the supply chain blockchain, Agile will establish its pipeline of blockchain enabled supply chain customers.

To further establish the brand, Agile has established a blog and social media presence that are continuously updated. In addition, a public relation company and other promotional venues are to be engaged that will further solidify Agile's niche leadership.

### **Result of Operations**

The Company experienced a net loss from operations of \$(1,312,473) for the operation inception period ended December 31, 2018.

### **Expenses**

From the inception of the Company to December 31, 2018, the Company incurred \$1,315,671 expenses in operating activities. The breakdown of expenditures for period ended December 31, 2018 is as follows:

**Business development:** The management team has been participating in multiple industry conferences and promotions in multiple cities including Toronto, Montreal, and Vancouver. The majority of these expenses was spent in the event of building relationships between Agile and industries institutions. The Company is now an early member of Blockchain in Transport Alliance (“BITA”) and has established sound relationships with colleges and universities in Ontario. During the period ended December 31, 2018 the Company incurred business development expenses of \$218,572.

**Management fees:** Compensation paid to the CEO of the Company are under the management fees section. As of December 31, 2018, Miles McDonald was the Chief Executive Officer (“CEO”) of the Company, the total compensation paid to the CEO is \$125,000.

**Professional and consulting fees:** Fees paid to the legal, accounting and other professionals are recorded under the Professional and Consulting Fees, including compensation for Khurram Qureshi, the Chief Financial Officer (“CFO”) of the Company. . As of December 31, 2018. The total professional fees paid was \$148,971.

**Salaries and benefits:** This is the amount of compensation and benefits paid to employees of the Company, including Kirk Fergusson, the Chief Marketing Officer (“CMO”) of the Company, totaled \$105,706.

**General and administrative expense:** the total amount of \$134,538 has been spent on the operation and administration of the Company’s office in Toronto.

**Marketing:** Total \$62,791 was spent on marketing the blockchain solution and the tracking system of the company to designated target clients, as well as the cost spent on promoting the Company in multiple industry conferences.

**Financial expenses:** follow two financings completed on March 19, 2018, the Company incurred two financial expenses, totaled \$74,000 consulting services paid through issuance of common shares; \$125,000 consulting service fee debt settled through issuance of shares and \$280,000 consulting fees paid by cash respectively, in support of closing the private placements of raising operating fund.

**Share-based payments:** The Company amortizes share-based payments with a corresponding increase to the contributed surplus account. During the period, the Company recorded an expense of \$38,508 as a result of issuing 2,230,000 stock options to its management, employees, board of directors and consultants.

**Depreciation:** All tangible assets that the Company has contains multiple computer hardware and software. They are recorded at cost less accumulated amortization, and the Company provides for amortizing using the 30% declining balance to amortize the cost of the property plant, and equipment over their estimated useful lives. The total amortization cost for the fiscal period 2018 is \$5,285.

### **Related Party Balances and Transactions**

The Company’s key management includes CEO, CFO, CMO and Director of the Board. Transactions with related parties includes salaries and services fees; shares and stock options issued for service.

The Company had \$14,947 in amounts due to related parties as at December 31, 2018.



For the period from commencement of the Company, March 2, 2018 to December 31, 2018, the Company paid \$150,875 consulting fees to its officers and \$31,259 to a key management personnel through payroll. 3,000,000 common shares and 2,000,000 stock options (\$3,807 of the fair value vested and recorded in the period) issued to its related parties as compensation for services.

### **Outstanding Share Data**

The Company's authorized capital is an unlimited number of common shares without par value. The following table summarizes the outstanding share capital as of March 21, 2019:

Issued and outstanding common shares:	<b>72,624,747</b>
<b>Warrants</b>	<b>11,587,373</b>
<b>Stock Options</b>	<b>5,802,500</b>

### **RISK FACTORS**

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The Common Shares should be considered highly speculative due to the nature of the Corporation's business and the present stage of its development. In evaluating the Corporation and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Corporation or in connection with the Corporation's operations. There may be other risks and uncertainties that are not known to the Corporation or that the Corporation currently believes are not material but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Common Shares could decline substantially, and investors may lose all or part of the value of the Common Shares held by them. An investment in securities of the Corporation should only be made by persons who can afford a significant or total loss of their investment. There is no market through which these securities may be sold, and purchasers may not be able to resell securities purchased under this Prospectus. Please see "*Management's Discussion and Analysis*" for a description of additional risks affecting the Corporation.

#### ***Risk Factors Related to the Common Shares***

#### **There is currently no public trading market for the Common Shares**

Currently there is no public market for the Common Shares of the Issuer, and there can be no assurance that an active market for the Common Shares will develop or be sustained.

## **Volatility of Stock Price and Market Conditions**

The market price of the Common Shares may be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions and other factors. Market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may adversely affect the market price of the Common Shares, even if the Issuer is successful in maintaining revenues, cash flows or earnings. The purchase of the Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Securities of the Issuer should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Issuer should not constitute a major portion of an investor's portfolio.

## ***Risk Factors Associated with Agile Blockchain's Business***

### **Limited Operating History**

Agile Blockchain has limited operating history. The Issuer and its business prospects must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets such as the blockchain market. There is no certainty that the Issuer will operate profitably.

### **No Profits to Date**

Agile Blockchain has not made profits since its incorporation and it is expected that it will not be profitable for next foreseeable future. Its future profitability will, in particular, depend upon its success in developing and managing a significant number of blockchain based internet platforms, blockchain based software as a service APIs and GPS trackers and to the extent to which any of these platforms, products or services themselves are able to generate significant revenues. Because of the limited operating history, the changes in the business and the uncertainties regarding the development of the blockchain market and blockchain technology, management does not believe that the operating results to date should be regarded as indicators for Agile Blockchain's future performance.

### **Additional Requirements for Capital**

Substantial additional financing may be required if the Issuer is to be successfully develop its blockchain business. No assurances can be given that the Issuer will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer, if at all. If the Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

### **Negative Operating Cash Flow**

Neither the Issuer nor Agile Blockchain generate operating revenue and both have negative cash flow from operating activities. It is anticipated that the Issuer will continue to have negative cash flow in the foreseeable future. Continued losses may have the following consequences:

- (a) increasing the Issuer's vulnerability to general adverse economic and industry conditions;

- (b) limiting the Issuer's ability to obtain additional financing to fund future working capital, capital expenditures, operating costs and other general corporate requirements; and
- (c) limiting the Issuer's flexibility in planning for, or reacting to, changes in its business and industry.

### **Expenses May Not Align with Revenues**

Unexpected events may materially harm Agile Blockchain's ability to align incurred expenses with recognized revenues. Agile Blockchain incurs operating expenses based upon anticipated revenue trends. Since a high percentage of these expenses may be relatively fixed, a delay in recognizing revenues from transactions related to these expenses (such a delay may be due to the factors described elsewhere in this risk factor section or it may be due to other factors) could cause significant variations in operating results from quarter to quarter, and such a delay could materially reduce operating income. If these expenses are not subsequently matched by revenues, Agile Blockchain's business, financial condition, or results of operations could be materially and adversely affected.

### **Development of Blockchain Software**

Blockchain technology is a young and rapidly growing business area. Although it is widely predicted that blockchain solutions and products will become a leading means of securing and tracking transactions, it cannot be assured that this will in fact occur. Currently, blockchain software is dependent on the widespread acceptance of multiple stakeholders with diverse and sometimes divergent interests coming together to use a single solution or product which in essence creates what is known as the network effect, securing this critical mass for optimal business efficacy might be challenging and sometime may not happen. For a number of reasons, including, for example, the lack of recognized security technologies, inefficient processing of transactions, problems in the handling of warranty claims, limited user-friendliness, inconsistent quality, lack of availability of cost-efficient high-speed services and lack of clear universally applicable regulation as well as uncertainties regarding proprietary rights and other legal issues, it can't be ruled out that such blockchain activities may prove in the long run to be an unprofitable means for businesses.

In particular, the factors affecting the further development of the blockchain industry include:

- (a) Worldwide adoption, standardization and usage of blockchain solutions;
- (b) Regulations by governments and/or by organizations directing governmental regulations (such as the European Union) regarding the use and operation of and access to blockchain solutions and products;
- (c) Changes in consumer demographics and public behavior, tastes and preferences;
- (d) The development of other forms of publicly acceptable means of buying, selling tracking and securing transactions of goods and services; and
- (e) General economic conditions and the regulatory environment related to.

## **Market Acceptance**

If Agile Blockchain's products and solutions do not gain market acceptance, its operating results may be negatively affected. Agile Blockchain intends to develop blockchain solutions and products. If the markets for Agile Blockchain's software products and services fail to develop, develop more slowly than expected or become subject to increased competition, its business may suffer. As a result, Agile Blockchain may be unable to: (i) successfully market its blockchain products and solutions; (ii) develop new blockchain products and solutions; or (iii) complete software products and services currently under development. If Agile Blockchain's blockchain products and solutions are not accepted by its customers or by other businesses in the marketplace, Agile Blockchain's business, operating results and financial condition will be materially affected.

## **Global Financial Developments**

Stress in the global financial system may adversely affect Agile Blockchain's finances and operations in ways that may be hard to predict or to defend against. Financial developments seemingly unrelated to Agile Blockchain or to its industry may adversely affect Agile Blockchain over the course of time. For example, material increases in any applicable interest rate benchmarks may increase the debt payment costs for Agile Blockchain's credit facilities. Credit contraction in financial markets may hurt its ability to access credit in the event that Agile Blockchain identifies an acquisition opportunity or require significant access to credit for other reasons. A reduction in credit, combined with reduced economic activity, may adversely affect business. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on Agile Blockchain's business, operating results, and financial condition.

## **Regulatory Risks**

Changes in or more aggressive enforcement of laws and regulations could adversely impact the Issuer's business. Failure or delays in obtaining necessary approvals could have a materially adverse effect on the Issuer's financial condition and results of operations. Furthermore, changes in government, regulations and policies and practices could have an adverse impact on the Issuer's future cash flows, earnings, results of operations and financial condition.

Regulatory agencies could shut down or restrict the use of platforms or blockchain based technologies. This could lead to a loss of any investment made in the Issuer and may trigger regulatory action by the BCSC or other securities regulators.

The legal status of blockchain based solutions (such as smart contracts) and products may vary substantially from country to country and is still undefined and changing in many of them thus leading to varying levels of uncertainty

## **Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change**

The success as a developer of blockchain solutions, products and platforms will depend by and large upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complementary products such as high-speed devices for providing reliable internet access and services. Blockchain based software has experienced and is expected to continue to experience significant growth in the number of users, amount of content and bandwidth availability. It cannot be assured that the blockchain infrastructure will continue to be able to support the demands placed upon it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth. It is further not assured that the infrastructure or complementary products or services necessary to make blockchain software a viable medium for digital transactions will be developed in a timely

manner, or that such development will not result in the requirement of incurring substantial costs in order to adapt the Issuer's services to changing technologies.

### **Intellectual Property Rights**

The only significant intellectual property rights are certain domain names which Agile Blockchain owns. The Issuer does not believe that it is dependent on any of these intellectual property rights; however, the loss of several of them at any one time could harm its business, results of operations and its financial condition. Although the Issuer is not aware of violating commercial and other proprietary rights of third parties, there can be no assurance that its products do not violate proprietary rights of third parties or that third parties will not assert or claim that such violation has occurred. Although no legal disputes in this respect or perceptible detrimental effects on Agile Blockchain's business have arisen to date, any such claims and disputes arising may result in liability for substantial damages which in turn could harm the Issuer's business, results of operations and financial condition.

### **Volatilities in Blockchain Sector**

The Blockchain sector may face uncertainty from new technologies though at this moment this seems unlikely it may be that in the future some new substitute technology may arise that may replace current blockchain technology this may force Agile Blockchain to adapt to newer technologies that may require significant expenditures. Other macroeconomic changes may cause significant volatility such as recessions, declines in supplementary products and services, overall financial malaise in target customer segments etc. may force significant volatility to Agile Blockchains business. Several factors may affect the price and the volatility of blockchain based industry, including, but not limited to:

- (a) Global demand for blockchain based software overall, depending on the acceptance of blockchain based software and products by retail merchants and commercial businesses, the perception that the use of blockchain based software is safe and secure as well as other regulatory restrictions;
- (b) Investor's expectations with respect to the rate of inflation;
- (c) Interest rates;
- (d) Currency exchange rates;
- (f) Interruption of internet services or failures of major cloud computing services;
- (h) Monetary policies of governments, trade restrictions, currency de- and revaluations;
- (i) Regulatory measures restricting the use of blockchain based software;
- (j) Global or regional political, economic or financial events and situations, including increased threat of terrorist activities;
- (k) Self-fulfilling expectations of changes in the blockchain software market.

### **Changes in Hyperledger Fabric**

Agile Blockchain Corp's products are based on open source Hyperledger Fabric supported by a consortium by Linux Foundation and IBM. Any changes in this can adversely affect Agile's business plans. If complete

support for Hyperledger Fabric is for any reason removed or if significant technical changes are made to it these may affect any software designed using it. This in turn can affect Agile's ability to develop, support and market that software adversely affecting its business. Blockchain networks are based on a protocol governing the peer-to-peer interactions between computers that are connected to each other within a blockchain network. The governing code regulating such math-based protocol is informally managed by a development team. This development team, though, might propose and implement amendments to the blockchain network's source code through software upgrades altering the original protocol, including fundamental ideas such as the irreversibility of transactions and limitations on the validation of blockchain software distributed ledgers. Such changes of the original protocol and software may adversely affect an investment in the Issuer.

### **Possible Misuse of Blockchain Systems**

Misuses could occur if a malicious actor or botnet (i.e. a series of computer controlled by a networked software coordinating the actions of the computers) obtains a majority of the processing power controlling the Blockchain system validating activities and altering the blockchain which transactions rely upon. This could adversely affect Agile Blockchain business and its investors.

### **Competition**

The market for blockchain technology may become highly competitive on both a local and a national level. The Issuer believes that the primary competitive factors in this market are:

- product features, functionality and ease of use;
- ongoing product enhancements;
- price;
- quality service and support; and
- reputation and stability of the vendor.

The Agile Blockchain programming industry is at a very early stage. There is currently more demand for blockchain products than there are providers to create all of the blockchain products in demand. However, there are no assurances that established competitors, which may have greater financial, technical, and marketing resources than Agile Blockchain does, may choose to directly compete with Agile Blockchain services or products. The Issuer's competitors may also have a larger installed base of users, longer operating histories or greater name recognition than the Issuer will.

There can be no assurance that the Issuer will successfully differentiate its solutions, products and services from the products of its competitors, or that the marketplace will consider the Issuer's DApps products and services to be superior to competing products.

### **Dependence on Third Party Relationships**

The Issuer is highly dependent on a number of third-party relationships to conduct its business and implement expansion plans. It cannot be assured that all of these partnerships will turn out to be as advantageous as currently anticipated or that other partnerships would not have proven to be more advantageous. In addition, it is impossible to assure that all associated partners will perform their obligations as agreed or that any strategy agreement will be specifically enforceable by the Issuer.

## **Key Personnel**

The future success of the Issuer will depend, in large part, upon its ability to retain its key management personnel and to attract and retain additional qualified marketing, sales and operational personnel to form part of its technical and customer services support center. The Issuer may not be able to enlist, train, retain, motivate and manage the required personnel. Competition for these types of personnel is intense. Failure to attract and retain personnel, particularly marketing, sales and operational personnel as well as consultants, could make it difficult for the Issuer to manage its business and meet its objectives.

Failure to manage growth successfully may adversely impact the Issuer's operating results. The growth of the Issuer's operations places a strain on managerial, financial and human resources. The Issuer's ability to manage future growth will depend in large part upon a number of factors, including the ability to rapidly:

- (a) build and train development, sales and marketing staff to create an expanding presence in the evolving marketplace for the Issuer's products;
- (b) attract and retain qualified technical personnel in order to administer technical support required for customers located in Canada, the United States and other countries around the world;
- (c) develop customer support capacity as sales increase, so that customer support can be provided without diverting resources from product sales efforts; and
- (d) expand internal management and financial controls significantly, so that control can be maintained over operations as the number of personnel and size of the Issuer increases.

Inability to achieve any of these objectives could harm the business and operating results of the Issuer.

## **Management of Growth**

The Issuer may be subject to growth-related risks including pressure on its internal systems and controls. The Issuer's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems. The inability of the Issuer to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Issuer may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Issuer's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Issuer will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate and manage its employees. There can be no assurance that the Issuer will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Issuer's operations or that the Issuer will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

## **Litigation**

Agile Blockchain may become involved in litigation that may materially adversely affect it. From time to time in the ordinary course of Agile Blockchain's business, it may become involved in various legal proceedings. Such matters can be time-consuming, divert management's attention and resources and cause Agile Blockchain to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the

results of any such actions may have a material adverse effect on Agile Blockchain's business, operating results or financial condition.

### **Conflicts of Interest**

The directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests, which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

To the best of the Issuer's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest between the Issuer and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

### **Currency Risk**

To the extent that the Issuer expands its business into the United States and Europe, the Issuer will be exposed to foreign currency fluctuations to the extent that certain operations are located in the United States and Europe and therefore certain expenditures and obligations are denominated in US dollars and Euros, yet the Issuer is headquartered in Canada, has applied to list its Common Shares on a Canadian stock exchange and typically raises funds in Canadian dollars. As such, the Issuer's results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Issuer.

### **No dividend history**

No dividends have been paid by the Issuer or Agile Blockchain to date. The Issuer anticipates that for the foreseeable future it will retain future earnings and other cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including the Issuer's financial condition and current and anticipated cash needs.

### **Limited Operating History**

The Company has a limited operating history and has limited revenues derived from its operations. The Company may not be able to achieve profitability or continue operations on an ongoing basis. As well, the Company has encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing industries, including challenges in accurate financial planning and forecasting.

### **Problems Resulting from Rapid Growth**

The Company will be pursuing a plan to market its solutions and platform throughout Canada, the USA and abroad, and will require capital in order to meet these growth plans. There can be no assurances that proceeds from the Company's financings will enable the Company to meet these growth needs. The Company expects to require significant working capital and other financial resources to implement its plan for rapid growth, including attracting and retaining qualified personnel. No assurance exists that the plan will be successful, and this may have a material adverse consequence on the business of the Company.



### **Growth of E-Commerce**

The business of selling goods and services over the internet is dynamic and relatively new. Concerns about fraud, privacy and other challenges may discourage consumers and customers from adopting the internet as a medium of commerce.

### **Liquidity and Capital Requirements**

The Company faces significant challenges in order to achieve profitability. There can be no assurance that it will be able to maintain adequate liquidity or achieve long-term viability. The Company's ability to meet its obligations in the ordinary course of business is dependent upon management's ability to establish profitable operations or raise capital, as needed, through public, or private debt or equity financing, or other sources of financing to fund operations.

The disruption of the capital markets and/or a decline in economic conditions, amongst other factors, could negatively impact the Company's ability to achieve profitability or raise additional capital when needed. In order to optimize the growth of the business, the Company may need to raise additional debt or equity financing. There can be no assurance that the Company will be able to identify a source of such financing, or that such financing will be available on acceptable terms, if at all. Moreover, should the opportunity to raise additional capital arise, any additional debt or equity financing could result in significant dilution of the existing holders of the Company's common shares.

### **Acquisitions or Other Business Transactions**

The Company may, when and if opportunities arise, acquire other products, technologies or businesses that are complementary to its business. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies and products of the acquired companies, the diversion of management's attention from other business concerns, risks associated with entering new markets or conducting operations in industry segments in the Company has no or limited experience, and the potential loss of key employees of the investee companies. Moreover, there can be no assurances that any anticipated benefits of an acquisition will be realized. Future acquisitions by the Company, could result in potentially dilutive issuances of equity securities, the use of cash, the incurrence of debt and contingent liabilities, and write-off of acquired research and development costs, all of which could materially adversely affect the Company's financial condition, results of operations and cash flows.

### **Retention or Maintenance of Key Personnel**

Although the Company's management has made efforts to align the interests of key employees by, among other things, granting equity interests in the Company to its operations personnel with vesting schedules tied to continued employment, there is no assurance that the Company can attract or retain key personnel in a timely manner as the need arises. Failure to have adequate personnel may materially compromise the ability of the Company to operate its business.

**Conflicts of Interest**

The Company may contract with affiliated parties, members of management of the Company, or companies owned or controlled by members of the Company's management. These parties or persons may obtain compensation and other benefits in transactions relating to the Company.

Certain members of management of the Company have other business activities in addition to the business of the Company, although each such member of management is contracted to devote the substantial majority of his or her working time to the Company. Despite management's intention to act fairly, it is possible that the Company could inadvertently enter into arrangements with related parties that feature less favourable terms than could have been obtained from unrelated parties.

**Approval**

On December 31, 2019, the Board of Directors of Agile Blockchain Corp. approved the disclosures contained in this MD&A.

**Additional Information**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

**Agile Blockchain Corp.  
Management’s Discussion & Analysis  
For the year ended December 31, 2019**

**Introduction**

The following Management’s Discussion & Analysis (“MD&A”) of Agile Blockchain Corp. (the “Company” or “Agile”) for the year ended December 31, 2019 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company.

This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read conjunction with the Company’s audited annual financial statements for the year ended December 31, 2019 and period from March 2, 2018 to December 31, 2018 (the “Inception Period”), together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company’s audited financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards (“IFRS”). Accordingly, information contained herein is presented as of December 31, 2019, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the “Board”), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company’s common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

**Forward-Looking Statements**

Certain sections of this MD&A may contain “forward-looking statements” within the meaning of applicable securities legislation. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company’s future financial conditions, results of operations, plans, objectives, performance or business developments. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of

such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

### **Corporate Overview**

The Company was formed to capitalize on the opportunities available in blockchain technology development. Since its incorporation in 2018, Agile has begun development work on its first proprietary blockchain decentralized applications ("BDA"). The first of these is a supply chain focused permission based blockchain that will be expanded to accommodate client firms in various supply chain channels with the objective of increasing client operational efficiencies while limiting their costs. The second BDA is a tracker system based on LTE technology. Cell phone networks based on GSM technology are being phased out and even now GSM towers that develop problems are simply shut down rather than fixed. Long-Term Evolution ("LTE") is a 4G technology that will also operate on the 5G system that will eventually replace current infrastructure. Agile's proprietary tracking system allows customers to actively track their assets and optimize their operations. By registering the trackers on Agile's supply chain blockchain, Agile can immediately detect if malware appears on a tracker and shut it down before further damage occurs to a customer's operations. Agile has trackers operational at customer firms at present and our supply chain blockchain is undergoing continuing development to onboard entities all along a manufacturing supply chain.

### **BUSINESS OF AGILE**

Agile is a software development company specializing in the development and deployment of asset tracking technology and supply chain optimization utilizing a proprietary blockchain solution. Agile intends to establish itself as a strong and growing presence in blockchain technology and innovation. Its goal is to generate "early mover advantage" as one of the very few public companies focused on exposing investors to multiple blockchain applications with a fully integrated solution.

Agile's business model and strategy are based on demonstrating the efficiency gains attainable using blockchain technology and onboard a critical mass of companies who have various intertwined relationships.

Agile intends to utilize the ‘Network Effect’ and implement a strategy of quick onboarding and benefits demonstration.

### ***Blockchain Decentralized Applications***

Agile has developed and continues to upgrade its own proprietary supply chain focused blockchain. Blockchain software is essentially a distributed ledger that allows for low cost, highly-verified content of registration data, which Agile’s supply chain focus will allow the direct communication of relevant information to permissioned parties. This distributed ledger will also maintain a registration history of all transactions.

Agile’s supply chain ecosystem allows for the disruption of supply chain management software. Supply chain management software enables a single entity to monitor, measure and manage its inventory and supply management. The problems occur when this version of reality conflicts with the version of reality employed at the company’s suppliers and customers. This conflict is a regular occurrence that can be alleviated by the use of a single ‘channel’ that contains the reality as seen by every entity permissioned to see that information. The efficiency gains realized by the Agile enabled system are large and include the reduction of communications and miscommunication between multiple entities.

Agile intends to operate its blockchain enabled network as Software as a Service (“SaaS”). Agile’s client firms will be able to utilize their current software infrastructure without interruption while API’s connect to their currently installed software and provide the ‘arguments’ in transactions that are deployed on our blockchain. Agile will not replace client’s database or other programs, but rather conducts and registers transactions of all descriptions; RFP’s, purchase orders, invoices, payments and many other transactions. These transactions are registered in this way and are made available to all entities that are enabled by the client firm, thus increasing required visibility and simultaneously reducing the number of required communications.

Agile’s proprietary tracking system provides a level of security by registering tracker profiles on the ledger using a 256-bit hash. Any changes to a tracker, as has occurred in the recent past, will automatically change the tracker hash. A mismatch of profiles will trigger a shutdown of the tracker.

Funds raised through financing, traditional equity markets and consulting fees will be used to cover development and marketing costs incurred by Agile directly or on behalf of clients. Blockchains built by Agile will earn recurring ‘by use’ revenue as the developer and operator of the supply chain network and tracker system.

### ***Agile Blockchain Marketplace***

Agile Blockchain Marketplace is a business to business social market place with immutable transaction records. The Marketplace will serve as the integration focus for Agile’s technology, bringing together cryptographically secure data storage, asset and information tracking and AI-

driven search capabilities to enable supply-chain sourcing and fulfillment optimization across industries on a SaaS platform. The Marketplace's searchable company directory and product/service offering catalog, combined with a common data model for transactional supply chain data insights will facilitate dynamic intelligent matching of supply and demand within a suite of procurement and fulfillment management tools. The integration with the IoT/5G sensor cloud will enable real-time visibility into product location and status, and platform contracts (RFPs, purchase orders, invoices and other documents) will record fulfillment status across common types of business activities, incorporating electronic data interchange (EDI) and international classification standards. Agile's blockchain-based data pipeline underlying the platform will immutably record input and output flows, increasing confidence in crucial data quality and integrity.

The Marketplace has a number of advantages for business operations and transactions:

- **Speed** - By applying search algorithms to procurement fulfillment data we can improve supplier selection;
- **Efficiency** - By improving supplier selection we can recommend optimized, complex supply chains;
- **Cost** - By recommending supply chains we can enable dynamic management and reduce business risk.

These enhancements will enable domestic small and medium companies to lower business to business risks and engage the global economy fully by adopting Agile's platform at lower costs than engaging with large, integrated ERP offerings or connecting with its business social network through Application Programming Interfaces (API). The platform will create value by ordering business to business transaction data with Agile's unique scoring mechanism, applied through points of contact in information access, business connections, fulfillment monitoring, sensor tracking, ERP integration, record visibility, and sourcing management.

The Company's focus on fulfillment enables sellers and buyers to emphasis critical operational supply chain factors, including price, quality, lead-time – over marketing and branding. All these functionalities will help clients save capital by optimizing business focus on customer value.

### ***Agile Tracking Solution***

The Agile tracking solution is a simple, secure, and powerful LTE tracking solution that provides vehicle fleet management with an array of up-to-date tracking system. Together with the historical data and the capability of implementing analytics, the platform is able to deliver a dashboard that contains multiple applicable features including GPS location and heading, temperature, battery, ground velocity, odometer, engine speed, fuel consumption, engine ON hours, engine idle hours, vehicle state, ignition, coolant temperature, engine load, and fuel level.

The Tracking Solution runs encrypted on private servers, with an optional backend connection to Agile Blockchain Q platform, which includes an option for secure deployment on cloud.

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Agile Blockchain Corp.

Management's Discussion & Analysis

For the year ended December 31, 2019

Given regulatory and market shifts in Canada and the U.S., Agile Blockchain’s next-generation LTE tracking solution will be well positioned for significant growth in the near future. In 2021, the Transport Canada ELD mandate for commercial drivers takes effect, aligning with current ELD regulations in the U.S. Yet today, most trackers in Canada are on GSM/2G or 3G infrastructure (that is being shut down). Agile Blockchain offers businesses a next-generation 4G LTE tracking solution enabling them to manage this new technology shift, and meet their supply-chain needs, while also ensuring regulatory compliance.

### *The System Q*

The system ‘Q’ is an experimental R&D architecture. The goal of this project is to implement key characteristics of blockchain without some of its bottlenecks: Traditional blockchain technologies (2018 and prior) have been constrained to <100 transactions/second. Recent developments have attempted to bypass these limitations, with varying degrees of success. Noteworthy academic articles have shown some results in the 10K-20K range, and there are some hopes that a different data structure (e.g. “hashgraphs”) will break through these limitations to reach upwards of 100,000/s.

Until whether the approach has merit is determined, the project is proprietary and should be kept confidential. In the broadest detail:

- The Company believes that the most attractive/useful features of blockchain / distributed ledger technologies are their ability to render data immutable (i.e. cannot be altered or deleted after the fact without being detected) and to provide non-repudiation (i.e. once a record exist, its author cannot claim it doesn’t or that they are not its author).
- The Company also believes that these features can be achieved sufficiently for most enterprise applications without some of the technical limitations and bottlenecks which have historically afflicted blockchain.
- Though there is still a long way to go in terms of polishing the architecture and code, the internal testing has shown results in the 20-80K transactions per second range.
- If the Company succeed in this R&D, we might find ourselves with a functional alternative to blockchain which has the following attractive characteristics:
  - Software as a Service (SaaS): Any stateful system should be able to use Q to its advantage, providing it with a court-admissible audit trail, with very little effort needed for the integration itself (though modifications to existing systems might be necessary);
  - No leakage of data into the public domain. By-product: almost no security / access management overhead;
  - Very high bandwidth applications, with minimal latencies. We hope that in future development cycles we will achieve throughputs in the hundreds of thousands per second; and
  - Programming-language and (for the most part) blockchain agnostic.

## ***Principal Markets***

As of mid-2017, the blockchain sector was moving into the implementation stage, creating huge opportunities for development and distribution of blockchain-enabled supply chains.

While many of the world's largest banks and retailers are investing hundreds of millions in researching the utilization of blockchains, it is still a wide-open frontier. There is currently a void of usable software applications that fully exploit the power and value inherent in this technology. Agile will create value for its shareholders by developing massively scalable blockchain channels that fill this void. Agile will be focused on developing revenue generating blockchain applications through a proof of concept approach and launching blockchain channels in an efficient manner.

Numerous opportunities are emerging for blockchain-based supply chain networks world-wide, in a wide variety of other non-financial, but data driven industries. Such industries include, but are not limited to:

- Manufacturing;
- Logistics;
- Enterprise Resource Planning (“ERP”);
- Agriculture;
- Financial Services;
- Financial Exchanges;
- Registered ownership tracking;
- Payment Processing;
- Online shopping;
- Real Estate Transactions; and
- Supply Chain Product Validation.

Industry experts are predicting that almost every application in the future will eventually utilize a blockchain. Agile believes it is positioned at the ground-level of this new digital break through. The key to Agile's success will be its ability to combine useful blockchain-based supply chain applications with efficient time-to-market methods to ensure a solid first mover advantage and substantial ongoing returns on investments.

## ***Distribution Methods***

Agile's initial focus will be on developing a network of salaried and commissioned sales staff in various North American locations that have a critical mass of fleet vehicles and fleet management operations. By onboarding fleets to Agile's proprietary tracking system and preparing them for inclusion in the supply chain blockchain, Agile will establish its pipeline of blockchain enabled supply chain customers.



To further establish the brand, Agile has established a blog and social media presence that are continuously updated. In addition, a public relation company and other promotional venues are to be engaged that will further solidify Agile's niche leadership.

The head office and registered office of the Company is located at 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600, Vancouver BC V7X 1T2, Canada.

### **Amalgamation Agreement**

On December 21, 2018, the Company signed an Amalgamation Agreement with Stowe One Investments Corp. a BC company ("Stowe One") and 1191212 BC Ltd. ("1191212"), a wholly-owned subsidiary of Stowe One. Under the terms of the Amalgamation Agreement, Agile agreed to amalgamate with 1191212 and propose to combine the business and assets of Stowe One and Agile through the amalgamation, among other things, this would result in the Stowe One shares having a deemed value of \$0.07 per share. As of the date of the Amalgamation Agreement, Stowe One had a total of 7,214,607 shares outstanding.

Pursuant to the original Amalgamation Agreement, Agile intended to raise capital by way of a non-brokered private placement at a price of \$0.20 per common share in the capital of the Company ("Common Share"), prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of Stowe One's common shares shall occur, using a consolidation ratio of approximately 5.48:1. Stowe One will change its name to Agile Blockchain Corp., or an agreed upon name. Due to the impacts of the novel Corona virus, COVID-19, and other factors, Agile was able to raise \$731,205 at an issue price of \$0.15 per Common Share.

As consideration for entering into the Amalgamation Agreement, Agile paid Stowe One (1) \$25,000 upon the execution of the Amalgamation Agreement (received), and (2) agreed to pay \$5,000 each month thereafter, beginning January, 2019. During the year ended December 31, 2019, Stowe One received payments of \$50,000 from Agile, following which Agile and Stowe One agreed that Agile could cease making payments.

Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of Stowe One. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

## **Results of Operations**

### **Selected financial information for the year ended December 31, 2019 and Inception Period 2018**

	<b>2019</b>	<b>2018</b>
Revenue	0.00	0.00
Cost of Sales	-	-
Loss from Operations	(1,323,652)	(1,315,671)
Other income (expense)	46,402	3,198
Loss (before income tax before income tax expenses)	(1,277,250)	(1,312,473)
Income Tax Expenses	-	-
Loss and Comprehensive Loss	(1,277,250)	(1,312,473)
Weighted average number of shares outstanding	72,579,779	54,059,783
Basic and Diluted loss per share	(0.02)	(0.02)
Total Assets	183,375	503,884
Total Non-Current Financial Liabilities	155,701	-

#### ***Revenue***

During the year ended December 31, 2019, the Company had no revenue, which is the same compared to the Inception Period 2018. The Company is continuing with developing its suite of software products and it didn't record any sale for the year ended December 31, 2019.

#### ***Cost of Sales***

As the Company didn't record any sale in the year ended December 31, 2019 or Inception Period ended December 31, 2018, no cost of sales incurred.

#### ***Loss from Operations***

	<b>2019</b>	<b>2018</b>
Development Costs	121,915	218,572
Management Fees	17,206	125,000
Professional and Consulting Fees	279,092	148,971

Salaries and Benefits	493,297	105,706
General and Administrative Expenses	60,976	134,538
Marketing	34,019	62,791
Financial Expenses	-	479,000
Share-based Compensation	285,044	35,808
Amortization Expenses	32,103	5,285
<b>Loss from Operations</b>	<b>\$(1,323,652)</b>	<b>\$(1,315,671)</b>

The Company reported loss from operations for the year ended December 31, 2019 of \$1,323,652 (\$0.02 per share) as compared to a loss from operations for the inception period in 2018 of \$1,315,671 (\$0.02 per share). A slight increase of \$7,981 or 0.6% for the year ended December 31, 2019 over the inception period from March 2, 2018 to December 31, 2018.

The Company continued working on developing its blockchain-based applications for supply chain management services in 2019.

Development costs were \$121,915 for the year ended December 31, 2019 compared to \$218,572 for the inception period ended December 31, 2018, a decrease of \$96,657 or 44%. This decrease was mainly as a result of two consultants being hired as employees in the year ended December 31, 2019 and therefore a reduction of \$95,792 in development costs and a same amount of increase in salaries and benefits of the Company.

Management fees were \$17,206 for the year ended December 31, 2019 compared to \$125,000 for the inception period ended December 31, 2018, a decrease of \$107,794 or 86%. This decrease was as a result of the Company changing its key management personnel and a new compensation package with key management personnel being adopted.

Professional and consulting fees were \$279,092 for the year ended December 31, 2019 compared to \$148,971 for the inception period ended December 31, 2018, an increase of \$130,121 or 87%. This increase was as a result of increase in legal and accounting professional fees of \$89,385, an increase in professional fees on financing solutions of \$68,000 and a reduction of \$27,443 professional fees in recruiting services.

Salaries and benefits were \$493,297 for the year ended December 31, 2019 compared to \$105,706 for the inception period ended December 31, 2018, an increase of \$387,592 or 367%. This increase was as a result of: 1) the Company started hiring employees since July 2018, therefore only six months of salaries and benefits were incurred in the inception period ended December 31, 2018; and 2) fewer number of employees were hired in 2018 compared to 2019.

General and administrative expenses were \$60,976 for the year ended December 31, 2019 compared to \$134,538 for the inception period ended December 31, 2018, a decrease of \$73,562 or 55%. This decrease was mainly due to a \$66,040 reduction of IT maintenance service cost. Instead of a permanent in-house position, the Company outsourced its IT maintenance services,

the remaining decrease was caused by a reduced level of business in 2019 due to change of management.

Financial expenses were nil for the year ended December 31, 2019 compared to \$479,000 for the year ended December 31, 2018, a decrease of \$479,000 or 100%. While during the inception period ended December 31, 2018, consulting services directly related to the initial financing campaigns were grouped as financial expenses, all such expenses were included in professional fees in the year ended December 31, 2019 and this resulted in the decrease in financial expenses for the year ended December 31, 2019.

Share-based compensation were \$284,703 for the year ended December 31, 2019 compared to \$35,808 for the year ended December 31, 2018, an increase of \$248,895 or 695%. This increase was due to the Company having granted 2,230,000 stock options in the last quarter of 2018, while 5,415,000 new stock options were granted in September 2019, together with a total 1,842,500 stock options cancelled in July 2019, which caused the vested fair value recognized in the year ended December 31, 2019 higher than what was recognized in the inception period ended December 31, 2018.

### ***Liquidity and Capital Resources***

The Company intends to use its funds to meet funding requirements for business development and new customer deployments based on anticipated market demand. Actual funding requirements will vary depending on a variety of factors, including our success in executing our business plan, the progress of our product and business development efforts, our sales and our ability to manage our working capital requirements. Our existing cash balances and cash generated from operations, cash proceeds from new debt and equity financing will be required to meet our anticipated cash needs for working capital, growth capital and capital expenditures for the foreseeable future.

The management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

**The table below is a summary of cash inflows and outflows by activities for the years ended December 31, 2019 and the inception period ended December 31, 2018:**

	<b>2019</b>	<b>2018</b>
<b>Cash inflow and (outflows) by activity:</b>		
Operating activities	\$(811,063)	\$(1,002,547)
Investing activities	\$(3,081)	\$(17,618)
Financing activities	\$412,058	\$1,437,675
Net cash (outflows) inflows	\$(402,086)	\$417,510
Cash , beginning of year	\$417,510	\$Nil
Cash , end of year	\$15,424	\$417,510

### ***Operating activities***

During the year ended December 31, 2019, cash used in operating activities was \$811,063 compared to cash used in operating activities of \$1,002,547 during the same period in 2018. The decrease in cash used in operating activities is mainly due to \$64,583 increase in accounts payable and accrued liabilities; \$15,000 increase in other payables and \$24,955 increase in revenue deferred; \$93,326 increase in other tax receivables and \$61,244 decrease of prepaids and other receivables.

### ***Investing activities***

For the year ended December 31, 2019, cash used in investing activities was \$3,468 compared to \$17,618 for the inception period ended December 31, 2018. The decrease in cash used in investing activities can be primarily attributed to less equipment purchased in 2019.

### ***Financing activities***

During the year ended December 31, 2019, cash generated from financing activities was \$412,058 compared to \$1,437,675 cash generated from financing activities during the same period in 2018. The decrease in cash generated in 2019 was due to lesser issuance of common shares and promissory notes (\$412,058) compared to the same period in 2018.

### ***Going public transaction***

On December 31, 2019 Stowe One filed a non-offering preliminary prospectus with the British Columbia Securities Commission (“BCSC”) and Alberta Securities Commission (“ASC”). Stowe One received comments from BCSC and has filed an amended and restated non-offering preliminary prospectus on March 27, 2020. Agile has filed a listing statement with the Canadian Securities Exchange (“CSE”).

Between October 4, 2019 and October 8, 2019, a total of 2,160,000 common shares of the Company (“Common Shares”) were issued pursuant to the exercise of Common Share purchase warrants (“Warrants”) by the holders of such Warrants for aggregate proceeds of \$210,000.

Between April 1, 2020 and April 15, 2020, a total of 4,874,699 Common Shares were issued pursuant to a non-brokered private placement for aggregate proceeds of \$731,205.

### ***Share capital***

Agile’s authorized share capital consists of an unlimited number of Common Shares without par value. All the common shares have the same rights in respect of the distribution of dividends and the repayment of capital.

As at December 31, 2019, there were 72,534,747 Common Shares outstanding (72,624,747- at December 31, 2018, and 77,409,446 - at May 20, 2020).

As at December 31, 2019, the Company has 11,587,373 warrants outstanding (11,587,373 – at December 31, 2018, and 3,300,000 – at May 20, 2020).

As at December 31, 2019 the Company has 5,802,500 stock options outstanding, (2,230,000 – at December 31, 2018 and 5,702,500 at May 20, 2020).

### ***Off balance sheet arrangements***

At the date of this MD&A, the Company had no material off balance sheet arrangements that have or are reasonably likely to have a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

### ***Contractual obligations***

With the exception of the Amalgamation Agreement described earlier, there are no other significant contractual obligations.

### ***Risk Factors***

Agile is exposed to a number of risks and uncertainties that are common to other companies engaged in the same or similar businesses. The summary of material risks that could significantly affect the financial condition, operating results or business of Agile can be found in section “Risk Factors” of the final prospectus of Solvbl Solutions Inc. (Stowe One is to be renamed prior to filing of the final prospectus), of which this MD&A forms a part.

### ***Critical accounting estimates***

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual results could differ from the estimates used under different assumptions and conditions.

*The most significant judgments applying to the Company's financial statements include:*

The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty. These financial statements have been prepared based on the going concern assumption, which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The assessment is based upon planned actions that may or may not occur for several reasons including the Company's own resources and external market conditions;

- Impairment of non-financial assets - Non-financial assets include property and equipment, and the right of use assets. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate and cash flow projections;
- Leases renewal terms and incremental borrowing rate - Judgement is required at the inception of a lease as to whether payments associated with future renewal options are included or excluded from the calculation of the lease liability. Management must assess the likelihood of such options being exercised based on factors such as lease rates, improvements made and cost associate with exiting. Additionally, the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company Union estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific risk adjustments.
- Revenue recognition - Judgement is required in identifying the contract with the customer, identifying the performance obligations, determining the individual transaction price and allocating said price to the individual performance obligations making up the contract. Revenue is recognized only when it is probable that the economic benefits associated with a transaction will flow to the Company, and when the amount of revenue can be reliably measured.
- Provisions - Provisions are accrued for liabilities with uncertain timing or amounts, if, in the opinion of management, it is both likely that a future event will confirm that a liability had been incurred at the date of the financial statements of financial position and the amount can be

reasonably estimated. In cases where it is not possible to determine whether such a liability has occurred, or to reasonably estimate the amount of loss until the performance of some future event, no accrual is made until that time. In the ordinary course of business, the Company may be party to legal proceedings which include claims for monetary damages asserted against the Company. The adequacy of provisions is regularly assessed as new information becomes available.

*Significant estimates or key sources of estimation uncertainty include:*

- Current and deferred income taxes - Current income taxes require significant estimation in their calculation including the consideration of allowable deductions and tax rates. In assessing the probability of realizing deferred tax assets, management makes estimates related to the expectation of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax positions taken will be sustained upon examination by applicable tax authorities.
- Allowance for expected credit losses - Management determines expected credit loss by evaluating individual receivable balances and considering customers' financial condition, customer creditworthiness, current economic trends and experience. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. All receivables are expected to be collected within one year of the year ended.
- Useful lives of non-financial assets - The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property and equipment are based on internal technical evaluations and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets;
- Share-based payment transactions and warrants - The Company measures the cost of equity-settled transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions require determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield of the share option and forfeiture rate. Similar calculations are made in order to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.



## ***Changes in accounting policies including initial adoption***

### ***Future accounting changes***

The Company has not yet applied the following new standard, interpretations and amendments to standards that have been issued as at December 2019 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

### ***IFRS 3 Business combinations***

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Under the new standard the Company expects a more likely probability that future transactions will be accounted for as asset acquisitions.

### ***IAS 1 Presentation of financial statements***

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The Company does not expect these amendments to have a material impact on its financial statements.

### ***IAS 8 Accounting policies, changes in accounting estimates and errors***

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The Company does not expect these amendments to have a material impact on its financial statements.

## **Going Concern**

In preparing the financial statements on a going concern basis, management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

## **Internal Controls Over Financial Reporting and Disclosure of Controls and Procedures**

The Company's Chief Executive Officer and the Chief Financial Officer are responsible for the design of internal controls over financial reporting within the Company in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. There were no changes in the Company's internal controls over financial reporting during the Company's most recent period that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## **Related Party Transactions & Key Management Compensation**

Key management is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company's key management personnel include founders of the company and other key senior executives.

**During the year ended December 31, 2019 and the inception period ended December 31, 2018, remunerations of key management of Company were as follows:**

	<b>2019</b>	<b>2018</b>
Salaries and service fees	103,242	182,134
Share based compensation	185,519	26,367

The Company's related parties consist of the Company's directors and management and the companies associated with them. There were no other related party transactions for the period ended December 31, 2019 and the inception period ended December 31, 2018.

## ***Financial instruments and risk exposures***

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

Financial instruments included in the statement of the financial position as at December 31, 2019 consist of cash, accounts payable and accrued liabilities and promissory notes payable with year-end carrying amount which approximates their respective fair values.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises the following types of risk: credit risk, foreign exchange risk, liquidity risk and cash flow risk.

(c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to the liquidity of its cash and receivable balance. As at December 31, 2019, the Company carried \$Nil trade receivable.

(d) Foreign exchange risk

The Company is not exposed to any significant foreign exchange risk. The Company did not have any hedges or any other transactions related to foreign currency clearance at the time that these financial statements were issued. In the opinion of management, the foreign exchange risk exposure to the Company is low.

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company actively manages its liquidity risk through cash and equity management strategies. Such strategies include continuously monitoring forecasted and actual cash flows from operating, financing and investing activities.

The Company's cash flow is generated from debt financing or equity raises.

The Company monitors cash on a regular basis and reviews expenses to ensure costs and commitments are being paid in a timely manner. Management has worked with and negotiated with vendors to ensure payment arrangements are satisfactory to all parties and that monthly cash commitments are managed within the Company's operating cash flow capabilities.

As at December 31, 2019, the Company has cash balance of \$15,424. The following table summaries amount and maturity dates of the Company's contractual obligations as of December 31, 2019:

	<b>Within 1 year</b>	<b>1-3 year</b>	<b>Total</b>
Accounts payable and accrued liabilities	\$ 377,191	\$ -	\$ 377,191
Other payables	15,000	-	15,000
Promissory notes payable	7,502	141,185	148,687
	<b>\$ 399,693</b>	<b>\$ 141,185</b>	<b>\$ 540,878</b>

(f) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount, such as a debt instrument held with a floating interest rate. In the opinion of management, the cash flow risk exposure to the Company is low.

**Subsequent Events**

On January 14, 2020, January 31, 2020, February 14, 2020 and February 28, 2020 the Company has issued further promissory notes in total of \$21,000, \$22,500, \$19,500 and \$30,000 for purpose of maintenance of the Company's operating fund. All promissory notes issued with interest rate of 10% per annum and due in three months from the date of issuance according to the promissory notes agreement.

Subsequent to December 31, 2019, the Company has extended maturing date of \$70,500 promissory notes to twenty-four months since their original expiry date:

<b>Date of issuance</b>	<b>Notes issued</b>	<b>Original expiry date</b>	<b>Extended expiry date</b>
December 30, 2019	\$ 7,500	March 31, 2020	March 31, 2022
January 14, 2020	21,000	April 14, 2020	April 14, 2022
January 31, 2020	22,500	April 30, 2020	April 30, 2022
February 14, 2020	19,500	May 14, 2020	May 14, 2022
	<b>\$ 70,500</b>		

Between April 1, 2020 and April 15, 2020, a total of 4,874,699 Common Shares were issued pursuant to a non-brokered private placement for aggregate proceeds of \$731,205.

There are no other events subsequent to year end, which would have a material impact on the financial statements or would require adjustment or disclosure to the financial statements.

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CONDENSED INTERIM FINANCIAL STATEMENTS

**AGILE BLOCKCHAIN CORP.**

Three Months Ended March 31, 2020  
(Unaudited, Expressed in Canadian Dollars)

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# **Agile Blockchain Corp.**

## **CONDENSED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

### **CONTENTS**

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# Agile Blockchain Corp.

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

Expressed in Canadian Dollars

	Notes	March 31, 2020	December 31, 2019
		(Unaudited)	(Audited)
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents		\$ 8,801	\$ 15,222
Cash held in trust		202	202
Accounts receivable		11,300	-
Prepaid expenses and sundry assets		84,366	83,150
Tax receivables		29,995	27,371
Other receivables		17,683	5,479
		152,347	131,424
<b>Non-current assets:</b>			
Equipment	5	10,835	11,714
Right-of-use asset	6	33,137	40,237
		43,972	51,951
<b>Total assets</b>		<b>\$ 196,319</b>	<b>\$ 183,375</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities	7	\$ 416,709	\$ 377,191
Deferred subscription receipt	8	-	15,000
Deferred revenue		24,955	24,955
Lease liability - current	9	31,854	30,313
Promissory notes payable - current	10	30,263	7,502
		503,781	454,961
<b>Long-term liabilities:</b>			
Lease liability - long-term	9	5,951	14,516
Promissory notes payable - long-term	10	193,799	141,185
		199,750	155,701
Total liabilities		703,531	610,662
<b>Shareholders' deficiency</b>			
Share capital	11,12	1,543,663	1,543,663
Warrants reserve	13	56,666	263,970
Stock option reserve	14	358,710	315,020
Contributed surplus	15	248,136	40,832
Deficit		(2,714,387)	(2,590,772)
Total shareholders' deficiency		(507,212)	(427,287)
<b>Total liabilities and equity</b>		<b>\$ 196,319</b>	<b>\$ 183,375</b>

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

Subsequent events - Note 20

**“Raymond Pomroy”**  
Director

**“Alan Rootenberg”**  
Director

# Agile Blockchain Corp.

## CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited, Expressed in Canadian Dollars)

	Notes	Three months ended March 31,	
		2020	2019
<b>Revenue</b>		\$ 10,000	-
<b>Expenses:</b>			
Development costs		13,838	53,300
Management fees		13,000	-
Professional and consulting fees		54,842	44,394
Salaries and benefits		117,467	97,153
General and administrative expenses		6,868	29,491
Marketing		1,628	22,829
Share-based compensation		43,690	38,146
Depreciation expenses		7,979	8,347
<b>Loss from operations</b>		<b>(249,312)</b>	<b>(293,660)</b>
<b>Other (income) expense</b>			
Interest income		(101)	(129)
Gain on debt restructuring	10	(22,563)	-
Government subsidy	16	(109,946)	-
Interest expenses	9,10	6,913	3,311
		<b>(125,697)</b>	<b>3,182</b>
<b>Loss before income tax expense</b>		<b>(123,615)</b>	<b>(296,842)</b>
Income tax expense		-	-
<b>Loss and comprehensive loss</b>		<b>\$ (123,615)</b>	<b>\$ (296,842)</b>

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



## Agile Blockchain Corp.

### CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' (DEFICIENCY) EQUITY

(Expressed in Canadian Dollars)

Three months ended March 31, 2020 and 2019

	Notes	Number of Shares	Share Capital	Special Warrants	Warrants	Stock option reserve	Contributed Surplus	Deficit	Total
<b>Balance, January 1 2019</b>		<b>72,624,747</b>	<b>\$ 1,372,705</b>	<b>\$ -</b>	<b>\$263,970</b>	<b>\$ 35,808</b>	<b>\$ -</b>	<b>\$ (1,312,473)</b>	<b>\$ 360,010</b>
<i>Adopting IFRS 16 Lease</i>									
2018 interest expense			-	-	-	-	-	(1,049)	(1,049)
<b>Adjusted balance, January 1, 2019</b>		<b>72,624,747</b>	<b>1,372,705</b>	<b>-</b>	<b>263,970</b>	<b>35,808</b>	<b>-</b>	<b>(1,313,522)</b>	<b>358,961</b>
Recall shares issued for services	11	-	(10,000)	-	-	-	-	-	(10,000)
Stock based compensation		-	-	-	-	38,146	-	-	38,146
Net loss for the period		-	-	-	-	-	-	(296,842)	(296,842)
<b>Balance, March 31, 2019</b>		<b>72,624,747</b>	<b>\$ 1,362,705</b>	<b>\$ -</b>	<b>\$263,970</b>	<b>\$ 73,954</b>	<b>\$ -</b>	<b>\$ (1,610,364)</b>	<b>\$ 90,265</b>
<b>Balance, January 1, 2020</b>		<b>72,534,747</b>	<b>\$ 1,543,663</b>	<b>\$ -</b>	<b>\$263,970</b>	<b>\$315,020</b>	<b>\$ 40,832</b>	<b>\$ (2,590,772)</b>	<b>\$ (427,287)</b>
Stock based compensation	14	-	-	-	-	43,690	-	-	43,690
Warrants expiration	13,15	-	-	-	(207,304)	-	207,304	-	-
Net loss for the period		-	-	-	-	-	-	(123,615)	(123,615)
<b>Balance, March 31, 2020</b>		<b>72,534,747</b>	<b>\$ 1,543,663</b>	<b>\$ -</b>	<b>\$ 56,666</b>	<b>\$358,710</b>	<b>\$ 248,136</b>	<b>\$ (2,714,387)</b>	<b>\$ (507,212)</b>

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

# Agile Blockchain Corp.

## CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

Three months ended March 31,	2020	2019
<b>Cash flow from (used in) operating activities</b>		
Net loss for the period	\$ (123,615)	\$ (296,842)
Adjustments to net loss for non-cash items:		
Stock options issued as compensation	43,690	38,146
Interest accrued on promissory notes	4,938	-
Gains on debt restructuring	(22,563)	-
Depreciation - corporate property lease	7,100	7,422
Depreciation - equipment	879	925
	(89,571)	(250,349)
Changes in non-cash working capital:		
Increase in accounts receivables	(11,300)	(15,413)
Increase in prepaids and other receivables	(16,043)	(23,295)
Increase in accounts payables and accrued liabilities <sup>a)</sup>	32,493	2,245
Decrease in deferred subscription receipt	(15,000)	-
Increase in deferred revenue	-	18,885
	(99,421)	(267,927)
<b>Cash flow from (used in) financing activities</b>		
Proceeds from promissory notes issuance	93,000	-
Cancellation of common shares issued	-	(10,000)
	93,000	(10,000)
<b>Decrease in cash</b>	<b>(6,421)</b>	<b>(277,927)</b>
<b>Cash, beginning of period</b>	<b>15,424</b>	<b>417,510</b>
<b>Cash, end of period</b>	<b>\$ 9,003</b>	<b>\$ 139,583</b>
Cash and cash equivalents	\$ 8,801	\$ 109,381
Cash held in trust	202	30,202
	\$ 9,003	\$ 139,583

The accompanying notes are an integral part of these condensed interim financial statements  
Supplemental cash flow information:

<sup>a)</sup> Unpaid portion of lease liability included in accounts payables and accrued liabilities	\$ 7,025	\$ 5,689
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# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

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## 1. Nature of Operations

Agile Blockchain Corp. (“Agile” or the “Company”) was incorporated on March 2, 2018 in the Province of British Columbia, Canada. The Company is a software company developing software that would help different companies address their supply chain issues within their respective businesses using blockchain backed software solutions. Agile is a privately-held corporation with no subsidiaries or any other affiliated companies. The current Head Office of Agile is located at 15 Toronto Street, Suite 602, Toronto, Ontario, M5C 2E3.

### Amalgamation

On December 21, 2018, the Company signed an Amalgamation Agreement with Stowe One Investments Corp. a BC company (“Stowe One”) and 1191212 BC Ltd. (“1191212”), a wholly-owned subsidiary of Stowe One. Under the terms of the Amalgamation Agreement, Agile agreed to amalgamate with 1191212 and propose to combine the business and assets of Stowe One and Agile through the amalgamation, among other things, this would result in the Stowe One shares having a deemed value of \$0.07 per share. As of the date of the Amalgamation Agreement, Stowe One had a total of 7,214,607 shares outstanding.

### Going Concern

As at March 31, 2020, the Company had an accumulated deficit amounting to \$2,714,387 (December 31, 2019: \$2,590,772). As at March 31, 2020, the Company had current liabilities exceeding current assets of \$351,434 (December 31, 2019: \$323,537). The ability of the Company to continue as a going concern is dependent upon generating profitable operations from its developed products, the continuing financial support of shareholders or other investors, or obtaining new financing on commercial terms acceptable to the Company. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on Company’s ability to continue as a going concern.

The accompanying condensed interim financial statements of the Company have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The condensed interim financial statements do not include any adjustments to reflect any events since December 31, 2019 or the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from this uncertainty.

## 2. Basis of preparation

### a) Statement of Compliance:

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”). These condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2019, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

These condensed interim financial statements were approved by the Board of Directors for issue on June 15, 2020.

### b) Functional and Presentation Currency:

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value.

The functional currency of the Company is the Canadian Dollar, which is also the presentation currency of these condensed interim financial statements.

# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

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c) Accounting estimates and judgements

The preparation of these condensed interim financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the condensed interim financial statements.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual results could differ from the estimates used under different assumptions and conditions.

*The most significant judgments applying to the Company's condensed interim financial statements include:*

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.
- Impairment of non-financial assets
- Leases renewal terms and incremental borrowing rate
- Revenue recognition
- Provisions

*Significant estimates or key sources of estimation uncertainty include:*

- Current and deferred income taxes
- Allowance for expected credit losses
- Useful lives of non-financial assets
- Share-based payment transactions and warrants

In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. Many countries reacted by instituting quarantines and restrictions on travel. These actions are creating disruption in global supply chains and adversely impacting economic and market conditions and triggered a period of global economic slowdown. Generally, the business development activities of the Company has slowed due to COVID-19. Management is actively monitoring the global situation on its financial condition, liquidity, operations and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the outbreak on its result of operations, financial condition and liquidity at this time.

The accounting estimates and judgements applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements for the year ended December 31, 2019.

# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

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### 3. Significant Accounting Policies

The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements for the year ended December 31, 2019.

### 4. Adoption of new accounting standards

The Company applied the following new standards, interpretations and amendments to standards that have been issued as at March 31, 2020.

#### IFRS 3 Business combinations

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. This standard has no impact on these condensed interim financial statements.

#### IAS 1 Presentation of financial statements

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. This standard has no impact on these condensed interim financial statements.

#### IAS 8 Accounting policies, changes in accounting estimates and errors

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. This standard has no impact on these condensed interim financial statements.

# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

## 5. Equipment

	Blockchain Hardware	Computer Equipment	Total
<b><u>Cost</u></b>			
Balance, January 1, 2019	\$ 908	\$ 16,710	\$ 17,618
Additions	3,081	0	3,081
Balance, December 31, 2019	3,989	16,710	20,699
Additions	-	-	0
Balance, March 31, 2020	\$ 3,989	\$ 16,710	\$ 20,699
<b><u>Accumulated depreciation</u></b>			
Balance, January 1, 2019	(\$ 272)	(\$ 5,013)	(\$ 5,285)
Additions	(191)	(3,509)	(3,700)
Balance, December 31, 2019	(463)	(8,522)	(8,985)
Additions	(265)	(614)	(879)
Balance, March 31, 2020	(\$ 728)	(\$ 9,136)	(\$ 9,864)
<b><u>Net book value, December 31, 2019</u></b>	<b>\$ 3,526</b>	<b>\$ 8,188</b>	<b>\$ 11,714</b>
<b><u>Net book value, March 31, 2020</u></b>	<b>\$ 3,261</b>	<b>\$ 7,574</b>	<b>\$ 10,835</b>

## 6. Right-of-use asset

	Corporate property lease
<b><u>Cost</u></b>	
Balance, December 31, 2018	\$ -
Opening balance adjustment for adopting IFRS 16	73,373
Balance, January 1, 2019	73,373
Additions	-
Balance, December 31, 2019 and March 31, 2020	\$ 73,373
<b><u>Accumulated depreciation</u></b>	
Balance, December 31, 2018	\$ -
Opening balance adjustment for adopting IFRS 16	(4,733)
Balance, January 1, 2019	(4,733)
Additions	(28,403)
Balance, December 31, 2019	(33,136)
Additions	(7,100)
Balance, March 31, 2020	(\$ 40,236)
<b><u>Net book value, January 1, 2019</u></b>	<b>\$ 68,640</b>
<b><u>Net book value, December 31, 2019</u></b>	<b>\$ 40,237</b>
<b><u>Net book value, March 31, 2020</u></b>	<b>\$ 33,137</b>

# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

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## 7. Accounts payable and accrued liabilities

	March 31, 2020	December 31, 2019
Accounts payable	\$ 252,087	\$ 191,029
Accrued liabilities	120,267	86,000
Payroll deductions payable	44,355	100,162
	<b>\$ 416,709</b>	<b>\$ 377,191</b>

## 8. Deferred subscription receipt

As at December 31, 2019 the Company had a balance of \$15,000 subscription proceeds received from an investor for a financing campaign pending to close. On March 27, 2020, such balance was transferred to TSX Trust as a request of preparation for closing the financing (See Note 20).

## 9. Lease liability

	<b>Lease liability</b>
<b>Balance, December 31, 2018</b>	\$ -
Opening balance adjustment for adopting IFRS 16	73,373
Rent payable	(6,000)
Interest	2,315
<b>Balance, January 1, 2019, adjusted for adopting IFRS 16</b>	<b>69,688</b>
Rent payable	(36,000)
Interest	11,141
<b>Balance, December 31, 2019</b>	<b>\$ 44,829</b>
Rent payable	(9,000)
Interest	1,976
<b>Balance, March 31, 2020</b>	<b>\$ 37,805</b>
Current	31,854
Long-term	5,951
	<b>\$ 37,805</b>

# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

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## 10. Promissory notes payable

	<b>Promissory notes</b>
<b>Balance, January 1, 2019</b>	<b>\$ -</b>
Principal	206,100
Interest accrued	6,862
Debt restructuring gain	(64,275)
<b>Balance, December 31, 2019</b>	<b>148,687</b>
Principal	93,000
Interest accrued	4,938
Debt restructuring gain	(22,563)
<b>Balance, March 31, 2020</b>	<b>\$ 224,062</b>
Current	30,263
Long-term	193,799
	<b>\$ 224,062</b>

- 1) On May 24, 2019 and June 28, 2019, the Company issued promissory notes of \$84,000 in total, with interest rate of 10% per annum, for the purpose of maintenance of the Company's operating fund.

On June 30, 2019, the Company and the promissory notes holders agreed to extend the maturity periods of these promissory notes of 24 months each. Pursuant which the Company extinguished the previous promissory notes with \$26,852 gain of debt restructuring recognized.

- 2) From July 15, 2019 to September 19, 2019, the Company further issued total of \$114,600 promissory notes with interest rate of 10% per annum.

On September 25, 2019, the Company and the promissory notes holders agreed to extend the maturity period of the above promissory notes of 24 months each. Pursuant which the Company extinguished the previous promissory notes issued between July 15, 2019 and September 19, 2019, with further \$37,423 gain of debt restructuring gain recognized.

- 3) On December 30, 2019, the Company further issued promissory notes of \$7,500 in total, with interest rate of 10% per annum, and expiry date on March 31, 2020, for the purpose of maintenance of the Company's operating fund.

From January 14, 2020 to February 28, 2020, the Company further issued total of \$93,000 promissory notes with interest rate of 10% per annum.

On March 31, 2020, the Company and the promissory notes holders agreed to extend the maturity period of the promissory notes issued between December 30, 2019 to February 14, 2020 of 24 months each. Pursuant which the Company extinguished these promissory notes issued previous, with further \$22,563 gain of debt restructuring recognized.



# Agile Blockchain Corp.

## Notes to the Condensed Interim Financial Statements

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(Unaudited, Expressed in Canadian Dollars)

A summary of the Company's promissory notes issuance is as below:

Date of issuance	Notes payable	Gain	Interest	Balance as at March 31, 2020	Original expiry date	Extended expiry date
May 24, 2019	\$ 51,000	(\$ 15,742)	\$ 3,234	\$ 38,492	June 30, 2019	June 30, 2021
June 28, 2019	33,000	(11,111)	1,687	\$ 23,576	September 28, 2019	September 28, 2021
July 15, 2019	22,500	(7,170)	1,264	\$ 16,594	October 15, 2019	October 15, 2021
July 31, 2019	33,000	(10,653)	1,694	\$ 24,041	October 31, 2019	October 31, 2021
August 15, 2019	15,000	(4,900)	702	\$ 10,802	November 15, 2019	November 15, 2021
August 31, 2019	12,300	(4,063)	516	\$ 8,753	November 30, 2019	November 30, 2021
September 13, 2019	19,800	(6,617)	752	\$ 13,935	December 15, 2019	December 15, 2021
September 19, 2019	12,000	(4,019)	435	\$ 8,416	December 19, 2019	December 19, 2021
December 30, 2019	7,500	(2,350)	190	\$ 5,340	March 31, 2020	March 31, 2022
January 14, 2020	21,000	(6,656)	445	\$ 14,789	April 14, 2020	April 14, 2022
January 31, 2020	22,500	(7,225)	372	\$ 15,647	April 30, 2020	April 30, 2022
February 14, 2020	19,500	(6,332)	246	\$ 13,414	May 14, 2020	May 14, 2022
February 28, 2020	30,000	-	263	\$ 30,263	May 28, 2020	
	<b>\$ 299,100</b>	<b>(\$86,838)</b>	<b>\$ 11,800</b>	<b>\$ 224,062</b>		

## 11. Share Capital

### Authorized

Unlimited common shares

	Note	Number of Shares	Amount
<b>Balance as at March 2, 2018</b>		-	\$ -
Shares for proceeds	a)	31,500,003	280,000
Shares for settlement of debt	b)	16,499,999	125,000
Shares for services	c)	3,700,000	74,000
Share issuance cost			(182)
Conversion of special warrants	d)	20,924,745	893,887
<b>Balance as at December 31, 2018</b>		<b>72,624,747</b>	<b>\$ 1,372,705</b>
Recall shares issued for services	e), f)	(2,250,000)	(45,000)
Shares for proceeds	g)	2,160,000	216,000
Share issuance cost			(42)
<b>Balance as at December 31, 2019 and March 31, 2020</b>		<b>72,534,747</b>	<b>\$ 1,543,663</b>

- a) On March 19, 2018, the Company closed 1) a private placement equity financing of \$116,667 and issued 23,333,336 common shares for net proceeds of \$280,000; 2) On March 23, 2018, the Company closed a private placement equity financing of \$163,333 and issued 8,166,667 common shares.
- b) On March 20, 2018, the Company entered into debt settlement agreements and issued 13,666,666 common shares in settlement of \$68,333 of accounts payable.

On March 23, 2018, the Company entered into debt settlement agreements and issued 2,833,333 common shares in settlement of \$56,667 of accounts payable.

# Agile Blockchain Corp.

## Notes to the Condensed Interim Financial Statements

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- c) On March 27, 2018, the Company closed a private placement equity financing of \$74,000 and issued 3,700,000 common shares. \$74,000 were used in exchange for services for a net value of \$74,000. The transaction was measured based on the fair value of the shares issued which is determined by the most recent share transaction price.
- d) As the Company has not completed any activities of listing or business combination within one hundred and eighty days following the issuance date of the above three tranches Special Warrants, the Special Warrants issued on March 29, 2018, May 28, 2018 and June 15, 2018 were automatically converted into Common Shares following the issuance dates for each tranche on May 25, 2019, November 24, 2019 and December 18, 2019, respectively and increased in total of 20,947,745 Common Shares.
- e) On January 16, 2019, the Company incurred \$10,000 to recall 500,000 common shares that were issued for services to a former service provider upon termination of the service agreement.
- f) On July 12, 2019, the Company cancelled 1,750,000 unreleased common shares issued at a price of \$0.02 per share to the former management personnel of the Company in accordance with consulting agreement entered during the year ended December 31, 2018.
- g) On October 2, 2019, The Company issued 500,000 common shares through same numbers of performance warrants ("P-warrants") granted and exercised with net proceeds of \$50,000 received and \$1,350 fair value warrants expenses recognized. On October 8, 2019 The Company issued 1,660,000 common shares through same numbers of performance warrants ("P-warrants") granted and exercised with net proceeds of \$165,958 received and \$4,482 fair value warrants expenses recognized.

## 12. Special Warrants

	Note	Number of Special Warrants	Amount
<b>Balance as at March 2, 2018</b>		-	-
Private Placement (March 29, 2018)	a)	16,574,745	\$ 621,433
Private Placement (May 28, 2018)	b)	2,100,000	78,981
Private Placement (June 21, 2018)	c)	2,250,000	194,237
		<u>20,924,745</u>	<u>894,651</u>
Special warrant issuance cost			(764)
		<u>20,924,745</u>	<u>893,887</u>
Conversion to common shares	d)	<u>(20,924,745)</u>	<u>(893,887)</u>
<b>Balance as at December 31, 2019 and 2018</b>		-	\$ -

- a) On March 29, 2018 the Company closed a private placement equity financing and issued 16,574,745 Special Warrant Units ("SPU") at a price of \$0.05 per Unit. Each "SPU" consists of one special warrant of the Company and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.15 for a period expiring 24 months after the Closing Date. The fair value of special warrants and the common share purchase warrants attached to the "SPU" was estimated to be \$621,433 and \$207,304 specifically, with reference to the Black-Scholes option pricing model with the following

# Agile Blockchain Corp.

## Notes to the Condensed Interim Financial Statements

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(Unaudited, Expressed in Canadian Dollars)

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assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free rate of 1.780%; (iv) unit price of \$0.05; (v) forfeiture rate of 0; (vi) expected life of two years. Out of the total 16,574,745 "SPU" issued, 2,300,000 "SPU" were issued for exchanging of services.

The Special Warrants would be converted to Common Shares and Warrants automatically earlier of: (i) the listing of the Company's Common Shares on a Recognized Stock Exchange; and (ii) either (A) the receipt of a passport decision evidencing a receipt on behalf of each of the applicable securities commissions or other regulatory authorities for a final prospectus prepared by the Company qualifying the distribution of the Common Shares, Warrants and Warrant Shares underlying the Special Warrants; or (B) a merger, combination, reverse take-over, amalgamation, plan or arrangement, qualifying transaction or other form of business combination with or into any other person, the securities of which are listed on a Recognized Stock Exchange which results in the Special Warrants (and the underlying securities) issued to be freely tradeable securities of the Company; (iii) one hundred and eighty (180) days following the issuance date of the Special Warrants.

- b) On May 28, 2018 the Company closed a private placement equity financing and issued 2,100,000 Special Warrant Units ("SPU") at a price of \$0.05 per Unit. Each "SPU" consists of one special warrant of the Company and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.15 for a period expiring 24 months after the Closing Date. The fair value of special warrants and the common share purchase warrants attached to the "SPU" was estimated to be \$78,981 and \$26,019 specifically, with reference to the Black-Scholes option pricing model with the following assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free rate of 1.880%; (iv) unit price of \$0.05; (v) forfeiture rate of 0; (vi) expected life of two years.

The Special Warrants would be converted to Common Shares and Warrants automatically earlier of: (i) the listing of the Company's Common Shares on a Recognized Stock Exchange; and (ii) either (A) the receipt of a passed decision evidencing a receipt on behalf of each of the applicable securities commissions or other regulatory authorities for a final prospectus prepared by the Company qualifying the distribution of the Common Shares, Warrants and Warrant Shares underlying the Special Warrants; or (B) a merger, combination, reverse take-over, amalgamation, plan or arrangement, qualifying transaction or other form of business combination with or into any other person, the securities of which are listed on a Recognized Stock Exchange which results in the Special Warrants (and the underlying securities) issued to be freely tradeable securities of the Company; (iii) one hundred and eighty (180) days following the issuance date of the Special Warrants.

- c) On June 21, 2018 the Company closed a private placement equity financing and issued 2,250,000 Special Warrant Units ("SPU") at a price of \$0.10 per Unit. Each "SPU" consists of one special warrant of the Company and one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.30 for a period expiring 12 months after the Closing Date. The fair value of special warrants and the common share purchase warrants attached to the "SPU" was estimated to be \$193,473 and \$30,647 specifically, after deduction of \$881 share issuance cost, with reference to the Black-Scholes option pricing model with the following assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free rate of 1.880%; (iv) unit price of \$0.10; (v) forfeiture rate of 0; (vi) expected life of one year.

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The Special Warrants would be converted to Common Shares and Warrants automatically earlier of: (i) the listing of the Company's Common Shares on a Recognized Stock Exchange; and (ii) either (A) the receipt of a passed decision evidencing a receipt on behalf of each of the applicable securities commissions or other regulatory authorities for a final prospectus prepared by the Company qualifying the distribution of the Common Shares, Warrants and Warrant Shares underlying the Special Warrants; or (B) a merger, combination, reverse take-over, amalgamation, plan or arrangement, qualifying transaction or other form of business combination with or into any other person, the securities of which are listed on a Recognized Stock Exchange which results in the Special Warrants (and the underlying securities) issued to be freely tradeable securities of the Company; (iii) one hundred and eighty (180) days following the issuance date of the Special Warrants.

- d) As the Company has not completed any activities of listing or business combination within one hundred and eighty days following the issuance date of the above three tranches Special Warrants, the Special Warrants issued on March 29, 2018, May 28, 2018 and June 21, 2018 were automatically converted into Common Shares following the issuance dates for each tranche on May 25, 2018, November 24, 2018 and December 18, 2018, respectively and issuance a total of 20,947,745 Common Shares.

### 13. Warrants Reserve

	Note	Number of Warrants	Balance
<b>Balance as at March 2, 2018</b>		-	-
Private Placement (March 29, 2018)	11a	8,287,373	\$ 207,304
Private Placement (May 28, 2018)	11b	1,050,000	26,019
Private Placement (June 21, 2018)	11c	2,250,000	30,764
		<b>11,587,373</b>	<b>264,087</b>
Warrant issuance cost			(117)
<b>Balance as at December 31, 2018</b>		<b>11,587,373</b>	<b>263,970</b>
Performance warrants issuance	10g	2,160,000	5,832
Performance warrants exercise	10g	(2,160,000)	(5,832)
<b>Balance as at December 31, 2019</b>		<b>11,587,373</b>	<b>263,970</b>
Warrants expiration	11a	(8,287,373)	(207,304)
<b>Balance as at March 31, 2020</b>		<b>3,300,000</b>	<b>\$ 56,666</b>

8,287,373 warrants expired without exercise On March 29, 2020.

The fair value of the warrants outstanding at March 31, 2020 is estimated using the Black-Scholes option pricing model at issuance date with the following weighted average inputs and assumptions as the following:

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Issue Date	Warrants outstanding	Exercise price	Expiry date	Fair value at issue date
May 28, 2018	1,050,000	\$0.15	May 29, 2019	26,019
June 21, 2018	2,250,000	\$0.30	June 21, 2020	30,764
				<b>\$ 56,783</b>
Warrant issuance cost				(117)
	<b>3,300,000</b>			<b>\$ 56,666</b>

## 14. Stock option reserve

### Stock option reserve:

The Company issued stock options when necessary to its employees and contractors according to its stock option plan as part of compensation in exchange of services. As at March 31, 2020, the Company had outstanding stock options as following:

Grant Date	Options Outstanding	Exercise Price	Fair Value (per option)	Expiry Date	Total value
October 20, 2018	600,000	\$0.10	\$0.0596	October 20, 2021	\$ 35,760
October 20, 2018	50,000	\$0.10	\$0.0505	October 20, 2020	2,525
November 1, 2018	187,500	\$0.10	\$0.1582	November 1, 2020	29,654
November 7, 2018	50,000	\$0.10	\$0.0505	November 7, 2020	2,525
February 1, 2019	50,000	\$0.10	\$0.0360	February 1, 2020	1,800
March 1, 2019	50,000	\$0.10	\$0.0360	March 1, 2020	1,800
April 1, 2019	50,000	\$0.10	\$0.0360	April 1, 2020	1,800
April 25, 2019	100,000	\$0.10	\$0.0502	April 25, 2021	5,020
May 1, 2019	50,000	\$0.10	\$0.0360	May 1, 2020	1,800
September 1, 2019	900,000	\$0.10	\$0.0501	September 1, 2021	45,090
September 3, 2019	1,175,000	\$0.10	\$0.0505	September 3, 2021	59,338
September 25, 2019	1,540,000	\$0.10	\$0.0502	September 25, 2021	77,308
September 30, 2019	1,000,000	\$0.10	\$0.0506	September 30, 2021	50,600
	<b>5,802,500</b>				<b>\$ 315,020</b>

- a) On October 4, 2018, the Company granted 30,000 stock options to employees. Each option is exercisable into one common share of the Company at an exercise price of \$0.20, with an expiring period of two years from the date the options were granted. The stock options will be vested in six quarters from the grant date. These stock options were cancelled in July 2019.
- b) On October 20, 2018, the Company granted 1,650,000 stock options to employees and consultants. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 with an expiring period of two to three years from the date the options were granted. 150,000 options vested immediately upon grant date; 1,000,000 options will be vesting over 24 months on quarterly basis; 500,000 options will be vesting over 18 months on quarterly basis. 1,000,000 of the total 1,650,000 stock options were cancelled in July 2019.

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## Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

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- c) On November 1, 2018, the Company granted 500,000 stock options to an employee. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 with an expiring period of two years from the date the options were granted and the options will be vesting over 24 months on quarterly basis. 312,500 of the total 500,000 stock options were cancelled in July 2019.
- d) On November 7, 2018, the Company granted 50,000 stock options to employees and consultants. Each option is exercisable into one common share of the Company at an exercise price of \$0.10 with an expiring period of two years from the date the options were granted. The stock options will be vested over six quarters starting from the grant date.
- e) The Company granted 175,000 stock options on February 1, 2019, March 1, 2019, April 1, 2019 and May 1, 2019, respectively, to two officers. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of one year from the date of granted. All 700,000 stock options were vested immediately on grant date. 125,000 of the 175,000 stock options of each granted tranche above were cancelled in July 2019, total cancellation of stock options 500,000.
- f) On April 25, 2019, the Company granted 100,000 stock options to an employee. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of two years from the date of the options were granted. The stock options will be vested over four quarters starting from the grant date.
- g) On July 12, 2019, the Company cancelled 1,842,500 stock options granted to the former management personnel of the Company in accordance with consulting agreement entered during the year ended December 31, 2018.
- h) On September 1, 2019 and September 30, 2019, the Company granted 900,000 and 1,000,000 stock options to employees, respectively. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of two years from the date of the options were granted. The stock options will be vested in batches on various basis pursuant agreement between the employees and the Company.
- i) On September 3, 2019 and September 25, 2019, the Company granted 1,175,000 and 1,540,000 stock options to its CEO and Directors of the Board. Each option is exercisable into one common share of the Company at an exercise price of \$0.10, with an expiring period of two years from the date of the options were granted. The stock options will be vested in batches on various basis pursuant agreement between the stock option holders and the Company.

# Agile Blockchain Corp.

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The summary of stock options grant for the period from March 2, 2018 to March 31, 2020 is presented below:

<b>Outstanding, March 2, 2018</b>	-
Granted	2,230,000
Vested	(150,000)
<b>Outstanding, unvested December 31, 2018</b>	<b>2,080,000</b>
Granted	5,415,000
Vested	(3,087,500)
Cancelled	(1,842,500)
<b>Outstanding unvested, December 31, 2019</b>	<b>2,565,000</b>
Vested	(1,306,944)
<b>Outstanding unvested, March 31, 2020</b>	<b>1,258,056</b>

Range of Exercise Prices	Options Outstanding		Options Exercisable	
	Options Outstanding	Weighted Average Remaining Contractual Life	Options Exercisable	Weighted Average Exercise Price
\$0.10	5,802,500	1.37	4,544,444	\$0.10

Nil stock options were granted in the three months ended March 31, 2020 and 2019, respectively. The weighted-average grant-date fair value of option granted during the period from date of inception (March 2, 2018) to December 31, 2018 and year ended December 31, 2019 are \$0.06 and \$0.10 respectively.

Total fair value expense for granted stock options recognized in the three months ended March 31, 2020 and 2019 are \$43,690 and \$38,146 respectively. The expense is included as stock-based compensation in the Company's statements of operations. Key assumptions used in the valuation for stock options granted in the year ended December 31, 2019 including forfeitures are accounted for on an individual basis: average risk-free rate – 1.611%; expected dividend yield – 0%; weighted average expected terms: 1.62 years; volatility – 120% and underlying stock price: \$0.10, (period from inception date (March 2, 2018 to December 31, 2018: average risk-free rate – 2.268%; expected dividend yield – 0%; weighted average expected terms: 2.52 years; volatility – 120% and underlying stock price: \$0.0864).

### 15. Contributed Surplus

	Note	Balance
<b>Balance, January 1, 2019</b>		\$ -
Recall shares issued for services	11(f)	35,000
Exercise of performance warrants	11(g)	5,832
<b>Balance, December 31, 2019</b>		<b>\$ 40,832</b>
Warrants expiration		207,304
<b>Balance, March 31, 2020</b>		<b>\$ 248,136</b>

# Agile Blockchain Corp.

## Notes to the Condensed Interim Financial Statements

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### 16. Government subsidy

\$97,468 investment tax credit refund was authorized by government in the three months ended March 31, 2020 and recognized as other income in the Company's statement of comprehensive loss.

\$12,478 Canadian emergency wage subsidy was accrued in the three months ended March 31, 2020. Such subsidy was received in May 2020.

### 17. Related Party Transactions

The Company's related parties comprise its key management: CEO, CFO, and Directors of the Board. Transactions with related parties include salaries and service fees; shares and stock options issued for services; and promissory notes granted to shareholders for operating funds, etc.

The Company had \$6,000 due to officers as at March 31, 2020; (December 31, 2019: \$24,000).

For the three months ended March 31, 2020 and 2019, the Company paid \$13,000 and \$49,587 salaries and service fees to its key management. \$6,000 service fee due to key management was accrued in the three months period ended March 31, 2020 and 2019, respectively.

Nil common shares issued to the Company's related parties in the three months ended March 31, 2020 and 2019.

Total \$22,976 and \$33,874 of fair value vested stock options granted to related parties were recorded in the three months ended March 31, 2020 and 2019, respectively.

### 18. Financial Instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

#### (a) Fair value

Financial instruments included in the statement of the financial position as at March 31, 2020 consist of cash, accounts payable and accrued liabilities and promissory notes payable with year-end carrying amount which approximates their respective fair values.

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises the following types of risk: credit risk, foreign exchange risk, liquidity risk and cash flow risk.

#### (c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to the liquidity of its cash and receivable balance. No allowance was made with respect to trade receivable balance as at March 31, 2020, as all balances were current and not past due (December 31, 2019: \$Nil). The receivable balance has been fully repaid by the customer in June 2020.



# Agile Blockchain Corp.

## Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

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(d) Foreign exchange risk

The Company is not exposed to any significant foreign exchange risk. The Company did not have any hedges or any other transactions related to foreign currency clearance at the time that these condensed interim financial statements were issued. In the opinion of management, the foreign exchange risk exposure to the Company is low.

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company actively manages its liquidity risk through cash and equity management strategies. Such strategies include continuously monitoring forecasted and actual cash flows from operating, financing and investing activities.

The Company's cash flow is generated from debt financing or equity raises.

The Company monitors cash on a regular basis and reviews expenses to ensure costs and commitments are being paid in a timely manner. Management has worked with and negotiated with vendors to ensure payment arrangements are satisfactory to all parties and that monthly cash commitments are managed within the Company's operating cash flow capabilities.

As at March 31, 2020, the Company has cash balance of \$9,003. The following table summaries amount and maturity dates of the Company's contractual obligations as of March 31, 2020:

	Within 1 year	1-3 years	Total
Accounts payable and accrued liabilities	\$ 416,709	\$ -	\$ 416,709
Promissory notes payable	30,263	193,799	224,062
	<b>\$ 446,972</b>	<b>\$ 193,799</b>	<b>\$ 640,771</b>

(f) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount, such as a debt instrument held with a floating interest rate. In the opinion of management, the cash flow risk exposure to the Company is low.

## 19. Capital Management

The Company includes equity, comprised of common shares, special warrants, warrant reserve, and deficit, in the definition of capital. The Company's objectives when managing capital are as follows:

- (i) To safeguard the Company's assets and ensure the Company's ability to continue as a going concern; and
- (ii) To raise sufficient capital to achieve the ongoing business objectives including funding of future growth opportunities and meeting its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it, based on general economic conditions, the Company's short-term working capital requirements, and its planned capital requirements and strategic growth initiatives.

# Agile Blockchain Corp.

Notes to the Condensed Interim Financial Statements

Three months ended March 31, 2020

(Unaudited, Expressed in Canadian Dollars)

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The Company's principal source of capital is from the issuance of common shares or special warrants. In order to achieve its objectives, the Company expects to spend its working capital, when applicable, and raise additional funds as required.

The Company does not have any externally imposed capital requirements.

## 20. Subsequent Events

### Closing of private placements

On April 1, 2020, the Company closed a private placement equity financing and issued 87,999 Common Shares of the Company, at a price of \$0.15 per share, with gross proceeds \$13,200 raised and received.

On April 15, 2020, the Company closed a private placement equity financing and issued 4,786,700 Common Shares of the Company, at a price of \$0.15 per share, with gross proceeds \$718,005 raised and received.

### Stock options granting

On April 15, 2020, the Company further granted 746,666 stock options to its key management at an exercise price of \$0.15 per share and with an expiring period of two years from the date of the options were granted.

### Bank loan

The Company secured an interest-free loan from the Bank of Montreal on April 16, 2020 in the amount of \$40,000 pursuant to the Government of Canada's Canada Emergency Business Account, which was available to help Agile cope with the disruption caused by the COVID-19 virus ("COVID"). The Agile Loan will be used to help finance the continued development of the business of the Resulting Issuer and for general working capital purposes. The Resulting Issue will only be required to repay \$30,000 of the Agile Loan if such repayment is made in full on or before December 31, 2022.

### Promissory notes extension

On May 1, 2020, the Company has extended maturing date of \$30,263 promissory notes from May 28, 2020 to May 28 2022.

### Warrants expiration

1,050,000 warrants expired without exercise On May 28, 2020

### Stock options forfeiture

On April 30, 2020, 100,000 stock options the Company granted to one prior employee were forfeited.

Agile Blockchain Corp.  
Management's Discussion & Analysis  
For the three months ended March 31, 2020

June 15, 2020

## **Introduction**

The following Management's Discussion & Analysis ("MD&A") of Agile Blockchain Corp. (the "Company" or "Agile") for the three months period ended March 31, 2020 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company.

This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2019 and unaudited condensed interim financial statements for the three months ended March 31, 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS"). The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34 Interim Financial Reporting ("IAS 34"). Accordingly, information contained herein is presented as at March 31, 2020, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

## **Forward-Looking Statements**

Certain sections of this MD&A may contain "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative

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Agile Blockchain Corp.  
Management's Discussion & Analysis  
For the three and nine months ended March 31, 2020

of those words or other similar or comparable words. Forward-looking statements may relate to the Company's future financial conditions, results of operations, plans, objectives, performance or business developments. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

### **Corporate Overview**

The Company was formed to capitalize on the opportunities available in blockchain technology development. Since its incorporation in 2018, Agile has begun development work on its first proprietary blockchain decentralized applications ("BDA"). The first of these is a supply chain focused permission based blockchain that will be expanded to accommodate client firms in various supply chain channels with the objective of increasing client operational efficiencies while limiting their costs. The second BDA is a tracker system based on LTE technology. Cell phone networks based on GSM technology are being phased out and even now GSM towers that develop problems are simply shut down rather than fixed. Long-Term Evolution ("LTE") is a 4G technology that will also operate on the 5G system that will eventually replace current infrastructure. Agile's proprietary tracking system allows customers to actively track their assets and optimize their operations. By registering the trackers on Agile's supply chain blockchain, Agile can immediately detect if malware appears on a tracker and shut it down before further damage occurs to a customer's operations. Agile has trackers operational at customer firms at present and our supply chain blockchain is undergoing continuing development to onboard entities all along a manufacturing supply chain.

### **BUSINESS OF AGILE**

Agile is a software development company specializing in the development and deployment of asset tracking technology and supply chain optimization utilizing a proprietary blockchain solution. Agile intends to establish itself as a strong and growing presence in blockchain technology and innovation. Its goal is to generate "early mover advantage" as one of the very few public companies focused on exposing investors to multiple blockchain applications with a fully integrated solution.

Agile's business model and strategy are based on demonstrating the efficiency gains attainable using blockchain technology and onboard a critical mass of companies who have various intertwined relationships.

Agile intends to utilize the 'Network Effect' and implement a strategy of quick onboarding and benefits demonstration.

### ***Blockchain Decentralized Applications***

Agile has developed and continues to upgrade its own proprietary supply chain focused blockchain. Blockchain software is essentially a distributed ledger that allows for low cost, highly verified content of registration data, which Agile's supply chain focus will allow the direct communication of relevant information to permissioned parties. This distributed ledger will also maintain a registration history of all transactions.

Agile's supply chain ecosystem allows for the disruption of supply chain management software. Supply chain management software enables a single entity to monitor, measure and manage its inventory and supply management. The problems occur when this version of reality conflicts with the version of reality employed at the company's suppliers and customers. This conflict is a regular occurrence that can be alleviated by the use of a single 'channel' that contains the reality as seen by every entity permissioned to see that information. The efficiency gains realized by the Agile enabled system are large and include the reduction of communications and miscommunication between multiple entities.

Agile intends to operate its blockchain enabled network as Software as a Service ("SaaS"). Agile's client firms will be able to utilize their current software infrastructure without interruption while API's connect to their currently installed software and provide the 'arguments' in transactions that are deployed on our blockchain. Agile will not replace client's database or other programs, but rather conducts and registers transactions of all descriptions; RFP's, purchase orders, invoices, payments and many other transactions. These transactions are registered in this way and are made available to all entities that are enabled by the client firm, thus increasing required visibility and simultaneously reducing the number of required communications.

Agile's proprietary tracking system provides a level of security by registering tracker profiles on the ledger using a 256-bit hash. Any changes to a tracker, as has occurred in the recent past, will automatically change the tracker hash. A mismatch of profiles will trigger a shutdown of the tracker.

Funds raised through financing, traditional equity markets and consulting fees will be used to cover development and marketing costs incurred by Agile directly or on behalf of clients. Blockchains built by Agile will earn recurring 'by use' revenue as the developer and operator of the supply chain network and tracker system.

### ***Agile Blockchain Marketplace***

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Agile Blockchain Marketplace is a business to business social market place with immutable transaction records. The Marketplace will serve as the integration focus for Agile's technology, bringing together cryptographically secure data storage, asset and information tracking and AI-driven search capabilities to enable supply-chain sourcing and fulfillment optimization across industries on a SaaS platform. The Marketplace's searchable company directory and product/service offering catalog, combined with a common data model for transactional supply chain data insights will facilitate dynamic intelligent matching of supply and demand within a suite of procurement and fulfillment management tools. The integration with the IoT/5G sensor cloud will enable real-time visibility into product location and status, and platform contracts (RFPs, purchase orders, invoices and other documents) will record fulfillment status across common types of business activities, incorporating electronic data interchange (EDI) and international classification standards. Agile's blockchain-based data pipeline underlying the platform will immutably record input and output flows, increasing confidence in crucial data quality and integrity.

The Marketplace has a number of advantages for business operations and transactions:

- **Speed** - By applying search algorithms to procurement fulfillment data we can improve supplier selection;
- **Efficiency** - By improving supplier selection we can recommend optimized, complex supply chains;
- **Cost** - By recommending supply chains we can enable dynamic management and reduce business risk.

These enhancements will enable domestic small and medium companies to lower business to business risks and engage the global economy fully by adopting Agile's platform at lower costs than engaging with large, integrated ERP offerings or connecting with its business social network through Application Programming Interfaces (API). The platform will create value by ordering business to business transaction data with Agile's unique scoring mechanism, applied through points of contact in information access, business connections, fulfillment monitoring, sensor tracking, ERP integration, record visibility, and sourcing management.

The Company's focus on fulfillment enables sellers and buyers to emphasis critical operational supply chain factors, including price, quality, lead-time – over marketing and branding. All these functionalities will help clients save capital by optimizing business focus on customer value.

### ***Agile Tracking Solution***

The Agile tracking solution is a simple, secure, and powerful LTE tracking solution hat provides vehicle fleet management with an array of up-to-date tracking system. Together with the historical data and the capability of implementing analytics, the platform is able to deliver a dashboard that contains multiple applicable features including GPS location and heading, temperature, battery,

ground velocity, odometer, engine speed, fuel consumption, engine ON hours, engine idle hours, vehicle state, ignition, coolant temperature, engine load, and fuel level.

The Tracking Solution runs encrypted on private servers, with an optional backend connection to Agile Blockchain Q platform, which includes an option for secure deployment on cloud.

Given regulatory and market shifts in Canada and the U.S., Agile Blockchain's next-generation LTE tracking solution will be well positioned for significant growth in the near future. In 2021, the Transport Canada ELD mandate for commercial drivers takes effect, aligning with current ELD regulations in the U.S. Yet today, most trackers in Canada are on GSM/2G or 3G infrastructure (that is being shut down). Agile Blockchain offers businesses a next-generation 4G LTE tracking solution enabling them to manage this new technology shift, and meet their supply-chain needs, while also ensuring regulatory compliance.

### *The System Q*

The system 'Q' is an experimental R&D architecture. The goal of this project is to implement key characteristics of blockchain without some of its bottlenecks: Traditional blockchain technologies (2018 and prior) have been constrained to <100 transactions/second. Recent developments have attempted to bypass these limitations, with varying degrees of success. Noteworthy academic articles have shown some results in the 10K-20K range, and there are some hopes that a different data structure (e.g. "hashgraphs") will break through these limitations to reach upwards of 100,000/s.

Until whether the approach has merit is determined, the project is proprietary and should be kept confidential. In the broadest detail:

- The Company believes that the most attractive/useful features of blockchain / distributed ledger technologies are their ability to render data immutable (i.e. cannot be altered or deleted after the fact without being detected) and to provide non-repudiation (i.e. once a record exist, its author cannot claim it doesn't or that they are not its author).
- The Company also believes that these features can be achieved sufficiently for most enterprise applications without some of the technical limitations and bottlenecks which have historically afflicted blockchain.
- Though there is still a long way to go in terms of polishing the architecture and code, the internal testing has shown results in the 20-80K transactions per second range.
- If the Company succeed in this R&D, we might find ourselves with a functional alternative to blockchain which has the following attractive characteristics:
  - Software as a Service (SaaS): Any stateful system should be able to use Q to its advantage, providing it with a court-admissible audit trail, with very little effort needed for the integration itself (though modifications to existing systems might be necessary);
  - No leakage of data into the public domain. By-product: almost no security / access management overhead;

- Very high bandwidth applications, with minimal latencies. We hope that in future development cycles we will achieve throughputs in the hundreds of thousands per second; and
- Programming-language and (for the most part) blockchain agnostic.

### ***Principal Markets***

As of mid-2017, the blockchain sector was moving into the implementation stage, creating huge opportunities for development and distribution of blockchain-enabled supply chains.

While many of the world's largest banks and retailers are investing hundreds of millions in researching the utilization of blockchains, it is still a wide-open frontier. There is currently a void of usable software applications that fully exploit the power and value inherent in this technology. Agile will create value for its shareholders by developing massively scalable blockchain channels that fill this void. Agile will be focused on developing revenue generating blockchain applications through a proof of concept approach and launching blockchain channels in an efficient manner.

Numerous opportunities are emerging for blockchain-based supply chain networks world-wide, in a wide variety of other non-financial, but data driven industries. Such industries include, but are not limited to:

- Manufacturing;
- Logistics;
- Enterprise Resource Planning (“ERP”);
- Agriculture;
- Financial Services;
- Financial Exchanges;
- Registered ownership tracking;
- Payment Processing;
- Online shopping;
- Real Estate Transactions; and
- Supply Chain Product Validation.

Industry experts are predicting that almost every application in the future will eventually utilize a blockchain. Agile believes it is positioned at the ground-level of this new digital break through. The key to Agile's success will be its ability to combine useful blockchain-based supply chain applications with efficient time-to-market methods to ensure a solid first mover advantage and substantial ongoing returns on investments.

### ***Distribution Methods***

Agile's initial focus will be on developing a network of salaried and commissioned sales staff in various North American locations that have a critical mass of fleet vehicles and fleet management



operations. By onboarding fleets to Agile’s proprietary tracking system and preparing them for inclusion in the supply chain blockchain, Agile will establish its pipeline of blockchain enabled supply chain customers.

To further establish the brand, Agile has established a blog and social media presence that are continuously updated. In addition, a public relation company and other promotional venues are to be engaged that will further solidify Agile’s niche leadership.

The head office and registered office of the Company is located at 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600, Vancouver BC V7X 1T2, Canada.

### **Amalgamation Agreement**

On December 21, 2018, the Company entered into an amalgamation agreement (the “Amalgamation Agreement”) with Stowe One Investments Corp. (“Stowe One”). Under the terms of the Amalgamation Agreement, the Company and Stowe One (collectively the “Parties”) propose to combine the business and assets of Stowe One and the Company through an amalgamation (the “Transaction”).

Pursuant to the original Amalgamation Agreement, Agile intended to raise capital by way of a non-brokered private placement at a price of \$0.20 per common share in the capital of the Company (“Common Share”), prior to the completion of the Transaction. Immediately prior to the closing of the Transaction, a share consolidation of Stowe One’s common shares shall occur, using a consolidation ratio of approximately 5.48:1. Stowe One will change its name to Agile Blockchain Corp., or an agreed upon name. Due to the impacts of the novel Corona virus, COVID-19, and other factors, Agile was able to raise \$731,205 at an issue price of \$0.15 per Common Share.

As consideration for entering into the Amalgamation Agreement, Agile paid Stowe One (1) \$25,000 upon the execution of the Amalgamation Agreement (received), and (2) agreed to pay \$5,000 each month thereafter, beginning January 2019. During the year ended December 31, 2019, Stowe One received payments of \$50,000 from Agile, following which Agile and Stowe One agreed that Agile could cease making payments.

Such payments are a non-refundable deposit to fund the working capital and Transaction expenses of Stowe One. Subject to certain termination events, the non-terminating Party is entitled to a \$100,000 termination payment.

## **Results of Operations**

The following is a breakdown of the Company's overall operational highlight comparison of the three months ended March 31, 2020 and 2019

	<b>Three months ended March 31, 2020</b>	<b>Three months ended March 31, 2019</b>
Revenue	10,000.00	0.00
Cost of Sales	-	-
Loss from Operations	(249,312)	(293,660)
Other income (expense)	125,697	(3,182)
Loss (before income tax expenses)	(123,615)	(296,842)
Income Tax Expenses	-	-
Loss and Comprehensive Loss	(123,615)	(296,842)
Weighted average number of shares	72,534,744	72,213,633
Basic and Diluted loss per share	0.00	0.00
Total Assets	196,319	183,375
Total Non-Current Financial Liabilities	199,750	155,701

### ***Revenue***

During the period ended March 31, 2020, the Company recorded revenue of \$10,000, an increase of \$10,000 or a 100% increase in revenue over the same period in 2019. The Company provided supply chain consulting services to a customer in January and February of 2020 and earn \$10,000. Due to Covid-19 epidemic, the customer cancelled its contract with the Company effective February 28, 2020.

### ***Cost of Sales***

The Company didn't incur any additional costs for providing consulting services to its customer in January and February of 2020. no sales related expenses were incurred in the three months ended March 31, 2019 as the Company had no revenue recognized in the same period in 2019.

### *Loss from Operations*

	<b>Three months ended March 31, 2020</b>	<b>Three months ended March 31, 2019</b>
Revenue	<b>10,000</b>	-
Development Costs	13,838	53,300
Management Fees	13,000	-
Professional and Consulting Fees	54,842	44,394
Salaries and Benefits	117,467	97,153
General and Administrative Expenses	6,868	29,491
Marketing	1,628	22,829
Share-based Compensation	43,690	38,146
Amortization Expenses	7,979	8,347
<b>Loss from Operations</b>	<b>\$(249,312)</b>	<b>\$(293,660)</b>

The Company reported loss from operations for the three months ended March 31, 2020 of \$249,312 (\$0.00 per share) as compared to a loss from operations for the same period in 2019 of \$293,660 (\$0.00 per share). A decrease of \$44,348 or 15.1% for the three months ended March 31, 2020 over the same period in 2019. This decrease was as a result of reduced business activities in the three months ended March 31, 2020 due to the Covid-19 pandemic situation.

The Company continued working on developing its blockchain-based applications for supply chain management services in the first quarter of 2020.

Development costs were \$13,838 for the three months ended March 31, 2020 compared to \$53,300 for the three months ended March 31, 2019, a decrease of \$39,462 or 74%. This decrease was as a result of reduced business activities in the three months ended March 31, 2020 due to the Covid-19 pandemic situation.

Management fees were \$13,000 for the three months ended March 31, 2020 compared to nil for the three months ended March 31, 2019, an increase of \$13,000 or 100%. This increase was as a result of changes to the Company's key management personnel and new compensation packages with key management personnel being adopted.

Professional and consulting fees were \$54,842 for the three months ended March 31, 2020 compared to \$44,394 for the three months ended March 31, 2019, an increase of \$10,448 or 24%. This increase was as a result of increase in legal fees of \$7,212 and increase in accounting fees of \$3,236.

Salaries and benefits were \$117,467 for the three months ended March 31, 2020 compared to \$97,153 for the three months ended March 31, 2019, an increase of \$20,314 or 20.9%. This slight

increase was mainly caused by one more employee head count in the three months period ended March 31, 2020 as comparing with the same period in 2019.

General and administrative expenses were \$6,868 for the three months ended March 31, 2020 compared to \$29,491 for the three months ended March 31, 2019, a decrease of \$22,623 or 77%. This decrease was as a result of reduced business activities in the three months ended March 31, 2020 due to the Covid-19 pandemic situation.

Marketing expenses were \$1,628 for the three months ended March 31, 2020 compared to \$22,829 for the three months ended March 31, 2019, a decrease of \$21,201 or 93%. This decrease was as a result of reduced business activities in the three months ended March 31, 2020 due to the Covid-19 pandemic situation.

Share-based compensation were \$43,690 for the three months ended March 31, 2020 compared to \$38,146 for the three months ended March 31, 2019, an increase of \$5,544 or 14.5%. This increase was as a result of increased vested fair value of stock options issued that has been recognized in the three months ended March 31, 2020 according to the vesting schedule of the stock options issued, as comparing with the same period in 2019.

#### Other income / expense

The Company had net other income of \$125,697 for the three months ended March 31, 2020, increased \$128,884 or 4,044% Comparing with the \$3,182 net interest expense for the same period 2019. The increase was caused by \$97,468 investment tax refund authorized by the government and received; \$12,478 Canadian emergency wage subsidy accrued and received after period end; and \$22,563 gain on debt restructuring recognized according to IFRS 9 – Financial Instruments. In the period ended March 31, 2020, the Company incurred net interest expenses of \$6,812.

### ***Liquidity and Capital Resources***

The Company intends to use its funds to meet funding requirements for business development and new customer deployments based on anticipated market demand. Actual funding requirements will vary depending on a variety of factors, including our success in executing our business plan, the progress of our product and business development efforts, our sales and our ability to manage our working capital requirements. Our existing cash balances and cash generated from operations, cash proceeds from new debt and equity financing will be required to meet our anticipated cash needs for working capital, growth capital and capital expenditures for the foreseeable future.

The management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

The table below is a summary of cash inflows and outflows by activity for the periods ended March 31, 2020 and 2019:

	<b>Three months ended March 31, 2019</b>	<b>Three months ended March 31, 2018</b>
<b>Cash inflows and (outflows) by activities:</b>		
Operating activities	\$(99,421)	\$(267,927)
Investing activities	\$Nil	\$Nil
Financing activities	\$93,000	\$(10,000)
Net cash (outflows) inflows	\$(6,421)	\$(277,927)
Cash, beginning of year	\$15,424	\$417,520
Cash, end of year	\$9,003	\$139,583

### ***Operating activities***

During the three months ended March 31, 2020, cash used in operating activities was \$99,421 compared to cash used in operating activities of \$267,927 during the same period in 2019. The decrease in cash used in operating activities is mainly a non-cash debt restructuring gain of \$22,563 was recognized in the three months ended March 31, 2020 (\$Nil in the same period in 2019); \$5,544 increase of non-cash stock based compensation in the three months ended March 31, 2020 as comparing with the same period in 2019; \$4,938 non-cash interest expenses incurred in the three months ended March 31, 2020 (\$Nil in the same period in 2019); increased \$11,300 of revenue collectable and \$12,478 government grants collectable in the three months ended March 31, 2020 (\$Nil in the same period in 2019) and the rest \$1,774 increased cash using effect due to the fluctuation of the Company's trade and other payables.

### ***Investing activities***

For the three months ended March 31, 2020, there were no investing activities similar to the same period in 2019.

### ***Financing activities***

During the three months ended March 31, 2020, cash generated from financing activities was \$93,000 compared to \$10,000 cash used in financing activities during the same period in 2019. The increase in cash generated in three months ended March 31, 2020 was due to borrowing of \$93,000 through issuance of promissory notes, while the Company repaid \$10,000 to recall shares issued during the same period in 2019.

### ***Going public transaction***

On December 31, 2019 Stowe One filed a non-offering preliminary prospectus with the British Columbia Securities Commission ("BCSC") and Alberta Securities Commission ("ASC"). Stowe One received comments from BCSC and has filed an amended and restated non-offering

preliminary prospectus on March 27, 2020. Agile has filed a listing statement with the Canadian Securities Exchange (“CSE”).

Between October 4, 2019 and October 8, 2019, a total of 2,160,000 common shares of the Company (“Common Shares”) were issued pursuant to the exercise of Common Share purchase warrants (“Warrants”) by the holders of such Warrants for aggregate proceeds of \$210,000.

Between April 1, 2020 and April 15, 2020, a total of 4,874,699 Common Shares were issued pursuant to a non-brokered private placement for aggregate proceeds of \$731,205.

### ***Share capital***

Agile’s authorized share capital consists of an unlimited number of Common Shares without par value. All the common shares have the same rights in respect of the distribution of dividends and the repayment of capital.

As at March 31, 2020, there were 72,534,747 Common Shares outstanding (77,409,446 - at June [ ], 2020).

As at December 31, 2019, the Company has 11,587,373 warrants outstanding (11,587,373 – at December 31, 2018, and 2,250,000 – at June [ ], 2020).

As at December 31, 2019 the Company has 5,802,500 stock options outstanding, (2,230,000 – at December 31, 2018 6,449,166 at June [ ], 2020).

### ***Off balance sheet arrangements***

At the date of this MD&A, the Company had no material off balance sheet arrangements that have or are reasonably likely to have a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

### ***Contractual obligations***

With the exception of the Amalgamation Agreement described earlier, there are no other significant contractual obligations.

### ***Off balance sheet arrangements***

At the date of this MD&A, the Company had no material off balance sheet arrangements that have or are reasonably likely to have a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

### ***Contractual obligations***

With the exception of the Amalgamation Agreement described earlier, there are no other significant contractual obligations.

### ***Risk Factors***

Agile is exposed to a number of risks and uncertainties that are common to other companies engaged in the same or similar businesses. The summary of material risks that could significantly affect the financial condition, operating results or business of Agile can be found in section “Risk Factors” of the final prospectus of Solvbl Solutions Inc. (Stowe One is to be renamed prior to filing of the final prospectus), of which this MD&A forms a part.

### ***Critical accounting estimates***

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual results could differ from the estimates used under different assumptions and conditions.

### ***The most significant judgments applying to the Company’s financial statements include:***

The assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty. These financial statements have been prepared based on the going concern assumption, which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The assessment is based upon planned actions that may or may not occur for several reasons including the Company’s own resources and external market conditions;

- Impairment of non-financial assets - Non-financial assets include property and equipment, and the right of use assets. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is

based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate and cash flow projections;

- Leases renewal terms and incremental borrowing rate - Judgement is required at the inception of a lease as to whether payments associated with future renewal options are included or excluded from the calculation of the lease liability. Management must assess the likelihood of such options being exercised based on factors such as lease rates, improvements made and cost associate with exiting. Additionally, the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company Union estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific risk adjustments.
- Revenue recognition - Judgement is required in identifying the contract with the customer, identifying the performance obligations, determining the individual transaction price and allocating said price to the individual performance obligations making up the contract. Revenue is recognized only when it is probable that the economic benefits associated with a transaction will flow to the Company, and when the amount of revenue can be reliably measured.
- Provisions - Provisions are accrued for liabilities with uncertain timing or amounts, if, in the opinion of management, it is both likely that a future event will confirm that a liability had been incurred at the date of the financial statements of financial position and the amount can be reasonably estimated. In cases where it is not possible to determine whether such a liability has occurred, or to reasonably estimate the amount of loss until the performance of some future event, no accrual is made until that time. In the ordinary course of business, the Company may be party to legal proceedings which include claims for monetary damages asserted against the Company. The adequacy of provisions is regularly assessed as new information becomes available.

*Significant estimates or key sources of estimation uncertainty include:*

- Current and deferred income taxes - Current income taxes require significant estimation in their calculation including the consideration of allowable deductions and tax rates. In assessing the probability of realizing deferred tax assets, management makes estimates related to the expectation of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax positions taken will be sustained upon examination by applicable tax authorities.
- Allowance for expected credit losses - Management determines expected credit loss by evaluating individual receivable balances and considering customers' financial condition, customer creditworthiness, current economic trends and experience. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written

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off are recorded as income when received. All receivables are expected to be collected within one year of the year ended.

- Useful lives of non-financial assets - The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property and equipment are based on internal technical evaluations and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets;
- Share-based payment transactions and warrants - The Company measures the cost of equity-settled transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions require determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield of the share option and forfeiture rate. Similar calculations are made in order to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

### ***Changes in accounting policies including initial adoption***

#### *Future accounting changes*

The Company has not yet applied the following new standard, interpretations and amendments to standards that have been issued as at March 31, 2020 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

#### *IFRS 3 Business combinations*

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Under the new standard the Company expects a more likely probability that future transactions will be accounted for as asset acquisitions.

### IAS 1 Presentation of financial statements

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The Company does not expect these amendments to have a material impact on its financial statements.

### IAS 8 Accounting policies, changes in accounting estimates and errors

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The Company does not expect these amendments to have a material impact on its financial statements.

### **Going Concern**

In preparing the financial statements on a going concern basis, management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

### **Internal Controls Over Financial Reporting and Disclosure of Controls and Procedures**

The Company's Chief Executive Officer and the Chief Financial Officer are responsible for the design of internal controls over financial reporting within the Company in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. There were no changes in the Company's internal controls over financial reporting during the Company's most recent period that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

### **Related Party Transactions & Key Management Compensation**

Key management is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company's key management personnel include founders of the company and other key senior executives.

During the three months ended March 31, 2020 and 2019, remunerations of key management of Company were as follows:

	<b>Three months ended March 31, 2020</b>	<b>Three months ended March 31, 2019</b>
Salary and employee benefits	\$13,000	\$37,086
Share based compensation	\$22,976	\$33,874

The Company's related parties consist of the Company's directors and management and the companies associated with them. There were no related party transactions for the period ended March 31, 2020.

### ***Financial instruments and risk exposures***

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

Financial instruments included in the statement of the financial position as at March 31, 2020 consist of cash, accounts payable and accrued liabilities and promissory notes payable with year-end carrying amount which approximates their respective fair values.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises the following types of risk: credit risk, foreign exchange risk, liquidity risk and cash flow risk.

(c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to the liquidity of its cash and receivable balance. As at December 31, 2019, the Company carried \$Nil trade receivable.

(d) Foreign exchange risk

The Company is not exposed to any significant foreign exchange risk. The Company did not have any hedges or any other transactions related to foreign currency clearance at the time that these financial statements were issued. In the opinion of management, the foreign exchange risk exposure to the Company is low.

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company actively manages its liquidity risk through cash and equity management strategies. Such strategies include continuously monitoring forecasted and actual cash flows from operating, financing and investing activities.

The Company's cash flow is generated from debt financing or equity raises.

The Company monitors cash on a regular basis and reviews expenses to ensure costs and commitments are being paid in a timely manner. Management has worked with and negotiated with vendors to ensure payment arrangements are satisfactory to all parties and that monthly cash commitments are managed within the Company's operating cash flow capabilities.

As at March 31, 2020, the Company has cash balance of \$9,003. The following table summaries amount and maturity dates of the Company's contractual obligations as of March 31, 2020:

	<b>Within 1 year</b>	<b>1-3 years</b>	<b>Total</b>
Accounts payable and accrued liabilities	\$ 416,709	\$ -	\$ 416,709
Promissory notes payable	30,263	193,799	224,062
	<b>\$ 446,972</b>	<b>\$ 193,799</b>	<b>\$ 640,771</b>

(f) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount, such as a debt instrument held with a floating interest rate. In the opinion of management, the cash flow risk exposure to the Company is low.

**Subsequent Events**

Between April 1, 2020 and April 15, 2020, a total of 4,874,699 Common Shares were issued pursuant to a non-brokered private placement for aggregate proceeds of \$731,205.

On April 15, 2020, the Company further granted 746,666 stock options to its key management at exercise price of \$0.15 per share and with an expiring period of 24 months since the granting date.

On April 16, 2020, the Company secured an interest-free loan from the Bank of Montreal in the amount of \$40,000 pursuant to the Government of Canada's Canada Emergency Business Account, which was available to help Agile cope with the disruption caused by the COVID-19 virus ("COVID"). The Agile Loan will be used to help finance the continued development of the business of the Resulting Issuer and for general working capital purposes. The Resulting Issue will only be required to repay \$30,000 of the Agile Loan if such repayment is made in full on or before December 31, 2022

On May 1, 2020, the Company has extended maturing date of \$30,263 promissory notes from May 28, 2020 to May 28 2022.

On May 28, 2020, 1,050,000 warrants issued on May 28, 2018 were expired.

On April 30, 2020, 100,000 stock options the Company granted to one prior employee were forfeited.

As at June 15, 2020, Agile had 77,409,446 Common Share issued and outstanding.

There are no events subsequent to year end, which would have a material impact on the financial statements or would require adjustment or disclosure to the financial statements.

**APPENDIX “E”**  
**PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER**

Find attached the pro forma financial statements of the Resulting Issuer after giving effect to the Transaction as at March 31, 2020.

**Stowe One Investments Corp.**  
**Pro Forma Consolidated Financial Statements**  
**As At March 31, 2020**

(Unaudited – In Canadian Dollars unless otherwise specified)

## Stowe One Investments Corp.

### Pro Forma Consolidated Statement of Financial Position

March 31, 2020

(Unaudited – In Canadian Dollars unless otherwise specified)

	Stowe One Investments Corp.	Agile Blockchain Corp.	Notes	Adjustments Dr.	Adjustments Cr.	Notes	Acquisition formula	Resulting Issuer, March 31, 2020
	March 31, 2020	March 31, 2020						
<b>Assets</b>								
Cash and cash equivalents	153	9,003	3(a)	731,205	-			
			3(f)	40,000			-	780,361
Trade and other receivables	9,492	28,983	3(g)	115,456			-	153,931
Prepaid Expenses and deposits	-	84,366		-	-	3(d)	(75,000)	9,366
Other taxes receivable	-	29,995		-	-		-	29,995
<b>Total current assets</b>	<b>9,645</b>	<b>152,347</b>		<b>886,661</b>	<b>-</b>		<b>(75,000)</b>	<b>973,653</b>
<b>Non-Current assets</b>								
Right-of-use assets	-	33,137		-	-		-	33,137
Property plant and equipment	-	10,835		-	-		-	10,835
<b>Total non-current assets</b>	<b>-</b>	<b>43,972</b>		<b>-</b>	<b>-</b>		<b>-</b>	<b>43,972</b>
<b>Total assets</b>	<b>9,645</b>	<b>196,319</b>		<b>886,661</b>	<b>-</b>		<b>(75,000)</b>	<b>1,017,625</b>
<b>Liabilities and shareholders' equity</b>								
<b>Current liabilities</b>								
Trade and other payables	42,300	416,709		-	-	3(c)	62,000	521,009
Deposit	75,000	-		-	-	3(d)	(75,000)	-
Deferred revenue	-	24,955						24,955
Lease liability - current	-	31,854		-	-		-	31,854
Promissory note payable	-	30,263	3(e)	30,263	-		-	-
	117,300	503,781		30,263	-		(13,000)	577,818
Promissory note payable	94,419	193,799	3(e)		30,263		-	318,481
Loan payable	-	-	3(f)	-	40,000			40,000
Lease liability - long term	-	5,951		-	-		-	5,951
	211,719	703,531		30,263	70,263		(13,000)	942,250
<b>Shareholders' equity (Deficit)</b>								
Share capital	268	1,543,663	3(a)	-	731,205			
						3(b)	(268)	
						3(b)	378,767	2,653,635
Warrants	-	56,666		-	-		-	56,666
Contributed surplus	-	606,846		-	-		-	606,846
Accumulated deficit	(202,342)	(2,714,387)		-	-	3(b)	(580,841)	
				-	-	3(b)	202,342	
				-	-	3(c)	(62,000)	
			3(g)	-	115,456			(3,241,772)
<b>Total shareholders' equity</b>	<b>(202,074)</b>	<b>(507,212)</b>		<b>-</b>	<b>846,661</b>		<b>(62,000)</b>	<b>75,375</b>
<b>Total liabilities and shareholders' equity</b>								
	<b>9,645</b>	<b>196,319</b>		<b>30,263</b>	<b>916,924</b>		<b>(75,000)</b>	<b>1,017,625</b>



## Stowe One Investments Corp.

### Pro Forma Consolidated Statement of Comprehensive Loss

March 31, 2020

(Unaudited – In Canadian Dollars unless otherwise specified)

	<b>Stowe One Investments Corp.</b>	<b>Agile Blockchain Inc.</b>	<b>Note</b>	<b>Adjustments Dr.</b>	<b>Adjustments Cr.</b>	<b>Resulting Issuer, March 31, 2020</b>
	<i>March 31, 2020</i>	<i>March 31, 2020</i>				
Revenue	-	10,000		-	-	10,000
<b>Expenses</b>						
Development costs	-	13,838		-	-	13,838
Management fees	-	13,000		-	-	13,000
Professional and consulting fees	13,950	54,842	3(c)	62,000	-	130,792
Salaries and benefits	-	117,467		-	-	117,467
General and administrative expenses	1,036	6,868		-	-	7,904
Marketing	-	1,628		-	-	1,628
Share-based compensation	-	43,690	3(e)	30,263	-	73,953
Amortization	-	7,979		-	-	7,979
Interest expense	-	6,812		-	-	6,812
Gain on debt restructuring	-	(22,563)		-	-	(22,563)
Government tax credit (SR&ED)	-	(109,946)	3(g)	-	(115,456)	(225,402)
Listing expense	-	-	3(b)	580,841	-	580,841
<b>Total expenses</b>	<b>14,986</b>	<b>133,615</b>		<b>673,104</b>	<b>- 115,456</b>	<b>706,249</b>
<b>Net and comprehensive loss</b>	<b>(14,986)</b>	<b>(123,615)</b>		<b>(673,104)</b>	<b>115,456</b>	<b>(696,249)</b>
Total shares outstanding						79,934,558
<b>Loss per share</b>						<b>(0.01)</b>

## Stowe One Investments Corp.

### Pro Forma Consolidated Statement of Comprehensive Loss

December 31, 2019.

(Unaudited – In Canadian Dollars unless otherwise specified)

	<u>Stowe One Investments Corp.</u>	<u>Agile Blockchain Inc.</u>	<u>Note</u>	<u>Adjustments Dr.</u>	<u>Adjustments Cr.</u>	<u>Resulting Issuer</u>
	<i>December 31, 2019</i>	<i>December 31, 2019</i>				<i>December 31, 2019</i>
Revenue	-	-		-	-	-
<b>Expenses</b>						
Development costs	-	121,915		-	-	121,915
Management fees	-	17,206		-	-	17,206
Professional and consulting fees	24,770	279,092	3(c)	62,000	-	365,862
Salaries and benefits	-	493,297		-	-	493,297
General and administrative expense:	33,786	60,976		-	-	94,762
Marketing	-	34,019		-	-	34,019
Finance expenses	-	-		-	-	-
Share-based compensation	-	285,044		-	-	285,044
Amortization	-	32,103		-	-	32,103
Interest expense (Income)	-	17,873		-	-	17,873
Gain on debt restructuring	-	(64,275)		-	-	(64,275)
Listing expense	-	-	3(b)	580,841	-	580,841
<b>Total expenses</b>	<u>58,556</u>	<u>1,277,250</u>		<u>642,841</u>	<u>-</u>	<u>1,978,647</u>
<b>Net and comprehensive loss</b>	<u>(58,556)</u>	<u>(1,277,250)</u>		<u>(642,841)</u>	<u>-</u>	<u>(1,978,647)</u>
Total shares outstanding						79,934,558
<b>Loss per share</b>						<b>(0.02)</b>

# **Stowe One Investments Corp.**

## **Notes to the Pro Forma Consolidated Financial Statements**

**March 31, 2020.**

**(Unaudited – In Canadian Dollars unless otherwise specified)**

### **1. Basis of Presentation**

The accompanying unaudited pro forma consolidated statement of financial position of Stowe One Investments Corp. (“Stowe One” or “the Company”) has been prepared by management to reflect the acquisition of Agile Blockchain Corp. (“Agile”) by Stowe One after giving effect to the proposed transactions as described in Notes 2 and 3.

The unaudited pro forma statement of financial position has been prepared for inclusion in the Non-Offering Prospectus of the Company in relation to its acquisition of 100% of the issued and outstanding common shares of Agile (“Amalgamation”). Completion of the acquisition is subject to customary closing conditions, including all necessary approvals and consents and all applicable Canadian Securities Exchange (“CSE”) approvals. In the opinion of the Company’s management, the unaudited pro forma consolidated statement of financial position includes all adjustments necessary for fair presentation of the transactions contemplated in the Amalgamation agreement (“Amalgamation Agreement”).

In connection with the Amalgamation, Stowe One intends to continue its domicile in the Province of British Columbia.

### **2. Pro Forma Assumptions**

The unaudited pro forma consolidated statement of financial position is prepared as if the transaction described below occurred on March 31, 2020.

The Amalgamation is subject to the satisfaction of all closing conditions and receipt of regulatory and shareholder approvals, if necessary.

The unaudited pro forma financial statements of Stowe One should be read in conjunction with the December 31, 2019 consolidated financial statements of Stowe One and Agile and March 31, 2020 unaudited condensed interim financial statements of Stowe One and Agile.

The unaudited pro forma consolidated statement of financial position of the Company has been compiled from and includes:

- a) The consolidated statement of financial position of the Company as at December 31, 2019;
- b) the unaudited condensed interim statement of financial position of Agile as at March 31, 2020;
- c) the unaudited condensed consolidated interim statement of financial position of Stowe One as at March 31, 2020; and
- d) the additional information and assumptions set out in Note 2 and Note 3.

For presentation purposes the Amalgamation is assumed to have occurred at March 31, 2020. The unaudited pro forma consolidated statement of financial position is not intended to reflect the financial position of the Company which would have actually resulted had the proposed transactions been affected on the date indicated. Actual amounts recorded upon consummation of the Amalgamation Agreement will differ from those recorded in the

unaudited pro forma consolidated statement of financial position. No adjustments have been made to reflect additional costs or cost savings that could result from the combination of the operations of Stowe One and Agile.

### Principal Terms of the Transaction

The Transaction will involve the amalgamation of Agile with 1191212 BC Ltd. ("NewCo"), a wholly-owned subsidiary of the Company. Pursuant to the Amalgamation Agreement, the Company will issue Resulting Issuer Shares, Resulting Issuer Warrants, Resulting Issuer Stock Options and Resulting Issuer Compensation Options in exchange for the delivery of the Agile Shares, Agile Warrants, Agile Stock Options and Agile Compensation Options, respectively. The aggregate number of Resulting Issuer Shares, Resulting Issuer Warrants, Resulting Issuer Stock Options and Resulting Issuer Compensation Options to be issued in exchange for the issued and outstanding Agile Shares, Agile Warrants, Agile Stock Options and Agile Compensation Options shall be determined by multiplying the relevant number of Agile Securities issued and outstanding at the time of Closing by the Share Exchange Ratio. In addition, if the Agile Compensation Shares have not been issued by Agile as of the Closing Date, the Resulting Issuer has agreed that it is contractually obligated to issue Resulting Issuer Shares on the same terms subject to appropriate adjustments proportional to the Share Exchange Ratio.

Thus, an aggregate of 77,409,446 Resulting Issuer Shares, 3,300,000 Resulting Issuer Warrants, 5,802,500 Resulting Issuer Stock Options will be issued in exchange for the Agile Shares, Agile Warrants and Agile Stock Options. See "Information Concerning the Resulting Issuer – Pro Forma Fully Diluted Share Capital" for details with respect to the Agile Securities being exchanged for Resulting Issuer Securities.

There are currently 72,534,747 Agile Shares, 3,300,000 Agile Warrants and 5,802,500 Agile Stock Options issued and outstanding. Immediately prior to Completion of the Transaction, the Agile Private Placement will be completed by issuance of a total of 4,874,699 Agile Shares.

There are currently total 7,214,607 Stowe One Shares and Nil Stowe One Options issued and outstanding. In addition, it is expected that prior to the Completion of the Transaction, the Company will change its name to "Solubl Solutions Inc."

The Company and Agile have entered into a Letter of Intent ("Agreement") dated December 21, 2018. Pursuant to the terms of the Agreement, the Company intends to issue an aggregate of 70,374,747 common shares to the former shareholders of Agile in exchange for all of the issued and outstanding Agile shares at an exchange ratio of one new shares for each old Agile share (the Acquisition").

### 3. Pro Forma Adjustments

- a) In April 2020, Agile closed \$731,205 private placement financings (the "Financing") through issuance of 4,874,699 shares at \$0.15 per share.
- b) Agile Acquisition  
Since the Company's operations do not constitute a business, the Transaction has been accounted for in accordance with IFRS 2, which results in the following:

Agile is deemed to be the acquirer and the Company is deemed to be the acquiree for accounting purposes;

Accordingly, the assets and liabilities of Stowe One are included in the unaudited pro forma consolidated statement of financial position and are presented at their fair value, which is deemed to be equal to their

carrying value; The pre-acquisition equity of Stowe One will be eliminated upon consolidation. This includes its share capital of \$268, reserve for stock options of \$nil and accumulated deficit of \$(202,342).

The purchase price is recorded as the cost to acquire the share capital at the fair value at the time of the transaction. The excess of the amount paid over the fair value of the assets is charged to listing expense. Accordingly, share capital is increased by \$378,767 and \$nil being the fair value of common shares and options issued for the acquisition. (See Note 5)

Stowe One and Agile have executed a letter of intent which outlines the proposed terms by which Stowe One will acquire Agile. As consideration for Agile, Stowe One has agreed to issue 77,409,446 common shares of the Company (the "Consideration Shares") to the Shareholders on closing of the Transaction.

- c) **Transaction Costs**  
The transaction costs related to the acquisition are estimated at \$62,000 for the professional fees, exchange and transfer agent fees.
- d) **Deposits** – the deposits paid by Agile for the Transaction will be eliminated through the consolidation of Agile and Stowe One.
- e) Subsequent to March 31, 2020, Agile extended promissory notes of \$30,263 by an additional term of 24 months.
- f) Subsequent to March 31, 2020, Agile secured a loan of \$40,000 from its financial institution.
- g) Subsequent to March 31, 2020, Agile applied for a SR&ED tax credit for its continuing and previously approved research and development project in the amount of \$115,456, net.

#### 4. Pro Forma Share Capital March 31, 2020

<b>Pro Forma Number of Common Shares</b>	<b>Shares</b>	<b>Amount</b>
Agile Blockchain Shares at March 31, 2020	72,534,747	\$ 1,543,663
Shares issued - private placement - Agile	4,874,699	731,205
Shares outstanding prior to acquisition	77,409,446	2,274,868
Share exchange @ 1.00 new share for each old share	77,409,446	
Stowe One Shares at March 31, 2020	7,214,607	378,767
Stowe One - Share consolidation (1 : 2.8571429)	(4,689,495)	-
<b>ProForma Balance of common shares outstanding</b>	<b>79,934,558</b>	<b>\$ 2,653,635</b>

## Warrants

	<b>Number of Warrants</b>	<b>Amount</b>
Agile Blockchain Warrants at March 31, 2020	3,300,000	\$ 56,666
Agile Blockchain Special warrants - March 31, 2020	-	\$ -
	<u>3,300,000</u>	<u>\$ 56,666</u>

## Stock Options

	<b>Number of Options</b>	<b>Amount</b>
Agile Blockchain Options at March 31, 2020	5,802,500	\$ 315,020
	<u>5,802,500</u>	<u>\$ 315,020</u>

As part of the transaction the resulting issuer will issue 5,802,500 replacement options to holders of Agile Options. The fair value of the Options has been estimated at the date of issue using the Black-Scholes warrant pricing model with the following assumptions: (i) expected dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk-free interest rate of 1.88%; (iv) share price of \$0.10; forfeiture rate of nil; and (v) expected life of 24 months. The expected volatility is based on the trading prices of comparable companies.

## 5. Acquisition – listing expense

### **Total purchase price of Stowe One is as follows:**

Common shares issued and outstanding, Stowe One	7,214,607
Stowe One - Share consolidation (1 : 2.8571429)	<u>(4,689,495)</u>
	2,525,112
Price per share based on concurrent financing	<u>\$ 0.15</u>
Cost of acquisition, share issuance	378,767
Fair value of stock options issued	<u>-</u>
Total consideration	378,767
Fair value of net liabilities including cash	<u>202,074</u>
Excess paid over assets - listing expense	<u>580,841</u>

### **Fair Value of Net Liabilities of Stowe One:**

Assets	9,645
Liabilities	<u>(211,719)</u>
	<u>(202,074)</u>

## 8. Income Tax

The effective consolidated pro forma tax rate is expected to approximate 26.5%. The Company will have over \$2 million in tax loss carry forwards to use in Canada.

**CERTIFICATE OF STOWE ONE**

Dated: August 14, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Stowe One and Agile as required by the securities legislation of Ontario, British Columbia and Alberta.

(signed) "*Walter Coles*"

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Walter Coles  
Chief Executive Officer

(signed) "*Andrew MacRitchie*"

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Andrew MacRitchie  
Chief Financial Officer

On Behalf of the Board of Directors

(signed) "*Joseph E. Mullin*"

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Joseph E. Mullin  
Director

(signed) "*Barbara Broughton*"

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Barbara Broughton  
Director

**CERTIFICATE OF AGILE**

Dated: August 14, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Stowe One and Agile as required by the securities legislation of Ontario, British Columbia and Alberta.

(signed) "*Raymond Pomroy*"

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Raymond Pomroy  
Chief Executive Officer

(signed) "*Khurram Qureshi*"

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Khurram Qureshi  
Chief Financial Officer

On Behalf of the Board of Directors

(signed) "*Vikas Gupta*"

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Vikas Gupta  
Director

(signed) "*Musabbir Chowdhury*"

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Musabbir Chowdhury  
Director



## **CERTIFICATE OF THE PROMOTER**

Dated: August 14, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Stowe One and Agile as required by the securities legislation of Ontario, British Columbia and Alberta.

(signed) "*Raymond Pomroy*"

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Raymond Pomroy